

India and its Extended Neighbourhood: Engagements with Mongolia and Central Asia

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Introduction

The 2015 visit of the Indian Prime Minister Narendra Modi to Mongolia and Central Asia has been of great significance for reinvigorating the efforts made by New Delhi towards comprehensive engagement in its extended neighbourhood. While in June Modi became first ever Indian Prime Minister to have visited Mongolia, next month in July he became the first Indian Prime Minister to have visited all five Central Asian Republics during a single trip. Modi's visit to these places became all the more important given that importance of both Mongolia and Central Asia to India today not just remains a civilizational but a geostrategic and economic as well. India, thus, seems to be trying to build up, what scholars believe, its "strategic role" in both Mongolia and Central Asian region as "a neighbour, regional power and a global actor" in the face of China's economic pre-eminence and Russia's geopolitical interests.¹ However, one must not forget that democracy and Buddhism are the two key elements that bind India with

Mongolia in addition to successful diplomacy being pursued by the two sides towards each other. After Modi took over power in 2014, India's foreign policy has taken new directions not only towards its neighbours but also towards its extended neighbourhood. As regards East Asia since 1993 India's "Look East" policy had been working well until Modi government took a resolute stand to make India's vigorous presence in this region. The result was that "Look East" policy was changed in to "Act East" policy. With this new policy Northeast Asia also came into prominence in India's foreign policy. Mongolia, which belongs to the Northeast Asia, became a key country in India's "Act East" policy, while India became a key "third neighbour" country in Mongolia's foreign policy. So far as Central Asia is concerned, India's "Look North" policy resulted in adopting "Connect Central Asia" policy in order to realize a more comprehensive engagement with this region. Such an urge for New Delhi's engagements with both Mongolia and Central Asia

1. Bhavna Dave, *Resetting India's Engagement in Central Asia: From Symbols to Substance*, Policy Report, January, Singapore: RSIS, Nanyang Technological University, 2016, p.2.

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is influenced by the premise that it will help India to gain necessary support for its emerging regional/global power status besides boosting India's efforts to play a greater role in the regional dynamics of Asia.

It is in this context that this paper examines India's engagements with Mongolia and Central Asia after the Soviet collapse in 1991 that provided

rare opportunity to both the regions to grow independently. In the process, it also highlights the changes noticed in India's policy towards Mongolia and Central Asia and vice versa, especially after Indian Prime Minister Modi's visit to the regions in order to understand the developments in India-Mongolia and India-Central Asia ties.

India and Mongolia in the Post-1991 Period

The geo-strategic location of Mongolia with its open foreign policy in addition to having the basic tenet of NAM attracts India to strengthen its age-old bilateral relations with this small nation of merely 3 million population. But a more conducive period in cementing their relationship has been seen in the post-1991 period, i.e., after the end of the Cold War, when the concept of foreign policy has turned global. That means, no country whether big or small can exist in isolation because the act of one will affect the other and there are intense linkages between nations which cannot dare to function in isolation. Therefore, end of the Cold War provided an opportunity for various nations, particularly in Asia to experience a complete change in the international order. This gave enough space to nations to analyse the ideological and structural dimensions of their policies in political, social, economic and cultural fields. Such a change was also experienced by Mongolia after the Soviet collapse that

provided her a rare opportunity to come out of Soviet command and become part of the new international order.² As such Mongolia's foreign policy concerns came up for discussions or debates among the academics and policy makers that resulted in the formulation of a well-defined concept adopted in 1994. The essence of this foreign policy concept was that Mongolia will pursue an independent, non-aligned, multi-pillar and open foreign policy guided by its national interest. The geographical location has had a vital impact on the entire spectrum of foreign policy, and so relations with immediate neighbours were given a high priority with a declaration that Mongolia will pursue a balanced relationship with China and Russia.³ Yet, the uniqueness of the foreign policy concept can be understood in terms of "third neighbour" policy which implies that Mongolia will no longer depend on one neighbour rather on as many countries and international institutions as possible.⁴

From the Mongolian perspective,

2. See, Address by N. Enkhbayar, President of Mongolia, "Mongolia's Foreign Policy: Efforts towards Regional Peace and Security", *Mongolian Journal of Strategic Studies*, 2008, pp.6-7.

3. Ibid.

4. Sharad K Soni, *Mongolia-Russia Relations: Kiakhta to Vladivostok*, Delhi: Shipra, 2001, p. 57.

currently the relationship between India and Mongolia is developing on the basis of third neighbour policy ever since India's name figured prominently as Mongolia's third neighbour in its revised foreign policy concept of 2011. However, looking back one may find that both countries have a close historical and cultural links since ancient time. Their traditional relations are truly based on common Asian heritage and Buddhist culture which helped cement their bilateral ties in modern times so much so that they are today known as "spiritual-neighbours".⁵ In the 19th and early 20th century, Buddhism served the Mongols as a main foundation of common identity and an effective instrument for raising the Mongol nationalism against the Qing rule of China. India is not only the homeland of Buddha but also a country "to which the Mongolian people attribute all that have been considered as the highest attainments of wisdom and learning."⁶ The one name which both the Mongols and the Indians give respect to is the Ven. Kushok Bakula Rimpoche who was instrumental in not only the post-Soviet revival of Buddhism in Mongolia but also in deepening the cultural ties through Buddhism between the two countries.⁷ In fact, Buddhism accelerated the process of spreading the Indian culture in Mongolia, and one can find that the Mongols have a

long tradition of having Sanskrit names.⁸ Over the years, the two countries have come closer both in terms of thinking and practice. During his visit to Mongolia even Prime Minister Modi acknowledged that "India is privileged to be considered as Mongolia's spiritual neighbour." The spiritual linkages between India and Mongolia, thus, push the two sides forward to cooperate each other in matters of mutual concerns as well as in the regional integration process.⁹

Although diplomatic relations between India and Mongolia were established on December 24, 1955, it was after 1991 that the two sides saw a new dimension in their relations largely due to the changes in their foreign policies which took into consideration the realities of the globalized world. Obviously, the two countries signed a Treaty of Friendly Relations and Cooperation in 1994, which laid down a firm foundation for further development of their bilateral relations and cooperation at regional and global levels. In January 2001, new bilateral agreements in the areas of information technology, defence and legal matters were signed during the visit of Mongolian President, N. Bagabandi to India.¹⁰ The year 2005 was remarkable as the two sides agreed to launch a new joint project for the establishment of a satellite-based e-network for tele-

5. Sharad K Soni, "India-Mongolia Relations: Implications for Regional Cooperation in North East Asia", *Mongolian & Tibetan Quarterly*, vol.18, no.2, 2009, p.51.
6. Vasanta Iyer, "Cultural Perspectives in Modern Mongolia," in K. Warikoo and Dawa Norbu (eds.), *Ethnicity and Politics in Central Asia*, New Delhi: South Asian Publishers, 1992, p.268.
7. Sharad K. Soni, "Buddhist Linkages between India and Mongolia: Implications for Austral-Asian Region", 9 February 2016, at http://www.chinabuddhismencyclopedia.com/en/index.php/Buddhist_Linkages_between_India_and_Mongolia:_Implications_for_Austral-Asian_Region_by_Dr._Sharad_K._Soni (accessed 30 April 2020).
8. Oidov Nyamdavaa, *Mongolia-India Relations*, New Delhi: Bhavana Books, 2003, p.22.
9. Sharad K Soni, "India's New Role in East Asia: Implications for Mongolia", *The Mongolian Journal of International Affairs*, no.13, 2006, p.41.
10. *Ibid.*

education and tele-medicine in Mongolia. Under this project it was decided that not only Mongolian educational institutions would be connected to Indian educational institutions through a dedicated satellite but also one or two Mongolian hospitals would be connected to Indian medical institutions in order to “enable Mongolia to have direct access to quality education and medical services through use of modern technology.”¹¹ An MoU was also signed for the establishment of an India-Mongolia friendship Agropark in Darkhan Uul province of Mongolia, while India would provide agricultural equipment, tractors and trucks etc. to be used in this Agropark.¹² India also agreed to waive the payment for the plot of land allotted to Mongolia at Bodh Gaya for construction of a Mongolian monastery, besides agreeing to digitalize precious Buddhist manuscripts kept in Mongolia.

Further in 2009, when Mongolian President Ts. Elbegdorj paid a state visit to India, the two sides issued a joint declaration on “comprehensive partnership”. This was visible in signing a crucial civil nuclear agreement for Mongolian supply of uranium to India for the use of peaceful purpose. In addition, the Mongolian Defence Minister, L. Bold was one of the special invitees at the 2009 Aero India exhibition and was also a member of the joint working group meeting in India.¹³ During the Mongolia visit of Indian President Pratibha Devi Singh Patil in July 2011, a line of credit

of US\$20 million was announced for setting up of “Centre of Excellence for IT, Communication & Outsourcing” in Ulaanbaatar. This Centre was named after former Indian Prime Minister Atal Bihari Vajpayee in May 2015. India also upgraded Rajiv Gandhi Polytechnic College for Production and Art and the Centre for Excellence in Information & Communication Technology Education. Following this visit the two countries began heading towards becoming good trading partners due to market oriented and internet-based relationship between them. Agreement on Trade and Economic Cooperation provided for MFN status to each other in respect of custom duties and all other taxes on imports and exports. India has been exporting pharma products, veterinary medicines, automobiles and their parts to Mongolia.

As regards cooperation in the field of science and technology, India took a decision in 2012 to acquire a mine in Mongolia which resulted in establishing the first steel plant there in order to reduce dependence on highly priced Australian coking coal.¹⁴ Mongolia’s vast mineral capacity of not only Coal but also Gold, Copper and Uranium reserves hold much promise for India and implementation of mining-related projects will generate significant demand for construction and mining equipment as well in areas of power generation, water supply and rail transport. Since India plans to expand steel production

11. Yogeshwar Varma, "India-Mongolia Relations," *Indian Studies in Mongolia*, no.1, 2007, p.18.

12. Soni, “India-Mongolia Relations”, p.56.

13. Herkan Neadan Toppo, “India-Mongolia Relations: Continuance of Endeavour”, *World Focus*, no. 383-384, 2011, pp.847-848.

14. “India to acquire coking coal mine in Mongolia”, *The Hindu*, 10 May 2012, at <http://www.thehindu.com/business/Economy/article3404225.ece> (accessed 30 April 2020).

from the current 80 MT to 200 MT by 2020, it is looking to get coking coal securitization, as there are no quality coking coal mines at home.¹⁵ Mongolia has prime quality coking coal which will prove to be beneficial for India in future. Earlier in 2010, both countries agreed to “operationalize” their civil nuclear cooperation and since then they have been working towards the potential joint

venture in the Uranium mining sector of Mongolia. This is expected to provide India much needed boost to meet partially if not fully its energy demands back home. The agreement on peaceful use of radioactive mineral and nuclear energy with Mongolia makes India the sixth nation to conclude such agreement after the US, Russia, France, Kazakhstan and Namibia.

Enhancing Ties through ‘Strategic Partnership’

Although further signs of solidifying bilateral ties came to light when India was elevated as ‘third neighbour’ in Mongolia’s revised foreign policy of 2011, it was the Modi’s visit to Mongolia in 2015 that the entire relationship saw a meaningful change. The Indian Prime Minister’s Mongolia visit was significant in the sense that China, for quite some time now, has been trying to increase its influence in its neighbourhood, “be it in South Asia or in East Asia” through what it calls as its “periphery policy” or “good neighbourly policy”.¹⁶ This prompted India too to nurture its good relations in China’s backyard and, hence, Modi’s visit to Mongolia can be considered as a motivating factor in this direction. Enhancing ties with China’s neighbouring countries, in recent years, has become an important dimension of India’s foreign policy. In sum, there were certain key factors that influenced Modi’s visit: “India’s ‘Act East’ Policy, the

China factor, and relevance of Buddhism to promote diplomatic ties between the two countries”.¹⁷ Therefore, experts described Modi’s visit as a “strategic step” in order to ensure India’s strong presence in China’s neighbouring region in the north where Mongolia has already been acknowledged as an integral part of New Delhi’s ‘Act East’ policy. All this gave a solid reason for advancing India-Mongolia ties to the level of a “strategic partnership.” In order to develop the strategic partnership more than 10 agreements were concluded between the two sides to cooperate in varied fields of mutual concerns in which urge for economic cooperation was clearly visible.

Ever since Mongolia opted for market economy and introduced the private sector as the primary basis of the development of its national economy, the government attached great importance to develop a comprehensive economic and trade cooperation with India. Both the

15. Ibid.

16. Sharad K Soni, “Emerging Dimensions of India-Mongolia Relations”, *Indian Foreign Affairs Journal*, vol. 11, no. 1, 2016, p.54.

17. Ibid, p. 52.

countries have geographical compulsions in terms of carrying out trade but they have the political will and understanding for cooperation. Mongolia is mineral rich country in coking coal, copper, rare earths and uranium and India knows its potential for cooperation with Mongolia in the mineral sectors. When Prime Minister Modi visited Mongolia he showed a lot of excitement to encourage trade and even announced a US\$1 billion credit line to Mongolia for infrastructure development, that is now invested for the implementation of Oil Refinery. The development of economic sectors is linked to many more developments. India can take the advantage in exploring the industrial sector of Mongolia. A memorandum of understanding between Tata Memorial Centre of India and National Cancer Centre of Mongolia for gifting of Bhabhaton II Telecobalt unit along with Radiotherapy simulator has also been signed. There is much scope for mutually beneficial cooperation in specific areas such as information and space technology as well as biotechnology where prospects of future development are assured. India can also explore the possibilities of using digital technology to expand its economic relations with Mongolia.

More recently, in September 2019 when Mongolia's President Kh. Battulga visited India the two countries acknowledged the untapped potential

for further development of bilateral trade and investment, especially in the field of agricultural commodities, dairy products and animal husbandry, mining, information technology, pharmaceuticals and tourism etc. Therefore, the Ministry of Fisheries, Animal Husbandry and Dairying of India signed an agreement with the Ministry of Agriculture of Mongolia on cooperation in animal husbandry and dairy products. The agreement has opened the possibility for Mongolia to export animal raw materials to India and import cheap and high-quality animal pharmaceuticals in exchange, which could push the investment besides increasing the trade turnover further.¹⁸ Already the trade turnover between the two countries increased to US\$ 52.6 million in 2018 while compared to 2017 when the trade figure was at US\$37.5 million.¹⁹ However, it has again saw a downturn in 2019 when the total bilateral trade was registered at US\$38.3 million but it is still better than 2017 figure. Another highlight of Mongolian President's India visit was that the two sides, for the first time, explored the possibility of cooperating in areas of space research and renewable energy. According to an Indian diplomat, "Solar energy is abundant and cooperation is solicited especially as India has emerged as the leader by way of International Solar alliance and her very own ambitious alternate and renewable

18. E. Erdenejargal, "State visit enhances Mongolia-India strategic partnership", *Montsame*, 30 September 2019, at <https://montsame.mn/en/read/202211>(accessed 5 May 2020).

19. "Brief on India-Mongolia Relations", Embassy of India, Ulaanbaatar, January 2020, at <https://coi.gov.in/ulaanbaatar/?pdf4346?000> (accessed 5 May 2020).

energy projects”.²⁰

In order to further strengthen strategic partnership between the two countries India has also approved Mongolia’s request for extending an additional investment of US \$236 million for the oil refinery being constructed in Mongolia, thus taking India’s total commitment for this project to US\$ 1.236 billion.²¹ After completion of its construction in 2022, the oil refinery plant will help Mongolia to cut some of its dependence on Russian fuel as the plant has an annual capacity to refine 1.5 million metric tonnes of Mongolia’s own crude oil to be able to ensure 70 per cent of the total use of domestic oil consumption.²² Presently, reliance on essential energy and fuel supplies from Russia makes Mongolia vulnerable to supply shocks and price rises, especially as Russia has been known to turn off supply taps time and again.²³ Although there has been no reaction from Russia, Mongolia’s own oil refinery will drastically reduce such vulnerability in future. In this regard, Mongol Refinery has been quoted as saying “by establishing this strategically important oil refinery, the national economy [of Mongolia] will become

independent from energy imports, and fuel and commodity prices will be stabilized.”²⁴

India-Mongolia relationship has developed in defence and security cooperation also because “Mongolia perceives its proximity with India as not only a window to the outside world, but also as a factor to balance China.”²⁵ It is a fact that Mongolia has benefited from cooperation with India in the field of defence and other military concerns. Mongolia has regularly been restructuring their military into an effective peace keeping force for the UN mission world-wide. India as a third largest supplier of forces to the UN is an excellent partner for Mongolia in training for such mission. It is worth pointing out that Mongolia and India have recently started conducting several joint military trainings and war-games including an annual India-Mongolia military exercises “Nomad Elephant”. India has been providing training facilities to Mongolian defence, peace-keeping and military operations. Both countries signed a bilateral defence cooperation agreement during Indian President Patil’s visit to Mongolia in July 2011. India, at that time, was keen

20. Anil Trigunayat, “India-Mongolia: The spiritual neighbours embark on an enhancing journey”, *Financial Express*, 23 September 2019, at <https://www.financialexpress.com/defence/india-mongolia-the-spiritual-neighbours-embark-on-an-enhancing-journey/1715139/> (accessed 5 May 2020).

21. Erdenejargal, “State visit enhances Mongolia-India strategic partnership”.

22. Utpal Bhaskar, India helps Mongolia for its first petrochemical refinery”, *Mint*, 8 October 2019, at <https://www.livemint.com/news/india/india-helps-mongolia-for-its-first-petrochemical-refinery-11570503850116.html> (accessed 15 October 2020).

23. Fayen Wong, “RPT-Mongolia’s energy reliance on Russia, China a key risk”, *Reuters*, 22 June 2011, at <https://in.reuters.com/article/mongolia-fuel/rpt-mongolias-energy-reliance-on-russia-china-a-key-risk-idUSL3E7HM03J20110622> (accessed 15 October 2020).

24. “Mongolia launches construction of first oil refinery with Indian aid”, *Hydrocarbon Processing*, 22 June 2018, at <https://www.hydrocarbonprocessing.com/news/2018/06/mongolia-launches-construction-of-first-oil-refinery-with-indian-aid> (accessed 15 October 2020).

25. “Global Insider: India-Mongolia Relations”, Sharad K Soni’s Interview, *World Politics Review*, 21 September 2011, at <https://www.worldpoliticsreview.com/trend-lines/10082/global-insider-india-mongolia-relations> (accessed 8 May 2020).

to enhance defence ties with Mongolia. The motivation for such keenness is simple-New Delhi believes that it will be more competitive in Mongolia's lucrative mining and trade sectors if it diversifies its engagement from investor to strategic partner.²⁶ There is regular consultation between the national Security Councils of India and Mongolia on issues of mutual interest in regional and multilateral affairs including on the subject of terrorism. In recent years, particularly after Modi's visit to Mongolia, the renewal of defence cooperation agreement is considered to be very important as it may give a boost to India's disguised policy of engaging with the neighbours of China in a more discrete manner.

There is no doubt that in recent years, especially after Modi's visit to Mongolia, the strategic partnership between the two countries has been giving a boost to enhancing their bilateral relationship, which has further been strengthened with the visit of the Mongolian President Battulga to India. This only confirms that both sides give due importance to each other in their respective foreign policy.

But what is noteworthy is that Mongolia's determination to continue with democracy has developed from various geostrategic concerns, including China's continued military superiority which poses potential threat to Ulaanbaatar. This obviously requires Mongolia to expand its outreach to other powers in Asia in which India figures prominently. India, on its part, visualizes a positive role for Mongolia in regional affairs, particularly in Central Asia and Northeast Asia. These two regions are vital for India given the fact that New Delhi has been trying to reconnect and become an important player in both the regions. In this respect, Mongolia's role could be important for India considering Mongolia being something of a hinge between the two regions – Central Asia and Northeast Asia. Close cooperation at regional security organisations like Shanghai Cooperation Organisation (SCO) and Ulaanbaatar Dialogue Initiative on Northeast Asian Security (UBD) would go a long way in building confidence and mutual understanding on interregional cooperation between India and Mongolia.

India and Central Asia in the Post-1991 Period

Located in the core region of the Asian continent Central Asia stretches from the Caspian Sea in the west to China in the east and from Afghanistan in the south to Russia in the north. It is a new geopolitical formation since gaining independence after the Soviet collapse which left the entire Central Asian region with economic and security

challenges. But, at the same time, these challenges also provided Central Asia with opportunity to become an important strategic region attracting global powers both in the neighbourhood as well as in the 'extended' neighbourhood. Consequently, India too came to the forefront and began reviving its age-old ties with Central Asia on a new basis

26. J. Berkshire Miller, "India, Mongolia Cosy Up", *The Diplomat*, 17 September 2011, at <http://thediplomat.com/flashpoints-blog/2011/09/17/india-mongolia-cosy-up/> (accessed 8 May 2020).

keeping in mind the post-1991 scenario.

After Central Asian Republics gained independence following the Soviet collapse in 1991, India lagged behind other regional actors in Central Asia despite having geographical proximity and economic potential as well as growing strategic interest. The reason was that in the early 1990s, India had just set off on a policy of economic reforms and so it was not in a position to exploit trade and investment opportunities with these new republics. Rather since 1993 India began concentrating its economic and diplomatic resources on its “Look East” policy (currently “Act East” policy) which focussed on the development of its relations with Southeast and East Asia. However, other reasons cannot be negated in the establishment of meaningful ties between the two sides which kept India slow in pursuing its forceful foreign policy objectives in Central Asia. These reasons can be identified as follows:²⁷

1. During the Soviet era, India did not get much opportunity for direct interaction with individual Soviet Central Asian Republics, and hence it had to start afresh;
2. In the early 1990s, due to the commencement of economic reforms India was busy in correcting its own domestic economy rather than looking for trade and investment opportunities in Central Asia, especially when the latter itself lacked the means to cast its economic nets abroad;

3. Transportation facilities which could allow trade and other exchanges between India and Central Asia were restricted by formidable political and geographical barriers;
4. Apart from Russia, China and United States, other countries of the region including Pakistan engaged themselves in trying to establish their stronghold in Central Asia with some even trying to outmanoeuvre India;
5. The continued hostilities with Pakistan greatly complicated India’s access to Central Asia in terms of geographical connectivity that is crucial for the establishment of viable energy, trade, and commercial links; and
6. The rising cross-border terrorism stemming from Islamic fundamentalism posed serious security challenges for both India and Central Asia thus threatening the regional peace and security that could otherwise help develop meaningful ties between the two sides.

Thus, due to the aforementioned reasons initially India had to lose the course in Central Asia, while the other global powers including the western multinationals were able to discover the Central Asian markets and made major efforts for exploiting energy resources of the region. Although India remained unable to make its vibrant presence in Central Asia in economic

27. Sharad K Soni and Vaishali Krishna, “India and Central Asia: Quest for Reconnection” in Biswanath Chakraborty and Debasish Nandy (eds.), *An Outline of Indian Foreign Policy and Relations*, Kolkata: Mitram, 2016, p. 82.

terms, the stability of Central Asian Republics has always been of prime concern considering India's strategic interests in the region. Nevertheless, since the beginning of the twenty first century the "Look North" policy was envisioned to guard India's national interests in Central Asia.²⁸ The objectives of this policy to be pursued by India in the Central Asian region included the following: maintaining peace and stability; preventing terrorism; securing energy security; making the region an integral part of the expanded trade network; establishing mutually beneficial economic ties; working for greater regional cooperation and monitoring drug trafficking.²⁹ These goals and objectives of India's Central Asia policy have remained almost constant since the end of the 1990s.³⁰ From then onwards Indian policy has been more consistent and focused with respect to its opportunities, concerns and challenges in Central Asia that gave way to yet another more focused strategy known as "Connect Central Asia" policy.

India's "Connect Central Asia" policy was launched after Central Asia was viewed as part of India's "extended neighborhood" and as an area where India has core geostrategic, both economic and security interests. The success of India's economic liberalisation as well as further expansion of India's

economic profile needed it to seek access to the Central Asian market as it also holds strategic importance in terms of trade routes and connectivity with the broader Eurasian region. The fast-growing Indian economy fuelled by India's energy needs required to expand and diversify its present sources of supply. In this perspective, supplies from oil and gas rich Central Asia become crucial for India's energy. Therefore, there is huge potential for upstream Indian oil and gas companies "to invest in exploration and production in the Central Asian region and to develop it as an alternative to indigenous resources".³¹ All these concerns contributed much to the renewed thinking of Indian policy makers so far as Central Asia is concerned. As a result, despite India's weak economic presence in Central Asia, reformulation of India's Central Asia policy culminated in unveiling the new "Connect Central Asia" policy in June 2012. This policy is based on pro-active political, economic, cultural and people-to-people engagement with all the five Central Asian countries, both individually and collectively.³²

It all started at the first India-Central Asia Dialogue, a Track-II initiative which was organised on 12-13 June 2012 in Bishkek, the capital city of Kyrgyzstan, in order to take further steps towards building a long term partnership with the Eurasian region. It was during this

28. Sébastien Peyrouse, "Domestic and International Articulation", Marlène Laruelle and Sébastien Peyrouse (eds.), *Mapping Central Asia: Indian Perceptions and Strategies*, Surrey & Burlington: Ashgate, 2011, p.78.

29. Kuldip Singh, "Introduction", in Kuldip Singh (ed.), *South-Central Asia: Emerging Issues*, Amritsar: Guru Nanak Dev University, 2004, pp.2-4.

30. Peyrouse, "Domestic and International Articulation", p.78.

31. B. Brar, "Images in the Mirror: India and 'Central Asia in Transition'", in Kuldip Singh (ed), *South-Central Asia: Emerging Issues*, Amritsar: Guru Nanak Dev University, 2004, p.28.

32. Sharad K. Soni, Book Review: *Mapping Central Asia: Indian Perceptions and Strategies*, Marlène Laruelle and Sébastien Peyrouse (eds.), Surrey and Burlington: Ashgate, 2011, *India Quarterly*, vol.69, no.1, 2013, p. 90.

regional conference that India's "Connect Central Asia" Policy was unveiled. India, thus, embarked on a path for a deep, meaningful and sustained engagement with Central Asia. However, the word "connect" is the focus here, i.e., connectivity between India and Central Asia - both physical and electronic. One of the more creative initiatives on India's part has been a plan to link the five republics of Central Asia to each other and to India electronically, along the lines of the Pan-African e-network developed by India for the African Union nations. In addition, the most valuable resource available in the Central Asian region is energy, whether it is oil, gas or hydroelectric power. Economic cooperation with Tajikistan can benefit a lot in satisfying energy needs of India because it is the second largest producer of hydroelectricity in the Commonwealth of Independent States, after Russia. Yet, Kazakhstan, Uzbekistan and Turkmenistan are much richer sources of energy. One of the more promising projects is the 1800km-long Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline, often publicised as the "peace pipeline". The TAPI pipeline will have a capacity to carry 33 billion cubic metres of Turkmen gas to energy-starved South Asia for a period of 30 years.³³ The construction of TAPI was

expected to be completed and become operational by 2018, but got delayed due to one or the other reason.

At this juncture it is important to point out that there has been a marked shift in the conduct of Indian foreign policy in the post-1991 period, i.e., a shift from the unilateralism of previous eras to a multilateral approach which resulted in India adopting a proactive approach towards Central Asia.³⁴ Such flexibility has helped India to enhance its foothold in all the Central Asian Republics in the post-1991 period which has been reflected in an increased profile of a bilateral exchange between India and the Central Asian Republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. High-profile leaders from the five Republics were invited on state visits to India and vice versa over a period of time. Such visits resulted in the signing of a wide-ranging bilateral agreements and MOUs on political, economic, trade, educational and security related issues. There are now bilateral programmes to promote defence cooperation and training of defence personnel of Central Asia in India. Besides, Inter-Governmental Commissions between India and individual Central Asian countries meet regularly in order to boost bilateral and multilateral ties.³⁵

33. Catherine Putz, "More TAPI Delays, This Time in Afghanistan", 28 January 2020, at <https://thediplomat.com/2020/01/more-tapi-delays-this-time-in-afghanistan/> (accessed 5 May 2020).

34. Anita Sengupta, "Perceptions and Strategies: India's Relations with Central Asian Region", in Marlène Laruelle and Sébastien Peyrouse (eds.), *Mapping Central Asia: Indian Perception and Strategies*, Surrey and Burlington: Ashgate, 2011, p.54.

35. S.R. Tayal, "Indian Foreign Policy: Engagement with Central Asia", in Jyotsna Bakshi (ed.), *India's Engagement with Central Asia with focus on India-Uzbekistan Relations*, Tashkent: University of World Economy and Diplomacy, 2007, p.6.

The Modi Factor in India-Central Asia Ties

The Central Asian Republics are seen as an untapped market for Indian investments and export in other core areas such as agriculture, small scale industrial and commercial goods, pharmaceuticals, education and training, IT software, banking, healthcare and hotels.³⁶ India can be a significant partner through joint ventures in such areas. Central Asia is also extremely rich in mineral resources that need to be tapped, exploited and converted into value-added products. So far as trade relations between India and Central Asia are concerned the overall figure remained lower than US\$ 800 million in 2012-13,³⁷ which is, in fact, below the potential the two sides had in fact. The reason can be attributed to India's lack of a direct overland access to the Central Asian region in addition to Pakistan's unwillingness in letting Indian goods move across its territory.³⁸ Nevertheless, India sustains a positive trade balance with Central Asia and over half of India's trade to the region is with Kazakhstan (55 percent), followed by Uzbekistan (20 percent), Turkmenistan (10 percent), Kyrgyzstan (9 percent) and Tajikistan (6 percent).³⁹

Keeping all this in mind the visit of Indian Prime Minister Narendra Modi to the five Central Asian Republics

between July 6 and 13, 2015 was held in high esteem, particularly in terms of a conscious effort being made by India to harmonize the foreign policy with critical economic interests. He visited Uzbekistan and Kazakhstan before travelling to Ufa for the BRICS and SCO Summits and visited Turkmenistan, Kyrgyzstan and Tajikistan on his way back. While at the Ufa SCO summit India was accepted as a full member of the SCO, Modi's visit to Uzbekistan brought the two countries together to boost their ties in key areas of atomic energy, defence and trade. He then visited Kazakhstan where the two countries concluded five key agreements including a defence pact to enhance military cooperation and a deal for supply of uranium until 2019. In Ashgabat, during his talks with the Turkmen leadership the two sides were convinced for an early implementation of the TAPI pipeline project. During his visit to Bishkek, India and Kyrgyzstan signed four agreements including one to advance defence cooperation and hold annual joint military exercises. On the final leg of his tour he visited Dushanbe, the capital of Tajikistan which has always been strategically important for India due to sharing longest border with Afghanistan.

Analysts have commented positively on the outcomes of Modi's Central Asia

36 I.R. Mavlanov, "Central Asia and South Asia: Diplomatic Potential of Uzbekistan and India for Sustainable Inter-Regional Economic Cooperation", in Jyornsna Bakshi (ed), *India's Engagement with Central Asia with Focus on India-Uzbekistan Relations*, Tashkent: University of World Economy and Diplomacy, 2007, p.143.

37. Rani D. Mullen et. al, "India-Central Asia Backgrounder", *Policy Brief*, India Development Cooperation Research (IDCR) Program, Centre for Policy Research, 6 January, 2014, p.7, at https://www.cprindia.org/sites/default/files/policy-briefs/India-Central%20Asia_0.pdf (accessed on 15 May 2020).

38. Ibid.

39. Ibid.

visit. The bilateral agreements signed between India and individual Central Asian Republics point to the fact that Modi's visit was aimed at (a) securing India's energy needs; (b) covering all dimensions of 'Make in India'; (c) cooperation in the field of Agriculture; (d) securing support for permanent seat for India at the UNSC; and (e) countering the Chinese influence in Central Asia.⁴⁰ So far as securing India's energy needs is concerned it was agreed by Kazakhstan that India would get 5000 Metric tons of Uranium during the five year period (2015-19). This would let India to begin operations in many nuclear plants which are currently closed due to lack of fuel. The India-Kazakhstan joint statement did mention a feasibility study to be undertaken for "exploring the possibility of transportation of oil and gas either through pipeline or as LNG from Kazakhstan to India".⁴¹ In addition, greater cooperation in the area of oil exploration between India and Turkmenistan was discussed during Modi's visit and both sides welcomed the establishment of a representative office of ONGC Videsh in the Turkmen capital Ashgabat.

As regards 'Make in India' to succeed, Modi's main focus was to improve India's freight connectivity with Central Asia. The Ashgabat Agreement, which is a transit pact, was concluded in 2011 among Uzbekistan, Iran, Turkmenistan and Oman. Modi sought

Uzbekistan and Turkmenistan's support for India joining the Ashgabat agreement as it would improve connectivity with Central Asia. It was understood that through the Iran route, the time taken for transporting goods between India and Central Asia would reduce considerably. Meanwhile, recently on 23 May 2016, India signed a historic agreement to develop the strategic port of Chabahar in Iran and agreed on a three-nation pact to build a transport-and-trade corridor through Afghanistan that could help reduce the time and cost of doing business with not only Central Asia but also Europe.⁴² Developing the Chabahar port was considered to be crucial for India because it would allow New Delhi to bypass Pakistan and access global markets. In Tajikistan, while discussing the proposed Pakistan-Afghanistan-Tajikistan Trilateral Transit Trade Agreement (PATTTTA), both the Indian Prime Minister and the Tajik leaders decided to start further discussion on inclusion of India into this pact as it would promote trade between South Asia and Tajikistan.

During Modi's visit to Turkmenistan, an important agreement was signed between the Turkmenhimiya and Indian Public Sector Unit, Rashtriya Chemicals and Fertilizers Limited, for long-term sourcing of urea from Turkmenistan. India, on its part, proposed to establish a Urea production facility in Turkmenistan. On the other hand, in Kyrgyzstan there

40. "5 successful outcomes from NaMo's Central Asia Trip", 15 July 2015, at <http://agriexchange.apeda.gov.in/news/Newssearch.aspx?newsid=20475&Date=15Jul2015> (accessed on 15 May 2020).

41. Ibid.

42. "India, Iran and Afghanistan sign Chabahar port agreement", 24 May 2016, at <http://www.hindustantimes.com/india/india-iran-afghanistan-sign-chabahar-port-agreement/story-2EytbKZe06zeCIPR8WSuAO.html> (accessed on 15 May 2020).

were discussions over knowledge sharing and joint efforts in agricultural research. A plan of Action was also signed between the KazAgroInnovation and Indian Council of Agricultural Research for cooperation in the field of agriculture. Besides, Modi's visit to Central Asia was also a part of an effort to get as many countries as possible to endorse India's claim for a permanent seat in the United Nations Security Council (UNSC). To that end, all the Central Asian countries have lent their support for India. However, how much success India has achieved in countering the Chinese influence in Central Asia is yet to be seen given the extent of economic and energy cooperation between China and Central Asia.

The economic growth of Central Asia, especially in Kazakhstan, Turkmenistan and Uzbekistan, has given a push to construction boom and development of sectors like IT, pharmaceuticals and tourism, where India is very much required. Even Prime Minister Modi stressed on economic dimension of relationship between the two sides when he said the following in Kyrgyzstan's capital Bishkek: "We see an important place for Central Asia in India's future. We can reinforce each other's economic progress".⁴³ On their part, all the five Central Asian Republics have shown keen interest in diversifying their foreign relations, and India's presence there may help them achieve their goals. Prime Minister Modi's visit appears to

have turned the tide as it has leveraged Central Asia's quest for diversification to India's advantage. However, in order to improve India's connectivity and energy cooperation with Central Asia, India will have to play a pro-active role both bilaterally and through regional cooperative mechanisms. In this regard, India will have to factor both China and Pakistan in addition to its cooperation with Russia, Iran, Turkey and the United States. Although connectivity and cooperation with Central Asia call for meaningful engagement with Iran and Russia, much will also depend on the Russia-China dynamics in the region. However, "a strong stake in relations with India could reinforce Russia's reluctance (which still persists) to be a junior partner of China."⁴⁴ Seemingly, India's overland connectivity by using the routes passing through the Chabahar Port in Iran "would serve its strategic interest of finding routes to Afghanistan and Central Asia, bypassing Pakistan and Russia respectively."⁴⁵

On the other side, analysts believe that today ensuring military security in Central Asia is based on "multilateral mechanisms" and Central Asian Republics are trying to ensure their security through participation in a number of multilateral organizations, including the Shanghai Cooperation Organisation (SCO).⁴⁶ India's presence in numerous regional forums including the SCO may not only boost India's renewed linkages with the region but

43. James Kilner, "Modi in unprecedented grand tour of Central Asia", 12 July 2015, at <http://www.telegraph.co.uk/news/worldnews/asia/india/11735255/Modi-tours-Central-Asia-in-Great-Game-move.html> (accessed on 15 May 2020).

44. P.S. Raghavan, "What is in a NAM and India's alignment", *The Hindu*, 9 September 2020, at <https://www.thehindu.com/opinion/op-ed/what-is-in-a-nam-and-indias-alignment/article32555378.ece> (accessed on 16 October 2020).

45. *Ibid.*

also help ensure Central Asia's security concerns. India has now committed to play a more meaningful role in the SCO and it has been doing so since becoming a full member in the organization. In view of the current stalemate with China and Pakistan, India should leverage the SCO to its advantage given that this multilateral organisation can provide a forum for building confidence between

member states. Apart from Russia and Mongolia, member states of Central Asia well understand India's importance in maintaining geopolitical balance in the region. The SCO, therefore, can play a significant role in facilitating negotiations between India and China to overcome the current crisis and restore normalcy.

Conclusion

The commonality of India and Mongolia in their history and culture have created a background for forging political, economic and defence relations in the contemporary period. India is considered by Mongolia not only its 'spiritual neighbour' but also a 'third neighbour' that clearly gives a message to the world that the relationship between the two countries is based on their shared spiritual heritage, mutual foreign policy priority and democratic values. However, China is a big factor for both India as well as Mongolia in their bilateral and multilateral relations. That is why India has been trying to strengthen its influence in China's backyard by upgrading its ties with Mongolia into a strategic partnership. After Modi's visit to Mongolia, the whole dynamics of the relationship between the two countries has changed. Now they are pursuing their relations in the true spirit of a strategic partnership, which appears to be paying its dividends. So far as Central Asia is concerned, Modi's visit to this region can be considered to be a success as he himself stated that "My visit to all

five countries in the region demonstrates the importance that we attach to a new level of relationship with Central Asia".⁴⁷ The scenario that appears to be insight is that Modi's visit created a conducive atmosphere which is clearly visible to build stable partnerships with all the five Central Asian Republics. This will also help advance India's strategic interests and facilitate Indian companies to expand operations in Central Asia. All this is likely to happen as Uzbekistan has agreed to create favorable conditions for investments by Indian companies. A joint Business Council has been formed between India and Kazakhstan, while India and Kyrgyzstan agreed to have annual joint military exercises. Tajikistan, on the other hand, has sought India's engagement in hydro power generation. Undoubtedly, the revitalization of cultural and commercial ties that had linked the Indian subcontinent with Central Asia in times past has once again become the main focus of India's Central Asia policy.

46. B. Zh Somzhurek et.al, "Central Asia and regional security", *Communist and Post-Communist Studies*, 51, 2018, p.163.

47. James Kilner, "Modi in unprecedented grand tour of Central Asia".