



**RIAC**

**RUSSIAN  
INTERNATIONAL  
AFFAIRS COUNCIL**



**VIVEKANANDA  
INTERNATIONAL  
FOUNDATION**



# REPORT

## **70<sup>TH</sup> ANNIVERSARY OF RUSSIA-INDIA RELATIONS: NEW HORIZONS OF PRIVILEGED PARTNERSHIP**

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**RUSSIAN INTERNATIONAL AFFAIRS COUNCIL  
VIVEKANANDA INTERNATIONAL FOUNDATION**

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In 2017, Russia and India celebrate the 70th anniversary of diplomatic relations. Over the years, the two states have steadily developed mutually beneficial ties. Their cooperation has achieved the level of special and privileged strategic partnership. Regular contacts between the two leaders have become an established practice. However, in order to make full use of the collaboration potential, ties between Russia and India should be taken to a qualitatively new level. Russian International Affairs Council (RIAC) and the Vivekananda International Foundation (VIF) have drafted a joint report in order to open up a new discussion on the prospects of Russia–India relations and the steps required to develop them further. The authors express hope that ideas and recommendations expressed in the paper will provide the necessary expert support for state level contacts and will be helpful in foreign policy decision-making by the two governments.

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# Table of Contents

<b>Forewords</b>	<b>4</b>
<b>Preface</b>	<b>12</b>
<b>Russia and India in the International Arena</b>	<b>13</b>
<b>Expanding Economic and Trade Relations</b>	<b>18</b>
<b>Toward a New Agenda in Military-Technical Cooperation</b>	<b>27</b>
<b>Educational, Scientific and Cultural Cooperation</b>	<b>31</b>
<b>Media Collaboration to Strengthen Mutual Understanding</b>	<b>34</b>
<b>Conclusions and Recommendations</b>	<b>36</b>
<b>About the Authors</b>	<b>40</b>

## Foreword from the Russian Side

Russian (RIAC) and Indian (VIF) experts' analyses form the basis for this attempt to set a new dynamic for the strategic partnership between the two countries which in 2017 celebrate the 70th Anniversary of diplomatic relations. The multifaceted history of these relations is marked above all by an unprecedented level of trust, mutual understanding, cooperation, mutual assistance and support.

However, the experts' work is by no means a panegyric to the past. Nor is it yet a road map towards the new horizons of the privileged partnership, although this vector is organically integrated into the title of the Report marking the 70th Anniversary of Russia–India ties. The main emphasis of the Report is concentrated in the first paragraph of the Conclusions and Recommendations section, specifically: "India is Russia's long-standing and reliable partner. However, the current model of ties has largely exhausted itself, and cooperation should be taken to a qualitatively new level."

The authors are not as unequivocal in their assessments of where Russia and India stand in the turbulent flow of the restructuring of international relations from the bipolarity of the Cold War to the polycentric nature of the future international security architecture that is still maturing and yet to be understood. How do the two countries define their places and their roles in the dialectics of simultaneous globalisation and regionalisation of international relations? What do the terms "non-aligned state" and "third world" country really mean with regard to India and also Russia? The US society is divided like never before: with the country giving up significant ground in terms of its unconditional and universal dominance and its increased efforts to compete with China, it is possible that a new bipolarity could emerge – the United States against China, with Russia and India being the new "non-aligned" powers relying on regional systems of international security such as BRICS, the Shanghai Cooperation Organisation (SCO), the Association of Southeast Asian Nations (ASEAN), the Eurasian Economic Union (EAEU) and the Collective Security Treaty Organisation (CSTO). All the more so because the new threats and challenges of the XXI century, above all international terrorism, do not tend to dampen their anti-human activity.

Where do the opinions of Russia and India converge with regard to the role of the United Nations (UN) and international law and its specific elements, such as state sovereignty? What are the reasons for the "colour revolutions"? And where do they happen?

Without a joint understanding of the approaches to the global challenges, setting new cooperation goals mutually pursued by both parties and coming to an agreement on how to overcome the previously outlined horizons of the special and privileged strategic partnership, any discussion about "new horizons" will remain merely beautiful declarations, an exercise in futility.

What is more, it has unfortunately become commonplace over the past quarter of a century to view each other through the eyes of western “interpreters” of events both in Russia and in India, which serves only to distort each other’s motives in the international arena. As a result, Russia is charged with almost “fraternizing” the Taliban or forming an alliance with the Pakistan military, whose questionable “successes” are only in the longstanding suppression of its own country’s democratic forces and institutions. The authors should not succumb to the temptation of being too focused on the desire to “make Russia–India relations independent of their ties with third countries and impervious to crises and changes in global circumstances.” We can only welcome those experts who are not trying to build a fence around bilateral Russia–India relations or make taboo the sovereign right to act in accordance with the national security interests in any given international political climate and attract the support of modern multilateral “non–western” institutions such as the SCO and BRICS, openly and profoundly explaining the motives both for the steps already taken and for planned actions to their “tried and tested privileged strategic partner.”

Unfortunately, the expert community did not recommend that the Indian leadership attend the Belt and Road Forum in Beijing in May 2017. Where else but at the Forum could Russia, India, Iran and even Afghanistan discuss the need to build an International Transport Corridor (ITC) as part of the Belt and Road without allowing the massive infrastructural mega–project to profit only one party? There is no doubt that a broad discussion on the subject would have included Central Asian states.

The authors also deserve credit for not getting carried away with the decades–old and pleasing–to–the–ears mantra “Hindi Russi bhai bhai,” for not getting caught up in the nostalgia of the 70–year history of Russia and India’s unique bilateral relations. What is more, the authors are very convincing in their critical assessments of traditional mechanisms, full as they are of red tape and the rot of corruption.

I feel compelled to quote a fundamentally important position expounded in the introduction to the Report, as it is precisely here that the prism through which the majority of the expert contributors present their views for the future is put forward: “...to achieve substantial progress in bilateral relations it is necessary to renew their strategic paradigm. Working on a range of cooperation projects that meet the new economic needs of Russia and India will make a qualitative leap in economic ties [which, however vulnerable, form the cornerstone of bilateral cooperation – VT] possible. Joint initiatives should be based on the global competitive edge of both countries and transition to new development models. The cooperation mechanisms must be revised to adapt to new realities.”

It is also important to note in the Report the parts that will inevitably move into a new strategic paradigm in the form of concretising India’s goals “Make in India,” “Skilling India,” “Act East” and Russia’s “Turn to the East”, etc. The time to think in large and specific categories is fast approaching. So why do we need individual private projects in aircraft construction when the mutual experience that both

countries have already accumulated is sufficient to create a joint aerospace holding? Why not switch from building naval ships for India on a contractual basis to using ice-free waters of the Indian Ocean somewhere in the vicinity of Visakhapatnam or Kochi to set up a joint shipyard enterprise or deep-sea port that can also be used to build ships for third countries? Indian steel production combined with Russian technologies has great potential in terms of designing and manufacturing oil and gas platforms on the continental shelf, including the Arctic.

You do not need to be any kind of special visionary to understand the inevitable rise in global food consumption, the exacerbation of the problem of chemical fertilizers, the dwindling fresh water reserves and the necessity to disinfect products. All these topics are parts of the new paradigm of strategic partner relations between Russia and India. The SCO and BRICS frameworks are large enough to attract China, Pakistan, Afghanistan, Iran and other countries in the Indo-Pacific region to Russia-India bilateral relations in these large-scale projects.

In Russia, the task of building a digital economy as a radical innovative breakthrough is becoming ever more urgent. Experts rightly point out both the prospects and the difficulties of the hi-tech component of Russia-India cooperation. But even here there is great largely untapped potential of India as a global leader in software exports, and Russia is recognised as a kind of “breeding ground” for the best computer programmers in the world. There is a common space for mutually beneficial cooperation.

I would especially like to emphasize the significance of the conclusions and recommendations put forward in the Report, which are grouped concisely around those vectors of Russia-India relations that determine the potential horizons of bilateral ties and cooperation in the short and medium term. As strategic partners, Russia and India cannot move into a new paradigm of cooperation without specific progress in these areas. I am confident that a detailed discussion of this part of the Report will lead to concrete proposals on new mechanisms, without which practical movement in new directions will simply cover old ground; we will be “resting on our laurels” with regard to past achievements in our bilateral relations. It is unlikely that this will satisfy the ambitions of the generation of Russians and Indians that has already entered the political, geopolitical, economic, scientific, technical and other realities of the complex challenges of the XXI century. For this generation, the ability to discern the new and ruthlessly discard the relics of the past and the art of building mutually beneficial relations and pragmatically combining cooperation and competition are the keys in the search for success and a reference point for expanding the horizons of the unique privileged strategic partnership for the hundreds of millions of people living in Russia and India and ready to participate in the construction of a new international security architecture.

I would like to believe that readers of the Foreword would agree with the author’s intention to refrain from an assessment of each position of this very fundamental work by Russian and Indian experts but only to risk prompting participants in the

discussion of the Report to set aside any taboos they may have with regard to critical views on the present and future of these two great Eurasian nations which intend to continue to stand shoulder to shoulder for the benefit of universal peace and security.

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## **Foreword from the Indian Side**

Not enough critical evaluation has been made of the state of India–Russia relations by foreign policy experts in both countries. The need for it has not been felt possibly because of the belief that the relationship, despite evident weaknesses, was being taken care of at the level of the two governments and, unless this was encouraged by the governments themselves, a broader scrutiny of it with forward-looking recommendations by those outside the government machinery was not required. If think tank specialists of the two countries have not got sufficiently engaged in joint exercises to appraise the relationship, it might be because of a sense, until recently, that ties were essentially in good shape and were at a level that met the needs of both sides.

In India the broad public sentiment has been that Russia is India's time-tested friend and the noticeable lowering of Russia's overall profile in India has not materially eroded that view. In India's eyes, Russia has looked at India as a friendly country but not in the top bracket in terms of its foreign policy priorities. India has not been uncomfortable with the imbalance in the value attached by either country to its relationship with the other, recognising the disparity in power and global responsibilities between the two countries. In recent years, however, the India–Russia equation has been changing. Russia's international status has waned; its economy has not performed well; its manufacturing has declined; it has not been able to exploit its impressive technological base to take a lead in innovation at the global level; its relations with the West have crumbled (largely because of the latter's political myopia). On the other hand, despite its manifold problems, India's international stature is on the rise; it has been growing well economically; it is modernising; it possesses valuable human capital; its foreign policy choices have expanded. India's rising graph calls for a redefinition of India–Russia ties on a new and forward-looking basis.

India–Russia relations have been traditionally state driven, and while this has given a certain stability to the relationship, it has also constricted its scope. At the state level the two countries have recognised that the relationship is beneficial for both and, despite drastic changes in the international scenario, they have tried to preserve a high level of mutual understanding. The unbroken regularity of the India–Russia summits since the year 2000 testifies to this. This unique aspect of bilateral ties has, however, not created extensive linkages at multifarious levels between the two societies, whether in the area of business, education, culture, media or people-to-people contacts in general. Summit-level diplomacy has kept the relationship oriented in the right direction but expansion of ties beyond sectors controlled by the government – defence and energy – has not occurred sufficiently. Despite efforts at the highest level, and using the institutional mechanisms available, trade levels have remained abysmally low and investment levels have failed to pick up.

Of late, a perception has grown that India–Russia relations are not as good as they should be and that, in fact, a degree of drift is occurring, leading to some

misapprehensions on both sides. From India's perspective, close ties with Russia are a balancing factor in our foreign policy and give us the strategic autonomy that we feel we must have. In the context of our much improved ties with the United States, the strategic convergences that are emerging with it in the Asia-Pacific and Indian Ocean regions, and sizeable purchase of American arms, it is important for us that this is not seen as detracting from our relationship with Russia. More so, as the enhancement of our ties with the US has occurred at a time of serious deterioration of US-Russia ties. We would expect Russia to appreciate that the expansion of our ties with the US fulfils needs that cannot be adequately met by Russia. The factors at play in our relationship with the US are far more varied than those in the case of any other major power, whether it is the scale of our trade, investment, educational, research and development, scientific and technological, diasporic and other ties, including military exercises. Yet, the impression in India is that we have to make an effort to convince Russia that our rising engagement with the US is not at its expense. Russia's overtures to Pakistan, especially in the military field, are construed in India as linked to our growing connection with the US. The evolution of Russia's approach to Afghanistan and Pakistan/Taliban's role in the search for a solution, and, in particular, statements made by mandated Russian officials dealing with our region that make light of India's concerns about Afghanistan-related issues have caused confusion. The fact that Pakistan has begun to tout a Pakistan-China-Russia axis against an India-US axis in the region speaks of the diplomatic impact of Russia's revised perspectives.

India is clear that US policy towards Russia is seriously flawed and has severely aggravated the imbalance in the international system. China has benefited the most from western efforts to weaken Russia's international position. Russia has been compelled to strengthen its strategic coordination with China, which, given China's phenomenal economic growth and the huge financial resources at its disposal, has given an upper hand to it in a relationship in which Russia had carried more weight in the past. It was Russia that had taken the leadership to establish the Russia-India-China dialogue and the BRIC forum, later evolving into BRICS, but now it is China that is becoming the senior partner. China is taking the lead to alter the nature of BRICS and consolidate its leading role in it by launching the idea of BRICS plus, which will serve as a platform for expanding its geopolitical and geoeconomic goals, and, in the process, diminish the relative role of Russia and India in the forum.

Russia's belief that BRICS can be used to promote multipolarity, offer an alternative vision of global governance, potentially prevent western excesses and so on does not, in India's eyes, take into account China's disruptive conduct, its territorial irredentism, its disregard of international law and hegemonic ambitions in Asia. China continues to lay claim on large parts of our territory and this is a source of constant tensions in the relationship, whereas Russia has settled its border with China and can take a different view of China's territorial claims based on history.

China's Belt and Road Initiative is seen very differently by India and Russia. For India, the China-Pakistan Economic Corridor constitutes a violation of our sovereignty, China's policies in our neighbourhood are seen as undermining our

interests and its projects for the Indian Ocean are viewed as a security threat. Russia is not affected by these aspects of Chinese policies and can therefore have a different thinking on China's projects and plans, though it needs reflection whether having covered its strategic flank vis-à-vis Russia, China is in a better position to challenge the US and establish a G2 of sorts, an outcome that would be reached at the cost of both India and Russia. The question therefore is whether India and Russia should become partners in this process or refine their strategy in ways that they do not accelerate the realisation of China's geopolitical and maritime ambitions that are now quite evident. One can understand Russia's more decisive shift towards Asia than in the past as a result of pressures on its western borders. From India's point of view this should not lead to bolstering China's primacy in Asia. India, as the second biggest power in Asia in every respect – the Indian economy is slated to surpass that of Japan in size by 2030 according to some projections – should be a much more integral part of Russia's Asian strategy.

The belief in some Russian quarters that Pakistan can be a participant in major SCO or BRICS infrastructure and other projects within the framework of the India–Russia strategic relationship is unlikely to find a positive echo in Indian thinking, given India's seven decades of experience with Pakistan's endemic hostility. Russia's evolving optic on Pakistan is creating a gap in the hitherto strong geopolitical understandings between India and Russia in our region.

China's financial resources and its connectivity plans can, of course, be leveraged to the advantage of India, Russia and others in select areas. Russia, Iran and India could have jointly realised the International Transport Corridor (ITC) if the determination was there. China can be involved today, but without this project having to be part of China's Belt and Road Initiative, especially as the ITC predates the BRI by years. Russia, with its close ties with Iran, should participate in the Chabahar project in which India is investing, by building the railway line to Zahidan, a project that would facilitate international access to Russia, Afghanistan and Central Asia.

Having addressed the broad trends and developing gaps in the relationship, it needs to be underlined that the basic foundation of the relationship remains strong. Russia remains a vital partner for India, and one can surmise, that a rising India would be a valuable partner of Russia in Asia and beyond, especially as the two countries have shared thinking on several key aspects of global governance, be it respect for sovereignty, non-interference in the internal affairs of countries, and opposition to double standards in addressing issues of terrorism, human rights and democracy. Since the mid-50s, India and Russia have invested hugely in their relationship and the returns from this have to be preserved. The latent goodwill in India towards Russia is deep and this should be used more actively by Russia to give a fresh impetus to ties. At the highest leadership level, the two countries have recently yet again reinforced understanding and this can propel the relationship forward in the changing circumstances.

In this background, the VIF–RIAC report is very timely. All areas of the relationship have been covered: India and Russia in the international arena, economic relations,

defence-related cooperation, educational, scientific and cultural ties, and media collaboration. The report is a critical evaluation of ties in these diverse domains. It is recognised in the report that to achieve substantial progress in bilateral relations it is necessary to renew their strategic paradigm by taking into account the new realities. The changed economic needs of India and Russia have to be understood and cooperation adjusted accordingly. Bilateral economic and trade ties being the weakest element in the relationship, a good part of the report is devoted to this subject. Defence ties being the strongest pillar of the relationship and facing new challenges, issues needing attention have been covered in some detail. The report is not simply an analytical exercise, it ends with a list of concrete recommendations covering the areas of foreign policy, bilateral relations, trade, economy and military cooperation, culture, science, education and the media. It is hoped that this report and its recommendations will be studied carefully by decision-makers and those who shape opinion on both sides.

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# Preface

India had an enduring friendship with the Soviet Union during much of the Cold War. The two countries built a strong strategic, military, economic and diplomatic relations that culminated in the Indo–Soviet Treaty of Peace, Friendship and Cooperation in August 1971. This was a remarkable diplomatic achievement for both India and the Soviet Union. Treaty served India and the USSR well during height of the Cold War, and relations were the strongest between them in the late 1970s.

However, due to changing global realities and their own preoccupations at the end of the Cold War, the relationship began to drift. It is only in recent years that once again India and Russia are trying to find ways to forge a common response to the new challenges facing the international community by refocusing on each other.

Over the last 15 years, the trade turnover between Russia and India has grown six–fold, large–scale military–technical projects have been implemented, natural resources have been developed jointly, and the number of academic programmes and educational exchanges has been growing. Russia and India enjoy a special and privileged strategic partnership based on deep trust and understanding, but need to do more to forge common positions on influential international platforms, including new platforms such as BRICS.

Still, to achieve substantial progress in bilateral relations it is necessary to renew their strategic paradigm. Working on a range of cooperation projects that meet the new economic needs of Russia and India will make a qualitative leap in economic ties possible. Joint initiatives should be based on the global competitive edge of both countries and transition to new development models. The cooperation mechanisms must be revised to adapt to new realities. The ultimate goal of this revision is to make Russia–India relations independent of their ties with third countries and impervious to crises and changes in global circumstances.

The present paper, which is a result of a joint effort undertaken by the Russian International Affairs Council (RIAC) and the Vivekananda International Foundation (VIF), opens up a new discussion on the prospects of relations between the two countries and the steps required to develop them further. The authors express hope that ideas and recommendations expressed herein will provide the necessary expert support for state level contacts and will be helpful in foreign policy decision–making by the two governments.

# Russia and India in the International Arena

Russia–India relations do not exist in a vacuum, and the prospects of their development depend on the nature of interactions of the two countries with other global and regional players, and on the positions the two countries take on the most pressing foreign policy issues.

Traditionally, Russia and India share same approaches to ensuring peace and security and shaping a global architecture that reflects cultural and civilizational diversity and at the same time strengthens unity of humankind.<sup>1</sup> The countries hold the same, or similar, positions on several of the key problems of modern international relations, including the issue of increasing the role of developing countries in decision–making on global political and economic problems. Both parties are prepared to expand multi–dimensional ties with all partners on the basis of equality, non–interference in internal affairs, mutual respect for each other’s interests (especially in fighting terrorism and extremism) and the inadmissibility of using terrorist organizations to achieve political goals.

Russia and India strive for an inclusive world order where the United Nations plays the central role. In 2017, Russia reiterated its position on the need to make the UN Security Council “more representative” and supported making India a permanent member.<sup>2</sup> With few exceptions, when voting in the UN General Assembly, Russia and India take similar positions on the problems of sustainable development, strategic stability and international security. For instance, in an open vote on November 21, 2014, India supported the UN General Assembly draft resolution against glorifying Nazism proposed by Russia.<sup>3</sup>

Russia and India agree that current global economic problems can only be addressed with greater participation of developing countries in global trade, finance and investments. This requires a reform of the international financial institutions. Joint efforts succeeded in increasing the quotas of developing countries in the International Monetary Fund (IMF). In early 2016, for the first time in the IMF’s history, Russia, Brazil, India and China made it together to the list of top ten members of the IMF. BRICS will have 14.7 per cent of the votes (up from its previous share of 14.18 per cent).<sup>4</sup> At a time of global economic uncertainty, it is also important for India and Russia to work actively in the G20 group to stabilize the global economy.

Russia and India are together in their fight against terrorism. They believe that “fighting terrorism is possible only by uniting the efforts of all countries and by

<sup>1</sup> Saint-Petersburg Declaration by the Russian Federation and the Republic of India: A Vision for the 21st Century // Official Website of the President of Russia. June 1, 2017. URL: <http://www.en.kremlin.ru/supplement/5199>

<sup>2</sup> Ibid.

<sup>3</sup> Results of the UN Vote on the Resolution Against Glorifying Nazism // RIA Novosti. November 25, 2014. URL: <http://www.ria.ru/infografika/20141125/1034997247.html> (in Russian).

<sup>4</sup> Getting Greater Say: Russia Makes It into Top 10 IMF Member States // Sputnik International. January 28, 2016. URL: <http://www.sputniknews.com/politics/20160128/1033840659/imf-reform-russia-quota.html>

avoiding double standards”.<sup>5</sup> They consider it inadmissible to divide terrorists into “good” and “bad” and flirt with radical organizations to promote one’s political interests. They both called for action to bring those guilty of terrorist attacks in India, including Mumbai 2008, to justice including the “dismantling of terrorist sanctuaries and safe havens and disrupting all financial and other support for terrorism”.<sup>6</sup>

The annual INDRA military exercise held since 2003 serves to improve combat training and further the exchange of experience and intelligence information. The 2017 INDRA exercise is the first ever Tri-services Russia – India exercise.

However, several issues require further discussions and specification of positions and intentions of both sides. The growing friendship between Russia and China, as well as Moscow’s appreciation of the Belt & Road Initiative and the plans to co-develop the Eurasian Economic Union with the Silk Road Economic Belt, are being watched closely by India. India has reservations about the geopolitical consequences of the Belt & Road Initiative, as it will serve to consolidate China’s power in India’s neighbourhood. India has particular concerns about the China-Pakistan Economic Corridor as it involves issues of its sovereignty.

India has concerns about the growing “all-weather” friendship between Pakistan and China, which has now taken a new dimension of providing China with naval use of the Gwadar port. In India’s view, China’s expansion into Eurasia is a counter to the US pivot towards the Asia-Pacific, apart from creating markets for its excess capacity in certain sectors. This indirectly affects India too, as China’s westward expansion undercuts a potential India’s role in the region. China’s military and nuclear cooperation with Pakistan continues to be of serious concern to India. This includes civil nuclear cooperation that in Indian view violates China’s commitments as an NSG member.<sup>7</sup>

Russia’s military cooperation with Pakistan is a new development that India has noted with concern. In Russia’s view its military-technical cooperation with Pakistan is only intended to improve the latter’s counter-terrorist and anti-drug capacities, is not directed against third countries and will not endanger the military balance in the region. India has always contested such a rationale by any country for supply of arms to Pakistan. To remove any scope for misunderstanding, India suggests that the two sides should maintain a regular and frank dialogue with regard to the impact of arms supplies to Pakistan on India’s security.

For its part, Russia has concerns regarding India’s growing ties with the US. The growing defence relationship between India and the US has affected Indian

<sup>5</sup> Russia and India Joint Declaration on the Result of the Official Visit of the Prime Minister of Republic of India Narendra Modi to Russia “Shared Trust, New Horizons” // Official Site of the President of Russia. December 24, 2015. URL: <http://www.kremlin.ru/supplement/5050> (in Russian).

<sup>6</sup> Joint Statement between the Russian Federation and the Republic of India: Shared Trust, New Horizons // Ministry of External Affairs. Government of India. December 24, 2015. URL: [http://www.mea.gov.in/bilateral-documents.htm?dtl/26243/Joint\\_Statement\\_between\\_the\\_Russian\\_Federation\\_and\\_the\\_Republic\\_of\\_India\\_Shared\\_Trust\\_New\\_Horizons\\_December\\_24\\_2015](http://www.mea.gov.in/bilateral-documents.htm?dtl/26243/Joint_Statement_between_the_Russian_Federation_and_the_Republic_of_India_Shared_Trust_New_Horizons_December_24_2015)

<sup>7</sup> China contradicts NPT consensus by supplying nuclear reactors to Pakistan: Report // Times of India. July 31, 2016. URL: <http://www.timesofindia.indiatimes.com/india/China-contradicts-NPT-consensus-by-supplying-nuclear-reactors-to-Pakistan-Report/articleshow/53480665.cms>

acquisitions from Russia, even though these remain at a high level. Prime Minister Modi has stated that Russia remains its primary defence partner. Russian concerns also include the closer understanding between India and the US in the dynamics of the Asia–Pacific region. Both sides agree that it is essential to maintain freedom of movement and open economic linkages in this dynamic region, based on the rule of law.

Both sides agree that in developing ties with third countries, this should not be at the expense of the tried and tested relations between India and Russia.

As regards Afghanistan, although Russia and India do not differ much in their views on the situation in the country, India has misgivings about Russia's limited contacts with Taliban as a 'legitimate political force' in Afghanistan. The Taliban are a proscribed organization, under sanctions flowing from UNSCR 1267, and are also designated a terrorist organisation under Russian national law. India's policy towards Afghanistan is intended to protect its legitimate interests in an independent Afghanistan without externally imposed restraints imposed by Pakistan on India–Afghanistan relations. Afghanistan is itself interested in involving all the influential regional countries in settling its problems and has invited India, Iran, China and Russia to become part of the Afghan settlement.<sup>8</sup> India is concerned about China's activity in Afghanistan, which it sees as promoting Pakistan's strategic goals there. After Modi's successful visits to Afghanistan in December 2015 and January 2016, Pakistan-sponsored, as India believes, terrorist attacked the Indian consulate in Mazari–Sharif.<sup>9</sup>

India is the 6<sup>th</sup> largest investor in the Afghan economy having invested over \$2 billion and committed to a further investment of \$1 billion. India is participating in the Turkmenistan–Afghanistan–Pakistan–India (TAPI) Pipeline, which will pass through Afghanistan and Pakistan.<sup>10</sup> But India does not want to be dependent on the unstable, hostile Pakistan for its energy. To create an alternative route for bilateral trade with Afghanistan – one that bypasses Pakistan – India has decided to invest in developing the port of Chabahar in Iran and reconstructing the road that connects Afghanistan and Iran.<sup>11</sup> While visiting Ashgabat in July 2015, Prime Minister Modi also suggested evacuating Turkmen gas to India via Iran.

Meanwhile, there are reasonable prospects for cooperation between Russia and India on the Afghan issue. The latest example is India providing Kabul with four Mi–35 helicopters purchased from Russia.<sup>12</sup> In the future, we might see a bilateral agreement on implementing joint economic programmes in Afghanistan. It would be advisable to extend the efforts of the two countries to defence and politics as

<sup>8</sup> Hamid Karzai: Iran, India and Russia Should Take Part in Settling the Crisis in Afghanistan // TASS. February 7, 2016.  
URL: <http://www.tass.ru/mezhdunarodnaya-panorama/2646022> (in Russian).

<sup>9</sup> Afghanistan–Pakistan–India: How to Improve Security in the "Triangle" // Voice of America. January 21, 2016.  
URL: <http://www.golos-ameriki.ru/content/vv-pakistan/3155921.html> (in Russian).

<sup>10</sup> TAPI Gas Pipeline: Who Will Ensure Its Security? // New Eastern Outlook.  
URL: <http://www.rujournal-neo.com/node/117673> (in Russian).

<sup>11</sup> Pakistan and India Fight over Afghanistan // Afghanistan.ru. March 17, 2011.  
URL: <http://www.afghanistan.ru/doc/19737.html> (in Russian).

<sup>12</sup> Kabul is Interested in Purchasing Russian Helicopters // RIA Novosti. December 22, 2015.  
URL: <http://www.ria.ru/economy/20151222/1346744647.html> (in Russian).

well (for instance, in the form of joint programmes for training Afghani soldiers), and then expand such economic, military and political programmes to include Central Asia.

Russia and India can cooperate in Afghanistan and on other regional security issues within the SCO framework. Russia held the SCO and BRICS summits in Ufa in July 2015 simultaneously in order to express, together with India and China, a non–Western view of today’s world order.<sup>13</sup> India obtained observer status in the SCO in 2005, but was invited to be a full member only in July 2015 along with Pakistan. India’s membership was officially finalized at the meeting of the SCO leaders in Astana in 2017.<sup>14</sup>

The striking contrast between deteriorating Russia–US ties and improving India–US ties puts an additional burden on Indian diplomacy towards both Russia and the United States. India could examine to what extent it can play a role in bridging the gap between Russia and the US, starting with a Track 2 dialogue mechanism.

Given the ongoing crisis in Russia–West relations, Russia may more actively coordinate with India and China to forge common positions on international and regional issues where their interests converge. Developing economic cooperation in the Russia–India–China triangle that serves the interests of all parties equally could become a stabilizing factor in the region, and could give a new impetus to the development of the SCO. By uniting the enormous human, academic and resource capacities of the three countries, large–scale projects in producing and processing natural resources, transportation, space exploration, aviation, energy, engineering can be initiated with all parties deriving mutual benefits from such cooperation. A gradual thaw in relations between India and China would contribute to strengthening this trilateral interaction, and BRICS, with fund availability amounting to \$200 billion, would be a promising platform for promoting these projects. In general, Russia could play a more proactive role in bridging relations between India and China.

The principled and constructive stance taken by the Indian government with regard to the Ukrainian crisis has been also important. According to official statements, New Delhi believes that the Ukrainian situation should be resolved through a peaceful dialogue and the interests of all the parties, including Russia, should be taken into account in the process.<sup>15</sup> The Modi government is against the sanctions imposed by the West on Russia.<sup>16</sup> When the UN General Assembly took a vote on the “Territorial Integrity of Ukraine” resolution in March 2014, India abstained.

Recently, India has been showing growing interest in the Arctic. In 2013, India became an Observer at the Arctic Council. Although Russia has always considered

<sup>13</sup> Ufa-2015: Memorable Moments of the BRICS and SCO Summits // TASS. July 10, 2015.  
URL: <http://www.tass.ru/politika/2110054> (in Russian)

<sup>14</sup> India, Pakistan become full members of SCO // The Times of India. June 9, 2017.  
URL: <http://www.timesofindia.indiatimes.com/india/india-pakistan-become-full-members-of-sco/articleshow/59070103.cms>

<sup>15</sup> India Notes the Importance of Respecting Russia’s Interests in Ukraine // TASS. March 6, 2014.  
URL: <http://www.tass.ru/mezhdunarodnaya-panorama/1025875> (in Russian); The Ambassador of India to the Russian Federation: New Delhi Does Not Support Western Sanctions against Russia // Interfax. May 11, 2014.  
URL: <http://www.interfax.ru/375668> (in Russian).

<sup>16</sup> India will not back sanctions against Russia // The Times of India. December 7, 2014.  
URL: <http://www.timesofindia.indiatimes.com/india/India-will-not-back-sanctions-against-Russia/articleshow/45399933.cms>

the Arctic states as priority partners in the Arctic, the anti-Russian sanctions opened up new opportunities for regional collaboration with Observer states. The Arctic has vast tracts of unexplored territory, which is the reason that the first US sanctions have been on exploration in the region. Meanwhile, an increased stake of India in the Vankor oilfield is among the most successful examples of Russia–India collaboration in the Arctic. In future, Moscow should continue to pay particular attention to Indian companies as promising business partners in the Arctic.

## Expanding Economic and Trade Relations

A new Government came to power in India in May 2014, the first since 1984 to enjoy a clear majority in the Lok Sabha. Introducing reforms intended to revitalize the economy's structure, win back investors' trust and reinvigorate economic growth is part of Prime Minister Modi's agenda. By 2020, the Modi government aims to increase the share of manufacturing in the GDP from 15 per cent to 25 per cent.<sup>17</sup> It is promoting "Make in India" in manufacturing, with a view to creating<sup>18</sup> favourable conditions for foreign enterprises moving production to India, supporting Indian manufacturers, primarily export oriented. HSBC estimates that implementing the reform package will allow India's exports to be increased more than fivefold by 2030, or by 11 per cent annually.<sup>19</sup> India has opened up fifteen strategic sectors of the Indian economy for investment. Private and foreign capital may now own up to 49 per cent of defence enterprises (up from 26 per cent) and up to 100 per cent of railway companies (from 0 per cent).<sup>20</sup>

Despite the privileged political partnership between Russia and India, trade and economic ties between the two countries remain the weakest part of their relations.<sup>21</sup> In 1989–1990, Russia's share in India's foreign trade was 16% and 17% respectively. In 1994, it dwindled to 2% and in 2015–2016 financial year to 0.96 per cent.<sup>22</sup> In 2016, trade turnover between Russia and India amounted to \$7.71 billion, declining by 1.52% year-on-year.<sup>23</sup> There are areas where trade volumes can be increased, even within the existing constraints such as in energy, pharmaceuticals, diamonds, agricultural products and so on. To preserve the "privileged" status of Russia–India relations, it is important to raise the trade turnover to above \$17–18 billion as that is the figure that sets in a positive dynamics in economic ties. Given India's active industrial policy, Russia has an opportunity to increase its non–resource exports to the country.

The impact of bilateral commissions must be increased, with better implementation of the decisions taken. Russia and India have created an extensive cooperation infrastructure at different levels, namely, the India–Russia Inter–Governmental Commission on Trade, Economic, Scientific, Technological and Cultural

<sup>17</sup> Govt Aims to Raise Manufacturing Share to 25% of GDP // Business Standard. November 13, 2014. URL: [http://www.bs.neeraj.in/article/economy-policy/govt-aims-to-raise-manufacturing-share-to-25-of-gdp-114111201603\\_1.html](http://www.bs.neeraj.in/article/economy-policy/govt-aims-to-raise-manufacturing-share-to-25-of-gdp-114111201603_1.html)

<sup>18</sup> Make in India. URL: <http://www.makeinindia.com>

<sup>19</sup> Trade Forecast Reports India // HSBC Global Connections. September, 2014. URL: <https://www.globalconnections.hsbc.com/global/en/tools-data/trade-forecasts/in>

<sup>20</sup> India Frees up Foreign Investment in 15 Major Sectors // Reuters. November 10, 2015. URL: <http://www.in.reuters.com/article/India-reforms-idINKCN0SZ18J20151110>

<sup>21</sup> Bilateral Relations between Russia and India // Embassy of India in Russia. URL: [<sup>22</sup> Export Import Data Bank Version 7.2. Total Trade: Top 100 Countries // Ministry of Commerce and Industry of India. Department of Commerce. URL: <http://www.commerce.nic.in/eidb/iecnttopnq.asp>](http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05; Review of Russia–India Trade Relations // Trade Mission of the Russian Federation in India. URL: http://www.ind.ved.gov.ru/ru/obzor_torg (in Russian).</a></p></div><div data-bbox=)

<sup>23</sup> Trade between Russia and India in 2016 // Russian Foreign Trade. February 27, 2017. URL: [http://www.russian-trade.com/reports-and-reviews/2017-02/torgovlya-mezhdu-rossiy-i-indiy-v-2016-g \(in Russian\).](http://www.russian-trade.com/reports-and-reviews/2017-02/torgovlya-mezhdu-rossiy-i-indiy-v-2016-g (in Russian).)

Cooperation. A High Level Committee on Cooperation in High Technologies between the two countries has been established in June 2017.<sup>24</sup> The India–Russia Trade and Investment Forum has been held every year since 2007. In 2008, Russia–India Business Council was formed, which now works under the aegis of the Chamber of Commerce and Industry of the Russian Federation and the Federation of Indian Chambers of Commerce and Industry (FICCI). Together with the Confederation of Indian Industries which collaborates closely with the Russian Union of Industrialists and Entrepreneurs, the Council encourages business to business links between the two countries and tries to assist the Inter–Governmental Commission through their recommendations. The main task is not to create additional cooperation mechanisms but to boost the activities of the existing formats that are now in some cases only formal or declaratory.

Investment cooperation between the two countries also remains extremely low. The total amount of Indian investments into the Russian economy in 2000–2015 was over \$8 billion. Russian investments in India over the same period were about \$4 billion.<sup>25</sup> Russian investments go mostly into nuclear power and technologies, as well as transportation, but Indian investments are not confined to the energy sector any longer. In recent years, Indian companies like Tata Consultancy Services and Infosys are looking at making investments in Russia. India has also emerged as a major player in the Russian agriculture and pharmaceutical sectors, and it is considered a reliable supplier of high quality generic drugs to Russia.

The negative, though limited, effect of Western sanctions on the Russian economy provides further opportunities to enhance bilateral trade and business cooperation. As Russia looks for investment, the scope for business collaboration is vast.<sup>26</sup> Russia is now developing local manufacturing, and opportunities for Russia–India collaboration are emerging in the food industry, frozen sea–food, bovine meat, milk and milk products, egg–powder, cut flowers, orchids, procurement of diamonds, IT–enabled services, etc. With the fall in oil prices and depreciation of the ruble, it would be time to buy real estate assets in Russia, exploit the dearth of FMCGs, look for new opportunities in the agricultural sector and invest in infrastructure. Another area of cooperation can be in skill development where Russia has a lot of expertise and India is looking at its “skilling India” initiative. While it is for the two leaders to set the tone and tenor for a robust cooperation, the Indian private sector needs to be more involved in furthering relations with Russia through more frequent visits of business delegations.

The *Make in India* programme has opened up new opportunities for trade and economic cooperation between the two countries. Commercializing Russia’s cutting–edge technologies and manufacturing products under licenses from Russian companies are also promising. Interaction between the two countries in energy, aviation industry, petrochemicals, the pharmaceutical industry, biotechnologies, telecommunications and the hi–tech industry is of great

<sup>24</sup> Saint-Petersburg Declaration by the Russian Federation and the Republic of India: A Vision for the 21st Century // Official Website of the President of Russia. June 1, 2017. URL: <http://www.en.kremlin.ru/supplement/5199>

<sup>25</sup> Data for 2016–2017 is not available in open sources.

<sup>26</sup> Based on discussion with a member of the Confederation of Indian Industries, New Delhi, 7 March 2016.

significance. This is the path taken by Russia's Sibur which, together with its Indian partners, is currently constructing a butyl rubber manufacturing plant in Jamnagar, the largest of its kind in South Asia.<sup>27</sup> On the other hand, the "Make in India" programme reduces opportunities of Russian companies to export finished goods to India in certain sectors and requires prompt transformation of collaboration formats.

Unblocking transportation routes that connect Russia and India could serve as a powerful impetus to the growth of Russia–India trade and economic relations. The International North–South Transport Corridor (INSTC) is languishing and could be "unfrozen." Russia, Iran and India signed the relevant agreement on September 12, 2000 in St. Petersburg. It is necessary to introduce smooth customs clearances, multi–modality, develop maritime traffic, launch container trains, and create a unified shipping plan for a flat rate in a fixed transit time interval. Interacting with Iran in this respect could provide an impetus to restoring the Moscow–Tehran–New Delhi geo–economic triangle with the possible involvement of the Central Asian region. In order to develop contacts on transportation issues, a Memorandum of Understanding on technical cooperation in railway sector was signed between Russian Railways and the Ministry of Railways of India during Modi's visit to Moscow in December 2015. This memorandum provides for cooperation in high–speed railways, modernizing the current railway infrastructure, and also developing freight corridors.<sup>28</sup> Less than six months later, on May 24, 2016 in Tehran, during Modi's visit to Iran, the leaders of India, Iran and Afghanistan held a meeting and signed an agreement on opening the Iranian port of Chabahar, which is being developed with considerable Indian investments.<sup>29</sup> India's interest in developing this port stems not only from the desire to promote its ties with Afghanistan, but also to strengthen its position in Central Asia and step up efforts to diversify its transit routes, including through the use of the North–South ITC, of which Chabahar is a part.

Almost a quarter of the world's uncut diamonds are produced in Russia, while India produces up to 65 per cent by value of the world's polished diamonds. An important area of Russia–India cooperation is the increase in direct contacts between diamond businesses, bypassing European intermediaries.<sup>30</sup> For example, memorandum on cooperation between joint stock company ALROSA and India's Gem and Jewellery Export Promotion Council was signed during Prime Minister Modi's visit to Russia in June 2017.<sup>31</sup>

<sup>27</sup> Foreign Offices // SIBUR Official Site. URL: [http://www.sibur.ru/about/products/foreign\\_offices](http://www.sibur.ru/about/products/foreign_offices) (in Russian).

<sup>28</sup> Russian Railways President and Ambassador of India to Russia Signed a Memorandum of Understanding in Rail Transportation // Russian Railways. December 24, 2015. URL: [http://www.press.rzd.ru/news/public/ru?STRUCTURE\\_ID=654&layer\\_id=4069&refererLayerId=3307&id=87068](http://www.press.rzd.ru/news/public/ru?STRUCTURE_ID=654&layer_id=4069&refererLayerId=3307&id=87068) (in Russian).

<sup>29</sup> Governments Are Formed to Fulfill the Dreams of the People: PM Narendra Modi // Official Site of the Prime Minister of India Narendra Modi. May 26, 2016. URL: <http://www.narendramodi.in/pm-modi-at-vikaspar-va-rally-in-saharanpur-uttar-pradesh-483540>; India Builds New Paths to Central Asia // Business Kazakhstan. May 24, 2016. URL: <http://www.dknews.kz/indiya-proklady-vaet-novy-e-puti-v-Isentral-nuyu-aziyu> (in Russian).

<sup>30</sup> Statement for the Press following Russian-Indian Talks // Official Site of the President of Russia. December 24, 2015. URL: <http://www.en.kremlin.ru/catalog/persons/423/events/51011>

<sup>31</sup> A Package of Agreements Signed following Russian-Indian Talks // Official Site of the President of Russia. June 1, 2017. URL: <http://www.en.kremlin.ru/events/president/news/54659>

Cooperation in the pharmaceutical sector would benefit the Russian consumer: high-quality Indian medications are significantly cheaper than similar products manufactured in other countries. The parties should regularly coordinate their positions in this sphere, also taking into account Russia's interest in diversifying its imports and developing import substitution in the pharmaceutical sector. Today, India is one of the major exporters of pharmaceuticals into Russia. In January–September 2015, India exported medications worth a total of \$341 million into Russia, accounting for 20 per cent of India's overall exports (cf.: India's share in Russia's overall medication imports is 6.7 per cent).<sup>32</sup> This is why India is localizing its pharmaceutical manufacturing in Russia. Russia's Diod and India's Aurobindo Pharma have built a pharmaceutical plant in the suburbs of Moscow to produce medications, mostly generics. Another promising project is India's Cadila Pharmaceuticals starting pharmaceutical production in the Yaroslavl Region.<sup>33</sup>

For India, Russia can be vital to India's quest for energy security. The agreement between Russia and India on civil liability for nuclear damage confirms that both parties want to expand cooperation in the nuclear sector. The two countries have significant plans for peaceful nuclear power. For the moment there is agreement for 12 Russian-supplied NPPs in India. Russia is far ahead of other partners of India in setting up nuclear power plants in India. It has completed the second unit of the Kudankulam nuclear power plant, and KK 3 and 4 are already under construction. A master framework agreement on KK 5 and 6, as well as documents on building Russian-designed nuclear power plants at new sites in India, were signed during Prime Minister Modi's visit to Russia in June 2017.<sup>34</sup> Civil nuclear cooperation between India and Russia has shown success in recent years and needs to be encouraged. In the medium term, it would be useful to begin cooperation with India to build fast-neutron reactors, an area where Russia has no competitors. Russia also supports India's membership of the Nuclear Suppliers Group.

According to long-term forecasts made by the International Energy Agency, the total capacity of hydroelectric power plants (HPP) may increase by 1.5 times by 2040. About 90 per cent of new HPPs will be built in developing countries, which have a large demand for power and underutilised hydro capacities (in India, no more than 25 per cent of its hydro capacities is used).<sup>35</sup> This is why Russian companies may be interested in developing Indian hydropower. For instance, earlier the company Power Machines modernized the Tehri and Koteshwar hydroelectric power plants in the state of Uttar Pradesh.<sup>36</sup> RusHydro shared plans to design and build the second stage of Upper Siang, India's

<sup>32</sup> Data for 2016-2017 is not available in open sources.

<sup>33</sup> Anti-Crisis Medication // Rossiyskaya Gazeta. February 10, 2015.  
URL: <http://www.rg.ru/2015/02/10/reg-cfo/tabletka.html> (in Russian).

<sup>34</sup> A package of agreements signed following Russian-Indian talks // Official Site of the President of Russia. June 1, 2017.  
URL: <http://www.en.kremlin.ru/events/president/news/54659>

<sup>35</sup> Technology Roadmap. Hydropower // International Energy Agency.  
URL: <http://www.iea.org/publications/freepublications/publication/technologyroadmaphydropower.pdf>

<sup>36</sup> Success Stories // Power Machines Official Site. URL: <http://www.power-m.ru/press-center/stories/> (in Russian).

largest HPP on the Brahmaputra River.<sup>37</sup> It would be advisable to expand cooperation between electricity companies in both countries in modernizing currently operational power plants and building new electric power facilities in India. India and Russia could also cooperate in setting up hydro-power plants in Nepal.

Cooperation in oil and gas industry is extremely promising, as Russian on-shore technology is considered as one of the most advanced in the world. India's largest investment in the hydrocarbon sector is in Russia (\$4.5 billion), and this yields the most returns, with 30% of oil from all foreign investments coming from there. India could consider investing in hydrocarbon exploration in the Arctic, in addition to OVL's decision to invest \$1.27 billion in the Vankor field in exchange for its 15 per cent share.<sup>38</sup> However, India must act soon as oil prices are low and Russia needs financial inflows pursuant to western sanctions. India and Russia could also explore the possibility of gas swaps involving Japan, Korea, Taiwan and Qatar and Iran as suppliers since oil pipelines from Russia to India are not commercially viable.

Energy cooperation with Russia should not be left solely in the hands of the Public Sector Undertakings and should be dealt with at the Government-to-Government level. India could consider committing to long-term expenditure of about \$20 to \$30 billion, whether in exploration, mid-stream, refining or pipelines as a starting point and see how this works. Creating new joint ventures in hydrocarbon production in Russia (similar to Sakhalin-1) and in third countries (in Central Asia first and foremost) could be an effective way of promoting collaboration. India could sell part of the produced hydrocarbons to its partners. A promising agreement was reached in July 2015 between Rosneft and India's Essar on oil sales to India. The agreement concerns the supply of a total of 100 million tonnes of oil over 10 years for an oil refinery in the city of Vadinar, one of the largest refineries in India and South Asia as a whole. Also, Rosneft gets 49 per cent stake in the refinery's shares as well as in the chain of more than 3,000 petrol stations.<sup>39</sup> This project is of strategic importance for Russia-India relations.

It is important for Russia to continue its participation in India's large-scale gas infrastructure development. It involves Russia's Sroytransgaz Group, which has completed a series of landmark projects in India. Among these projects is the construction of "East-West", India's largest gas-distribution system, in 2008. The 1,300-km gas pipeline stretches from Kakinada (in the state of Andhra Pradesh) to Bharuch (in Gujarat).<sup>40</sup> Current estimates predict that by 2020 India's gas consumption will grow by 70 per cent (compared to

<sup>37</sup> RusHydro Will Design a Power Plant in Brahmaputra // RusHydro Official Site. March 24, 2014. URL: <http://www.blog.rushydro.ru/?p=9428#more-9428> (in Russian).

<sup>38</sup> India-Russia Bilateral Relations // Embassy of India in Russia. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05> (in Russian).

<sup>39</sup> Rosneft Successfully Closes Strategic Deal for the Acquisition of 49% of Essar Oil Limited // Rosneft Official Site. August 21, 2017. URL: <https://www.rosneft.com/press/releases/item/187527>

<sup>40</sup> Sroytransgaz Official Site. URL: [http://www.sroytransgaz.ru/projects/oilgas\\_engineering/987/?sphrase\\_id=24029](http://www.sroytransgaz.ru/projects/oilgas_engineering/987/?sphrase_id=24029) (in Russian).

2011).<sup>41</sup> The new strategy of the Ministry of Petroleum and Natural Gas of India aims to enhance its energy security and to decrease its excessive dependence on oil, looking for ways to import natural gas.<sup>42</sup> Since liquefied natural gas (LNG) is the most economically advantageous, Gazprom and India's GAIL signed a long-term contract for LNG supplies in 2012, under which Russia commits to ship 2.5 million tonnes of LNG annually for 20 years.<sup>43</sup> Rosneft is not far behind the Russian gas giant: it has been negotiating the sale of a 20 per cent share in the Far Eastern LNG project with India's Oil and Natural Gas Corporation (ONGC).<sup>44</sup>

It is estimated that a sharp increase in the middle class (600 million people by 2030<sup>45</sup>) in India, whose consumption level will be comparable to that of the European middle class, as well as environmental problems, should prompt India to look for new ways to meet the food demand. Russia could become India's natural partner in addressing this need and ensuring India's food security. A measure of success has already been achieved in this area. In May 2015, Uralkali concluded a contract with Indian Potash Limited for the supply of 800,000 tonnes of potassium fertilizers to India.<sup>46</sup> Russia's PhosAgro and Acron are also present on the Indian market. What is more, Rosatom plans to create a network of food and food product (including export-oriented food product) radiation decontamination centres in India.<sup>47</sup>

It is extremely important to increase Russia's hi-tech exports to India. Thus, Russia has recently offered cooperation in production of components for SSJ-100 and MS-21.<sup>48</sup> Russian business has demonstrated an interest in the Indian telecommunication sector, with the joint venture between Russia's Sistema and India's Shyam Group. In 2017 Sistema is in process of merging its telecommunication assets in India (Sistema Shyam Teleservices) with another large company, Reliance Communications.<sup>49</sup>

Another promising area of cooperation would be to combine the capacities of the two countries in software exports. As for innovations, targeted support for Russian projects coming from the Skolkovo Innovation Center should be considered. Particular attention should be paid to attracting Indian investments

<sup>41</sup> Alexey Miller and Ajai Malhotra Discuss Issues of LNG Supplies to India // Gazprom. November 16, 2011. URL: <http://www.gazprom.ru/press/news/2011/november/article123401> (in Russian).

<sup>42</sup> Roadmap for Reduction in Import Dependency in the Hydrocarbon Sector by 2030 (Final Report) // Ministry of Petroleum and Natural Gas. URL: <http://www.petroleum.nic.in/docs/FinalReportKelkarCommittee2014.pdf>

<sup>43</sup> Gazprom Concludes Long-Term LNG Sales Contract with GAIL Company // Gazprom. October 1, 2012. URL: <http://www.gazprom.ru/press/news/2012/october/article145022> (in Russian).

<sup>44</sup> ONGC Begins Negotiations with Rosneft on 20 Per Cent Share in Far Eastern LNG // Forbes. September 3, 2014. URL: <http://www.forbes.ru/news/266907-indiskaya-ongc-mozhet-poluchit-20-v-dalnevostochnom-spg-rosnefti> (in Russian).

<sup>45</sup> The Middle Class in India: Issues and Opportunities // Deutsche Bank Research. February 15, 2010. URL: [http://www.dbresearch.de/PROD/DBR\\_INTERNET\\_DE-PROD/PROD000000000253735.pdf](http://www.dbresearch.de/PROD/DBR_INTERNET_DE-PROD/PROD000000000253735.pdf)

<sup>46</sup> Uralkali Signs Contract with Indian Potash // Interfax. May 2, 2016. URL: <http://www.interfax.ru/business/439646> (in Russian).

<sup>47</sup> Russia-India Economic Relations // TASS. April 10, 2016. URL: <http://www.tass.ru/info/1637601> (in Russian).

<sup>48</sup> Russia offers cooperation in production of components for SSJ-100, MS-21 aircraft to India // TASS. March 16, 2017. URL: <http://www.tass.com/defense/935902>

<sup>49</sup> For more details: Russia-India Economic Relations // TASS. April 10, 2016. URL: <http://www.tass.ru/info/1637601> (in Russian).

for Russian innovative projects that could enter the Indian market. For example, Russia and India have already made the decision to jointly develop and introduce GLONASS/GPS satellite navigation services in India.<sup>50</sup>

Russia and India have a good track record of cooperation in space exploration. 2015 marked the 40<sup>th</sup> anniversary of the launch of Aryabhata satellite on the Soyuz carrier rocket. On that occasion, the space agencies of the two countries signed a memorandum that would give an additional impetus for cooperation in the peaceful exploration and use of the outer space. The parties may establish collaboration in rocket and engine construction, spacecraft development (including spacecraft designed for long–distance Earth probing and space meteorology) and satellite navigation.

Financial support and state guarantees are required in order to develop promising initiatives in the priority sectors of economy and create new innovative production facilities. One solution is to create joint investment funds. In 2012, the Russian Direct Investment Fund (RDIF) and the State Bank of India created a co–investment consortium intended to finance the demand for implementing infrastructure projects, creating high added value in the production and processing of natural resources, and developing processing facilities and services enterprises.<sup>51</sup> In 2014, the RDIF and India’s Infrastructure Development Finance Company (IDFC Ltd.) agreed on the joint implementation of investment projects, with initial plans supposing that each country should contribute \$500 million, to be mostly spent on developing transportation corridors.<sup>52</sup> The RDIF created another fund jointly with Tata Power to develop investment in the energy sector, including the production of green energy.<sup>53</sup> Finally, in 2016, Russian Direct Investment Fund and National Investment and Infrastructure Fund of India have agreed to set up a Russia–India Investment Fund and invest in it \$500 million each.

Implementing joint Russia–India economic, technological, scientific and research projects requires significant financial support, which could be provided, among others, by the banking system. Currently, Sberbank of Russia (since 2009) carries out commercial banking in India. Vnesheconombank, Promsvyazbank and Gazprombank have opened offices in India. Commercial Indo Bank represents the Indian banking sector in Russia.<sup>54</sup>

Financing for large projects may be obtained from international financial sources. Large financial resources (up to \$100 billion) are available with the

<sup>50</sup> GLONASS Signs Cooperation Agreement with Biggest Landline Operators in India // GLONASS. December 24, 2012. URL: <http://www.nis-ghonass.ru/press/news/2654> (in Russian); GLONASS Signs Memorandum on the Creation of a Joint Venture in India // CNews. December 11, 2014. URL: [http://www.telecom.cnews.ru/news/2014/12/11/np\\_ghonass\\_podpisalo\\_memorandum\\_o\\_sozdanii\\_sovmestnogo\\_predpriyatiya\\_v\\_indii\\_590747](http://www.telecom.cnews.ru/news/2014/12/11/np_ghonass_podpisalo_memorandum_o_sozdanii_sovmestnogo_predpriyatiya_v_indii_590747) (in Russian).

<sup>51</sup> RDIF and the State Bank of India Agreed to Invest up to \$1 billion Each in Joint Projects // RDIF Official Site. December 24, 2012. URL: <http://www.rdif.ru/fullNews/265> (in Russian).

<sup>52</sup> RDIF and IDFC Will Invest up to \$1 billion Each in Joint Projects // RDIF Official Site. December 10, 2014. URL: <http://www.rdif.ru/fullNews/1194> (in Russian).

<sup>53</sup> RDIF and TATA Power to Increase Russia-India Investments // RDIF Official Site. December 10, 2014. URL: <http://www.rdif.ru/fullNews/1195> (in Russian).

<sup>54</sup> India // Official Site of the Ministry of Foreign Affairs of the Russian Federation. URL: <http://www.mid.ru/maps/in/?currentpage=double>

Asian Infrastructure Investment Bank where China, India and Russia have the majority of votes: 27.8450 per cent, 8.0294 per cent and 6.3349 per cent, respectively.<sup>55</sup> The BRICS New Development Bank, which focuses on financing infrastructure projects in the BRICS countries, will be another source for funding joint projects.<sup>56</sup>

In June 2015, the Central Bank of Russia and the Reserve Bank of India formed a joint working group to study the possibility of using their national currencies for mutual payments. Several Russian companies already use rupees and roubles for mutual payments. For instance, Uralvagonzavod successfully sells its spare carriage parts for rupees.<sup>57</sup> India is also interested in using national currencies for payment. The Ministry of Commerce and Industry of India is developing a new mechanism for making mutual payments with Russia in the “rupee–rouble” pairing, removing dollars and euros from transactions.<sup>58</sup>

Introducing a free trade regime between India and the Eurasian Economic Union (EAEU) may also contribute to expanding Russia–India trade cooperation. A joint research group has been formed and is already working on the issue; it will present its conclusions on the feasibility of such an agreement.<sup>59</sup>

Cooperation in tourism is very promising. It is particularly relevant now that Egyptian resorts are still “closed” for Russian tourists and Turkish resorts are not as popular as before among Russians. India, with its rich recreational potential, could become a worthy substitute for the Middle East, although rouble’s sharp depreciation in late 2014 resulted in less Russian tourists going abroad, including India. In 2014, a total of 205,000 Russian tourists visited India. In 2015, India welcomed 118,100 Russian guests, and in 2016 it hosted 169,202 tourists from Russia. To stimulate bilateral tourism, Russia could take steps similar to those that New Delhi took concerning private visits to India. Since October 2014, Russians have been able to obtain their visas upon their arrival at nine Indian airports (the duration of stay is up to 30 days). Liberalization of the visa regime on both sides will contribute to implementing joint projects. It is particularly important to expedite the issuance of visas to highly qualified specialists, and to groups attending business, academic and cultural events in both countries.

The two countries are continuing efforts to remove barriers hindering business initiatives. In December 2015, a protocol was signed in the presence of the two heads of state on simplifying the travel requirements for several categories of citizens of the two countries. Now businessmen can visit Russia and India upon

<sup>55</sup> Members and Prospective Members of the Bank // Asian Infrastructure Investment Bank.  
URL: <https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html>

<sup>56</sup> The BRICS New Development Bank Opened in Shanghai // TASS. July 21, 2015.  
URL: <http://www.tass.ru/ekonomika/2132483> (in Russian).

<sup>57</sup> Uralvagonzavod’s CEO: We Are Actively Working with Asia Pacific Countries // RIA Novosti. September 1, 2015.  
URL: <http://www.ria.ru/interview/20150901/1221649403.html> (in Russian).

<sup>58</sup> India Working on Mechanism of Payment in National Currencies with Moscow // TASS. December 24, 2014.  
URL: <http://www.tass.ru/mezhdunarodnaya-panorama/1669813> (in Russian).

<sup>59</sup> Chairman of the Eurasian Economic Commission Viktor Khristenko Discusses the Development of Cooperation between the EEU and India with the Minister of Commerce and Industry of India Nirmala Sitharaman // Eurasian Economic Commission. June 18, 2015. URL: <http://www.eurasiancommission.org/ru/nae/news/Pages/18-06-2015-6.aspx> (in Russian).

receipt of direct invitations from their partners, and not through a narrow circle of authorized organizations.<sup>60</sup> Moreover, visas to India can be obtained online without visiting a consulate or a visa centre. India might become the first country to sign an agreement with Russia on the mutual issuance of tourist visas valid for six months.<sup>61</sup> The Federal Agency for Tourism of the Russian Federation (Rostourism) plans to open a Visit Russia centre in India in 2017 to attract tourists to Russia. Similar centres are already efficiently operating in Helsinki, Berlin, Dubai and Beijing.<sup>62</sup> Similarly, carrying out a more aggressive advertising campaign in Russia to promote Indian hotels and destinations could attract more tourists from Russia.

<sup>60</sup> Statement for the Press following Russian-Indian Talks // Official Site of the President of Russia. December 24, 2015.  
URL: <http://www.en.kremlin.ru/catalog/persons/423/events/51011>

<sup>61</sup> Russia and India to Continue to Simplify the Visa Regime // TASS. December 15, 2015.  
URL: <http://www.tass.ru/politika/2528838> (in Russian).

<sup>62</sup> Rostourism Plans to Open Visit Russia Offices in India, US and Japan // TASS. March 21, 2017.  
URL: <http://www.tass.ru/obschestvo/4111722> (in Russian).

# Toward a New Agenda in Military–Technical Cooperation

India is one of the largest importers of military equipment in the world.<sup>63</sup> Since the early 1980s, India has attempted to implement its own national programmes to create major weapons systems. However, until now, the majority of projects have not evolved into serial manufacturing.

During the last election campaign, the BJP announced that it would pursue the goal of “developing indigenous defence technologies” and encourage India’s military production for its own military needs and for export.<sup>64</sup>

As some Russian experts argue, India has purposefully diversified its arms imports and has purchased weapons systems that are specifically tailored to its individual requirements. Moreover, for several decades, India has gone in for large scale license manufacturing of weapons and equipment in the country with the objective also to gain skills to expand its own military production. Such a policy has resulted in New Delhi gaining access to a number of technologies available in the market.

Russia can today offer India a wide range of modern weapons, from drones to multirole robotic systems. This has become possible due to the large-scale programme of investments in the Russian military industrial complex. The devaluation of the Russian rouble also offers an additional competitive advantage.

Russia–India military–technical cooperation is both systemic and long-term. Russian and Indian officials at different levels often point out that cooperation in military–technical field is one of the foundations of strategic partnership between the two states. India is the only country in the world to implement a long-term cooperation programme in the weapons sector with Russia. The programme is intended to run for 10 years, from 2011 to 2020. The India–Russia Intergovernmental Commission for Military–Technical Cooperation, presided over by the Russian and Indian ministers of defence, plays a significant role in developing this line of cooperation. Russia is the principal exporter of arms and military equipment to India. In 2012–2016, Russia’s share of military technology supplies to India was 68 per cent.<sup>65</sup> The estimated value of the contract portfolio is about \$35 billion.<sup>66</sup> Currently, the Russia–India MTC programme includes around 200 joint projects.<sup>67</sup>

<sup>63</sup> CAWAT-2016 Yearbook: Statistics and Analysis of World’s Weapons Trade // The Centre for Analysis of World Arms Trade (CAWAT). 2013. Chapter 1, p. 20. URL: [http://www.armstrade.org/files/yearly\\_2016\\_1\\_1.pdf](http://www.armstrade.org/files/yearly_2016_1_1.pdf) (in Russian).

<sup>64</sup> Ek Bharat – Shreshtha Bharat. Election. Manifesto 2014. SabkaSaath, SabkaVikas // Bharatiya Janata Party 2014, p. 38. URL: [http://www.bjp.org/images/pdf\\_2014/full\\_manifesto\\_english\\_07.04.2014.pdf](http://www.bjp.org/images/pdf_2014/full_manifesto_english_07.04.2014.pdf)

<sup>65</sup> Fleurant A., Wezeman P.D., Wezeman S.T., Nan Tian. Trends in International Arms Transfers, 2016 // SIPRI, February 2017, p. 8. URL: <https://www.sipri.org/sites/default/files/Trends-in-international-arms-transfers-2016.pdf>

<sup>66</sup> India Prefers Russian Fighters // RIA Novosti. October 27, 2015. URL: <http://www.ria.ru/analytics/20151027/1308897898.html> (in Russian).

<sup>67</sup> Russia and India to Discuss Hi-Tech Aviation Projects // RIA Novosti. February 18, 2015. URL: <http://www.ria.ru/world/20150218/1048277600.html#ixzz3zkynvxEG> (in Russian).

The two states are increasingly shifting from the traditional “seller–buyer” model to the fully–fledged partnership involving technology transfer. India is manufacturing under Russian licences a wide range of military items and equipment, including Su–30MKI fighters,<sup>68</sup> T–90 tanks,<sup>69</sup> BMP–2 fighting vehicles<sup>70</sup> and ammunition. Russia – India BrahMos joint venture is an important example of cooperation in joint development and manufacturing of hi–tech products. In 2017, a new joint venture for manufacturing Ka–226T helicopters started its work in India.<sup>71</sup>

In the near future, Russia’s share on the Indian market may decrease, although it will retain its leadership in absolute terms, due to India’s diversification policy and the accelerated development of its own defence industry, as well as Russia having to compete with other global weapons’ manufacturers. Despite the United States emerging as the biggest supplier of defence hardware to India in recent years, the country continues to be heavily dependent on Russia as almost 70% of its defence equipment is still based on the Soviet era platforms. After the Soviet Union collapsed, the experience of the Indian Air Force, which still has 70% equipment of Russian origin, has been mixed. From the Indian perspective, the refurbishing of the aircraft carrier, Admiral Gorshkov or the INS Vikramaditya, represented some of the problems faced by India in defence cooperation with Russia.

India has consistently insisted on quality control of the products exported to India by Russia’s state agencies and on efficient post–sales maintenance. It has also raised the issue of intermediaries in Russia–India military–technical cooperation. Previously, the Indian side has levelled criticism over the need to largely deal with Rosoboronexport, Russia’s state–run arms export company that back in 2010 accounted for over 85% of Russia’s arms exports, which allegedly gave it the clout to raise prices arbitrarily. It is only the positive engagement between Indian Prime Minister Modi and Russian President Putin that has resulted in progress towards the formalization of more industry–to–industry linkages rather than dealing with the Russian state–owned enterprises. Reliance Defence Limited and Russia’s leading developer and manufacturer of air defence missile Systems ‘AlmazAntey’ signed a deal in December 2015 to work jointly on the entire range of Air Defence Missile and Radar Systems for the Indian defence forces.

India has constantly raised the issue of delayed shipments of spare parts for military equipment purchased in Russia. These delays are to a great degree due to the cumbersome bureaucracy of Russian partners. Letters of complaint sent to Russian factories mostly pass through Rosoboronexport, leading to months–long delays in responses. It is important to respond within the same time frames

<sup>68</sup> Russia Ready to Increase Licensed Production of Su-30MKI Fighter Jets in India // Sputnik News. February 15, 2017. URL: <https://www.sputniknews.com/military/201702151050721941-russia-india-su-30mki>

<sup>69</sup> Boris Egorov. Russia extends production license of T-90S tanks in India // Russia & India Report. February 14, 2017. URL: [https://www.in.rbth.com/economics/defence/2017/02/14/russia-extends-production-license-of-t-90s-tanks-in-india\\_702053](https://www.in.rbth.com/economics/defence/2017/02/14/russia-extends-production-license-of-t-90s-tanks-in-india_702053)

<sup>70</sup> India to procure 149 Russia-licensed BMP-2 IFV // Russia & India Report. October 30, 2015. URL: [https://www.in.rbth.com/economics/defence/2015/10/30/india-to-procure-149-russia-licensed-bmp-2-ifv\\_535475](https://www.in.rbth.com/economics/defence/2015/10/30/india-to-procure-149-russia-licensed-bmp-2-ifv_535475)

<sup>71</sup> Indo-Russian Joint Venture for Kamov choppers registered in India, says defence major Rostec // The Indian Express. July 18, 2017. URL: <http://www.indianexpress.com/article/india/india-russian-joint-venture-for-kamov-choppers-registered-in-india-says-defence-major-rostec-4755982>

as those of Russia's Western competitors. Servicing and lifetime maintenance of Russian technical equipment must be set up as well, as India's other suppliers have done.

Russia is implementing a range of measures aimed at solving those issues. In 2016, significant changes were introduced in Russian legislation on military–technical collaboration allowing about 10 Russian organisations to be involved in foreign trade of military goods in certain areas.<sup>72</sup> They include supply of spare parts and technical documents for the military goods supplied earlier; works ensuring complete servicing of earlier supplied products; training foreign specialists for these works; taking part in joint ventures with foreign customers involved in technical maintenance and so on.

At the March 2017 Russia–India Military–Industrial Conference<sup>73</sup> the two states discussed possible ways of ensuring integrated post–sales maintenance of Russian (and Soviet) armament and military equipment in the framework of the *Make in India* program.

The Russian side has raised the issue of lengthy bureaucratic procedures in India related to tendering processes for military equipment and contract negotiations, which can take longer than delivery time frames themselves. Besides, Indian legislation on defense acquisitions stipulates field trials of equipment in India that are expensive for Russian as well as other foreign suppliers especially as conclusion of deals is not guaranteed. The Russian side also has concerns about India calling for international tenders for spare parts for Russian–made (or Soviet–made) military equipment (since 2000) and cooperating in their repair and modernization with third countries that, in Russia's view, do not have relevant licences and offer inferior quality material at lower prices.

Transfer of technology has also proven to be a matter of discussion in Russia – India collaboration. In the case of a joint Russia–India Fifth Generation Fighter Aircraft, while India has paid 50% of development costs, its involvement in the design phase has been only 13%. Sukhoi Company and Hindustan Aeronautics Limited seemed to have agreed on all technical details, and India's primary concern has been over its limited access to Russia's technology.<sup>74</sup>

Meanwhile, Russia as a supplier of weapons has its own concerns about the transfer of technology. Although Russia and India occasionally have disagreements on the economic and technical aspects of various projects, there has never been an issue over theft of Russian intellectual property between the two countries. The two countries have a successful history of cooperation in the field tracing back to the Soviet times, and India continues to be Russia's natural partner in manufacturing licensed equipment. Russia has proved to be strong in cutting–edge software, in powerful radars, coastal management, all areas that India needs to modernise.

<sup>72</sup> List of the Subjects of Military–Technical Cooperation // Federal Service for Military–Technical Cooperation.  
URL: <http://www.fsvts.gov.ru/materials/2457DFEC607E6BC6C32575FA0024FB41.html> (In Russian).

<sup>73</sup> India–Russia Military Industrial Conference // Press Information Bureau. Government of India. Ministry of Defence. March 17, 2017. URL: <http://www.pib.nic.in/newsite/PrintRelease.aspx?relid=159499>

<sup>74</sup> Based on an Interaction at the VIF on 23 August 2015.

Therefore, more frank exchanges between the two sides are required to redress some structural issues in the relationship and to agree on mutually beneficial terms of long-standing deals in future.

Joint development and manufacture is a reliable option to transfer of technology. Using Russia's and India's manufacturing and engineering resources to design new equipment and supply finished products to third countries looks promising and profitable for both parties. For instance, the Russia–India BrahMos consortium has been involved in negotiations on supplying its missiles to select third countries. In addition, when Prime Minister of India Narendra Modi made an official visit to Russia in December 2015, a cooperation agreement to produce 200 Ka–226T helicopters jointly in India was signed, including for export.

Russia and India should take into consideration the current massive R&D investment into selected areas of military and dual use technology taking place in US and China. That includes artificial intelligence, robotics, lasers, 3D printing etc. Pooling resources could help Russia and India to keep pace with the world's two biggest economies.

Russia and India require a breakthrough in military cooperation. The two sides need to boost cooperation in space taking into account current boom in investment in both military and civilian space technologies in the US and China. In India's view, its need for long range anti-aircraft defence system with significant anti-missile capacities could be one such area. Talks are also underway between India and Russia on the supply of S–400 airdefence system to India.<sup>75</sup> To maintain the positive momentum of Russia–India military–technical cooperation in mid- to long-term a transition from routine export and import transactions to deeper cooperation in production is required. The successful examples of such collaboration may be found in the history of Russia – India ties, such as the BrahMos project.

<sup>75</sup> Russia Ready to Supply S-400 Missile Systems to India // Business Standard. June 1, 2017.  
URL: [Russia ready to supply S-400 missile systems to India](#)

## Educational, Scientific and Cultural Cooperation

Russia's positive image in India is largely linked to the country's great culture and literature and its leading positions in space exploration, nuclear energy and defence manufacturing. These factors create favourable conditions for developing cooperation in these spheres. However, beyond these areas, India sees Russia as a country lagging behind economically.

The Indian media largely purveys the Western point of view on events in Russia and the world. Indian academic writing too is influenced by anti-Russian publications by US and Western authors that can be easily accessed from the Internet, while the Russian point of view, mostly presented in Russian, remains ignored. This orients New Delhi towards other countries, and equally causes distrust among the Russian officials and scholars about its real intentions.

The problem of 'Alienation of Elites' of the two countries is also among the biggest challenges for the future of bilateral relations. In the Soviet times, when relations with India were among policy priorities of the ruling Communist Party of the Soviet Union (CPSU), there was a continued Track 2 dialogue between the elites of the two countries with an extensive exchange of intellectuals and research scholars. However, due to the collapse of the USSR and transition to market economies in both countries, new powerful elites have emerged. Interaction between these elites is now at a low level, in part because Russian elites are mostly oriented toward the West and see India as an enigma. Even after the beginning of the crisis in Russia-West relations and Western sanctions imposed on some representatives of the Russian elite, Russian attitudes towards India remain ambivalent.

Since the middle of the XX century, Soviet and Russian universities have educated over 13,000 professionals for various sectors of India's economy. Today, Russia must resume attracting large numbers of Indian students to study at Russian universities. For this purpose, a large-scale programme for attracting Indian students should be developed in collaboration with Russian universities. The programme should also involve Indian professionals who have studied at Soviet universities and currently hold high-ranking positions in the Indian education system. This area is of crucial importance for Russia's image and commercial attractiveness of Russian universities.

India still highly values Russian higher education in science and technology. Yet the lack of relevant information on higher education in Russia, recognition of Russian degrees and concerns for personal safety undermine the competitiveness of the Russian education system. In order to overcome this problem annual Russian, mostly federal, university fairs in India could be held. It is necessary to speed up the development of intergovernmental agreements on recognizing Russian degrees.

It is also necessary to strengthen ties in higher education and gear Russian universities toward expanding cooperation with Indian partners (carrying out exchanges for professors and students, holding joint conferences and seminars,

publishing joint works in Russian, etc.). Given the tradition of teaching Hindi in Russia, Hindi studies in universities should be promoted, not only for future linguists and interpreters, but also for professionals in applied disciplines. A system of internships and studies for Russian students studying Hindi and other Indian languages should be set up in Indian universities.

Particular attention should be given to strengthening academic cooperation. The proper development of Russia–India relations requires expert conferences on foreign and defence policy on bilateral and multilateral basis to be held regularly, in particular, within the framework of the SCO, RIC and BRICS. Some work has already been done in natural sciences. In December 2010, the Government of the Russian Federation and the Government of India signed the Integrated Long–Term Program (ILTP) for Cooperation in Science, Technology and Innovations for the Period up to 2020. In its current stage, the programme covers a wide range of scientific disciplines and includes about 60 joint projects. Leading research centres of the two countries are involved in bilateral projects (more than 70 Russian institutes and over 50 Indian institutes and laboratories). The following centres are already operational: seismological (New Delhi); biotechnological (Allahabad); powder metallurgy and new materials (Hyderabad); manufacturing polyvalent vaccines (Bulandshahr); and gas–hydrates research (Chennai). Specialists from the Lebedev Physical Institute of the Russian Academy of Sciences together with their Indian colleagues developed lasers intended to treat tuberculosis. The Institute for Computer Aided Design in Moscow served as a basis for the joint Computer Research Centre (RICRC) to model atmospheric processes, carry out research in microelectronics, medicine, seismology, environmental studies, etc.

Russia and India traditionally pay significant attention to strengthening cultural cooperation. Significant projects include the Year of Russia in India (February–December 2008), and the “reciprocal” Year of India in Russia that took place in 2009. Festivals of Culture have been held since 2011. The 2014 Festival was the biggest cultural event in India that year in terms of the number of visitors.<sup>76</sup> The Festival “Namaste Russia” took place from May to November, 2015.<sup>77</sup> The First International Yoga Day held on June 21, 2015 in over 60 Russian regions attracted over 45,000 people.<sup>78</sup> The Festival of Russian Culture in 2016 was very successful, and it was decided to hold the Festival of Indian Culture in Russia in 2017.<sup>79</sup> A wide range of festivals, concerts, markets and other events are held in the framework of celebration of the 70<sup>th</sup> Anniversary of Russia–India diplomatic relations. These events are mostly organized by the Russian centres of science

<sup>76</sup> Russian Culture Festival the Most Attended Arts Event in India // TASS. December 22, 2014. URL: <http://www.tass.ru/kultura/1665412> (in Russian).

<sup>77</sup> Indian Arts Festival Namaste Russia Over in Russia // Official Site of the Ministry of Culture of the Russian Federation. November 17, 2015. URL: <http://www.mkrf.ru/press-center/news/ministerstvo/v-rossii-zavershilsya-festival-indiyskoy-kultury-namaste-rossiya-> (in Russian).

<sup>78</sup> India-Russia Bilateral Relations // Official Site of the Embassy of India in Russia. URL: <http://www.indianembassy.ru/index.php/ru/2013-07-06-11-02-37/2013-07-06-10-56-05> (in Russian).

<sup>79</sup> India-Russia Joint Statement during the Visit of President of the Russia to India: Partnership for Global Peace and Stability // Ministry of External Affairs. Government of India. October 15, 2016. URL: <http://www.mea.gov.in/bilateral-documents.htm?dtl/27482/IndiaRussia+Joint+Statement+during+the+Visit+of+President+of+the+Russia+to+India+Partnership+for+Global+Peace+and+Stability>

and culture in New Delhi, Mumbai, Calcutta, Chennai and Trivandrum, and the Jawaharlal Nehru Cultural Centre in Moscow.

Given the popularity of Indian films among a certain part of the Russian population, various film weeks and retrospective shows of popular Russian and Indian directors should be held more frequently. In 2014 and 2015, Indian Film Festivals had a great success in Moscow. It would also be advisable to translate the best works of Russian literature into Hindi and India's other national languages. When holding cultural events, particular attention should be paid to advertising. Thus far, the Indian public has very little knowledge of forthcoming events. When promoting popular Russian books, films and TV shows, it would be wise to attract not only state, but also private financing.

A special mechanism should be created to promote closer cooperation with the Indian diaspora in Russia. The Embassy of India in Moscow estimates the Indian community to be about 15,000 people. What is more, there are about 1,500 Afghan citizens of Indian descent living in Russia. Although the majority of the diaspora does not belong to the policy-making community, they could contribute more to developing trade, economic and cultural ties between Russia and India. The Indian Business Alliance could act as a priority partner here, and its representatives should be more involved in expert meetings.

# Media Collaboration to Strengthen Mutual Understanding

The Russian and Indian media do not perform their primary function of objectively covering events in the two countries. Attention is focused on negative events in both states and on the problems in bilateral relations, especially when it comes to military–technical cooperation. Reports on the meetings between the leaders of the two countries no longer make it to the front pages. At the time of Soviet collapse there were eight Indian accredited correspondents in Moscow representing mainstream media that ensured keeping Russia alive on the Indian radar. Today India has no press representatives in Moscow for independent unbiased coverage of Russia. India's largest information agency India (PTI) closed its office in January 2012. In July 2014, The Hindu newspaper also closed its office. In order to fill the information gap between the two societies India should open new offices for its media outlets in Moscow, although this will be a decision for the autonomous and private news organisations in India.

In order to improve Russia's image in India, Russian media including Rossiya Segodnya and TASS should expand their activities. It is also advisable to sign additional agreements with India's largest media holdings (Hindustan Times and The Times of India), which would include offering materials prepared by Russian journalists and covering Russia and Russia's policies on global issues to the Indian media.

Significantly expanding the use of English and Hindi in Russia's information work with India should be considered. When the nationally oriented BJP came to power, the Hindi language began to be used noticeably wider, and this trend will persist. In his official speeches, Narendra Modi often uses only Hindi instead of English. India's nationally oriented audience will welcome greater use of Hindi in Russia's information activity. These efforts should take into account the experience of Russia beyond the Headlines (RBTH) in India. RBTH operated an India-oriented project in English<sup>80</sup> *Russia and India Report* for more than six years and a special outlet in Hindi *Rus-Bharat Samvad*,<sup>81</sup> but these projects have recently been frozen.

In 2014, Russia's TASS information agency signed information cooperation agreements with India's two leading information agencies: the Indo–Asian News Service (IANS) and the Press Trust of India. These agreements became the first official documents to be concluded between mass media outlets of the two countries since the collapse of the USSR. During Modi's visit to Moscow in December 2015, JSC Digital Television (JSC DT) and Indian state broadcasting company Prasar Bharati concluded a memorandum on interaction in television broadcasting.<sup>82</sup> It is important to create favourable conditions to develop the agreements already in

<sup>80</sup> Russia&India Report. URL: <http://www.in.rbth.com>.

<sup>81</sup> Rus-Bharat Samvad. URL: <http://www.hindi.rbth.com>

<sup>82</sup> Russia and India Agreed on Mutual Travels Facilitation // RIA Novosti. December 24, 2015. URL: <http://www.ria.ru/east/20151224/1348356798.html#ixzz3zCHUQb00> (in Russian).

place, particularly in exchanging experience and information between the journalists of the two countries. In order to further media cooperation it would be also advisable for Doordarshan and All India Radio to set up their joint bureau in Moscow.

There should be programmes for inviting Indian journalists, students and winners of various competitions and quizzes on the Russian language and Russia to the country. The Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation (Rossotrudnichestvo) could coordinate these efforts. It is important to create special communication formats with the younger generation in India and segment the target audience for the Russian media in India.

## Conclusions and Recommendations

India is Russia's long-standing and reliable partner. However, the current model of ties has largely exhausted itself, and cooperation should be taken to a qualitatively new level.

Giving a new impetus to Moscow – New Delhi relations would allow Russia to diversify its efforts in Asia. It is necessary for India and Russia to prevent third countries from exerting significant influence on their bilateral ties. The two countries “need to systematically upgrade the modalities of their cooperation” through top level ministerial and bureaucratic dialogue at greater frequency rather than just the annual bilateral summit between the leaders of the two countries, as well as through the development of a more robust economic and business engagement.

A whole series of systemic barriers that currently impede bilateral relations must be overcome. These barriers include: an imperfect legal framework; tariff and non-tariff trade limitations that still exist between the two countries; the lack of up-to-date information on political processes in both countries; the low level of business contacts; and the outdated images of both Russia and India their citizens have. In order to solve these problems, it is necessary to involve experts, businessmen, journalists and the professional community. At the same time, the state has the responsibility to initiate and coordinate such contacts, since developing bilateral relations is ultimately a strategic and political task.

### Foreign Policy

1. It is important to further expand Russia–India engagement on the international arena and to strengthen influential international groups such as the SCO and BRICS, which already figure amongst the pillars of the global architecture.
2. Russia should continue to actively support India's claim for greater participation in international affairs, particularly in reforming the United Nations, expanding the number of permanent members in the Security Council and membership of technology-related international regimes of which Russia is a member.
3. Historically, Russia and India have not pursued policies in the neighbourhood of either country that are geopolitically against their respective interests. This compatibility of geopolitical interests should be maintained. Inter alia, this requires additional consultations between Moscow and New Delhi on current dynamics in South Asia, Central Asia, Middle East, Eastern Europe and East Asia.
4. On the vital issue of terrorism and religious extremism, which is of concern to both sides, the two countries should give more visible mutual support to each other.
5. India and Russia can profitably cooperate with each other in economic projects in third countries, primarily in Nepal, Bangladesh and Sri Lanka, as well as in Central Asia.

6. Russia and India have a geopolitical interest in actively promoting the North–South Corridor through Iran so that connectivity projects in the region get diversified and single–country domination is avoided.
7. The two countries should not limit their relations just to the bilateral aspect but look at doing more on the global arena through trilateral partnerships – for example Russia – India – China, India – Russia – Israel, India – Russia – USA, etc. As a starting point, Track 2 dialogues serve well for discussing such interaction.

Under the special and privileged partnership India and Russia share, several institutionalized dialogue mechanisms that operate at both political and official levels to ensure regular interaction and follow up on cooperation activities could be revived.

The two states could use the RIC format to oppose Western civilizational attacks on all three RIC members through NGOs, specifically human rights and religious conversions; India and China should also seek better understanding with each other.

It is also advisable to seek India–Russia–Iran cooperation against terrorism in Afghanistan.

## **Bilateral Relations**

Russia and India should repeat the 1994 Moscow Declaration formulation on territorial integrity of both countries. Summit meeting at the end of 2017 could be the occasion for such a statement. Alternatively, they could bring out a publication of major bilateral documents to mark the 70 years of relations. This should include the 1993 Treaty and 1994 Declaration on the Protection of Interests of Pluralistic States.

## **Trade, Economy and Military Cooperation**

1. It is necessary to substantially modernize the contractual and legal basis of cooperation and remove administrative barriers hindering the movement of capital, services and labour. A free trade agreement between the Eurasian Economic Union and India (taking into account the strengths and weaknesses of a similar agreement already signed between the EAEU and Vietnam) should be thoroughly discussed.
2. It is necessary to set out mutually acceptable business conditions, stimulate investment flows and greenlight mutual investments. The priority task is to finalize the update of the 1994 Agreement between the Government of the Russian Federation and the Government of the Republic of India for the Promotion and Mutual Protection of Investments, which is mostly declaratory. The new document should incorporate clearly stipulated mechanisms for dispute settlement and provide for property protection and revenue repatriation guarantees for investors.
3. It is important to increase the efficiency of existing cooperation mechanisms at all levels – above all, to encourage direct contacts between the business

communities of the two countries. President Vladimir Putin addressed the issue at a meeting with Russian and Indian entrepreneurs in December 2015. The panel sessions of the St. Petersburg International Economic Forum held in New Delhi in January 2016 titled “Fulfilling the Indian–Russian Economic Promise” could serve as an example. Representatives of Russia’s leading companies and the heads of Russian regions took part in the sessions. In 2017, Prime Minister of India Narendra Modi visited the St. Petersburg International Economic Forum as the guest of honour, with India as the partner country for the Forum.

4. It is necessary to strengthen industrial cooperation and create close technological alliances and integrated manufacturing chains in those sectors where both Russia and India have significant capacities in terms of personnel and resources. Particular attention should be paid to promoting innovation in Russia–India cooperation and stimulating Russian and Indian businesses to take a more active role in national import substitution programmes.
5. It is important to secure and consolidate new trends in the development of military–technical cooperation and, first and foremost, to transition from the “seller–buyer” model to large–scale joint breakthrough projects such as Fifth Generation Fighters Aircraft (FGFA) and BrahMos missiles. These weapons could both significantly enhance the defence potential of both countries and have excellent export prospects. Russia should actively participate in India’s Make in India programme in defence manufacturing, with more technology transfers, as that would consolidate Russia’s dominant position as India’s defence partner.

### **Culture, Science, Education, and Media**

1. Russian and Indian media should be more pro–active in covering events of great importance for bilateral relations. It is important that the media shape a positive image of Russia in India and vice versa. The needed legal framework is in place. Agreements have been signed between leading information agencies, and they must be fully implemented.
2. Priority attention should be paid to academic mobility, educational exchanges, creating joint masters programmes, and even setting up joint universities. The Russian–Indian Association of Universities should contribute to this task (a declaration on creating this Association was signed in May 2015).
3. It is important that an educational space be created by using the capacities of the SCO and BRICS network universities, and the issue of the mutual recognition of diplomas and academic degrees of the two countries should be thoroughly explored.
4. Education in Russia should be more actively promoted in India, a country where Russian higher education is still valued. The annual New Delhi Russian Education Exhibition and Fair is not sufficient. It is necessary to spread success stories of Indian graduates from Russian universities, and involve the Indian Alumni Association of Soviet/Russian Academic Institutions. An additional

advantage of Russian educational programmes is their relatively low cost due to the rouble's devaluation.

5. It is necessary to expand the range of cultural events; larger audiences should be involved. These tasks should be emphasised in the Cultural Exchanges Programmes created by the Ministry of Culture of the Russian Federation and the Ministry of Culture of India and supported at the state level.

## About the Authors

### *Russian side:*

#### **Andrey Kortunov**

Director General of the Russian International Affairs Council (RIAC). RIAC member.

Graduated from the Moscow State Institute of International Relations (MGIMO) and postgraduate studies at the Institute for US and Canadian Studies, USSR Academy of Sciences. Holds a Ph.D. degree in History.

Was Deputy Director of the Institute for US and Canadian Studies. Founder and first president of the Moscow Public Science Foundation. Taught Russian foreign policy at the University of Miami (USA), and at the Lewis & Clark College in Portland (University of California). In 2011, was elected Director General of the Russian International Affairs Council non-profit partnership established by order of the President of the Russian Federation.

Academic focus: international relations, foreign and domestic policy of Russia and Russian–American relations.

Author of over 120 publications dedicated to the analysis of Soviet/Russian–American relations, global security, and the foreign and domestic policy of the USSR and Russia.

#### **Vyacheslav Trubnikov**

Member of the board of directors of the Institute of World Economy and International Relations of the Russian Academy of Sciences (IMEMO RAN), General of the Army, Ambassador Extraordinary and Plenipotentiary of the Russian Federation.

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Graduated from the Moscow State Institute of International Relations (MGIMO) of the USSR Ministry of Foreign Affairs, and the Higher School of the KGB.

Worked at the First Main Directorate (Foreign Intelligence) of the KGB; head of fixed-post Soviet agents in India and Bangladesh; First Vice-Director and Director of the Russian External Intelligence Service; First Deputy Foreign Minister of Russia on CIS Affairs (Federal Minister); Ambassador Extraordinary and Plenipotentiary of Russia to India.

Since October 2009, Member of the directorate of the Institute of World Economy and International Relations of the Russian Academy of Sciences.

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Graduated from Moscow State University Institute for Asian and African studies with M.A. (honoris causa) in Chinese language and international economic relations. After graduation, he worked and studied extensively in Asia. Currently, he is a Senior Research Fellow at the Center for East Asian and SCO Studies, Institute for International Studies at the Moscow State Institute of International Relations (MGIMO) and a Senior Research Fellow at the Center for the Studies of the Northeast Asia Strategic Issues and the Shanghai Cooperation Organization (RAS Institute of Far Eastern Studies). He is also lecturing on China's foreign policy at the Russian Presidential Academy of National Economy and Public Administration. Research interests extend to the areas of Russia–China relations, SCO, Asia–Pacific regional security, China's elite politics, cross–strait relations, US–China relations. Since 2014 Igor Denisov contributed to the working papers and reports of the Russian International Affairs Council. Member of the Russian National Committee of The Council for Security and Cooperation in the Asia Pacific (CSCAP).

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### **Liudmila Filippova**

Ms. Liudmila Filippova is an Expert of the Russian International Affairs Council (RIAC).

In 2011–2017, Liudmila was a staff member of RIAC. She joined the Council's team when it first started operating in 2011 and occupied position of Program manager for the Arctic and Asia Pacific since 2012.

As part of her duties at RIAC, she organized numerous Track 1.5/2 dialogues and international conferences. She contributed as an editor and an author to a number of RIAC reports and working papers related to, inter alia, Russia–China and Russia–India relations, the Shanghai Cooperation Organisation, co–development of the Eurasian Economic Union and the Silk Road Economic Belt, as well as international collaboration in the Arctic. She has also written several op–eds and academic writings on a similar range of topics.

Currently, she contributes to RIAC analytics and activities as part of the Council's wide expert network.

Liudmila Filippova graduated from the Moscow State Institute of International Relations (MGIMO–University) with a BA degree in Political Science. She holds an MSc degree in Global Finance from the Russian Presidential Academy of National Economy and Public Administration (RANEPA) and is currently pursuing her PhD in Political Science at MGIMO–University.

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Her research interests include law of international organizations and relations between national and international law, Russia’s foreign policy in Asia as well as integration processes in Eurasia.

**Indian side:****Kanwal Sibal**

Ambassador Kanwal Sibal joined the Indian Foreign Service in 1966. He was Foreign Secretary to the Government of India (July 2002 to November 2003), Ambassador to Turkey (1989–1992), Deputy Chief of Mission in the United States with the rank of ambassador (1992–1995), Ambassador to Egypt (1995–1998), to France (1998–2002) and to Russia (2004–2007). He was a member of India's National Security Advisory Board from 2008 to 2010.

He is on the Advisory Board of the Vivekananda International Foundation as well as the Dean of its Centre for International Relations and Diplomacy. He has an MA in English Literature as well as a Bachelor of Law degree.

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Ambassador Prabhat P. Shukla completed his Masters from the prestigious Delhi School of Economics and then joined the Indian Foreign Service in 1974. During a career spanning 37 years, he served in Moscow, Brussels, London and Kathmandu, among other places. He served in Delhi twice, including as the Diplomatic Adviser to the Prime Minister from 1996 to 2000.

He retired in 2011 as Ambassador of India to Moscow and has settled in New Delhi. He is currently Distinguished Fellow and member of the Advisory Council in the Vivekananda International Foundation, New Delhi.

**Harinder Sekhon**

Dr. Harinder Sekhon is a Senior Fellow at the Vivekananda International Foundation. Her areas of expertise are US–India Relations, US policy and strategy in Asia, and Security architecture in South Asia, East Asia and the Indo–Pacific. Dr. Sekhon graduated with honours in History from Delhi's Lady Shri Ram College for Women and has done her PhD in International Relations with specific emphasis on US–India Relations from 1942 to 1945. She has also done a two year stint as a Consultant at the National Security Council Secretariat of the Government of India. She wrote the widely acclaimed book *Five Decades of Indo-US Relations* (UBSPD, 2002) and *India and the United States – Breakthroughs, Prospects and Challenges Ahead* (Macmillan, 2008). More recently, VIF published her monograph titled *Russia, Europe and the United States: Emerging Power Play*.

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Dr. Kashin graduated from the Institute of Asian and African Studies at Moscow State University.

He later worked in the Institute for Far Eastern Studies of the Russian Academy of Sciences, in Vedomosti business newspaper, in the Russian Information Agency RIA Novosti as deputy chief of Beijing office and as senior research fellow in CAST, a Moscow-based defense industry consultancy.

Currently Dr. Kashin works for the Higher School of Economics as senior researcher and continues his work at the Center for the Studies of the Northeast Asia Strategic Issues and the Shanghai Cooperation Organization of the Institute for Far Eastern Studies of the Russian Academy of Sciences.

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Mr. Strokan graduated from the Institute of Asian and African Studies at Moscow State University and took his studies at Madurai Kamaraj University (Tamilnadu, India) and at the Senior Journalists Training Course, Thomson Foundation (Cardiff, UK).

Mr. Strokan serves as a political commentator with Kommersant syndicated publications and a columnist with Russia Today broadcasting company.

He formerly served as editor and senior editor at the Asian desk of Novosti Press Agency, as observer and foreign editor at Moscow news weekly, as observer and foreign editor at Itogi with Newsweek newsweekly, as author and host of a weekly analytical program "Red Line" broadcast by Sputnik English service.

Mr. Strokan is a regular contributor to Aljazeera, RT, CNN, CCTB, and leading world print media. Author of more than 10 thousands of articles and comments published in leading Russian and foreign print media, including Independent, Christian Science Monitor, Asahi Shimbun, etc.

He is a member of the Union of Russian Journalists and Union of Russian Writers.

Author of three poetry collections. Winner of the Maximilian Voloshin International Literary Award (2010) and Union of Russian Journalists Award (2012).

### ***Indian side:***

#### **NC Vij**

General NC Vij, PVSM, UYSM, AVSM, is the Director of Vivekananda International Foundation, New Delhi, India. He was the 21st Chief of the Army Staff from 31 December 2002 to 31 January 2005. He was the Director General of Military Operations (DGMO) during the very successful operations by Indian Army for eviction of Pakistani Intruders in Kargil in 1999. Subsequently, he was also responsible for coordinating the withdrawal of the Pakistani troops from the War Zone. Another feather in his cap as DGMO was a visit to Sierra Leone to formulate and thereafter execute an operation (OP KHUKRI), wherein over 455 Indian Soldiers serving as part of UN Peace Keeping contingent, who had been taken hostage, were rescued in a dare devil operation.

His tenure as the Army Chief is remembered for many notable improvements in operational & administrative postures of the Army. The most notable amongst them being the laying of 670 km long fence along the Line of Control within one year, which brought the infiltration down to insignificant numbers. Also notable is the raising of South–Western Command and 9 Corps to improve the Operational Posture.

After his superannuation from the Army, he was appointed Founder Vice Chairman of National Disaster Management Authority, in the rank of Cabinet Minister, for five years from September 2005 – September 2010.

#### **R. K. Sawhney**

Lt. Gen. Ravi K. Sawhney, PVSM, AVSM, retired as the Deputy Chief of the Army Staff. He is a post graduate in Defence and Security Planning from the Royal College of Defence Studies, London prior to which he attended Defence Services Staff College at Wellington and Long Defence Service Management Course at the College of Defence Management, India. He is presently a Dean of Defence Studies in Vivekananda International Foundation, an important think–tank in New Delhi, comprising retired senior officers of Armed Forces, diplomats, intelligence officers and civil servants.

During the Army service of approximately 40 years, he has held important appointments in staff and command of different combat units and field formations.

He was involved in conceptual development of strategies at senior levels as the Director of Military Intelligence and was subsequently responsible for the overall coordination of the deployment of Indian Army troops at various UN missions as a Deputy Chief of Army Staff.

Post retirement, he was deputed by the Government of India to monitor the situation in Afghanistan, a country which he has visited almost every year since 2002.

## Russian International Affairs Council (RIAC)

Russian International Affairs Council (RIAC) is a non–profit international relations think–tank on a mission to provide policy recommendations for all of the Russian organizations involved in external affairs.

RIAC engages experts, statesmen and entrepreneurs in public discussions with an end to increase the efficiency of Russian foreign policy.

Along with research and analysis, the Russian Council is involved in educational activities to create a solid network of young global affairs and diplomacy experts. RIAC is a player on the second–track and public diplomacy arena, contributing the Russian view to international debate on the pending issues of global development.

Members of RIAC are the thought leaders of Russia’s foreign affairs community – among them diplomats, businessmen, scholars, public leaders and journalists.

President of RIAC Igor Ivanov, Corresponding Member of the Russian Academy of Sciences, served as Minister of Foreign Affairs of the Russian Federation from 1998 to 2004 and Secretary of the Security Council from 2004 to 2007.

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## **Vivekananda International Foundation (VIF)**

The Vivekananda International Foundation (VIF) is a New Delhi-based think tank set up with the collaborative efforts of India's leading security experts, diplomats, industrialists and philanthropists under the aegis of the Vivekananda Kendra. The VIF's objective is to become a centre of excellence to kick start innovative ideas and thoughts that can lead to a stronger, secure and prosperous India playing its destined role in global affairs.

It strives to bring together the best minds in India to ideate on key national and international issues; promote initiatives that further the cause of peace and global harmony; monitor social, economic and political trends that have a bearing on India's unity and integrity; analyse the causes for social and ethnic conflicts leading to extremism and offer policy alternatives; interact with civil society and offer institutional support for exchange of ideas and interaction among conflicting groups; critique public policy and the working of democratic institutions and constitutional bodies; and evolve benchmarks for good governance and efficiency in public institutions.

These are objectives that fall under a broad head called 'nation-building' and often come within the purview of universities and institutions of higher learning. Unfortunately, for reasons best known to those who manage them, these academic bodies have not been able to attend to these tasks. This neglect, it seems, is in some way responsible for the perceived failure of representative bodies and the prevailing inefficiency in the government sector. VIF believes that many of these institutions – which are central to our democratic existence – cannot be expected to work better, unless academia, think tanks and civil society engage with them and critique them on a regular basis. Given its deep and abiding commitment to the deepening of democracy and to the emergence of a strong and self-reliant India, VIF has embarked upon quality research and scholarship in a host of areas in the hope that such studies will improve governance, strengthen national security, integrate India's foreign policy to the nation's long-term objectives and bring about much-needed functional efficiency in parliament and other representative bodies and in public institutions.



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