



YOJANA

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A DEVELOPMENT MONTHLY

INTERNATIONAL RELATIONS

LEAD ARTICLE

Indian Foreign Policy in the Times of the Pandemic

Harsh Vardhan Shringla

SPECIAL ARTICLE

Geopolitical and Geo-economic Dimensions of Covid-19

Shyam Saran

FOCUS

Evolution of India's Trade Negotiations

Dammu Ravi

The India-US H-1B Visa Issue

Rupa Chanda

India-Russia Relations

Dr Amitabh Singh

Indian Diaspora: Major Issues and Challenges

Prof S Manivasakan

CURRENT AFFAIRS

National Recruitment Agency

Amitabha Khare



“Mission Karmayogi”- National Programme for Civil Services Capacity Building



The Union Cabinet has approved of a **National Programme for Civil Services Capacity Building (NPCSCB)**. NPCSCB has been designed to lay the foundations for capacity building for Civil Servants so that they remain entrenched in Indian Culture and sensibilities and remain connected, with their roots, while they learn from the best institutions and practices across the world. The Programme will be delivered by setting up an **Integrated Government Online Training- iGOT-Karmayogi Platform**. The core guiding principles of the Programme will be:

1. Supporting Transition from ‘Rules-based’ to ‘Roles-based’ HR Management. Aligning work allocation of civil servants by matching their competencies to the requirements of the post.
2. To emphasise on ‘on-site learning’ to complement the ‘off-site’ learning.
3. To create an ecosystem of shared training infrastructure including that of learning materials, institutions and personnel.
4. To calibrate all Civil Service positions to a **Framework of Roles, Activities and Competencies (FRACs)** approach and to create and deliver learning content relevant to the identified FRACs in every Government entity.
5. To make available to all civil servants, an opportunity to continuously build and strengthen their **Behavioral, Functional and Domain Competencies** in their self-driven and mandated learning paths.
6. To enable all the Central Ministries and Departments and their Organisations to directly invest their resources towards co-creation and sharing the collaborative and common ecosystem of learning through an annual financial subscription for every employee.
7. To encourage and partner with the best-in-class learning content creators including public training institutions, universities, start-ups and individual experts.
8. To undertake data analytics in respect of data emit provided by iGOT- Karmayogi pertaining to various aspects of capacity building, content creation, user feedback and mapping of competencies and identify areas for policy reforms.

It is also proposed to set up a **Capacity Building Commission**, with a view to ensure a uniform approach in managing and regulating the capacity building ecosystem on collaborative and co-sharing basis.

Mission Karmayogi aims to prepare the Indian Civil Servant for the future by making them more creative, constructive, imaginative, innovative, proactive, professional, progressive, energetic, transparent and technology-enabled. Empowered with specific role-competencies, the civil servant will be able to ensure efficient service delivery of the highest quality standards. □

*Let noble thoughts come to us from all sides
Rig Veda*

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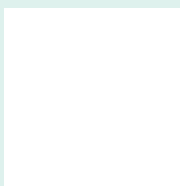
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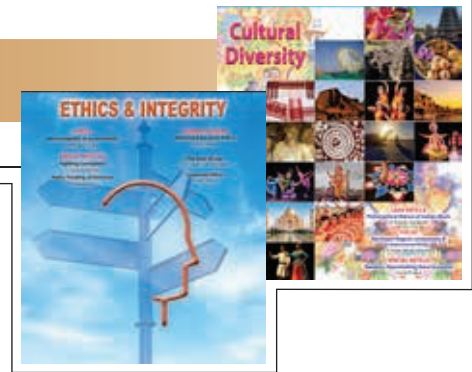
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Inbox



Diverse Topics

I am thankful to the entire team of Yojana magazine for providing authentic information on diverse topics. I would like to suggest few important topics for upcoming editions like Indian Diaspora, Pandemics including Covid-19 and Mental Health in India. This will be immensely beneficial for all of us.

– **Rajesh Kumar**
Mathura, UP
meera.rajesh23@gmail.com

Caste System

Thank you for providing me an unbeatable source of knowledge through your articles. I would like to request you to provide a glimpse on the caste system in India, issues arising, atrocities and its solutions.

– **Manoj Kumar**
mk854881@gmail.com

Rural India

As a consistent reader of the Yojana journal, I suggest your team to print an issue on the holistic development of the Rural India. The articles should be from "case studies" across India which tell stories of all-round development of village. Please highlight "Adarsh Gram" which were adopted to address the multiple grievances of villagers forced to leave their native place.

– **Mitha Lal Meena**
Jaipur, Rajasthan
mithalalmeena7@gmail.com

Improved Reading

I am 11th class civics commerce student preparing for CLAT. Yojana is easy to read. My reading has improved drastically after reading the journal. I have suggested my fellow students to read Yojana magazine. My sincere thanks to the entire Yojana team.

– **G U S Raju**
Shadnagar, Telangana

Concepts of Economy

I am a regular reader of Yojana magazine and I request you to please publish one or two editions based on

fundamental concepts of economy because many students who are preparing for civil services and other competitive exams have a tight hand in economics and students like me who possess pure science background face much difficulty in understanding terms and concepts of economy.

– **Himanshu Sharma**
shimanshusharma047@gmail.com

Unbiased

Yojana provides unbiased and high standard nuances and understanding to young generation of issues that are of extreme importance to the nation. I suggest for an edition dedicated to internal security of India discussing its challenges and role of insurgency, cross border terrorism, cyber security, border management and extremists campaign through forms of media.

– **Jatan Bhanvadiya**
Rajkot, Gujarat
jatanbhanvadiya@gmail.com

Research & Development

A big thank you to team Yojana for providing its readers a top-notch service with quality analysis on developmental issues. I would like to request team Yojana to publish an edition that totally focuses on 'Research & Development'. I feel that R&D is one of the topics which is ignored especially R&D in Agriculture. It will help civil servants in future in policymaking, too.

– **Ashish Panwar**
ashishpanwar678@gmail.com

Foreign Policy

I am a regular reader of English version of Yojana magazine. It is giving me company towards my UPSC CSE journey. It is a best magazine not only to clear exams but also to gain actual knowledge about the ground situation of India. It works like a microphone for every government welfare schemes. I want to suggest that please cover 'India's Foreign Policy' and a special page on 'Gandhian Ideology for Youth.'

– **Lipak Harichandan**
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The New World Order

The pandemic has changed the world and its order. A world which was earlier grappled with issues like climate change, poverty, migration, terrorism, nuclear weapons has kept everything else on back burner. The health emergency and its ramifications are at the centrestage. This unprecedented situation worldwide has redefined the international relations and the role India would play in the years to come.

With '*Vasudhaiv Kutumbakam*' - The world is one family as the basic tenet of our foreign policy, India is committed to work towards paving a road ahead for a world in the post-pandemic era. Simultaneously, it has to safeguard interests of its own by achieving self-reliance and reaffirming its presence in international trade.

This Special Issue of Yojana covers aspects of our foreign relations through the lens of distinguished authors. We have present and former Foreign Secretaries sharing their opinions on the face of India's Foreign Policy, its challenges, and the way forward in the pandemic era. As the Foreign Secretary has aptly put in his article, "India has been a constructive actor in developing an international system that is human-centric. We have worked together with partner countries in sharing our developmental experience. We have catalysed the emergence of international organisations with constructive, forward-facing agendas such as the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure."

Trade and commerce being the cornerstone of international relations is given exhaustive coverage through evolution of India's trade, intricacies of its negotiations, greater role envisaged for the organisations like the WTO, agreements like GATT and pertinent issues like H-1B Visa.

Under its 'Neighbourhood-first Policy', India has strategic ties with its neighbours and has been involved in development diplomacy with many of them since time. Also, it has played integral role in strengthening the multilateral relations among the nations in the subcontinent.

With the major powers, India has a sustained and mutually beneficial relation which furthers its global interests. It has also strengthened its engagement with various other nations reflecting its rising global footprint.

During the pandemic, India sent medical supplies to over 150 countries, deployed "rapid response teams" (RRTs) in different countries, and held more than 100 "virtual diplomatic meetings". The well-coordinated 'Vande Bharat Mission' is also being appreciated worldwide.

Indian Diaspora is probably one of the world's largest, most dynamic and oldest Diaspora communities. They are contributing to the economies of the both, India and the country they reside in. They also act as a bridge in augmenting mutual ties and strengthen the inter-societal relations. Higher Education exchange is another avenue where Indians are exploring new horizons and carving out niche for themselves. The new National Education Policy also highlights this by encouraging foreign universities to open up campuses in India.

Gandhiji in 1924 wrote that "My ambition is nothing less than to see international affairs placed on a moral basis through India's efforts. He believed that there was no limit to extending our services to our neighbours across state-made frontiers. "God never made these frontiers." He wrote in "Young India" in 1925, "It is impossible for one to be internationalist without being a nationalist." □



Indian Foreign Policy in the Times of the Pandemic

Harsh Vardhan Shringla

The current international environment is challenging. We are living through the greatest shock to the international system since the Second World War. What began as a health emergency has expanded into an economic disruption, a geo-political shock and a social challenge of unprecedented magnitude. How we deal with these immense difficulties—and whether we are able to transform some of them into opportunities—will influence our future trajectory as a nation.

We will celebrate the 75th year of our independence in 2022. We have traversed a remarkable journey during these seven decades. The challenges we have faced as a nation, both external and internal, have been and will continue to remain formidable. We do, however, have a list of achievements that is both considerable and impressive.

India is a nation on the move. It is evolving and progressing along multiple axes at a very rapid rate. The fundamental challenge facing Indian foreign policy is to ensure that India engages with the international community in a manner that is both consistent and responsive to contemporary realities. In other words, our foreign policy has to be one of continuity and change. The current international environment is particularly challenging. We are living through the greatest shock to the international system since the Second World War. What began as a health emergency has expanded into an economic disruption, a geo-political shock and a social challenge of unprecedented magnitude. How we deal with these immense difficulties—and whether we are able to transform

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some of them into opportunities – will influence our future trajectory as a nation.

We are a country with global interests. We have one of the largest and most able Diasporas. Our

economy, and therefore our material well being, is plugged on to global supply chains. We are a powerhouse in the services sectors. We look at the world as a borderless economy with an interlinked marketplace.



India is therefore committed to globalisation. We believe, however, that the pandemic has demonstrated the deficiencies and the limitations of its existing form. It is driven by a purely economic agenda. The Prime Minister in his address to the G-20 has said that globalisation should advance the collective interests of all humankind and should be based on fairness, equality and humanity. It should be a human-centric process.

India has been a constructive actor in developing an international system that is human-centric. We have worked together with partner countries in sharing our developmental experience. We have undertaken humanitarian assistance and disaster-relief operations over a geographical area spanning from the Pacific to the Atlantic. We have assisted a number of our friends and partners during the current pandemic. We have been a net security provider.

We are a country with global interests. We have one of the largest and most able Diasporas. Our economy, and therefore our material well being, is plugged on to global supply chains. We are a powerhouse in the services sectors. We look at the world as a borderless economy with an interlinked marketplace.

We have catalysed the emergence of international organisations with constructive, forward-facing agendas such as the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure.

We do not live in a moral vacuum. India's aspirations are not just material in nature. We believe not just in "Vasudhaiv Kutumbakam"-

the world is one - but also in the principle of "Nishkama Karma", that good needs to be done for its own sake.

Our efforts to shape global thinking and project our perspectives have continued through the pandemic. The Prime Minister has participated in G20 and NAM virtual summits, the Global Vaccine Summit, and the High-Level Segment of United Nations Economic and Social Council (UN ECOSOC), and convened a virtual meeting of South Asian leaders.

India has been at the forefront of digital diplomacy during the current crisis. In addition to the summits listed earlier, India has had virtual summits with Australia and the European Union. We have participated at the Ministerial level in BRICS, SCO and RIC meetings. The Prime Minister and External Affairs Minister have conducted over 150 digital and virtual meetings during this period. We have





been agile in our efforts in continuing our foreign policy operations.

Our most important foreign policy objective is captured in our concept of 'Neighbourhood First'. It underlines the renewed primacy we attach to neighbouring countries to comprehensively upgrade and strengthen our relationships. Ties with our neighbours receive the greatest attention as reflected in frequent high-level exchanges; significant improvements in connectivity, economic integration and people-to-people contact; and special focus on neighbouring countries in India's development partnership program. We have demonstrated our commitment to working in South Asia, including during the pandemic, and in the sub-regional BIMSTEC frameworks inter-alia through continuous high-level engagement and through economic and connectivity initiatives.

Look East has been upgraded to Act East under which ties with ASEAN countries are being strengthened through improvements in road, maritime and air connectivity with a special focus on connecting our northeastern states to these countries. We have a growing dialogue with ASEAN through multiple channels and rapidly growing multi-sectoral linkages with ASEAN members. We

remain actively engaged in other formats such as the East Asia Summit and ASEAN Defence Minister's Meeting (ADMM) Plus.

In the last five years, Think West – our outreach to the Gulf and West Asian countries – has become an increasingly important pillar of our foreign policy. Our engagement with Africa, both in political and economic terms, has also intensified. There have been 34 outgoing visits to African countries at the level of the President, the Vice President and the Prime Minister. Over two-thirds of India's Lines of Credit in the past decade have been offered to African countries.

Our commitment and our engagement with our key bilateral partners continue apace.

Ties with our neighbours receive the greatest attention as reflected in frequent high-level exchanges; significant improvements in connectivity, economic integration and people-to-people contact; and special focus on neighbouring countries in India's development partnership program.

India-US relationship has been elevated to a Comprehensive Global Strategic Partnership in recent years. Our engagement is deep rooted, marked by regular high-level dialogue; cooperation in multilateral, plurilateral and global platforms; and a diverse and substantial bilateral agenda. Defence, security and counter-terrorism are important pillars of our partnership. Growing trade and investment in both directions, collaboration in R&D, innovation, healthcare, and space are also crucial components of our agenda. Our Strategic Energy Partnership with the US has emerged as an important contributor towards our energy security.

The European Union is an important friend with whom we have a many layered and vibrant relationship. The 15th India-EU Summit held in July 2020 showcased the firm resolve and vision of the two sides towards realizing a multi-faceted partnership. The commitment is ingrained in the "India-EU Strategic Partnership: A Roadmap to 2025" issued after Summit.

Our relationship with Russia has not only deepened in traditional areas of cooperation like defence, space, nuclear, science and technology etc., but has expanded to include non-traditional and new areas of cooperation like energy, investments and cooperation between states. This year marks the 20th year of India-Russia Strategic Partnership and 10th year of 'Special and Strategic Partnership'.

We face a number of challenging situations in our immediate neighbourhood. We will work appropriately to resolve these problems. Our capacities and resources are growing and we will always be prepared to adopt the necessary strategies and tactics when challenged.

We are committed multilateralists. India firmly believes that the path

to achieve sustainable peace and prosperity is through multilateralism. We believe that all nations must join hands to address common challenges and achieve common goals. However, multilateralism needs to represent the reality of the contemporary world. India believes that only reformed multilateralism with a reformed United Nations at its centre can meet the aspirations of humanity.

We have a challenging and busy multilateral and plurilateral agenda in the coming years. We will join the UN Security Council for a two-year non-permanent term on January 1st, 2021. We are also due to hold the Presidencies of G20, BRICS and SCO. These are recognition of our enhanced global standing and also opportunities for us to convey our perceptions, our expectations and our priorities.

Countering terrorism is one of our most important challenges. India has suffered and continues to suffer from cross-border terrorism. We have been consistent and energetic in our efforts to seek action against those who control, support, fund and shelter terrorists. Our efforts to isolate terrorists and their sponsors have led to increased global support. Our task is, however, far from complete and we need to ensure that the world follows an undifferentiated and unambiguous approach to terrorism. We also need to ensure that politicisation of global mechanisms such as UN listings is avoided, and that the international community finalises a Comprehensive Convention on International Terrorism.

Indian foreign policy must also contend with non-traditional security challenges in newer domains such as Space, the Cyberworld and in the biological domain.

All crises are followed by periods of growth. This crisis too will create opportunities and we would like to be in a position to benefit from them. One of our foreign

policy priorities is to make India, in the words of the Prime Minister, the “nerve centre of global supply chains”. This is also in line with the vision of ‘Aatmanirbhar Bharat’. Aatmanirbharta is not about seeking self-centred arrangements. It is not about turning the country inwards or about economic isolationism. Its essential aim is to ensure India’s position as a key participant in global supply chains. Through building capacities at home we also intend to contribute to mitigating disruptions in global markets. The network of Indian missions and posts around the world, in consultation with various stakeholders, is identifying export and investment opportunities for our businesses in various countries. Encouraging global business

Our relationship with Russia has not only deepened in traditional areas of cooperation like defence, space, nuclear, science and technology etc., but has expanded to include non-traditional and new areas of cooperation like energy, investments and cooperation between states.

entities that seek to diversify their manufacturing locations to consider India is a key foreign policy priority.

India has demonstrated through the current crisis that it is a responsible member of the global community. We believe in taking a far-sighted view that will stand us in good stead in the post-pandemic world. The pandemic produced an explosion in demand for drugs such as Hydroxychloroquine (HCQ) and Paracetamol produced in India. We were able to supply, after ensuring adequate domestic stockpiles, large volumes of these drugs to friends and consumers across the world. In the face of daunting logistical challenges imposed by the

lockdown, India provided these drugs and medical supplies to more than 150 countries. Through initiatives such as Operation Sagar, Operation Sanjeevani, the deployment of medical Rapid Response Teams in several countries, the linking of health professionals and the pooling of health capacities, and supply of essential medical products, we reinforced our credentials as providers of net health security and first responders.

We deploy large amounts of resources through development partnerships. It is a practical demonstration of our belief in “Sabka Saath, Sabka Vikas”. The Indian model of developmental cooperation is comprehensive and involves multiple instruments including grants-in-aid, line of credit and capacity building and technical assistance. It ranges from commerce to culture, energy to engineering, health to housing, IT to infrastructure, sports to science, disaster relief and humanitarian assistance to restoration and preservation of cultural and heritage assets.

Last but not least, providing timely, effective and efficient public services to our citizens and to our Diaspora is a major priority. More than a million Indians have returned to India through the Vande Bharat Mission by land, sea and air. This is the largest such logistical exercise undertaken in the recent past and highlights the ever present requirement of preparing for and responding to contingencies.

The pandemic is leaving a lasting imprint on all domains, including on the way we engage with the world. In this fast evolving environment, Indian diplomacy has shown the necessary agility and adaptability to effectively respond to the emerging challenges, while also cementing India’s credentials as a responsible and constructive member of the global community. □

Geopolitical and Geo-economic Dimensions of Covid-19

Shyam Saran

While the Covid-19 pandemic has led to serious economic disruptions in India and recovery may be slow, this may also prove to be a propitious geopolitical moment for India. The objective of Aatmanirbhar Bharat should be to create a globally competitive and high-quality economy. What gives confidence to Indian business and industry to invest in India is what will attract foreign investors as well.

There were significant changes in the global power equations even before the ongoing Covid-19 pandemic, such as the shift in the centre of gravity of economic power to the trans-Pacific from the trans-Atlantic, the emergence of a more loosely structured multipolarity, the upsurge of nationalist and parochial sentiments in countries across the world stalling the trend towards globalisation. There is a parallel weakening of multilateral institutions and processes even while the salience of cross-cutting and cross-border challenges demanding global and collaborative responses such as Climate Change, has increased. The pandemic has reinforced these pre-existing trends and contradictions. The pandemic itself is a classic global public health issue but we see very little by way of a coherent, well-coordinated global response using instruments of global governance such as the World Health Organization. Countries have mostly responded at the national level.

There are certain new trends emerging triggered by the pandemic.

There is a notable acceleration in the adoption of digital technologies; in fact we are witnessing “galloping globalisation” in the digital space, including the extensive spread of work-from-home (WFH), the rapid adoption of tele-education and tele-medicine and the use of tele-conferencing and online meetings in place of physical gatherings. While these trends are related to the constraints imposed by the pandemic, much of the new patterns

of behaviour are likely to persist post-Covid-19. Newer technologies such as Artificial Intelligence, the Internet of Things and the use of big data will advance faster than envisaged. The associated challenges will also multiply in particular relating to cyber space and specifically to data privacy. New issues relating to high-tech monopolies, the manipulation of social media platforms and the as yet poorly understood social and psychological impacts of these rapid



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changes, will occupy the attention of individuals, communities, countries and the international community.

Main Trends in Geopolitics

China's regional and global profile has continued to expand. It has steadily narrowed the power gap with the US and is likely to continue to do so in the aftermath of the pandemic. It is the world's second largest economy with the largest trading power and has also accumulated high-technology assets such as in Artificial Intelligence and 5-G telecom networks. Even though the Covid-19 virus erupted in China before spreading across the world, it is China which first managed to bring it under control. It is the first largest economy to register steady recovery. This has added to Chinese confidence and self-assurance which is visible in its more assertive and aggressive external behaviour. Its leadership believes that the pandemic has provided China with an opportunity to advance its interests vis-à-vis other powers particularly the US. This may be seen in the recent coercive actions in the South China Sea, the passage of a highly restrictive National Security Law in Hong Kong, virtually abandoning the One Country Two System policy granting high degree of autonomy to the key international financial centre in Asia.

There is more threatening rhetoric and military provocations against Taiwan, which China is determined to reclaim as a renegade province. The numerous transgressions on the India-China border, which recently resulted in casualties on both sides after relative peace had prevailed for more than four decades, and point to a new orientation in China's external behaviour. China now benchmarks itself with the United States and believes that is on track to surpass the latter as the world's pre-eminent power. In Chinese perception, the US is a declining power, and the dysfunctionality of the American response to the Covid-19 crisis



reinforces this perception. Under President Xi Jinping, China is convinced of the superiority of its own authoritarian governing system and the success of its economic strategies. Unlike in the past, Chinese leadership believes that it can serve as a development path that other developing countries could emulate. The ambitious Belt and Road Initiative (BRI) is an instrumentality through which China may spread its model using its financial and technological heft. This also enables the adoption of Chinese standards and specifications in a number of important domains. Telecommunications is one such domain.

China is rapidly developing its scientific and technological capabilities and currently spends more on Research and Development than the US. In some areas such as Artificial Intelligence, it may be ahead of the US. However, most analysts believe that the US still retains its technological lead over China but this may not be sustained if current trends continue.

How Realistic are Chinese Aspirations?

Geo-economic Trends

China's GDP is destined to overtake the US and this makes it a great economic power, however, in per capita terms it still lags behind. Its per capita GDP is only a quarter of the US.

While China's GDP may surpass the US, and China is undoubtedly the world's largest trading power (its current foreign trade volume is larger than India's current GDP), the world's financial and currency markets are still dominated by the US and the US dollar. As long as China remains reluctant to make the Chinese currency, the Renminbi (RMB), fully convertible; it is unlikely to replace the dollar as an international currency.

In military terms, China remains significantly behind the US and is unable to match the global reach of the US-led alliance systems in Asia and Europe. It has set up a base in Djibouti at the Horn of Africa and has acquired the use of ports in several parts of the world which could conceivably serve as military facilities in due course. The Pakistani port of Gwadar and the Sri Lankan port of Hambantota belong to this category. The BRI is putting in place a worldwide infrastructure and transportation platform which could

also be transmuted over time into a military network. But this is no match for the American network of naval bases across the world including at the doorstep of China itself. China's military expenditure has increased dramatically particularly in the past decade. It is over US\$300 billion currently but is dwarfed by the US total of US\$750 billion.

China is rapidly developing its scientific and technological capabilities and currently spends more on Research and Development than the US. In some areas such as Artificial Intelligence, it may be ahead of the US. However, most analysts believe that the US still retains its technological lead over China but this may not be sustained if current trends continue.

The overall assessment is that China has significantly narrowed the power gap with the US but remains behind the latter in several important indices of power. It may have declared victory too early while the US may have woken up to the China challenge too late. This points to a prolonged phase of confrontation and tension between the world's largest economy and military power, the US and its second largest and still growing power, China. This confrontation is structural

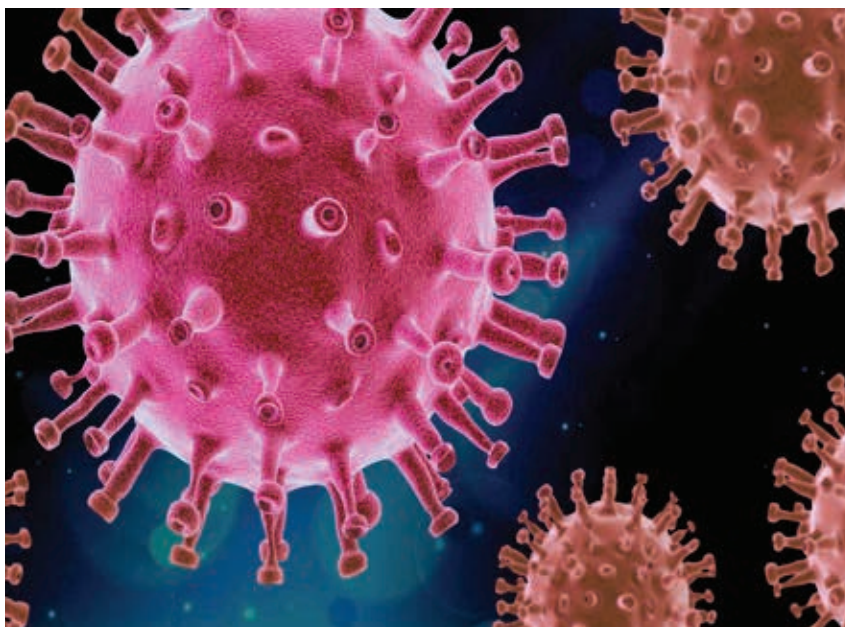
There could be a significant flow of capital, technology and advanced knowledge to India if an efficient and congenial economic and regulatory environment could be put in place. The size of the Indian market is an asset as is its political stability and democratic traditions. Economic reforms may be politically difficult but the pandemic is a crisis which could provide an opportunity to drive them.

and is unlikely to change even with a change in the US administration at the forthcoming Presidential elections. This will impact on the strategic choices to be made by other powers, including medium and smaller powers. This situation may continue until one power overcomes the other and emerges as a hyper-power like the US of the post-1990 period. Alternatively, in the case of a relatively stable impasse between the two powers, they may well decide to reach a mutual accommodation with respective spheres of influence. This

could mean a China-dominated Asia which would be unacceptable to India. In ordering its own strategy, India will need to keep in mind these alternative scenarios.

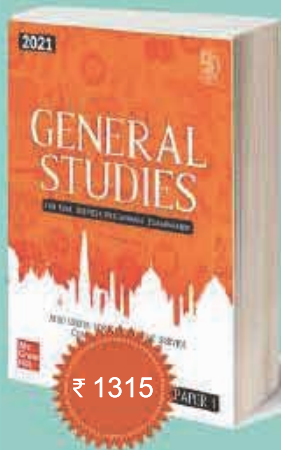
While the Covid-19 pandemic has led to serious economic disruptions in India and recovery may be slow, this may also prove to be a propitious geopolitical moment for India. Thanks to concerns about China and its selfish and unilateral exercise of power, countries want India to succeed and serve as a countervailing presence to China. There could be a significant flow of capital, technology and advanced knowledge to India if an efficient and congenial economic and regulatory environment could be put in place. The size of the Indian market is an asset as is its political stability and democratic traditions. Economic reforms may be politically difficult but the pandemic is a crisis which could provide an opportunity to drive them. There is a government which enjoys parliamentary majority and has a strong and decisive leadership. A coherent and well-thought-out strategy and a determination to follow through with effective implementation is the need of the hour. The objective of Aatmanirbhar Bharat should be to create a globally competitive and high-quality economy. What gives confidence to Indian business and industry to invest in India is what will attract foreign investors as well.

The pandemic is shaking the very foundations of our economy and our society. It is loosening the rigidities in governance and weakening the power of vested interests which have so far prevented thorough-going and structural reforms; this is therefore a moment to be seized. India is the only country which in terms of its size, its population, its economic potential and proven scientific and technological capabilities and its rich civilisational legacy, can not only match but surpass China. But then we need a strong national will to reach out for this goal. □



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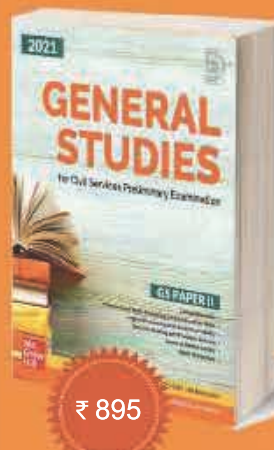
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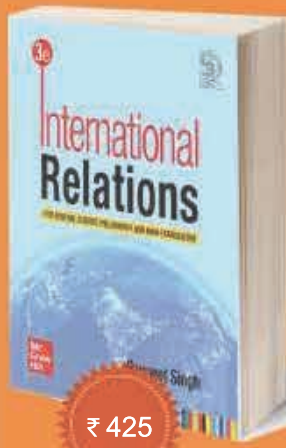
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Evolution of India's Trade Negotiations

Dammu Ravi

India's trade negotiating approach would need to take a broader long-term view of things to come in future. Increasing volume of trade is more important than trade deficit because trade need not be a zero-sum game. The combination of quality and price determines the staying power of a product in the market. India should consciously develop a wide-angle approach to the evolving global trade dynamics.

The numismatic evidence found in various ancient coastal towns of Romans, Sumerians and Egyptians suggest that ancient Indians were enduring traders. Chanakya's Arthashastra, of about 300 BC, mentions about vibrant spices trade links between India and countries in the West and Southeast Asia. During the 300 years of Colonial rule, the East India Company completely controlled India's external trade, allowing export of mainly raw cotton and spices and dumping finished products in the country.

Multilateral Trade under GATT

The General Agreement on Tariffs and Trade (GATT) of 1948 was the first multilateral agreement under UN aimed at boosting economic recovery by reducing barriers to trade. Even though India was one of the 28 founding members of GATT, it was not a serious stakeholder in multilateral trade negotiations. The newly-born independent countries known as 'Third World Countries' had their priorities firmly rooted in development issues such as providing basic necessities to its people—food, clothing and shelter as also building institutions for preserving the hard-earned freedom.

In the eight GATT Rounds held in the later half of 20th century, India and developing countries were primarily concerned about safeguarding their agriculture interests against large-scale agriculture subsidies of developed countries. They feared possible dumping of agricultural produce in international markets would cause market distortions, to the detriment of farmers in developing countries who were faced with challenges of subsistence living, erratic monsoons, low yielding, fragmented farming etc. Moreover, agriculture being a livelihood issue

for a large number of people in developing countries, it was felt necessary to protect it from external competition. National Agriculture Market (NAM) proved to be a useful tool to garner awareness and build coalitions in the multilateral trade negotiations against unfair trade policies.

World Trade Organization

India, along with 76 countries, was a founder member of the World Trade Organization (WTO) in 1995 which subsumed the Uruguay Round GATT negotiations from 1986-1994.



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India believes that a fair, equitable, justiciable and predictable rules-based multilateral trading system embodied in WTO is in the best interest of developing and Least Developed Countries (LDCs). The Dispute Settlement Body, a lynch-pin of WTO, makes trade rules enforceable and effective. India sought correction in the highly imbalanced trade negotiations under the Agreement on Agriculture (AoA), reasoning that since developing countries were unfamiliar of the long-term implications of the negotiated formula on agriculture under AoA during the Uruguay Round of negotiations, correction was necessary. Under AoA, the domestic support policies, subject to reduction commitments, were calculated by the total Aggregate Measurement of Support (AMS) on the base years of 1986-88. Accordingly, input subsidies known as ‘Amber box’ have been calculated for exclusion from reduction commitments at less than 5% of the value of production for developed countries and less than 10% for developing countries. India

and other developing countries have argued that developed countries have taken undue advantage of the huge domestic support provided under other boxes namely, ‘Green’ and ‘Blue’ that have been tacitly kept outside the reduction commitments. Efforts to bring balance in AoA negotiations remained unsuccessful till date.

Trade and Development

It was not until the beginning of the 21st century that WTO recognised the causal link between trade and development. This recognition led

The General Agreement on Tariffs and Trade (GATT) of 1948 was the first multilateral agreement under UN aimed at boosting economic recovery by reducing barriers to trade. Even though India was one of the 28 founding members of GATT, it was not a serious stakeholder in multilateral trade negotiations.

to the launching of the ‘Doha Development Round’ in 2001 putting ‘development’ at the centre of global trade. India articulated the popular view underlining the urgency in lifting millions out of poverty in developing and LDCs, and trade could be an effective catalyst for development. But irreconcilable differences in positions amongst member countries made it hard to bridge meaningful gaps in the Doha Round of negotiations on many vital areas, including on agriculture subsidies. However, India scored a major victory at the Bali Ministerial Conference in 2013 when it successfully negotiated a ‘permanent peace’ clause on domestic support for agriculture as a trade-off for agreeing to WTO Agreement on Trade Facilitation. The ‘permanent peace’ clause allows India to pursue its agriculture domestic support programs, without the risk of being challenged in the WTO Dispute Settlement Body, until the issue is resolved collectively by all members. India’s accession to the WTO Trade Facilitation Agreement in



and offer them on Most Favoured Nation (MFN) basis as per GATT Article I i.e., “preferences to be offered to all members on an equal basis in a non-discriminatory manner”. This flexibility was considered necessary for developing and LDCs to withstand global trade distortions caused by sudden surge in imports of certain products. India brought down its applied rates significantly from an average 100% rates in the 90s to currently around average 15% for industrial products and 25% per cent for agriculture products. Several lines kept under Open General Licensing system (OGI), not meant for trading in support of MSMEs, were finally abolished in 2005.

April 2017 also proved beneficial to it for improving logistics efficiencies and bringing down trade costs for its exports.

Reform of WTO

Presently, talk on reform of the WTO has gathered momentum in the wake of unilateral measures and counter-measures imposed by mostly USA and China. Developed countries are seeking to graduate few emerging countries like India, China, Brazil, South Africa etc. from the status of 'developing countries' by withdrawing Special and Differential Treatment (S&DT). The principles of S&DT enshrined in GATT and adopted into the WTO system, was based on the premise that developing countries and LDCs, faced with developmental challenges, require certain buffer to cope with external competition. India strongly opposed this distorted view arguing that development parameters of developing countries are not even remotely close to those of developed countries and putting them in the same basket as developed countries is unfair. Another challenge in WTO for developing countries is effort by plurilateral groups to push for new issues on the WTO Agenda for rulemaking such as e-commerce, investment facilitation, MSME and gender. For India and developing countries, Doha Development Round remains unfinished and new issues run the risk of undermining the

‘development’ agenda. India needs to maintain a delicate negotiating balance on reform of WTO without undermining the principle of Special & Differential Treatment and the development-centric agenda of WTO.

Tariff and Non-Tariff Barriers

Understanding how tariffs and non-tariffs impact trade is crucial for trade negotiations. The rationale for high tariffs is to protect domestic industry from external competition and enhance revenue collection for the State. WTO member countries had bound their tariff rates for each line of product; developed countries bound 99% of their tariff lines to below 5% rates and developing countries bound their rates to 98% but with varying peak rates, within which they can maintain flexible applied rates. Member countries list their commitments in their schedule

The game of tariffs in trade negotiations has always been deceptive. While developed countries have seemingly cut down their tariffs, they have surreptitiously erected non-tariff barriers in the form of standards, regulations, licenses, port restrictions, testing etc., ostensibly to deny market access to others and protect their domestic industry. WTO Agreements on Sanitary and Phytosanitary Standards (SPS) and Technical Barriers to Trade (TBT) have defined rules on standards but these are not enforceable. As Standards are voluntary in WTO, countries tend to take advantage of the ambiguity in the Article 20 of GATT that allows governments to restrain imports in order to protect human, animal or





plant life or health, provided they do not discriminate or use it as disguised protectionism. For developing countries coping up with these high standards is hard as they add up costs. Moreover, tendency to often shift goal posts makes the game even more challenging. Trade negotiators would need to be particularly adept at tackling these unseen walls in global trade.

India's Share in World Trade

India's share in the world merchandise exports at the time of our independence in 1947 was 2.2%; it dropped to 0.5% in 1983 and marginally raised to 0.7% in 2000. Currently, India's share in global exports is 1.7%. Experts attribute India's low share to its decades of insular economic policies but with 1991 economic reforms, leading to integration into the world economy, India's share has picked up. In contrast, countries such as Japan, Korea, China and even ASEAN enjoy much greater share in global trade as a consequence of their open economic policies with significant thrust on exports.

In 2000, India's total trade was about \$103 billion (exports \$43 billion+imports \$60 billion); in 2010, it was \$528 billion (exports \$201 billion + \$327 billion imports) and in 2019-20, it was about \$787 billion,

India's major trading partners are USA, EU, China, UAE, Germany, Singapore, UK, etc. A worrisome factor for India is the ever widening trade deficit with China, which is feared to be dumping its goods in India indiscriminately through a deliberate state-sponsored unfair trade practices, while insulating its markets through highly cumbersome non-tariff measures. In South Asia, India is the most dominant economy with total trade at about \$25.7 billion in 2019-20, of which India's exports were \$22.8 billion.

The World Bank Group study of 2018 observed that if only regulatory obstacles to trade are minimised in the region, trade in South Asia could increase by three times in few years. India's export product profile more or less remained constant for several years; petroleum products, Gems & Jewellery, machinery, organic chemicals, pharmaceuticals, electronics, leather, etc. have been consistently leading the chart. Diversifying export basket with value added products would help to expand its global market share.





Trade in services has assumed high importance in global trade. Technology and mobility of skilled manpower across borders have stimulated trade in services sector. Services constitute more than 55% of India's GDP, similar to the economic profiles of most developed countries. India's export of services trade has been gradually growing in the last two decades; in 2019, services exports were \$214 billion and imports \$128 billion and India supplies 40% of global demand for

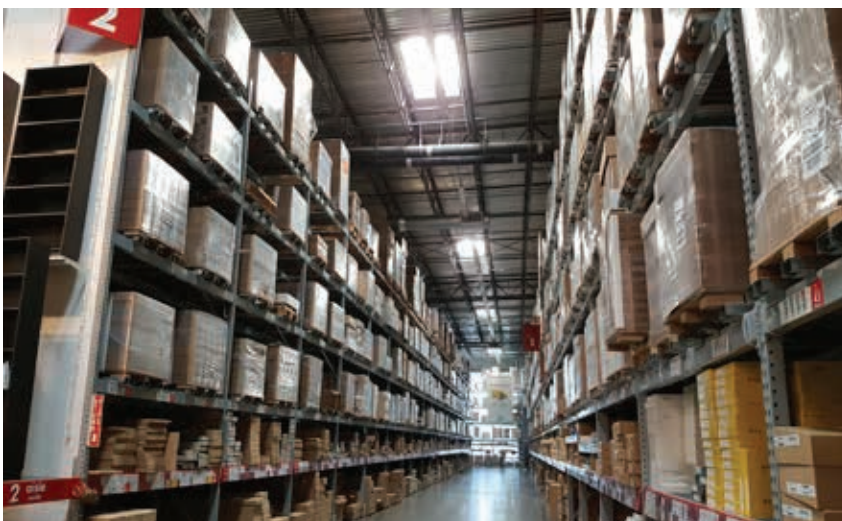
IT skilled manpower. However, India's share in world services trade is only 2.6%, mostly concentrated in IT and IT-enabled services. With a view to diversifying services trade, India identified 12 champion services sectors with emphasis on realising their potential for employment generation. Currently, India's total trade including merchandise and services is \$1129 billion, which constitutes about 42% of the GDP.

Deeper external engagements are a necessary condition for boosting

trade and, in this regard, Global Value Chains (GVCs) and Free Trade Agreements (FTAs) are important tools.

Global Value Chains

Global Value Chains or Supply Chains are a reflection of fragmentation of production processes that have assumed a high degree of sophistication and specialisation due to changes in technology, skills, capital and investment policies. It denotes an underlying principle that companies source raw materials and intermediate products at qualitative and competitive prices from wide ranging sources across the world. It marks a shift away from the traditional way of manufacturing where components and finished products are all produced in one country. As GVCs reduce input costs, it makes finished products competitive in the global markets, a propitious condition for trade to thrive. Open trade and investment policies of a country naturally attract GVCs. Some sectors of India, especially Pharma, Auto and Textiles are well-integrated into GVCs while those of China, Japan,



Korea, Singapore etc. are not only extensive but also deeply entrenched in several countries around the world, lending their products competitive edge in the global markets.

Free Trade Agreements

Free Trade Agreements (FTAs) create conducive environment for GVCs to operate efficiently. Partner countries take advantage of liberalised investment climate under FTAs to set up production units as part of Supply Chain networks (GVC) to feed into finished products. A successful FTA creates a win-win situation for both partner countries, not only in terms of providing market access but also enabling deeper engagement through investments, technology and services. GATT Article 24 of WTO allows member countries to enter into bilateral/regional preferential trade arrangements in order to achieve higher level of trade liberalisation, notwithstanding that this provision amounts to derogation of GATT Article 1 'Most Favored Nation' (MFN) that stipulates non-discriminatory treatment on trade preferences to all countries. In the last two decades there have been proliferation of free trade agreements globally with about 450 FTAs/PTAs concluded and another 180 FTAs/PTAs under either negotiation or review, involving about 2/3rd member

India's share in the world merchandise exports at the time of our independence in 1947 was 2.2%; it dropped to 0.5% in 1983 and marginally raised to 0.7% in 2000. Currently, India's share in global exports is 1.7%. Experts attribute India's low share to its decades of insular economic policies but with 1991 economic reforms, leading to integration into the world economy, India's share has picked up.

countries of WTO. India concluded about 16 FTAs/PTAs and another 20 of them are under either negotiation or review. India's most notable bilateral FTAs are with Japan, Korea, Chile, Singapore and regional FTAs are SAFTA, ASEAN, Mescosur, APTA, etc.

Traditionally, India has been conservative to opening its economy through Free Trade Agreements for fear of exposing domestic industry to external competition. However, trade data of last 10 years suggests that India's volume of trade with its FTA partner countries has significantly grown and trade deficit remained either constant or widened marginally.

Not being part of preferential trade architecture could be detrimental for a growing economy like India as it would amount to inevitable erosion of its market share when FTA countries begin to trade amongst their partner countries at zero duty tariffs. Therefore, the way to go about an FTA negotiation is to seek longer staging phase out of its tariffs with a partner country while at the same time seek immediate phase outs in areas of core interest. For example, as India is relatively strong in textile, leather, chemicals, automobile components, pharma etc., seeking immediate tariff phase outs in these sectors through FTA could be beneficial. Also, India's interest in services trade has grown exponentially; seeking openings in services sector for movement of professionals should be a priority. Similarly, encouraging investments through FTA route should form part of the strategy.

Conclusion

India's trade negotiating approach would need to take a broader long-term view of things to come in future. Increasing volume of trade is more important than trade deficit because trade need not be a zero-sum game. Ultimately, combination of quality and price determines the staying power of a product in the market. Understanding the evolving linkages between trade, investment, services and technology, GVCs is critical. Investment brings technology which is crucial for making affordable quality products at competitive prices. In the age of servicification of manufacturing, emphasis on providing quality services would have a ripple effect on the overall volume of trade. Technology will impact trade in big way in near future and staying in niche technologies such as machine learning, 3D printing, robotic engineering, internet-based production; e-commerce, etc. will all impact global trade in a big way. India should consciously develop a wide angle approach to these evolving global trade dynamics. □





International Trade

Ajay Srivastava

Last few years were not good for the trade due to trade tensions primarily between the USA and China and consequent rise in protectionist measures. The Covid-19 pandemic has disrupted the global economy and world trade, as production and consumption shrunk across the globe.

Trade has expanded 6000 times in the past 200 years. In the past 70 years, it has grown from US\$64 billion in 1950 to about US\$25 trillion now. On average, trade has increased by 1.5 times more than the global economy each year. Let us look at the current global trade volume and composition.

The dollar values of world merchandise and commercial services exports in 2019 were US\$18.9 trillion and US\$6.0 trillion, respectively. World exports account for 27.3% of world GDP of US\$91 trillion. As one country's export is another country's import, the global trade (Export+Imports) would account for about 56% of GDP, marking its importance in global affairs. Import values slightly exceed export values because of the inclusion of freight and insurance charges.

Let us look at what products sell most and which countries are the largest buyers or sellers.

The ten largest products traded globally are electrical machinery, equipment (US\$2.7 trillion), machinery including computers (US\$2.2 trillion), mineral fuels including oil (US\$2.1 trillion), vehicles (US\$1.5 trillion), pharmaceuticals (US\$637 billion), gems, precious metals (US\$630 billion), plastics, plastic articles (US\$626 billion), optical, technical, medical apparatus (US\$614 billion), organic chemicals (US\$419 billion), and iron, steel (US\$637 billion).

The five largest exporting countries for Goods are: China (US\$2.5 trillion), USA (US\$1.7 trillion), Germany (US\$1.6 trillion), Japan (US\$738 billion), S. Korea (US\$605 billion). India ranks 19th globally with US\$313 billion exports.

The five largest importing countries for Goods are the USA (US\$2.5 trillion), China (US\$2.0 trillion), Germany (US\$1.2 trillion), Japan (US\$720 billion), England

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(US\$692 billion). India ranks 10th globally with US\$473 billion of imports.

Table 1 gives an idea of share in Global Production and Exports of 3 large economies. Notice how China is ahead of both the USA and India in Global Production and exports of many product groups.

Reasons for the Growth of World Trade

Two key factors that contributed to the massive growth of trade in the post-world war two years are: developments in communications and technology, and establishment of globally accepted trade rules through the GATT/WTO system. These factors facilitated outsourcing of manufacturing operations, establishment of international production networks & Global Value Chains (GVCs) and gave rise to multinational corporations (MNCs). Today about 40% of global trade is intra MNCs trade.

Slow decision-making at the WTO-led countries to negotiate trade liberalisation bilaterally or within small groups through the FTAs that have become the central part of many countries' trade strategy. An FTA is an arrangement between two or more countries under which they agree to end tariffs and non-tariff barriers on a significant value of imports from partner countries. Large FTAs cover many negotiation subjects.

Today we have over 300 operational FTAs. More than 200 FTAs are under negotiation. India has signed 10 FTAs, including with SAARC countries, Japan, South Korea, and ASEAN, and six small coverage agreements. India is currently negotiating /expanding 22 more FTAs.

The FTAs can ensure market access to only the right quality products made at competitive prices.



Impact of Covid-19

In April 2020, WTO has warned that the world merchandise trade in 2020 is set to plummet by between 13 and 32% in 2020 due to the Covid-19 pandemic. Nearly all countries will suffer declines in trade volumes in 2020, with exports from North America and Asia hit hardest. Services trade may be most directly affected by Covid-19 through transport and travel restrictions.

India's Trade Snapshot

Let us look at India's merchandise trade data, starting with independence. In 1947-48, exports at Rs 403 Crore were higher than imports at Rs 389 Crore. In 1991-92, exports were US\$17.8 billion, while imports were US\$19.4 billion. In 2001-02, exports were US\$43.8 billion, while imports were US\$51.4 billion. In 2010-11, exports were US\$249.8 billion, while imports were US\$369.7 billion. In 2019-20, exports were US\$313.2 billion, while imports

Table 1.

Sl. No.	Sector	Share in Global Production and Exports(%)					
		USA		China		India	
		Prod	Exp	Prod	Exp	Prod	Exp
1.	Textile	7.1	6.8	43.9	32.2	6.9	5.6
2	Apparels	2.7	1.4	37.9	31.7	2.2	3.8
3.	Leather & Products	2.0	2.2	40.2	31.2	2.6	2.3
4.	Paper & Paper Products	21.3	9.7	20.3	10.9	1.2	1.0
5.	Chemical & Products	18.5	8.6	22.8	4.7	2.9	2.1
6.	Pharmaceuticals	20.5	8.2	13.2	1.5	3.3	2.4
7.	Rubber & Plastic Products	17.3	9.5	14.8	12.1	2.3	1.3
8.	Steel and other metals	8.7	5.2	39.8	12.9	5.6	2.2
9.	Computer, Electronics	21.7	7.9	26.0	21.9	0.6	0.4
10.	Machinery & Equipment	15.1	9.4	21.1	19.0	1.7	0.9
11.	Furniture	21.5	4.2	11.5	37.5	0.6	0.6

Data Source- UNIDO International yearbook of Industrial Statistics-2018 and Trade Map



were US\$473.9 billion. Exports have grown faster than the GDP over these years.

India's Trade Support System

The Government takes many steps to promote trade. These relate to improvement in logistics, Ease of Doing Business, IT enablement, Skilling, and Export Schemes. Let us have a quick look at important initiatives:

Infrastructure

Currently, a number of projects are under implementation towards improving the efficiency of select Ports, Airports, Land Customs Stations, Inland Container Depots, and Container Freight Stations. The Sagarmala initiative aims to reduce logistics cost for domestic and export-import cargo. Bharatmala Pariyojana focuses on freight and passenger movement across the country for the highways sector.

Institutions

Indian Commercial missions located in important countries are geared to promote trade, technology, tourism and investments. Sector-specific Export promotion Councils, Federation of Indian Export Organisations, and several Trade Associations engage with exporters to resolve day-to-day and development issues. Export Cum

Guarantee Corporation provides insurance facility while Exim bank extends long-duration loans to long-duration projects located in specified countries. India Brand Equity programme actively promotes Indian brands and traditional goods like tea, spices, ayurvedic products, and services like yoga, wellness, and health care. Council for Trade Development and Promotion has been created for making states active partners in boosting India's exports. Board of Trade (BOT) engages with leaders of industry in promoting India's trade interests.

Ease of Doing Business and IT Initiatives

Aware of the need to simplify India's export process, several measures have been taken to reduce export, import clearance time, and cost. Thus, the number of mandatory documents required has been reduced to 3 each for export and import. Earlier, seven documents were needed for exports and 10 for imports. Major ports, custom-houses, Special Economic Zones, DGFT, etc. are EDI connected. Customs have introduced Single Window Interface for Facilitating Trade (SWIFT), integrating the approval process of Partner Government Agencies on a single platform. On the incentive side, DGFT exchanges data with Customs, Banks, and EPCs through the secured EDI message exchange system, reducing exporters' physical interface with DGFT.

Skilling new entrepreneurs for exports is an important priority. Over 90000 persons from small and medium enterprises, industrial clusters, small exporting firms have so far been trained by DGFT under the Niryat Bandhu program since its launch in the year 2013, thus complementing the Start-up India and Skill India initiatives.

In addition, many new measures are on the anvil to make exports competitive and reduce operational cost and time.

Table 2.

Variable	2018-19	2019-20	Growth (%)	Share** in world Trade 2018 (%)	Global Rank
Exports					
Merchandise	330.1	313.2	-5.1	1.7	19
Services*	208.0	213.2	2.5	3.5	8
Total	538.1	526.4	-2.2	2.1	
Imports					
Merchandise	514.1	473.9	-7.8	2.6	10
Services*	126.1	128.3	1.8	3.2	10
Total	640.2	602.2	-5.9	2.7	
Total (Export+ Imports)	1178.3	1128.6	-4.2		
India's Exports (Merchandise + Services) as % of GDP*** in 2018: 19.5%					
India's Total Trade (Export +Imports) of (Merchandise + Services) as % of GDP*** in 2018: 44.8%					

Schemes for Export Promotion

To ensure parity amongst countries with differing import duties, WTO rules allow waiver or refund of import duty payable/ paid on the inputs used to make the export product. GST and duty refund/neutralisation schemes meet this requirement.

In addition, high transaction costs are a significant cost disability for Indian exporters. Firms spend 12-15% more than their international counterparts due to higher credit, logistics, and other transaction costs. Incentive schemes like Merchandise Exports from India Scheme (MEIS) meet part of this expenditure. Following is a brief on India's major export schemes:

a. Duty Refund/Neutralisation Schemes

1. Schemes for competitive sourcing of Raw Material- Advance Authorisation and Drawback Schemes

- Advance Authorisation (AA) Scheme: Allows duty-free raw material import for making of export products, with at least 15% value add.
- Duty-Free Import Authorisation (DFIA) Scheme: Same as AA, except that it allows imports after the exports.
- Duty Drawback Scheme: Refunds customs / other duties paid on inputs used for making export products.

2. Scheme for competitive sourcing of Capital Goods

Export Promotion Capital Goods (EPCG) Scheme: Allows duty-free import of Capital Goods. In return, an exporter has to undertake to export products manufactured from the same/similar machines of value should equal six times duty saved amount within six years over and above the current level of average exports.



b. Incentive Schemes

1. Merchandise Exports from India Scheme (MEIS)
2. Services Exports from India Scheme (SEIS)

The Government will soon withdraw MEIS and introduce the Remission of Duties or Taxes on Export Product (RoDTEP) scheme. An announcement to this effect was made in the Budget 2020.

c. Other Major Schemes

1. Special Enclave for Exports like Special Economic Zones (SEZ) & 100% Export Oriented Units (EOUs)
2. Additional benefits through Market Access Initiatives for supporting participation in trade fairs, Trade Infrastructure for Export Scheme (TIES) for creation of trade infrastructure, and Clusters schemes

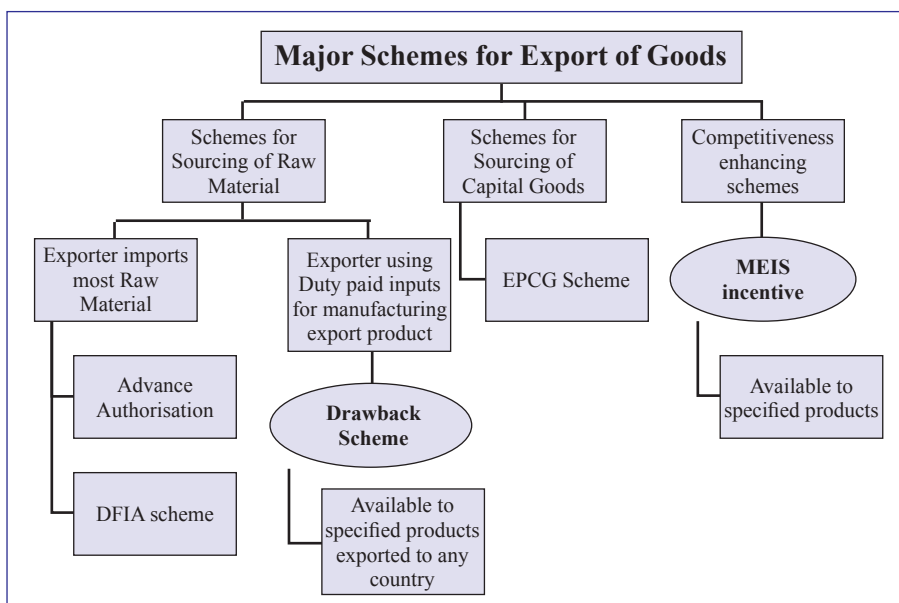
Imports

India follows an open trade policy where most products can be imported without prior permission on payment of import duty. The import duties are within the ceiling limits agreed at the WTO. The simple average effective duty rate is 13.9% while the standard rate is 17.1%. The over duty rate from revenue point is only 3.2%, considering last year's imports of US\$467 billion and Basic Customs duty collected as Rs. 1,10,445 Crore.

Firm and Product Structure of India's Exports

a. Weak firm-level structure

Though India has more than a lakh of active exporters, less than 2000 account for over 60% of Indian exports. Less than 10000 exporters contribute to 85% of





price-cutting from low-cost countries.

Seven Strategies for Increasing India's Exports

a. Expand manufacturing and trade of the products, the world buys most—Electronics, Organic Chemicals, Machinery, Telecom, etc. A calibrated import duty structure and quick and hassle-free shipments at the ports are almost a precondition for significant Global Value Chain participation. This will need reforms

Indian exports. Thus, few large firms and thousands of small informal firms dominate the Indian export scene. There is little presence of mid-size entrepreneurial firms that dominate the export sector in developed countries and are known to be most enterprising.

We do not have many smart large Indian firms except in petroleum refining, steel, pharmaceuticals, and automobiles. Export to turnover ratio is less than 10% for the top 50 public limited companies in the food, beverages, mining, paper products, chemicals, textiles, and electrical machinery sectors.

World over, it is large firms that carry most production and export.

Also, contrary to popular belief, the presence of large firms supports the growth of SMEs. They depend on SMEs for the supply of specialised components, parts, or machinery. In turn, SMEs gain through the flow of people, skills, technology, and best practices from large firms.

Data proves this. Indian SMEs account for 75% of manufacturing jobs but produce just 10% of the manufacturing output. So the presence of globally oriented large firms will support the growth of SMEs as well.

b. Weak Export Product Profile

Category A products include electronics, computers, telecom, factory machinery, and high-end engineering products. India's global share in such products is 0.4%. Since we do not have enough expertise in Category A products, we may need few large Indian firms or MNCs to set up large-scale production and exports operations.

India has a high global share (4.1%) in Category B products. Consider a few products and their share in world trade: small diamonds (19.8%), jewelry (12.9%), rice (39.3%), buffalo meat (19.1%), shrimps (17.7%). Other products are textiles (4.5%), medicines, auto components, marine products, etc. The small size of the category B basket limits the growth potential. While few products like medicines, auto components of category B require high sophistication, most category B products being labor-intensive, low technology are prone to competition and

in duty structure, building efficient ports, and online systems.

- b. Avoid critical dependence on any country. We need to develop self-sufficiency in Bulk drugs/APIs, power equipment, everyday use goods, and defence-related products, etc.
- c. Define "Made in India" standards and make it a quality label. This will require setting up Design Studios, Innovation labs, and strengthening of Standards and Quality infrastructure.
- d. Open large product exhibition centers cum markets. Such exchanges will help small firms to showcase their products and get orders without traveling abroad.
- e. Provide actionable trade intelligence. Simple information like which country is buying what product at what price helps.
- f. Promote trade-in services- India's services exports are characterised by over-dependence on Software Services, which accounts for about 40% of India's services exports. To diversify India's services exports, Government has identified 12 sectors for focused development. These include IT, Tourism and Hospitality Services, Medical Value Travel, Transport, and Logistics Services, Accounting, and Finance Services, Audio Visual Services, Legal Services, Communication Services, Construction, and Related Engineering Services, Environmental Services, Financial Services, and Education Services.
- g. Reduce input costs- High duties on raw materials, expensive credit, erratic power supply, time taking land transactions, delay in refund of taxes, and less productive labor increase the input cost—deep reforms in these areas needed to lay the foundation stone for a more competitive manufacturing and export sectors.

Focussed action on the strategies mentioned above would help in strengthening of core competitiveness at the product and market level and result in increase of exports/trade. □



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WTO: The Road Ahead

Abhijit Das

The role of the Director General, WTO and its importance is anchored in the pivotal role of the WTO in providing an overarching and common framework of multilateral rules for conducting international trade among its members. The scope of rules under various agreements at the WTO includes trade in goods and services. In addition, the Agreement on Trade-Related Aspects of Intellectual Property Rights specifies the minimum standard of protection of intellectual property rights, which have to be adhered to by the WTO members.

The 164 members of the World Trade Organization (WTO) are currently engaged in the difficult task of selecting the next Director-General (DG) of this multilateral institution. This position became vacant when the previous incumbent, Roberto Azevedo of Brazil, stepped down on September 1, 2020, one year before his second four-year term as the DG was to end. His successor will have the onerous responsibility of brokering deals among the WTO membership for reviving the relevance and credibility of this organisation. In this article we briefly discuss the candidates who are in the fry, the process of selecting the DG, importance of the WTO, role of the DG and the tasks ahead for the successful candidate.

The new DG would assume office at a time when the WTO as an inter-governmental organisation is buffeted by multiple challenges, which have eroded the credibility of this organisation. First, the dispute resolution arm of the WTO has been rendered dysfunctional as the US has blocked the process of nomination of members of the Appellate Body.

It may be noted that under the two-stage dispute resolution mechanism, the Appellate Body hears appeals on issues of law and legal interpretation arising from the findings of WTO panels constituted to resolve trade disputes among its members. Without a functional Appellate Body, no effective legal mechanism is available for WTO members to enforce their rights and obligations.

The second challenge confronting the WTO is the failure of its negotiating arm to deliver substantial results. WTO members had launched the Doha Round of multilateral trade negotiations in 2001. When it was

launched, the needs and interests of the developing countries were at the heart of the negotiations. However, almost two decades down the road, the outcome of the negotiation is extremely thin. There is little to show apart from the following three substantive achievements: finalising and implementing the Trade Facilitation Agreement, which is aimed at reducing the red tape in export-import procedures; the decision to eliminate export subsidies in agriculture; and the Peace Clause in agriculture which insulates public stockholding schemes of developing countries from legal challenges at the



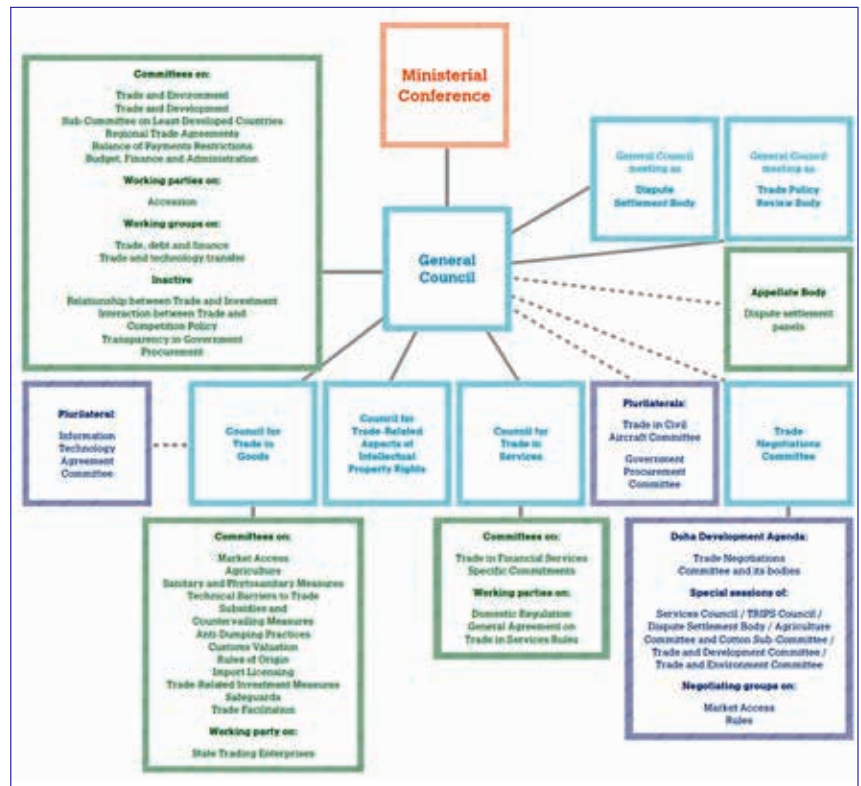
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WTO. On most of the other issues, deadlock in the negotiations has persisted. To compound the woes, at the Nairobi Ministerial Conference of the WTO held in 2015, the developed countries walked off the Doha Round negotiating table. This has prevented the multilaterally decided negotiations to move ahead.

A more recent challenge, crippling the WTO, is that countries are gradually losing respect for the rules of this organisation. The legal pressure and moral force to comply with past commitments at the WTO appears to have considerably weakened. This has considerably eroded the multilateral trading system. Nothing illustrates this better than the protracted spat on trade issues between the US and China. This has resulted in the two countries resorting to actions, whose legality under the WTO rules is extremely questionable. Encouraged by this, some other prominent members of the WTO have not hesitated in taking dubious measures aimed at restricting imports. Unless this drift towards transgressing WTO rules is expeditiously checked, the multilateral trading system cannot survive.

Another dark cloud on the WTO horizon is the aggressive push by the developed countries, particularly the US, to deprive India and many other developing countries from benefitting from Special and Differential Treatment (S&DT) provisions in future negotiations. The concept of S&DT was inserted in the GATT in 1960s, after the developing countries struggled hard for it. This concept recognises that developed countries do not expect reciprocity from developing countries in trade negotiations. This is premised on the fact that there is a wide gap between the standards of living in developing and developed countries. In the existing agreements at the WTO, S&DT has been manifested in developing countries being required to take less onerous commitments in respect of certain provisions. Any

WTO



The functions of the WTO are five-fold. First, it facilitates the implementation, administration and operation of the Multilateral Trade Agreements. Second, the WTO provides the forum for negotiations among its Members concerning their multilateral trade relations in matters already within the ambit of its rules. Third, it provides a mechanism for settling trade-related disputes among its members. Fourth, the WTO administers the Trade Policy Review Mechanism, whereby trade policies of its members are periodically reviewed. Fifth, with a view to achieving greater coherence in global economic policy-making, the WTO cooperates with the International Monetary Fund and with the International Bank for Reconstruction and Development.

dilution of the concept of S&DT will further tilt the playing field against the developing countries.

An additional source of friction that has emerged over the past three years is the attempt by about eighty countries to negotiate rules in different areas, including electronic commerce and investment facilitation. These negotiations are being undertaken without any mandate from the WTO membership. Popularly referred to as Joint Statement Initiatives (JSI), these negotiations are an attempt by the developed countries to negotiate rules in areas of their economic and commercial strengths. However, as most developing countries do not stand to gain much from the legally binding rules in these areas, a large number of them have stayed out of these negotiations. What has heightened the concerns of the developing countries is the attempt by the participants in the JSIs to get the new rules in these areas inserted into the WTO, without following the procedure laid down for it.



The eight candidates in the running to replace Roberto Azevedo come from an extremely diverse background, with varying degree of exposure to international trade. Abdulhameed Mamdouh from Egypt was a middle international civil servant with the WTO Secretariat. Amina Mohamed from Kenya, has the distinction of having been her country's ambassador to the WTO, and chairperson of its important decision-making body—the General Council. Jesus Seade Kuri from Mexico, was his country's ambassador to the GATT (the predecessor body of the WTO). Subsequently, he also functioned as a Deputy Director-General of GATT/WTO. Tudor Ulianovschi from Moldova has served as his country's ambassador to the WTO.

Ngozi Okonjo-Iweala from Nigeria had a 25 year career at the World Bank as a development economist. She served twice as Nigeria's Finance Minister and also as Minister of Foreign Affairs. Mohammad Maziad Al-Tuwaijri from Saudi Arabia, has been a former Minister of Economy and Planning. Yoo Myung-hee from South Korea has long years of experience on issues related to international trade, initially as an official of the Korean government and subsequently as her country's Minister for Trade. Liam Fox from the United Kingdom, has

held the responsibility of Secretary of State for International Trade in UK.

How is the DG of the WTO selected? It is an irony that an international organisation, which attaches considerable value to transparency in international trade issues, selects its DG through a rather opaque process. The chairperson of the General Council of the WTO, which is an important decision-making body, will lead the selection process. New Zealand's ambassador to the WTO is the current chair of the General Council. In the selection process, he will be assisted by ambassadors of

The DG heads the secretariat of the WTO. In the discharge of their duties, the DG and the staff of the secretariat shall not seek or accept instructions from any government or any other authority external to the WTO. The DG and the secretariat are required to be non-partisan and neutral in all matters. The influence of the DG and salience of his role arises from the prestige attached to the chair. A deep knowledge of the complex technical issues at the WTO, is an added advantage for the DG.

two other countries, both of whom are chairperson's of other important bodies of the WTO.

The selection will be undertaken through a confidential mechanism that would provide opportunities to the WTO member countries to indicate their preferences at different stages of the process. Based on the preferences indicated by the countries, three out of the eight candidates in the fray will be asked to withdraw at the end of the first round. This confidential process will be repeated and three candidates will drop out after the second round. Two finalists will be left to battle it out in the third and final round. The successful candidate will have a four year tenure as the DG.

As was the story in the selection of some of the DGs in the past, it is almost inevitable that even this time around questions are likely to be raised about the lack of transparency in the process. The new DG will have to overcome this handicap and quickly take charge of the situation. Why is the job of DG of WTO important for the comity of nations, what challenges would the DG face and what should be his priorities? We turn to discussing these issues.

In a world of increasing inter-dependence among nations in commercial and economic relations, international trade cannot be conducted efficiently without a common set of rules applicable to a large number of countries. In the absence of any such overarching framework, countries would need to sign bilateral agreements with each of their trading partners. Clearly, this is not an efficient solution.

Shorn of legalese and technical details, the boundaries established by the rules at the WTO determine the elbow room available to governments, particularly in developing countries, to formulate policies and implement programmes for national development. With the rules of the multilateral trading system being expanded to cover progressively larger spheres of

economic and commercial activities between countries, policy flexibility has commensurately shrunk. Thus, the rules that countries negotiate at the WTO can have a significant bearing on the growth trajectory of a country.

The functions of the WTO are five-fold. First, it facilitates the implementation, administration and operation of the Multilateral Trade Agreements. Second, the WTO provides the forum for negotiations among its Members concerning their multilateral trade relations in matters already within the ambit of its rules. Third, it provides a mechanism for settling trade-related disputes among its members. Fourth, the WTO administers the Trade Policy Review Mechanism, whereby trade policies of its members are periodically reviewed. Fifth, with a view to achieving greater coherence in global economic policy-making, the WTO cooperates with the International Monetary Fund and with the International Bank for Reconstruction and Development.

In pursuance of the functions stated above, all the decisions at the WTO are taken by its members. The WTO secretariat is not expected to have any role in the decision-making process of this inter-governmental organisation. Given this reality, why is the role of the DG important?

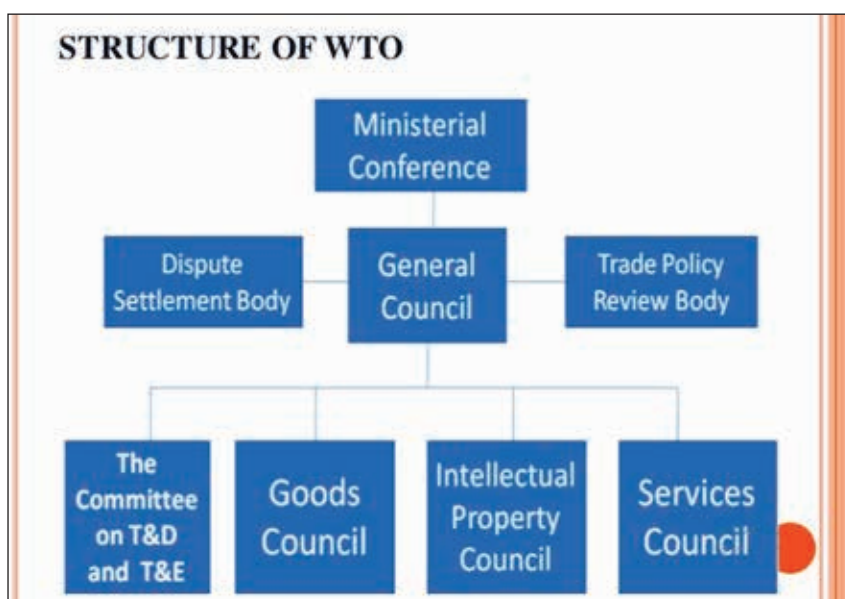
The DG heads the secretariat of the WTO. In the discharge of their duties, the DG and the staff of the secretariat shall not seek or accept instructions from any government or any other authority external to the WTO. The DG and the secretariat are required to be non-partisan and neutral in all matters. The influence of the DG and salience of his role arises from the prestige attached to the chair. A deep knowledge of the complex technical issues at the WTO, is an added advantage for the DG. Further, a convention has evolved under which the DG chairs the Trade Negotiating Committee which has the overall responsibility of taking forward the mandated multilateral trade negotiations. Often the DG has to step in to smoothen friction among the WTO member countries, broker deals and find compromises, if deadlocks arise in the functioning of the WTO. In this role, the DG may also be required to interact with heads of governments. All this calls for the DG to have exceptional diplomatic skills, backed by a deep understanding of political forces at work in the decision-making process and harnessing them for furthering the objectives of the WTO.

For an institution to remain relevant, it has to evolve with the

changing times and the needs of its constituencies. The WTO is no exception to this basic tenet. While some proposals have been made by both, the developed and developing, countries to reform the WTO, there is no structured mechanism for taking this process forward. It is, therefore, apprehended that reforming the WTO might merely become a fig leaf for the developed countries to push their agenda of prying open markets of the developing countries and negotiating rules in new areas, which would considerably constrict the policy space of developing countries to pursue policies for social and economic development.

Addressing these challenges should constitute the main priorities of the new DG. (S)he will also have an important role in deciding the agenda of the next ministerial meeting of the WTO, which is likely to be held in Kazakhstan in 2021. Many of these contentious issues are likely to be the subject matter of discussion in this ministerial meeting. In respect of each of these issues, the DG can use her/his credibility and prestige of the chair to work with WTO members on opposite sides to find common ground and resolve the seemingly intractable problems. No doubt, the DG cannot be expected to have a magic wand to untie all the knots bedevilling the multilateral trading system, but (s)he can certainly create a conducive climate for problem-solving and also mediate between the contesting parties for reviving the key functions of the WTO. How the incoming DG addresses these challenges will determine whether the relevance, reputation and credibility of the WTO can be restored? It is to be hoped that the new DG would have the stature to navigate the WTO through the choppy waters of international power politics and help create a multilateral trading system that is more responsive to the development aspirations of developing countries. □

The views expressed are personal.



The India-US H-1B Visa Issue

Rupa Chanda

The US-India dispute over H-1B visas can be traced to the significant relationship between the two countries post 2000 in services trade, especially in software services and the predominance of Indian IT professionals in H-1B visas issued by the US. Due to changes in immigration and labour market regulations on visa caps and fees, necessity tests, recognition of qualifications, and other discretionary policies, India faces growing mode-4 related challenges which affect cross border mobility of its service providers.

Economic liberalisation and structural reforms since 1991 have enabled India to shift to a higher growth trajectory and to integrate with the world market. Services have played an important role in this process. India's share in world services exports was 3.5% in 2018 compared to 1.7% for goods exports, reflecting its relative competitiveness in services.¹ In particular, India has acquired global recognition for its competitiveness in segments such as information technology (IT), business process outsourcing (BPO) and professional services, which currently constitute over 50% of India's services exports.

An important feature of India's services exports is their reliance on certain GATS modes of supply, namely, mode 1 (cross-border supply) and mode 4 (movement of natural persons),² reflecting India's strengths in skill and knowledge-intensive services due to the availability of low-cost, skilled manpower. As per the WTO's latest modal classification of services trade, around 61% of India's services exports were through mode 1 while 21% were through mode 4, with modes 2 and 3, each constituting only

7%.³ According to the DGCIS 2016-17 Survey of ICT services, although there has been a gradual shift from mode 4 towards mode 1, given growth in outsourcing and cross-border data flows in services, mode 4 remains important in certain segments such as computer software (27%) followed by engineering, related technical services and R&D (17%).

Given the importance of mode 4 across several services and especially in ICT services which are highly export-oriented (three-fourths of their turnover) and which constitute more than half of India's services exports,

growing protectionism in mode 4 is a matter of concern for India.⁴ Due to changes in immigration and labour market regulations on visa caps and fees, necessity tests, recognition of qualifications, and other discretionary policies, India faces growing mode 4 related challenges which affect cross border mobility of its service providers.

In the US market, India's services exports have been facing growing protectionism with respect to the movement of its specialty occupation (H-1B visa holders) and intra-corporate transferees (L-1 visa holders).⁵ This has particularly



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Table 1. H-1B Visas Issued by the US to Selected Countries, Numbers and Shares (%)

	H-1B visa issued					Share in the World				
	2000	2005	2010	2015	2019	2000	2005	2010	2015	2019
India	61,530	53,579	58,664	119,952	131,549	46.2	43.2	50.0	69.4	69.9
China - mainland	7,489	7,113	11,242	18,306	28,483	5.6	5.7	9.6	10.6	15.1
Mexico	2,404	2,505	2,494	2,894	2,754	1.8	2.0	2.1	1.7	1.5
World	133,290	124,099	117,409	172,748	188,123	100.0	100.0	100.0	100.0	100.0

Source: USCIS

affected Indian IT companies which require on-site deployment and short-term movement of personnel to the US and account for the bulk of such visas granted to Indians.⁶ The frictions came to a boil when in March 2016, India filed a complaint with the WTO challenging the US over steep visa fee increases for H-1B and L-1 visas, citing discriminatory treatment of Indian IT companies and workers and inconsistency with the US' WTO commitments in mode 4.

Against this backdrop, the following discussion examines the significance of mode 4 in India-US services trade, especially in IT services. It outlines the background to the recent visa dispute, focusing on H-1B visas, the stance taken by the US and India, and the assessed impact of increased H-1B visa restrictions by the US on Indian companies.

Overview of the Dispute

The genesis of the US-India H-1B visa dispute lies in the significance of mode 4 in India-US services trade and the many concerns and criticisms surrounding this visa program.

Significance of Mode 4 in India-US Trade

In 2018, India's IT and IT-enabled services exports amounted to \$126 billion of which 62% was to the US market. Within these exports, 57% was contributed by IT services, the segment which relies most on mode 4. In 2017, India was third after Canada and Mexico accounting for 554,628 non-immigrant admissions of temporary workers and their

families in the US. Within this, India accounted for 276,178 H-1B visas and 63,415 L-1 visas, i.e., 51% and 9.2% of all admissions in these two visa categories, respectively. A cumulative total of 2,183,112 H-1B petitions were made by Indians (64% of all filings far ahead of China which accounted for 9%) between 2007 and 2017.⁷

These numbers largely capture India's exports of computer-related services through the temporary mobility of software professionals under the H-1B and L-1 visas which account for the majority of H-1B visas issued by the US. Even as far back as 2001 and 2002, Indian computer professionals accounted for 68% and 63%, respectively, of all H-1B visas granted in the US in the computer services category.⁸ Indian companies such as Infosys Limited, Cognizant Technology Solutions, Tata Consultancy Services, Wipro Limited and IBM India have been granted the vast majority of H-1B visas while Tata and Cognizant have also been the biggest users of the L-1 program in the recent past. Apart from IT services, mode 4 is also important in India's professional services exports to the US. For instance, India has been among the top five

source countries for temporary skilled workers admitted into the US across professional services such as healthcare, architecture, engineering, and education services.⁹

Table 1 highlights the pre-dominance of India in H-1B visas issued by the US during the 2000-19 period. India accounted for nearly 70% of H-1B visas issued by the US in 2019, up from 46.2% in 2000. Of the top 10 companies with H-1B-approved petitions in 2018, four were Indian firms. However, rejection rates have risen significantly for Indian IT companies filing for H-1B visas, compared to their US counterparts.

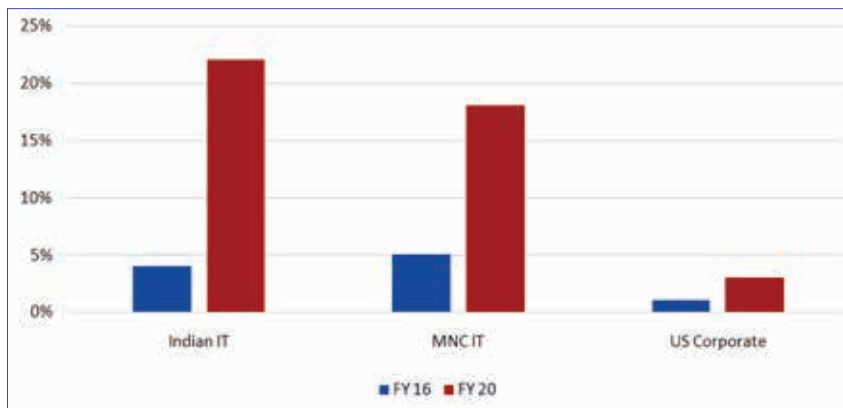
H-1B Visas: Reforms

There have been several changes in H-1B related legislation over the years with regard to visa caps, application fees, eligibility conditions and processes. There is a general trend towards making this program more restrictive over time. Some of the most important features and changes introduced over the years include:

- An increase in the H-1B quota from 65,000 to 115,000 in 1999 and 2000 and further to 195,000 during 2001-03 during the Clinton administration and its subsequent reduction to 65,000 in 2004;
- Introduction and subsequent hikes in the retraining fee aimed at skilling US workers and reducing dependence on H-1Bs over time;
- Creation of a new sub-category of H-1B1 visas under the Chile-US and Singapore-US Free Trade

The US General Accounting Office has noted that controls on the H-1B program lack effectiveness as loopholes and lax enforcement have led to exploitation of both visa holders and American workers.

Figure1. Overall H-1B Rejections Rates Across Peers, FY 16, FY 20 (%)



Source: Based on USCIS data

H-1B Criticisms

The most common concern is that the program displaces rather than complements American workers, as employers use it to bring in cheap foreign labour without proving to the Department of Labour that they tried to find an American to fill the job.¹⁰ The US General Accounting Office has noted that controls on the H-1B program lack effectiveness as loopholes and lax enforcement have led to exploitation of both visa holders and American workers. Senators Durbin and Grassley have argued that the program has become a means to outsource jobs and proposed the Durbin-Grassley bill to prevent fraud.

There have also been instances of investigations against companies such as TCS and Infosys to determine if the program has been misused to lay off domestic workers in the US and hire cheaper foreign workers. Lawsuits have been filed against leading technology companies for favouring foreign workers in their hiring practices. Claims by high-tech companies citing technology worker shortages to request higher annual caps on H-1B visas have been refuted by critics. Concerns have also been voiced about the wage depressing effects of the H-1B visa program and that the prevailing wage condition to protect US workers has been ineffective due to enforcement limitations and procedural problems. Empirical studies have confirmed the depressing effect of wages for skilled workers due to this program.

Specifics of the Dispute

The US-India H-1B visa dispute has its roots in these longstanding reservations about the H-1B program in the US. The case sets a precedent as it is the first time that a WTO member has filed a formal dispute challenging the immigration laws of another member country for violating GATS principles.

- Agreements in 2003;
- d. Introduction of an anti-fraud fee under the H-1B Visa Reform Act of 2004;
- e. Requirement under the Employ American Workers Act of 2009 for employers to attest that additional H-1B workers would not displace any US worker in an equivalent position during a specified time period;
- f. A Labour Condition Application to ensure that the wage offered to the non-immigrant worker meets or exceeds the prevailing wage in the area of employment; and
- g. Almost doubling of the visa fees in 2010 and 2015 for firms with more than 50 employees and with more than half of their employees comprising of non-immigrant workers.
- The Border Security Bill in August 2010 which was signed into Public Law 111-230, requiring an additional fee of US\$2000 for H-1B petitions filed by companies employing 50 or more employees in the US and with more than 50% of employees on H-1B or L status, from August 14, 2010 till September 30, 2014.
- Introduction of US Public Law 111-347 which extended the applicability of this additional fee till September 2015.
- The Consolidated Appropriations Act, 2016 or Public Law 114-113 which became effective from December 18, 2015 till September 30, 2025, which further increased the combined filing fee and fraud prevention and detection fees by \$4500 for admissions and extensions in case of applicants with 50 or more employees in the US, with more than 50% admitted under non-immigrant visas for H-1B and L-1.

There have also been proposals for reforms, to stem fraud and abuse, close legislative loopholes which disadvantage American workers, and to increase oversight and investigative authority of agencies like the Department of Labour. These proposals reflect various concerns regarding the H-1B scheme.

The US General Accounting Office has noted that controls on the H-1B program lack effectiveness as loopholes and lax enforcement have led to exploitation of both visa holders and American workers. Senators Durbin and Grassley have argued that the program has become a means to outsource jobs and proposed the Durbin-Grassley bill to prevent fraud.

On March 3, 2016, India submitted a request to the WTO Dispute Settlement Body for consultations with the US on the aforementioned Public Laws 111-230 and 114-113 concerning non-immigrant measures which raised visa fees for admissions and extensions by certain applicants under the H-1B and L-1 visa categories.¹¹ According to India, the measures are inconsistent with Articles II, III:3, IV:1, V:4, VI:1, XVI, XVII, XX of the GATS and paragraphs 3 and 4 of the GATS Annex on Movement of Natural Persons Supplying Services.¹² Specifically, the Indian submission states that the measures introduced in 2015 under PL 114-113 and earlier in 2010 under PL 111-230 are:

“(i) inconsistent with the terms, limitations and conditions agreed to and specified by the US in its Schedule of Specific Commitments under the GATS;

(ii) accord to juridical persons of India having a commercial presence in the United States treatment that is less favourable than that accorded to juridical persons of the United States engaged in providing like services in sectors such as the Computer and Related Services sector with respect to which the United States has taken commitments in its Schedule of

India has argued that the additional visa fee for selected petitioners targets Indian IT companies and is not original neutral, though it may have been designed as seemingly non-discriminatory across commercial entities.

Specific Commitments; and

(iii) affect the movement of natural persons seeking to supply services in a manner that is inconsistent with the United States’ commitments in its Schedule of Specific Commitments.”

The Indian submission also requests consultations regarding the US’ numerical commitment for H-1B visas. It states that the US horizontal commitment under mode 4 of allowing up to 65,000 persons annually on a global basis, has been modified pursuant to the US’ FTAs with Singapore and Chile wherein the country-specific numerical limits for admission of Chilean and Singaporean nationals would be deducted from the annual numerical limit of 65,000 H-1B visas. This would raise the overall barriers for service suppliers from India to the US, nullifying or impairing the benefits accruing directly or

indirectly to India under the GATS.

India has sought a reply on the above measures, including any amendments, replacements, extensions, successor or implementing measures or other related measures. The above submission was followed by a request for further consultations on March 18, 2016.¹³ In this second request, it claimed that the identified measures were also inconsistent with Article II of the GATS and proposed further refinement in the description of the measures in that they were also less favourable to juridical persons of any other country (not just India) which is engaged in providing like services in sectors such as Computer and Related Services in the US, compared to juridical persons of the US.

Indian Stance

India has argued that the additional visa fee for selected petitioners targets Indian IT companies and is not original neutral, though it may have been designed as seemingly non-discriminatory across commercial entities. This view is based on the bad publicity that Indian IT companies and their use of H-1B visas has received in the US given the repeated concerns voiced by US Senators and Congressmen, institutions, think-tanks and media reports about the H-1B visa program and multiple proposals to make the program more restrictive. Terms such as “job stealers” and “brokerage houses” which have been used to denote Indian IT companies; have further fueled the view that the measures are targeted at Indian companies.

A study commissioned by the Commerce Ministry has assessed the validity of this perception of discriminatory treatment of Indian IT companies. This study considers the impact of the visa fee hike on three groups of companies, namely, those representing commercial presence of juridical persons (JPs)¹⁴





from India in the US, US JPs, and JPs of third countries, respectively, serving the US computer-related services market. This study assessed the applicability of the US PL-111-230 to these different groups of companies based on their size and workforce composition (total number of employees as well as share of H-1B and L-1 visa holders as per the applicability criteria of the legislation). The analysis revealed that Indian companies would bear the incidence of the higher fees while US and third country companies, except for a few US companies which have a large part of their workforce based in India, would be exempt from this fee hike. Calculations showed that affected Indian IT companies would spend an additional US\$257 million pursuant to the US PL 111-230 between FY 2010-15, over and above the regular visa fee of US \$245 million while other companies, excluding those US companies with a large Indian presence, would not pay any additional fees. Hence, the study validates the Indian view that though the legislation is origin-neutral in appearance, it is discriminatory towards Indian service suppliers operating in the US IT services market.¹⁵

US Stance

The US has contended that immigration policy is a sovereign

issue that is not negotiable in the WTO. In its view, companies that predominantly use H-1B workers are not Silicon Valley technology firms but IT services firms based in India, such as TCS, Infosys, Wipro, which specialise in consulting or outsourcing. It has pointed out that in 2014, 13 outsourcing firms, including 7 from India accounted for nearly a third of the 85,000 H-1B visas that were approved, with TCS receiving 5,650 visas compared to only 877 by the largest US tech company, Amazon.¹⁶ The US has also argued that compared to the Silicon Valley firms, these IT services companies tend to pay lower wages, at around \$60,000 per year, which is not minimum wage and below that paid to a typical computer scientist in large US tech companies. Thus, the US position is that this program has hurt income and job prospects of American workers,

In 2014, 13 outsourcing firms, including 7 from India accounted for nearly a third of the 85,000 H-1B visas that were approved, with TCS receiving 5,650 visas compared to only 877 by the largest US tech company, Amazon.

rather than bringing in the world's "best and brightest talent". Similarly, regarding the L-1 visa program, the US argument is that though it is not tailored for the IT industry, most issuances have been for this one industry, with 9 of the 10 firms that petitioned for the most L-1 workers being computer and IT-related outsourcing firms which specialise in bringing labour from India.

The US Congressional Research Services (CRS) has, however, in one of its reports noted that although the visa fee hike does not specifically mention Indian companies, the provision has been tailored in such a way that it would impact only Indian IT companies. It states, "This alleged effect might be relevant to India's claim because the WTO has recognised that a GATS MFN violation may result when a facially neutral measure has a comparative disproportionate negative impact on service suppliers of one WTO member." The CRS has noted that the petition fee increases of 2010 and 2015 are "arguably protectionist" as they "may exceed" the government's cost in processing a visa applicant and could be punitive measures that target employers perceived by Congress members as abusing the foreign worker visa programs. The CRS report, however, notes that the Indian allegation regarding the visas allotted to Chilean and Singaporean nationals may not violate GATS obligations as the total number of H-1B visas exceed the annual cap of 65,000 given in the US GATS commitments and thus India is not hurt by this allocation.

Current Status

Till date, this dispute remains in consultations. While the matter has been discussed by US and Indian officials at various levels and in various forums, the case has not proceeded to the formal dispute settlement phase in the WTO. The US claims that the disputed laws

are fully consistent with its WTO obligations. However, it has indicated that it would review the fee increase, though there is no proposal to modify the concerned policies.

The CRS has warned that the US may be on weak ground on the fee hike if the issue goes to formal dispute settlement as the WTO could rule that the measures are inconsistent with the US' GATS obligations and request amending the law to comply with the GATS. However, a WTO panel report would not have a direct legal bearing on US legislation and policies as Congress would still have to legislate any statutory amendments. If India chooses to request the WTO to set up a dispute settlement body, after the judgment, either country can appeal against the judgment. If the verdict goes against the US and the US refuses to comply, India could retaliate by imposing punitive tariffs on imports from the US or in other areas such as IP.

Looking Ahead

At this juncture, how India will pursue the matter, especially when the WTO Dispute Settlement Body is no longer functional, remains an open question. Meanwhile, over the past year, several changes have been proposed to further restrict H-1B and L-1 visas, which is a matter of concern. In November 2019, the USCIS proposed to further raise fees on these visas (\$4000 for H-1B, \$4500 for L-1) along with rules that would prevent companies with more than 50 persons, half of which were on H-1B visas, from filing applications. There are also plans to change the premium processing fees and timelines. More recently, the US has suspended H-1B visas till December 31, 2020 in order to protect US jobs, extending an earlier 60-day ban on these visas, although exceptions have been made for health and essential workers. This suspension will affect the movement of Indian skilled professionals. Top trade bodies in the US, including the

US Chamber of Commerce, National Association of Manufacturers, National Retail Federation, TechNet have filed a lawsuit challenging the suspension, as it would make it harder for them to fill advanced IT jobs and other talent from overseas. Given the economic contraction in the US, the H-1B visa program is likely to see continued protectionist challenges in the near future and India must be prepared for the same.

On its part, India will have to continue emphasising the importance of transparent, non-discretionary, and predictable policies for non-immigrant visas in the US, through industry associations and government-to-government dialogues. The issue must also be brought up in discussions for a Limited Trade Deal, even though it is unlikely to be resolved under such an agreement. Simultaneously, discussions for a totalisation agreement must also be pursued given the large double taxation burden currently incurred by Indian and US professionals working in each other's countries. □

Endnotes

1. Ministry of Commerce
2. As per the GATS, there are 4 modes by which services can be traded: Mode 1 is cross border supply of services wherein a service crosses borders as in the case of transport services or information, data processing and BPO services; mode 2 is consumption abroad wherein the consumer moves to the country of the service provider as in the case of tourism, healthcare and education services; mode 3 is commercial presence where a juridical entity is set up in another country in the form of a subsidiary, joint venture, franchise, affiliate office, etc. to provide the service as in the case of banking or telecommunication services; and mode 4 is movement of natural persons wherein the service provider moves temporarily to provide the service in another country without seeking permanent residence or citizenship in the host country, as in the case of software professionals working on the client site or doctors and nurses who work temporarily in other markets.
3. Chanda, R., "Trends, Opportunities and Challenges in India's Service Sector", in U. Kapila (ed.), *Indian Economy-II: Macroeconomic Policies, Sectoral*

Developments and Performance, Academic Foundation, 2019, pp. 497-536

4. NASSCOM Reports
5. H-1B Specialty Occupation jobs must meet several criteria to qualify. These include requiring a Bachelor's or higher degree or its equivalent as the minimum entry requirement for the position and the nature of the duties to be specialised and complex. The L-1 visa category covers executives or managers or a professional with specialised knowledge who are transferred from affiliated foreign offices of a US employer to existing or prospective offices in the US.
6. See, Bhattacharya, 2018; Campoy, 2018; Krishna, 2018 and Press Trust of India, 2018
7. Based on USCIS
8. See, Batalova (2010) and Department of Homeland Security (2010)
9. See, Batalova (2010) and Department of Homeland Security (2010)
10. The H-1B program was the subject of a hearing on "Immigration Reforms Needed to Protect Skilled American Workers" in March 2015
11. See, WTO (2016), "US-Measures concerning non-immigrant visa request for consultations by India", WT/DS503/1 S/L/410 8 March 2016 (16-1342)
12. These refer to provisions on MFN, transparency, increasing participation of developing countries, domestic regulation, economic integration, market access, national treatment, and schedules of specific commitments, respectively.
13. See, WTO (2016), "US-Measures concerning non-immigrant visas request for consultations by India", WT/DS503/1/Add.1 S/L/410/Add.1 18 March 2016 (16-1607)
14. A juridical person is any organisation that is not a single natural person but is recognised as a legal person, has a distinct identity and is authorised by law with duties and rights.
15. The case filed by India also addresses L-1 visa fee hikes. Numerous concerns have also been raised in the context of L-1 visas due to delays in visa processing, more requests for evidence which prolong review times, higher rejection rates (more than double that of other countries) under the Trump administration, and centralisation of the L-1 visa centre to only one location in India adding to the application cost and time.
16. <https://www.infoworld.com/article/3004501/proof-that-h-1b-visa-abuse-is-rampant-in-tech.html>

Reimagining India's Role

Harsh V Pant

India's rising global profile is reshaping New Delhi's approach to its major partnerships in the changing global order. India is charting new territory in its foreign policy, predicated on the belief that, rather than proclaiming non-alignment as an end in itself, India needs deeper engagement with its friends and partners if it is to develop leverage in its dealings with its adversaries and competitors.

Though foreign policies of major powers do not change dramatically with changes in government, Indian foreign policy vision has been evolving rapidly since this government came to power in May 2014. This evolution is only natural for a nation that is rising in the global power hierarchy. External Affairs Minister, S Jaishankar articulated this vision of Indian foreign policy in a speech he gave last year in November in which he challenged the “dogmas of Delhi.” Jaishankar noted that India was at present standing at the “cusp” of change with “more confidence” and argued that “a nation that has the aspiration to become a leading power someday cannot continue with unsettled borders, an unintegrated region and under-exploited opportunities. Above all, it cannot be dogmatic in approaching a visibly changing world order.”

For a strategic community which continues to tell the world about the consistency in Indian foreign policy and how effective that has been in the pursuit of Indian interests, Jaishankar's speech stands as a profound corrective. When he says that “the balance sheet for India's



foreign policy after seven decades presents a mixed picture,” he is underlining the fact that consistency can be overrated in foreign policy.

It's not that such a critique has not been made of Indian foreign policy in the past, but the fact that it is being made by an insider, as someone who has been a part of Indian foreign policy establishment for the past several decades and now stands at the acme of decision-making, should inevitably lead to greater debate.

Jaishankar has managed to convey a seriousness of purpose in his speech which has been lacking in official Indian pronouncements. He

could do this as well as question key policy decisions of the past primarily because of the political shift in the country with the ascendance of the centre right. Indian foreign policy is changing and will continue to evolve not only because the global environment is changing more rapidly than ever but also because India is changing. It is this changing India that made it possible for Jaishankar to deliver the kind of speech he delivered and it is this changing India which will force our policymakers to shed “the dogmas of Delhi.”

Winning an even bigger mandate in 2019 than its first electoral victory

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in 2014, the Government was ready to launch an ambitious agenda in the realm of foreign and national security. The unusual selection of an ex-diplomat in the powerful position of India's external affairs minister rather than any party heavyweight shocked many. The appointment reflected the concern about the global turbulence through which Indian foreign policy must navigate and need for an experienced hand. A former foreign secretary with several key ambassadorial postings including China under his belt, Jaishankar not only underscores the priority the PM attaches to foreign policy, but also to professionalism rather than orthodoxy.

This need became pertinent in August 2019 when the Government took a momentous step in domestic politics with serious foreign policy implications. Article 370 via Clause 3 was suspended that had allowed Jammu and Kashmir to enjoy autonomy. The state of Jammu and Kashmir has been bifurcated into two union territories: Ladakh without a legislature; Jammu and Kashmir with a legislature. Though the Government had long signalled its intention on this front, the move was dramatic both within and outside India.

On the wider foreign policy front, India has been busy courting major powers and reaching out to various parts of the world. Signs emerged that India's ties with the United States were passing through a difficult phase after the Trump administration determined that New Delhi had not provided



assurance of providing "equitable and reasonable access" to US markets. In June, the Trump administration then terminated India's designation as a beneficiary developing nation under the key Generalized System of Preferences trade program. India responded by imposing retaliatory tariffs on 28 US products including almonds and apples. This came a year after announcing tariffs to counter the US increase in steel and aluminum tariffs and withdrawal of duty-free benefits to Indian exporters.

Nonetheless, the Prime Minister visited the United States in September, 2019, joining Trump in a joint rally organised by American-Indian groups. The goal was to reduce trade tensions with India's leading export partner. He conveyed to Washington that New Delhi is ready to engage with the United States substantively in a spirit of give and take. The visit managed to reverse the relationship's decline by reassuring Donald Trump even as the PM reached out to the wider international community on Kashmir. After this visit, the rhetoric towards

India softened considerably even as he visited India in March, 2020.

Apart from this, New Delhi has engaged with multiple partners and actors in the international system in an attempt to develop strategic relationships that can enhance India's profile and further its global interests. This is as much applicable to India's neighboring states in South Asia and the Indian Ocean region as it is to the wider Indo-Pacific and Middle Eastern states. India's ties with the European nations are also growing at a time when the European Union is willing to enhance its geopolitical footprint.

India's rising global profile is reshaping New Delhi's approach to its major partnerships in the changing global order. Though sections of the Indian establishment still want to reinvent non-alignment under ever new guises, New Delhi is showing signs of pursuing strategic autonomy separately from non-alignment. This separation is overdue in India's foreign policy, and the country stands to benefit from leveraging partnerships rather than shunning them. India is charting new territory in its foreign policy, predicated on the belief that, rather than proclaiming non-alignment as an end in itself, India needs deeper engagement with its friends and partners if it is to develop leverage in its dealings with its adversaries and competitors. India is today well-positioned to define its bilateral relationships on its own terms without ideological crutches. □



Nepal and Bhutan

Ashok Kumar

The author's experience as a diplomat engaged in development assistance with Bhutan is in sharp contrast to that of working with Nepal. Cooperation in water resources has the highest potential for mutual benefit and ushering in an era of development and prosperity in Nepal, but remains constrained by over politicisation and constitutional and policy provisions. However, Bhutan sees cooperation with India in hydropower as true example of mutually beneficial relationship, providing clean electricity to India, generating export revenues for Bhutan and further strengthening the bilateral economic linkages.

The India-Nepal Treaty for Peace and Friendship, 1950 was signed against the backdrop of Communist victory in China's civil war, imminent occupation of Tibet by China and the latter not conceding independence of Nepal¹. It marked the commencement of close bilateral economic and security cooperation.

India's Development Diplomacy in Nepal

Through India's good offices, an Interim Coalition Government of Nepali Congress and Rana elite was established in February 1951 commencing a new era of democracy. Nepal's development challenges were immense. There was a tremendous shortage of trained manpower and lack of educational system and institutions. This discouraged foreign capital from supplementing inadequate Nepali capital. Frequent ministerial changes too intensified existing problems and created new ones².

Despite being short of technical manpower and material resources itself, India extended development assistance to Nepal.

An Indian Aid Mission (IAM) was established in 1954, later renamed Indian Cooperation Mission in 1966 and subsequently merged with the Embassy as the Economic Cooperation Wing in 1980.

Physical and Social Infrastructure

Nepal had non-existent transportation and communication network with motorable roads limited

to the Kathmandu valley, disease was rampant, life expectancy short and educational and health facilities virtually non-existent³.

The first major project under Indian aid was the 189 km Tribhuvan Highway connecting Kathmandu with Birganj on the Indo-Nepal border that was completed in 1956. Several major link roads were also constructed. In



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1966, India commenced construction of the 1024 km east west highway called Mahendra Rajmarg.⁴ Work was completed with the handing over in 2001 of 22 bridges on its western sector.

The first airport in Nepal—the Tribhuvan Airport at Gaucher in Kathmandu—was also built with Indian aid in 1951. Subsequently, in the 1960s five more airports at Simra, Janakpur, Bhairhawa, Pokhara and Biratnagar were constructed.

Tribhuvan University, the first to be set up in Nepal in 1959 received Indian assistance for infrastructure and faculty up to mid 1970s. During the 1952-72 period over 320 schools and libraries in Nepal received Indian assistance⁵. Over the decades, India’s educational scholarship programme has expanded phenomenally. Currently over 3000 scholarships are awarded annually to Nepali students.

Nepalis have been trained in India in various disciplines including medicine for the past seven decades. Starting from Paropkar Maternity Hospital in Kathmandu to the

establishment of BP Koirala Institute of Health Sciences at Dharan in Eastern Nepal, Indian contribution to Nepal’s health sector has been vital and extensive.⁶

Small Development Projects and Earthquake Reconstruction Assistance

Over the past seven decades Indian assistance also extended to various sectors including agriculture, horticulture, animal husbandry, community development soil conservation and industrial estates. In 2003 a Small Development Projects Scheme was launched focusing in areas of education, health and community development. Over 500

The first airport in Nepal—the Tribhuvan Airport at Gaucher in Kathmandu —was also built with Indian aid in 1951. Subsequently, in 1960s five more airports in Simra, Janakpur, Bhairhawa, Pokhara and Biratnagar.

projects costing over INR 10 billion have been implemented. Following a major earthquake in 2015 India has extended US\$1 billion as reconstruction assistance.

Water Resources

The Kosi and Gandak barrage projects were implemented in the 1950s and 1960s under agreements signed in 1954 and 1959 respectively. Kosi High Dam at Barahakshetra could not be constructed in the 1950s because of high cost and lack of demand for the power potential of 3000 MW.⁷ Nepali Government’s primary interest was in electricity for Kathmandu. Consequently, India commissioned the 21 MW Trishuli hydroelectric project (HEP) and transmission lines under grant assistance in 1967 to supply electricity to Kathmandu valley.

The devastating flood of 1953 caused severe erosion of lands in Nepal and India and threatened the capital of Saptari district Rajbiraj leading to prioritisation of construction of the barrage. Nepali PM MP Koirala supporting the project said:



“.... India could have very well put the barrage a couple of miles below the present agreed sitethe sovereignty and territorial rights of Nepal have not been impaired...the Kosi agreement had the advantage of saving fertile and good lands on the western side which to the tune of 1000 big has per year, were eaten by the Kosi every year. It would also give irrigation facilities on the southern side of Saptari district...”⁸

The farmers and population of the region also benefitted from water channelling reducing malaria, from road construction, erection of transmission lines, soil conservation etc. Nepal's focus should be on India's incremental benefits by shifting site from Dagmara to the border and not on total benefits to India.

At Nepal's request, the Kosi and Gandak agreements were amended in 1966 and 1964 respectively. Main changes in the Kosi agreement⁹ pertained to land for barrage being given on 99 years lease (Article 5) and Nepal's "right to withdraw water.." being elaborated to "every right to withdraw.." (Article 4). Similar changes were made in the Gandak agreement.

The positive dimensions of the water agreements between India and Nepal are unappreciated, if not ignored, because of over politicisation of the issue of water resources cooperation.¹⁰ Despite significant benefits to Nepal,

the myth of India cheated Nepal' has negatively impacted water resources cooperation. After several decades of stalemate, the India-Nepal Treaty on the Integrated Development of Mahakali was signed and ratified in 1996 but remains unimplemented as it marks its silver jubilee.

In May, 2018 SJVN Ltd, an Indian PSU, received a Generation License from the Government of Nepal to implement 900 MW Arun III Hydroelectric Project.

Nature has endowed Nepal with rich hydropower potential. But Nepal's vacillating and often contradictory policies led to massive power cuts and continuing electricity import dependence on India.¹¹

India-Bhutan Treaty of Perpetual Peace and Friendship

In 1947, with China claiming Bhutan as its territory there was

In 2003, Small Development Projects Scheme was launched focusing in areas of education, health and community development. Over 500 projects costing over INR 10 billion have been implemented. Following major earthquake in 2015, India has extended US dollar 1 billion as reconstruction assistance.

concern about developments in the region. The Treaty of Perpetual Peace and Friendship between India and Bhutan was concluded on August 08, 1949 during the rule of King Jigme Wangchuck. It was premised on shared security interests. The treaty was updated by India-Bhutan Treaty of Friendship signed on February 08, 2007 which committed the two countries to not allow use of their territory for activities harmful to the national security and interests of the other.

India's Development Diplomacy in Bhutan

Following PM Nehru's historic visit to Bhutan in 1958, India's development assistance to Bhutan commenced in 1961 nearly a decade after the start of Indian assistance to Nepal.

Physical and Social Infrastructure

One of first major projects to be undertaken was the 179 km Western Highway connecting the capital Thimphu to Phuentsholing on the Indo-Bhutan border and was completed in 1968. The 180 km Eastern Highway from Trashigang to Darranga on Indo-Bhutan border, 595 km East West Highway and the Paro Airport were also completed in 1968. The 248 km Central Highway was completed in 1980. By 2018 Project Dantak had completed 1600 km of black topped roads, 120 km of tracks and 5000 m of bridges.

Indo-Bhutan cooperation is so extensive that it is difficult to do justice to it in limited space. Suffice to say that the journey starting from the first FYP 1961- 66 which had a total outlay of Ngultrum ¹²107.2 million totally funded by India has reached 12th FYP 2018-23 outlay of Nu 280773 million, 77.56% funded by domestic revenues and 16% by Government of India assistance (INR 45000 million). Underpinning this remarkable development trajectory is the mantra of mutually beneficial hydropower cooperation with India—

a vision formulated by the Monarchy and a policy efficiently implemented by the technocracy. Rinpung Dzong—Buddhist monastery and fortress—in Paro; Jigme Dorji Wangchuck National Referral Hospital and Tashicho Dzong (Secretariat building) in Thimphu and Chipgen Rigel/Total Solutions—an ICT Project, are all exemplary projects of India Bhutan cooperation.

Hydropower Cooperation

India constructed several micro hydropower projects. The agreement for 27 MW Jaldakha HEP constructed on Indian side of the border was signed in 1961 and provides for electricity to southern areas of Bhutan. The 336 MW Chukha HEP was commissioned in 1986-88 and greatly enhanced government revenues through power sale to India. Bhutan sees cooperation with India in hydropower as true example of mutually beneficial relationship, providing clean electricity to India, generating export revenues for Bhutan and further strengthening the bilateral economic linkages.¹³ Subsequently,

joint projects totalling 1800 MW have been commissioned and project totalling 2800 MW are expected to be commissioned in next three years. The ambitious framework agreement on India-Bhutan hydropower cooperation envisages 10000 MW generation capacity. India's experience with Bhutan proves that given trust mutually beneficial cooperation can flourish between a small country and a big neighbour.

Conclusion

Nepal was the first beneficiary of Indian aid. Aid programme in Nepal not only started well before aid programme in Bhutan but was more comprehensive in scope in the 1950s to 1970s. However, the perception of these aid programmes has been very different in the two countries. In both the countries Indian assistance was premised on shared security interests and economic development was seen as a sine qua non of close friendly relations. India's development diplomacy assumed that what is good for Nepal and Bhutan is good for India.

Bhutan's leadership believed in enlightened self interest and its foreign policy sought a genuine dialogue with India to discover the path of mutually beneficial economic development that would strengthen bilateral ties with India. The results are self evident. Bhutan has the highest per capita income in South Asia and is focused on Gross National Happiness (GNH).

In Nepal, despite the extensive development assistance by India, there was a consistent effort by some to belittle India's contribution although evidence shows that India's economic and development assistance to Nepal remains unparalleled in the history of development assistance from one developing country to another.

The author's experience as a diplomat engaged in development assistance with Bhutan for five years is in sharp contrast to that of working with Nepal for eight years. To the question as to why the mutually beneficial water resources cooperation with Nepal did not develop, the answer lies in cooperative bilateralism which infused Bhutan's approach and the lack of it in the case of Nepal. □



References / Notes

1. The fear of China encouraging revolution in Nepal was not. In 1952, Dr. K.I. Singh leader of United Democratic Party comprising CPN and other left leaning parties, attempted to seize power. Attempt failed. Dr Singh fled to Tibet, got asylum in Beijing and was reportedly being groomed for the role of Nepal's liberator. Ref Government & Politics in Nepal II by Prof Werner Levi in Far Eastern Survey January 14, 2020.
2. Report of the Nepal National Education Planning Commission 1954 edited by Commission Chairman Sardar Rudra Raj Pandey.
3. Ibid
4. 807 km of the 1024 km was built by India and only 217 km by USA, UK and USSR.
5. Before 1951 Nepal had only 310 primary and middle, 11 high schools and two colleges.
6. 535 bed Bir Super Speciality Hospital, Trauma Centre and hospitals across Nepal also received Indian aid. Other health schemes were goitre control, trachoma and cataract treatment etc.
7. Kosi High Dam project cost estimate (1950) was INR 177 crores as against cost of INR 92.80 (1952) and INR 245 crores (1963) for Hirakud Dam and Bhakra Nangal Dam projects respectively. Hydropower installed capacity at Hirakud Dam was 347.5 MW and at Bhakra - Nangal Dam 1500 MW—the highest installed capacity in Asia then. In contrast, Nepal Government's budget for agriculture, village development and irrigation during the FYP 1956-61 was INR 8 crores.
8. 'Historical Eye View' by Dwarika Nath Dhungel in 'The Nepal-India Water Relationship: Challenges' co-edited by DN Dhungel and SB Pun.
9. The text as in Kosi agreement of 1954, ~~deleted~~ shows deletions and *text in italics* shows additions in the amended 1966 agreement:

Article 5 of Kosi Agreement 1954,

~~“The Union shall be owner of — all the lands acquired by the — Government — HMGN — which shall — be transferred by them to the Union and all water rights secured to it. — leased by HMGN to — the Union for a period of 199 years from the date of signing of these amendments at a nominal rate. Provided that the sovereignty and territorial jurisdiction of the Government in respect of such lands shall continue unimpaired by such transfer.”~~

It will be clear that Sovereignty of Nepal was not infringed even in 1954 agreement. The transfer

of land, the acquisition cost of which was paid by India to Nepal, became 'leased' land in the amended agreement instead of 'owned' land in original agreement. It is said that Dr Dante Caponera, the water law expert of ESCAP who advised Nepal on the amendments was unhappy that the lease period was 199 years against 99 years recommended by him. One would imagine that lease period is well within the Government decision-making and water laws have no bearing on it.

Article 4 of Kosi Agreement 1954

~~“Without prejudice to the right of the Government HMGN shall have every right to withdraw for irrigation or any other purpose in Nepal water from the Kosi and from the Sun - Kosi River or within the Kosi basin from any other tributaries of the Kosi Riversuch supplies of water; as may be required from time to time, the Union will have the right to regulate all the balance of supplies in the Kosi River at the Barrage site thus available from time to time and to generate power in the Eastern Canal at the same site for the purpose of the project.”~~

The **Helsinki Rules and Berlin Rules on Water Resources**, adopted by the International Law Association, lay down some guidelines on water resources cooperation.

Doctrine of Absolute Sovereignty as well as the **Doctrine of Absolute Riverine Integrity** have no feet to stand on. The **Harmon Doctrine** was never implemented in any water treaty. It was explicitly rejected by the international tribunal in the Lake Lanoux case in 1957. The key concepts of cooperation regarding trans boundary river waters are the right to 'reasonable and equitable beneficial use' and 'obligation not to cause significant harm'.

Article 13 of Kosi Agreement 1954

~~“The Union shall carry out inside the project areas in the territory of Nepal functions such as the establishment and administration of “Subject to the prior approval of HMG, the Union may, in the project area, establish schools, hospitals, provision of water- supply and electricity, drainage, tramway lines and other civic amenities for the duration of the construction of the project. On completion of construction of the project, any such civic amenities shall, upon the request by HMG, be transferred to HMG, and that, in any case, all functions of public administration shall, pursuant of the provisions of clause 5(v) be exercised by HMG.”~~

These changes too have no impact on Nepal's sovereignty and are more of a procedural nature. The single permission from Nepal as envisaged in 1954 becomes a series of requests by India with corresponding approvals by Nepal. The handing over of the facilities, if requested by Nepal, was also not an issue which India would not agree whether explicitly stated or not in the agreement. It needs to be seen in the context of

India constructing, under aid to Nepal, many such facilities all across Nepal for the benefit of Nepalese people.

Article 10 of Kosi Agreement 1954

~~“All navigation rights in the Kosi River in Nepal withshall rest with the—Government HMG. Provision shall be made for suitable arrangements at or around the site of the barrage for free and unrestricted navigation in the Kosi River; if technically feasible. However, The—the use of any water-craft like boat launches and timber rafts within two miles of the Barrage and headworks shall not be allowed on grounds of safety; except by special licence under special permits to be issued the competent authority of HMG in consultation with the Executive Engineer, Barrage. Any unauthorised water-craft found within this limit shall be liable to prosecution.”~~

In this case also there are no major principles involved. The authority to issue permits is vested in HMG and the consultation process ensures that the needs of the barrage are taken into account.

Article 11 of Kosi Agreement 1954

~~“All the fishing rights in the Kosi River in Nepal except within two miles of the Barrage shall continue to vest in the Government of Nepal rest with HMG. However; no fishing will shall be permitted within two miles of the barrage and headworks, except under special permits to be issued by the competent authority of HMG in consultation with the Executive Engineer, Barrage. While issuing the special permits within two miles, HMG shall keep in view the safety of the headworks and the permit holder.”~~ The 1954 version did not impinge on the sovereignty of Nepal. If a two mile area was not mentioned it was simply because no fishing was envisaged in that area. Giving authority to Nepal for issue of special permits for fishing even within the two mile zone was agreed to.

10. 'Nepal-India Cooperation in River Water Management' by Dr Hari Bansha Jha in Strategic Analysis Vol 37 2013 Issue 2.
11. Nepal has faced chronic power shortages leading to 12-14 hours power cuts in Jan 2011. In 2011 Nepal imported from India 18.42% of its total electricity requirement. Even after a decade, in the year ending July 31, 2020 imports from India was 1729 Gwh constituting 22.33% of total energy availability. This was because of reduced demand caused by Covid-19 related lockdowns otherwise energy imports from India would have been over 30%. Ref Nepal Electricity Authority Reports.
12. Ngultrum is Bhutan's currency. 1 Nu=1 INR.
13. Bhutan-India Hydropower Relations— Royal Bhutanese Embassy, New Delhi. <https://www.mfa.gov.bt>

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The UN is marking its 75th anniversary at a time of great disruption for the world, compounded by an unprecedented global health crisis with severe economic and social impacts.

Overview

The United Nations is an international organization founded in 1945. It is currently made up of 193 Member States. The mission and work of the United Nations are guided by the purposes and principles contained in its founding Charter.

Member States

Each of the 193 Member States of the United Nations is a member of the General Assembly. States are admitted to membership in the UN by a decision of the General Assembly upon the recommendation of the Security Council.

Main Organs

The main organs of the UN are the General Assembly, the Security Council, the Economic and Social Council, the Trusteeship Council, the International Court of Justice, and the UN Secretariat. All were established in 1945 when the UN was founded.

Leadership

The Secretary-General of the United Nations is a symbol of the Organization's ideals and a spokesman for the interests of the world's peoples, in particular the poor and vulnerable. The current Secretary-General of the UN, and the ninth occupant of the post, is Mr. António

Guterres of Portugal, who took office on January 1, 2017. The UN Charter describes the Secretary-General as "chief administrative officer" of the Organization.

Secretariat

The Secretariat, one of the main organs of the UN, is organised along departmental lines, with each department or office having a distinct area of action and responsibility. Offices and departments coordinate with each other to ensure cohesion as they carry out the day to day work of the Organization in offices and duty stations around the world. At the head of the United Nations Secretariat is the Secretary-General.

24 October 1945 - The United Nations officially comes into existence

In 1945, representatives of 50 countries met in San Francisco at the United Nations Conference on International Organization to draw up the United Nations Charter. Those delegates deliberated on the basis of proposals worked out by the representatives of China, the Soviet Union, the United Kingdom and the United States at Dumbarton Oaks, United States in August-October 1944.

Origin of the name

The name "United Nations", coined by United States President Franklin D. Roosevelt was first used in the Declaration by United Nations of January 1, 1942, during the Second World War, when representatives of 26 nations pledged their Governments to continue fighting together against the Axis Powers. □



The China Factor

Commodore RS Vasan IN Retd

This paper is aimed at studying the evolving nature of strategic landscape in the backdrop of actions of an aggressive and assertive China which has unnerved its both oceanic and land neighbours. The Covid-19 which has its origins in Wuhan has been another game changer in redrawing strategic, economic political or diplomatic relations. China by its aggressive actions along the LAC has complicated matters for bilateral relations but also has made India to consolidate its views on the future of relations with China.

A

lot has been written about the path-breaking initiative in 1991 when India under Late PM Narasimha Rao decided to free

up India's economy and engage with both the developing and developed economies more so to the east of India. The world had witnessed the growth of the Asian

tigers and also the economic rise of China. This initiative paid reasonable dividends in terms of integration with the global economy by leveraging economic relations with the eastern

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economies. Now, nearly three decades after the look east was changed, it is clear that it has been a mixed bag of success and failures. The present Government decided to give a new thrust to the “Look East Policy” by saying that we need to act east and accelerate the process of economic engagement.

Opportunity Out of a Crisis

On the face of it, the irresponsible actions by China appears to have provided a window of opportunity for evaluating India’s strategic, economic and military options in the Indo Pacific area which houses the countries of interest to India’s “Look East Policy”. The developments appear to have given a fillip to engaging with the powers beyond Malacca Straits. However, it is too early to predict that there would be earth-shaking readjustments or realignments as the process of decoupling would be a long and complicated one despite the best interests. It would be worthwhile to examine some of the recent developments post Covid-19 and Galwan intrusions to see how they are likely to impact the trajectory of India in shaping a favourable environment for reshaping relations and alliances with East Asian countries.

The Galwan intrusions have been a turning point in the bilateral relations of India and China. Despite the efforts by successive governments of India to engage with China to steer a mutually beneficial course, China has always acted against India’s interests and has now precipitated the action across the Himalayan borders even in areas which were not contested in the last five decades plus.

The fact that China apparently hid the outbreak of the virus has not been received well by the countries around the world and notably the most affected including India, US, Europe, Brazil etc. This has also been used by Trump to target China in an unprecedented way and that has unleashed a wave of many economic, strategic, political and military measures aimed at China. While this may also have something to do with the elections in November this year, the processes set into motion are unlikely to be wound back in a hurry irrespective of the outcome of the elections. While India was busy

combating the Covid-19 menace and the economic downturn, China indulged in an unethical intrusion along the LAC despite the agreements that go back to 1993. China perhaps did not expect the kind of resistance that was offered by a determined India which stood firm on its ground insisting that the status quo as in April be restored. This has brought the two militaries eye ball to eye ball with massive mobilisation on both sides. For the first time in 45 years, warning shots were fired and Indian brave soldiers were killed by the People’s Liberation Army (PLA) drawing retaliatory action by the troops who had gone to ensure that the agreement of June 6, 2020 to restore status quo is honoured. China has also made inroads in the neighbourhood of India both over land and sea. It has not given up on its claims of Bhutan territory and has also been propping up Nepal against India. It has also invested heavily in the China PoK Economic Corridor (incorrectly termed as CPEC which legitimises the ownership of Indian territory). India has opposed the BRI and has voiced its concerns about the unilateral nature of this adventure which does not benefit the recipient countries.

Galwan and After

The Galwan intrusions have been a turning point in the bilateral relations of India and China. Despite the efforts by successive governments of India to engage with China to steer a mutually beneficial course, China has always acted against India’s interests and has now precipitated the action across the Himalayan borders even in areas which were not contested in the last five decades plus. The intrusions and killing of Indian soldiers have angered India which rightly felt that age-old agreements about maintaining peace and tranquility along the border were violated. In retaliation; in addition to military mobilisation, India has initiated many measures against China which



will have a long-term impact on not just the bilateral relations but also the “Act East Policy” of India.

The engagements with China have been part of the “Look East Policy” of India and the past three decades of liberalisation did see enhanced scope of trade and commerce with east Asian economies and more so with China. However, the enhanced engagement resulted in a ‘win-win’ situation only for China which was using the market access of India to increase its share and also slowly intrude into many niche areas. This not only increased the trade deficit to nearly US\$60 billion but also slowly increased the dependence of Indian enterprise on Chinese funds and technology much to the detriment of India’s long-term interests. It was also rightly observed that the trade deficit is what is being used for many of the economic initiatives of China in Pakistan in addition to military modernisation at India’s cost.

Actions in South China Sea and Near Seas

China’s actions in South China Sea have also angered the maritime

neighbours who are not in a position to take on the economic and military might of China which has used economic and military might to subdue the opposition. The classic example is of the Philippines which won the arbitration with a favourable verdict in the Permanent Court of Arbitration in 2016; is illustrative of the use of money power and coercion which has allowed China to get Philippines on its side though temporarily. Even Philippines has now realised the futility of dealing with China. The incidents of sinking of Vietnamese fishing vessel, flying in the Exclusive Economic Zone (EEZ) of contested areas, conversion of reefs and rocks to artificial Islands, establishing military garrisons has obviously not endeared China to its land and maritime neighbours. The other target is Taiwan which has defied the call for unification and has vowed to fight till the last man should there be any efforts for a cross-strait operation. USA, in the recent past, has concluded agreements for providing advanced military hardware and this has also angered China no end.

The Terse Standoff

Despite multiple meetings and conversations at the military, political and diplomatic level, not much headway was made due to unwillingness of China to restore status quo as it existed before the intrusions. It is only on the side lines of Shanghai Cooperation Organisation (SCO), that on September 10, 2020 the External Affairs Minister of India and his counterpart were able to arrive at a five point formula to defuse the situation. The equations have been damaged to a large extent and will take considerable time for this to be brought back to any kind of normalcy. India which had tried to accommodate China in every relation was shocked beyond belief at the backstabbing just as it happened in 1962.

Global Response

It is obvious that there is palpable anger against China for the acts of discretion both during Covid-19 and also post-Covid-19 when it has tried to use the period of distress to indulge in cartographic aggression both over land and in the seas. In the



election year in USA, Trump has left no stone unturned to target China and has initiated many measures to hurt China. This has resulted in a war on all fronts which reminds observers of a cold war that has now been set into motion. China would have realised that perhaps it bit more than it could chew and would be regretting some of the actions. The national leaders in USA have been careful to draw a distinction between the Communist Party and the people and it can also be seen as an attempt to drive a wedge between the Chinese Communist Party (CCP) and the people who are also kept in the dark about many of the actions of the party under Xi Jinping who has now been anointed as a core leader with prospects of him being at the helm as long as he is alive.

Post Galwan Landscape

India has stood up to the unethical and untimely intrusion along the LAC and has the support of most of the rest of the world. While an escalation to a war or even a localised conflict would impose heavy costs on India and China. On India's part, it has taken many measures to send strong messages militarily, economically and diplomatically to the northern adversary that it appears to have miscalculated the responses of India. The slew of measures has included a digital strike on various Chinese apps, prevented Chinese companies from distress takeover of companies, has cancelled many contracts which favoured Chinese companies and such like. The end result obviously will not be to the liking of China which seemed to have a cakewalk in terms of its engagement with India.

Acting East in the Backdrop of China's Intransigence

It is fair to assume that the engagement with East Asian countries both at the strategic and economic levels was constantly being reviewed and some course corrections were applied to increase the share of mutual investments and cooperation.

The major initiative of the Belt and Road Initiative (BRI) brought China's money to destinations from Asia to Africa to Europe. While initially there was a lot of enthusiasm about the opportunity to use Foreign Direct Investment for local development, as evidenced by Sri Lanka and other smaller nations, it was clear that there was a huge debt trap lying in wait for the countries who fell for the cheque book diplomacy.

However, all this happened in the backdrop of an assertive China which with aggressive campaigning and investments was able to lure developing economies. The major initiative of the Belt and Road Initiative (BRI) brought China's money to destinations from Asia to Africa to Europe. While initially there was a lot of enthusiasm about the opportunity to use Foreign Direct Investment for local development, as evidenced by Sri Lanka and other smaller nations, it was clear that there was a huge debt trap lying in wait for the countries who fell for the cheque book diplomacy. This also happened in many of the ASEAN countries which witnessed some withdrawals from the BRI projects and renegotiations. Other nations were constantly reminded of the fact that a deepwater port, Hambantota in Sri Lanka had to be given away on a long lease of 99 years to China to repay some of the loans taken by Sri Lanka.

The Unfolding Strategic Calculus

The pandemic and China's actions have also brought about key changes in the Indo-Pacific area which is where the coming decades will witness action. USA which was seen as withdrawing from the scene is back with a bang with aircraft carriers,

ships and submarines heightening the tension in the region. India which was hesitant in moving forward with the quadrilateral has now realised its folly of trying to be sensitive to China while China hardly ever bothered about India's sensitivities. This was evident with the covert and overt support to Pakistan, vetoing proscription of Azhar Masood, the mastermind of terror plots, prevention of admission of India to National Security Guard (NSG), known reluctance to allowing expansion of the United Nations Security Council (UNSC) and trying to snub India on many issues of disagreement. India signed an agreement with Australia for mutual use of facilities and expertise along the same lines as the Logistic Exchange Memorandum of agreement with USA which was inked in 2016. With this signing, India has such agreements with France, South Korea, Singapore and Japan. This provides considerable strategic flexibility for India which has its interests beyond the Straits of Malacca and Singapore.

India is part of both the India, China, Russia triangular relations and also the India, Japan and USA group.

Conclusion

The recent developments are indicative of the need to break away from past practices of bilateral relations which have not yielded the desired results. The recent developments clearly bring out that there would be global readjustments whether it is in terms of decoupling or having new alliances to take on China which has not behaved with the maturity expected of a nation aspiring to replace USA. It has set in motion many irreversible actions by other nations that would be difficult to undo. This is to be viewed as an opportunity for India to redraw the contours of its engagement with other countries and institutions and draw an independent trajectory that would help its growth, prosperity and development. □

India-Russia Relations

Dr Amitabh Singh

There is ample scope for the relationship between India and Russia go deeper than what they presently are. Apart from the avenues of cooperation that exist at multilateral levels of SCO, BRICS, RIC and G-20, there is a need for more bilateral engagements and cooperation. India and Russia must look for active bilateral synergies for cooperation in the outer space, cybersecurity, counter-terrorism measures, exploring the Arctic region besides many new areas of mutual interest.

The documented history of India-Russia relations can be traced back to 15th Century when Afanasy Nikitin, a Russian merchant from the Tver region visited India. He wrote a book titled “The Journey Beyond Three Seas”. However, the contemporary relations of India and Russia can be traced back to the early 20th Century, especially with 1905 initial revolt against the Czars in Russia which in many ways shaped the initial resistance to the British rule in India. The most famous of Russian writers Leo Tolstoy who wrote “War and Peace” among many other great writings carried on few lengthy exchange of letters between Mahatma Gandhi and him. The leader of the Bolshevik Revolution V. I. Lenin followed the Indian freedom struggle very closely and often commented about it in his writings and speeches. Jawaharlal Nehru’s visit to the USSR in 1927 shaped many of his economic ideas which he implemented when he became the Prime Minister of India post India’s independence. Besides this, India’s large scale industrialisation, e.g. Bhilai and Bokaro steel plants and educational institutions such as IIT Bombay were the results of active



support and cooperation by USSR.

Soviet planning also helped India plan its mode of development. Initially, Soviet Union did not see India’s independence positively and called it as a “*running dog*” and Indian leaders were described as “*clinging to the apron of the former colonial masters*” for many reasons. Largely because of the post-independent leadership of the Indian National Congress and their

relationship with the United Kingdom, the former colonisers. This period of tight bipolarity, (in which only two superpowers existed, namely, USSR and USA) camps were formed and India and other third world nations forming Non-Alignment was doubted. Nehru’s writing before independence states that, ‘As far as possible, India will stay away from the power politics of blocs aligned nations against each other which have in the past only

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created great death and destruction and which may in future cause devastation². Pakistan joined the US-led camp, the rift between the Soviet Union and China in the late 1950s which became even more sharp and shrill in 1960s leading violent conflict along Ussuri River in 1969. Soviets improved their relations from 1955-56 and came in a big way to help India's economic planning and this help was on straightforward terms creating a concrete context for relations between India and the USSR.

In 1962, the Soviet Union was neutral despite its ideological closeness with China. In 1965 during the India-Pakistan war, Soviet Union did not support India nor did it take sides. A landmark treaty was signed between USSR and India known as the India-Soviet Treaty of Peace, Friendship and Cooperation, 1971 and the most critical part of the treaty were Article 5 and 6 which spoke about both the countries coming to each other's aid in case of external aggression³. Although, India was not very convinced to join the Soviet Union's military bloc (Brezhnev doctrine) earlier, yet India's experience with its neighbours changed its approach to make this treaty possible. In 1968, when USSR intervened in Czechoslovakia, India did not support the Soviet Union. The Soviet Union, on the other hand, always supported India on the Kashmir issue in the United Nations Security Council when USA, UK, and other states supported Pakistan. The Soviet Union always vetoed such resolution that condemned India on the floor of United Nations Security Council. When the Soviet Union intervened in Afghanistan in 1979, India did not condemn the Soviet Union publicly. Soviet leadership always gave importance to India as a leading country of the third world and leader of NAM which no western country gave⁴.

When Mikhail Gorbachev became President of the USSR in 1984, he

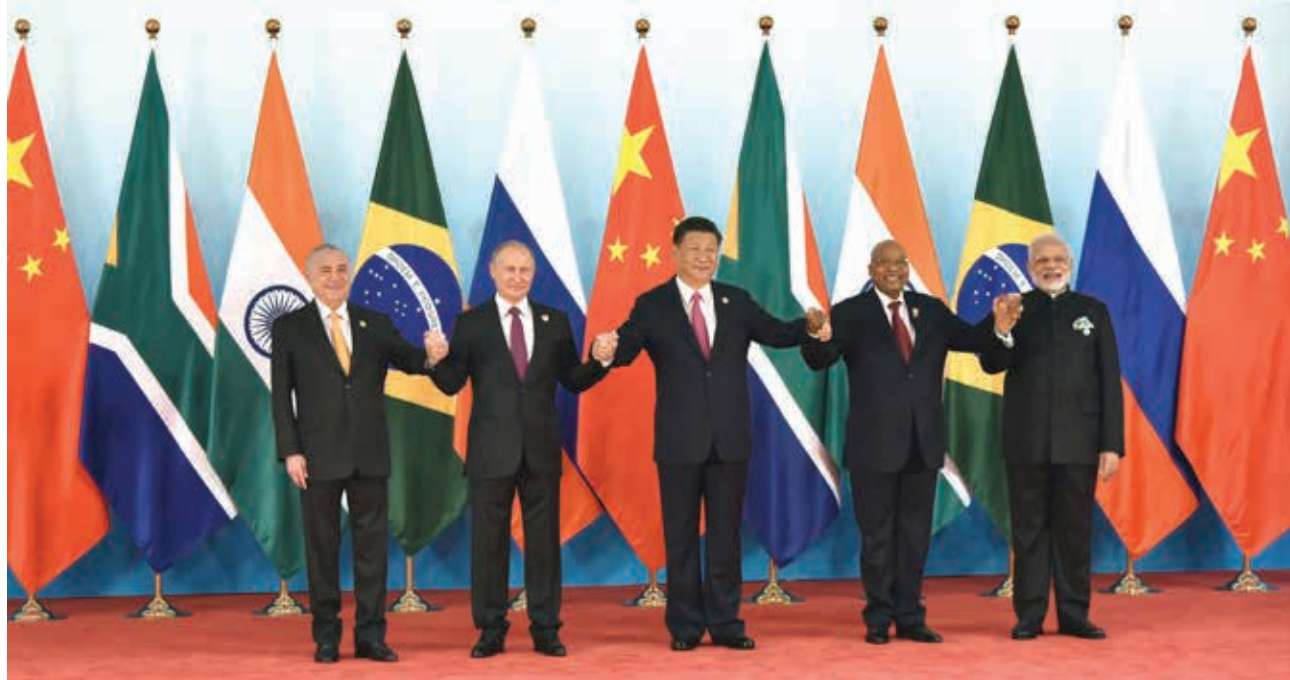
With the disintegration of the Soviet Union and change in the nature of international relations, the Indian Foreign Policy towards Russia also underwent a paradigm shift. India and former USSR were one of the largest trade partners especially in defence supplies. Approximately 70% of Indian army hardware, 80% of Indian Navy's hardware and 85% of Indian Air Force hardware were of Soviet origin.

brought the reforms—Perestroika (restructuring) and Glasnost (Openness) which also became one of the leading causes of the undoing of the USSR. New Foreign Policy that came in sought to de-ideologise the Soviet Foreign Policy. Regarding Third World, Gorbachev said that Soviet ties with Third World should be mutually advantageous and should not be outright Soviet subsidised support and the Soviet Union should also benefit out of such relations. Western countries became the primary focus of its relations as it was trying to boost its national interests. Relations with India did not deteriorate, but the priorities changed. By 1990, Soviet Union was de-emphasising its relation

The first PM visit to Vladivostok – Receives Russia's Highest Civilian Honor

- Prime Minister Modi visited Russia** for the 20th India-Russia Annual summit and participate in the 5th Eastern Economic forum as chief guest.
- This is the **first ever visit by Indian PM** to Russia Far East in Vladivostok.
- At the 20th Annual Summit, **both leaders noted progressive development** of the Special and Privileged Strategic Partnership
- Russia expressed its strong support** for India's membership of the Nuclear Suppliers Group.
- Russia will continue to support India's candidacy** for the permanent membership of a reformed UN Security Council.
- With the signing of the **roadmap for cooperation in hydrocarbons for 2019-24** during the Summit, both sides expect bilateral cooperation in this sector to touch new heights in the next five years.
- They reaffirmed their **commitment to undertake all measures to prevent and combat terrorism**. Russia noted India's proposal to organize a global anti-terrorism conference.

BRICS XIAMEN SUMMIT



with third world nations. During this period, a lot of changes happened in the political arena—military coup and above all in 1991 Soviet Union itself disintegrated.

India-Russia Relations Post-Disintegration of the USSR

The disintegration of the Soviet Union had a profound difference in world politics. It changed the contours of International Relations for the first time after the Second World War. This paradigm shift in the contours of international relations also changed the way the world saw the interaction of the states in the post-Westphalian era. The balance of power that had existed for all these years came to an end. The United States became the sole superpower. The ideological divide of the East and West also ended. The end of the Soviet Union also signified the end of a centralised command economic model which was also partially followed by India.

With the disintegration of the Soviet Union and change in the nature of international relations, the Indian Foreign Policy towards Russia also

underwent a paradigm shift. India and former USSR were one of the largest trade partners especially in defence supplies. Approximately, 70% of Indian army hardware, 80% of Indian Navy's hardware and 85% of Indian Air Force hardware were of Soviet origin. The immediate problem that India faced due to disintegration was of defence supplies. The entire Military Industrial Complex (MIC) had come to a standstill as many of the defence hardware production units

The relations between Russia and India underwent a qualitative shift when Vladimir Putin became the President of Russia in 2000, but retained the basic thrust of the friendship that India had with the USSR. In 2000, "The Declaration on Strategic Partnership between India and Russia" was signed which became a milestone in institutionalising relationship between India and Russia.

in the former USSR, on which India was dependent for its supplies, were now in Ukraine and Kazakhstan. The Indian government had to renegotiate the terms of defence supplies with these countries as well as with Russia. There were also problems related to currency. During the existence of Soviet Union, Indian supplies were mainly done in Indian currency. After the disintegration, the subsequent trade that happened created problems for India due to severe depreciation in Rouble. Moreover, most of the defence supplies during Soviet Union were on credit, which came to an end after the disintegration. The prices of the defence products were also enhanced and the "friendship rates" that were being offered earlier for the defence purchases also came to an end⁵.

The decade of 90s was also a testing time for India-Russia relationship. Despite the homilies being offered to India-Russia friendship, the Nuclear tests done in 1998 ended the cryogenic deal between India and Russia because

of sanctions imposed by the United States. Russia went along with the US and other Western states to impose sanctions against India. The relations between Russia and India underwent a qualitative shift when Vladimir Putin became the President of Russia in 2000, but retained the basic thrust of the friendship that India had with the USSR. In 2000, "The Declaration on Strategic Partnership between India and Russia" was signed which became a milestone in institutionalising relationship between India and Russia.

Since 2000, there have been 19 uninterrupted annual summit meetings between both the countries, which signify the importance accorded by both the countries to this relationship. The decade of the 90s gave both Russia and India time to realise the importance of each other in terms of special relationship, officially termed as "Special and Privileged Strategic Partnership" that they shared.

The relationship between India and Russia has been institutionalised at the inter-governmental levels also, mainly through the two India-Russia Inter-Governmental Commission (IRIGC), the first headed by Indian External Affairs Minister and The Russian Deputy Prime Minister and the second commission headed by the Defence Ministers of the two states respectively.

Besides the relations at the bilateral level, the two countries have also initiated interactions at multilateral level to increase their economic and political cooperation. The prominent ones being BRICS (Brazil, Russia, India, China and South Africa), Shanghai Cooperation Organisation (India became member in 2017), G-20 and RIC (Russia-India-China) grouping.

India-Russia Relationship During the Last Decade

The relationship between the two states in the last decade has been full of challenges. The falling prices of petroleum products has reduced the

income of Russia which is dependent to a great extent on the revenue earned from the export of petroleum products. Since the first decade of this century, Russia under the Presidentship of Putin has made remarkable progress and has tried to increase its influence in the world. India has also tried to diversify its defence purchase sources riding at the back of Civil Nuclear Deal where India and USA signed a deal which makes a distinction between India's defence nuclear needs and civil nuclear requirements. Crimea's reintegration with Russia and alleged Russian intervention in the internal affairs of Ukraine has invited sanctions from the Western states. The emerging world and regional politics have put Russia on its back foot, resulting in realignment of forces in the region and beyond. Russia and China have come closer. Pakistan is also not far behind. Russia has signed a defence deal with Pakistan where it has supplied four military helicopters besides having annual military exercises between Russia and Pakistan, much to the discomfort of India. Meanwhile, India has also reinforced its relations with Japan, Australia and the USA. It also has strengthened its political and economic relations with the ASEAN states and West Asia.

The rise of an assertive and aggressive China also meant that India's foreign policy orientation has also transformed. With Russia's open support for 'Belt and Road Initiative'(a network of roads and commercial naval routes mooted and promoted by China) which India has refused to join for its own reasons. This has brought into focus the "Indo-Pacific Region"(called "Asia-Pacific" by Russia and China) and has also meant clash of perceptions between India and Russia over the Indo-Pacific region.

Conclusion

There is ample scope for the relationship between India, and

Russia relations go deeper than what they presently are. Apart from the avenues of cooperation that exist at multilateral levels of SCO, BRICS, RIC and G-20, there is a need for more bilateral engagements and cooperation. India and Russia must look for active bilateral synergies for cooperation in the outer space, cybersecurity, counter-terrorism measures, exploring the Arctic region besides many new areas of mutual interest. The two states should also work towards creating more interconnectedness through working on the transportation links like INSTC, using of the Chabahar port to transport goods to Afghanistan and Central Asia. There is an urgent need to look for avenues of India's participation in the development of Russia's far east which is mostly uninhabited and rich of natural resources.

A long and sustained relationship cannot be sustained merely on the legacy of past and defence deals. Both India and Russia are in times where the old order is crumbling, and a new world order that is likely to emerge post-Covid-19 pandemic will make them even closer due to emerging geo-political realities. □

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Relations with the West Asia

Nilova Roy Chaudhury

West Asia occupies a pivotal position in international relations, because of its geographical location and close proximity to South and Central Asia, Europe, and Africa. India has followed a policy of nurturing bilateral ties with all the countries in the region best serving and enhancing its national interests.

India is inextricably bound to West Asia, its closest western neighbour across the Arabian Sea as valued trading partners exchanging goods and disseminating ideas, date back many millennia.

Coming to the present, India's engagement with the countries of West Asia and the Gulf have been among the most intense and diverse of our foreign policy initiatives and, perhaps, the most fulfilling. The intensified engagement, now transformed into a 'Link and Act West Policy', has seen defence and security cooperation emerging as a key pillar of the policy. It is towards countering terrorism and radicalisation, ensuring maritime and cyber security, investing in defence manufacturing,

promoting greater interaction between armed forces, including joint exercises, military training and capacity building, with a strong ballast of economic and infrastructure development.

For India, Iran is the gateway to Afghanistan and Central Asia and beyond through the strategic Chabahar port, the Arab states and Gulf Cooperation Council (GCC) countries are integral to India's energy security and counter-terrorism efforts, as is Israel, while maintaining good ties is crucial for the safety and welfare of the huge Indian diaspora in the region.

West Asia occupies a pivotal position in international relations, because of its geographical location and close proximity to South and Central

Asia, Europe, and Africa, its vital position along major sea trading routes, its enormous energy resources—accounting for 34% of world crude oil production, 45% of crude oil exports and 48% of proven crude oil reserves. It is also where Abrahamic religions; Islam, Christianity and Judaism; originated. There has been chronic instability in the region, giving rise to terrorism and conflict, largely due to involvement of external forces and some internal schisms, between followers of Sunni and Shia Islam. For India, with the world's second largest Islamic population, the region holds enormous security implication.

The Abraham agreement, signed on August 13, 2020, between the

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The Abraham agreement, signed on August 13, 2020, between the United Arab Emirates (UAE) and Israel, to establish full diplomatic relations and “normalise” their bilateral relations provides India, a close partner of both Israel and UAE, a chance to become an important player in West Asia, possibly even influencing a peaceful resolution of the bitterness that has beset Arab-Israeli ties for over seven decades.

United Arab Emirates (UAE) and Israel, to establish full diplomatic relations and “normalise” their bilateral relations provides India, a close partner of both Israel and UAE, a chance to become an important player in West Asia, possibly even influencing a peaceful resolution of the bitterness that has beset Arab-Israeli ties for over seven decades. It also is a big step towards Arab de-hyphenation of the Israel-Palestine issue, which has kept the region unstable.

India completed that de-hyphenation process in July 2017 when the Prime Minister Narendra Modi visited Israel, the first visit ever by an Indian prime minister to that country. These close bilateral relations are increasingly vital, all-encompassing and strategic in nature and, despite maintaining solidarity with the cause of a separate Palestinian state, there is little attempt to balance the nature of relations between Palestine and Israel, though India voted at the UN against the United States resolution to move the Israeli capital from Tel Aviv to Jerusalem.

The recently-forged deal provides India with new opportunities to play a much larger role in regional security and stability in the Gulf as it not only enjoys very close ties with



Israel, but has burgeoning ties of an increasingly strategic nature with the Gulf monarchies, particularly the UAE and Saudi Arabia. Rapidly improving relations with the Gulf countries, an area India considers its neighbourhood and strategic backyard, has been an important success story for the present government, paying it rich dividends, in crucial security and economic areas.

India has unequivocally welcomed the Agreement between its two strategic partners and hoped it

would be a harbinger for peace in the region. New Delhi also reiterated its traditional support for the Palestinian cause and hoped for early direct negotiations for an acceptable two-state solution.

In his Independence Day address this year, the Prime Minister specifically mentioned India’s deepening ties with the Gulf countries and said they were crucial to meet India’s energy and other security requirements. He thanked countries like the UAE, Saudi Arabia and Qatar for letting Indians extend

their stay in those countries during the Covid-19 pandemic.

In a much appreciated gesture, India has proactively reached out to all these countries in the wake of the Covid-19 pandemic; sending doctors, medical teams, medicines and vital PPEs and other life-saving equipments to afflicted nations, including Iran, and sharing best practices.

Other than leveraging its economy for a bigger opening in this region, which will bolster the Indian economy's own revival efforts, ramping up security ties with the Gulf countries, with armaments sales, defence drills, intelligence sharing and anti-terrorism exercises among others will help further strengthen Indian security.

Energy security is a major area of cooperation, from fossil fuels to renewables, food security is another, while the size of the Indian market and the diversity of products manufactured here is another attractive proposition for the Gulf countries, and Israel.

That India's engagement with West Asia has become more intense and wide-ranging in scope and dimension is apparent from the number of top level visits exchanged between their leaders in recent years. A balanced relationship was formulated to cement relations with countries of the region, converting the "Look West" policy to "Link and Act West."

Prime Minister Narendra Modi was the first Indian prime minister to visit UAE (Abu Dhabi), in 2015, after



Indian Diplomacy at its best: PM Modi strengthens relations with West Asian countries

34 years, followed by visits to Qatar and Saudi Arabia and Iran during his first two years in office, and Israel in 2017, to celebrate the 25th anniversary of diplomatic relations. In 2018, after a brief stopover in Jordan, he became the first ever Indian PM to visit Palestine, where he was conferred the Grand Collar of the state of Palestine, the country's highest honour, by President Mahmoud Abbas. This was followed by visits to UAE (Dubai) and Oman,

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not only enhancing the political and economic aspects of the relationships, but also the cultural, including the foundation stone-laying ceremony of the first Hindu temple in UAE, while ensuring energy and security cooperation and raised defence and counter-terrorism collaboration. A major highlight of that visit was the formalisation of base facilities to the Indian Navy by Oman at its port in Duqm. India secured access to Duqm port for military use and logistical support to bolster its maritime strategy to secure sea lanes, prevent piracy and counter Chinese influence and activities in the western Indian Ocean region.

In 2019, the Prime Minister visited UAE, for the third time, and received the country's top award, Order of Zayed, and Bahrain. UAE alone has over 5000 Indian companies in their special economic zones and has emerged as a major entrepôt to Indian products and exports to the region and rest of the world. He became the first Indian PM to visit Bahrain, a conservative Sheikhdom, where over 3000 Indian business ventures are located, and even launched the renovation of the Sreenathji temple in capital Manama.

On his second visit to Riyadh, in October 2019, the PM briefed King Salman about New Delhi's thinking for the future development



of J&K and attracted development funds for Kashmir. The visit also saw formalisation of the bilateral Strategic Partnership Council, headed by the Saudi Crown Prince and the Indian PM.

The two Sunni bastions, Saudi Arabia and UAE, along with Kuwait and Qatar, are at the core of ‘Link and Act West’ diplomacy with West Asia. India realises the role these countries play in its energy security and in the well-being of the over nine million Indians living in the region, annual remittances from whom top US\$60 billion.

The prime ministerial visits have seen a flurry of investments into India. In 2018, the Abu Dhabi National Oil Company and the Saudi giant Aramco agreed to take a 50% stake in the \$44 billion refinery India was building in Maharashtra. Both are interested in investing in India’s natural gas sector and in building the Indian strategic crude oil reserve, with investments of tens of billions of dollars. The UAE is also the first partner of India’s National Investment and Infrastructure Fund and invested US\$1 billion as the anchor investor.

India has hosted several top leaders from the region in India—Israeli PM Benjamin Netanyahu, UAE Crown Prince Mohamed bin Zayed al Nahyan, who was the chief guest for the 2017 Republic Day celebrations, Iranian President Hasan Rowhani, Palestinian Authority President Abbas and Jordan’s King Abdullah in 2018, and Saudi Crown Prince Mohamed bin Salman in 2019.

All these visits and agreements have fostered the exceptionally close, historic and civilisational ties with West Asia and built upon the tremendous goodwill for India and the Indians in the

India’s participation in the Intra-Afghan negotiations

The External Affairs Minister (EAM) participated in the inaugural session of the Intra-Afghan negotiations held in Doha on 12 September 2020 via VTC. EAM’s participation was in response to an invitation extended to him by the Deputy Prime Minister and Foreign Minister of the State of Qatar, H.E. Mohammad bin Abdulrahman bin Jassim Al Thani.

In his address, EAM referred to the millennia old relationship between India and Afghanistan, which he said had withstood the test of time. EAM highlighted India’s role as a major development partner of Afghanistan with over 400 projects completed in all the 34 provinces of Afghanistan.

EAM conveyed that India’s policy on Afghanistan had been consistent. India believes any peace process must be Afghan-led, Afghan-owned and Afghan-controlled, has to respect the national sovereignty and territorial integrity of Afghanistan and preserve the progress made in the establishment of a democratic Islamic Republic in Afghanistan. The interests of minorities, women and vulnerable sections of society must be preserved and the issue of violence across the country and its neighbourhood has to be effectively addressed.

EAM wished for the success of the Intra-Afghan negotiations in delivering to the people of Afghanistan what they have longed for - a peaceful and prosperous future in an independent and sovereign nation. A senior official delegation led by J P Singh, Joint Secretary (PAI) in the Ministry of External Affairs participated in the inaugural ceremony in Doha.

Source: mea.gov.in

region. Over 9 million Indians live in the region and, in most countries, constitute the largest expatriate communities there. The Indian diaspora has emerged as major contributors to the well-being and development of their host economies and countries where Indians are the preferred workforce, largely due to their discipline, sincerity and ethos of hard work.


India's 'soft power' is also clearly visible in the region; with the cultural connect of language, food, music, yoga and, of course, Bollywood movies. India's democratic character, its neutrality and non-interference in internal affairs of others and goodwill towards all have allowed the prime minister to rely on soft power diplomacy as his key foreign policy instrument. Medical and health diplomacy has also gained traction in these countries, with many preferring the Indian option over more expensive western medical facilities.

The Indian diaspora in these countries remit vast amounts of foreign exchange, adding to our vital foreign exchange reserves. They are India's strategic assets and goodwill ambassadors who have contributed to boosting India's image and have emerged as the major trading and investment collaborators. The region supplies over two-thirds of India's oil and 80% of its gas requirements and, given that the Gulf countries offer tremendous potential for cooperation in trade, investment, energy, manpower and infrastructure development, India has a crucial stake in ensuring peace, stability and economic well-being of the region, which is beset with several inter-state rivalries and tensions.

The International Solar Alliance initiative, launched jointly by India and France, has become another major area of convergence and cooperation between India and West Asia, each looking to ensure energy security and secure renewable energy resources, moving away from fossil fuels which pollute and degrade the environment.

The way Pakistan has been distanced by the Arab nations like UAE and Saudi Arabia, in forums like the Organisation of Islamic Cooperation, has been another major gain for India. Exceptionally close intelligence, de-radicalisation and counter-terrorism collaboration with all these countries has been a hallmark of recent agreements. With Pakistan thus unable to use J&K as a bargaining chip against India, New Delhi gets an opportunity to substantially raise its influence among the overwhelmingly Muslim West Asian countries.

India has followed a policy of nurturing bilateral ties with all the countries in the region, without getting entangled in their ideological or sectarian fault lines, best serving and enhancing its national interests. Thus, even the Syrians are looking to India to play an enhanced political role, as honest broker, in the region. India's blooming relations with the Arab countries and with Iran could also be leveraged by New Delhi to offer a way ahead for those countries competing for primacy in the Islamic world, to cooperate and arrive at a workable relationship. □



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Indian Diaspora: Major Issues and Challenges

Prof S Manivasakan

The overseas community has grown into an energetic and confident diaspora over 25 million. The part played by the diaspora is very vital in the success of India and the foreign policy of India has a strong outreach to the Indian diaspora. However, challenges that lie overseas are real and obstacles for reaching goals are much higher for a foreigner. In this article, the author tries to breakdown these stereotypes.

People leave their homeland, some to follow their dreams, some run from war and hunger and some lured by the sense of adventure. On any case, leaving homeland and going abroad is a huge step and a life-changing experience. Migrants just don't leave behind their possessions but also leave behind their friends, family, social circle and personal identity. It is often conveyed

that going abroad will improve one's lifestyle and their significant others. Overseas life is mostly considered easy to settle and prosper without any hardships in India. All luxury is invariably linked to those who have gone abroad. But this is far different from reality. However, there is no doubt that countries like Canada and the US are considered as the land of opportunities with a lot of promise. However,



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opportunity to visit India.

The Indian Diaspora is very varied and diverse and this rich diversity can help mutually both the countries, and hence a closer tie within is needed.

Significance and Contribution

- It helps the transfer of knowledge resources expertise and also bridges the markets for the development of the country of origin and the rest of the world.
- The soft diplomacy—a vital role played by the Indian Diaspora—is critical in the success of the Indo- US nuclear deal.
- The country of their residence also has developed due to this Diaspora. Silicon Valley, for example, represents the success of the Indians in the US.
- The development of Science and Technology is mostly due to the role played by the Indian Diaspora.
- The Diaspora is the major source of trade investment in India.
- The world bank predicts Indian diaspora to be the largest contributor and earner of inflows of remittances which is helping the balance of the Current accounts.

Government Initiatives

- The “Pravasi Bharatiya Diwas” is an initiative started by the Government in 2003 to mark the contribution of the Indian community overseas in the development of India

The Covid-19 pandemic has played havoc with the lives of Indians overseas. Some have lost their jobs while others are in fear of losing them. There is already a significant number of people who are seeking to return to India due to financial instability. All routine trips Indians have been taking back and forth has been disrupted and they are clueless when they will be able to visit their homeland.

reality hits hard when a newcomer from India places a foot on foreign land. Language, education and common social behaviour that we took for granted are all up for recalibration.

Major Steps taken by the Indian Government to Handle the Issues of Diaspora

1. An online database of emigrants and comprehensive, Missions, Recruiting Agents, Foreign Employers, Insurance Agencies to make the whole emigration process faster and transparent, that allows online authentication/verification of credentials of all the stakeholders.
2. Indian Government has signed MoU with six Gulf countries, Jordan and Malaysia. The major intent is to enhance bilateral cooperation and employment opportunities in the protection and welfare of workers.
3. Government has also started ‘Madad’ portal for online lodging of the grievances of the emigrants, which are attended to on priority basis.
4. The government recently amended the rules of the PIO Card Scheme so that new recipients of PIO cards will receive cards that will be valid for the duration of their life.
5. New Embassies in Latin America and African country to help the Diaspora.
6. Bilateral engagement with US, UK to address the concern of skilled labour.
7. Programmes like “Bharat Ko Janiye” to help the Indians living abroad learn about India and also an

- The Ministry of Overseas Indian Affairs has been merged with that of the Ministry of External affairs and this merger is a huge initiative in the role of Government to encourage the Indians overseas.
- The Visa on arrival is a facility that India has approved and allowed. Now almost 43 countries have been permitted to have a Visa on arrival by the Indian Government. These countries include the United States, Australia and Fiji. This process has made travel and spread of the diaspora much easier.
- The economic engagement of Indians with India is facilitated by the Overseas India Felicitation centre which was set up by the Government of India with the Confederation of Indian Industry (CII). This partnership and felicitation have promoted the growth of economic engagement of Indians with India.
- The India Government has evacuated the Indian diaspora in Yemen in 2015 through Operation “Rahat” and also from South Sudan through Operation “Sankat Mochan”.
- The “Pravasi Kaushal Vikas Yojana is another important programme taken by the Indian Government which promotes the growth and engagement of youth who target employment overseas.
- The Indian Government now is very quick to respond to the challenges and problems faced by the Indian diaspora especially because the Government has become more digital and active in the social media. Thus, various problems of the Indians abroad have been solved faster and response time much quicker due to the use of this social media and digitalisation.

Issues Faced by Indian Diaspora

- **West Asia**
 - a) Low oil prices owing to Shale gas boom and slower global growth is resulting in job cuts for Indians.
 - b) One of the most direct threats to the security of Indians is the rising conflicts and instability due to the Shia-Sunni conflicts and the radical Islamism.
 - c) Fierce competition from skilled labour from the Philippines and cheap labour from Nepal.
 - d) Regressive and medieval policies like employer seizing the travel documents upon arrival known as “Kafala” labour system are exploitative.

Most NRIs get trapped into the vicious circle of work-life that professional priorities overtake family relationships while others get trapped into the immigration issues so deeply that their life becomes a series of sacrifices. Mere video calls and sharing pictures with parents and family back in India is not a substitution for maintaining real family relationships.

- **US, Canada & UK**
 - a) Discriminative practices owing to a racist, colonial mindset persists.
 - b) Stricter H-1B visa norms in the US Congress.
 - c) President-elect Donald Trump’s call to channel more jobs to Americans.
 - d) Revision of visa norms in UK post-Brexit might hit the Indian diaspora hard, especially the IT professionals.
 - e) The disparity in jobs and racial abuse due to terrorist branding.
 - f) Cultural integration due to various eating preferences, consumerism and nuclear society.
- **Dual Citizenship**

Majority of Indian diaspora want to retain their Indian citizenship along with the citizenship of the country of their residence.

Indian Diaspora: During Covid-19

The Covid-19 pandemic has played havoc with the lives of Indians overseas. Some have lost their jobs while others are in fear of losing them. There is already a significant number of people who are seeking to return to India due to financial instability. All routine trips Indians have been taking back and forth has been disrupted and they are clueless when they will be able to visit their homeland.





There is a question of belonging that arises on diaspora Indians who have not got permanent resident status if they can stay on in their countries after losing jobs; while the ones who have switched their citizenship have a fear that they could be stopped from travelling to India at any point. We have taken our vast overseas community and global migrations as being an unshakeable part of our world.

Most of the companies that Indians work are either owned by the locals or by the big shots of other countries. The workload is burdensome. If a regular working hour is around 8 am to 5 pm, they often end up working till 9 pm. To get what you call a “comfortable position” abroad spare no effort. The years of struggle may vary from person-to-person. The cultural differences can tickle your ego and pride. But you need to be emotionally strong and self-confident to sustain which can be quite a challenge during initial years as you have just left behind what you called “normal”. Migrants always have a pressure on meeting financial expectations of their family staying in native places. Only a trivial part of the population lives a lifestyle that natives stereotypically think of.

Many people have reported on homesickness, loss of friends, inability to stay besides family during good and bad times, living independently, less availability of authentic Indian food, psychological issues due to smaller social circle, the office environment is different, much lesser number of holidays and high cost of living. Most NRIs get trapped into the vicious circle of work-life that professional priorities overtake family relationships while

Despite their struggles, the overseas community has grown into an energetic and confident diaspora of over 25 million. The part played by the diaspora is very vital in the success of India and the foreign policy of India has a strong outreach to the Indian diaspora. The many contributions to knowledge transfer and investment cannot be underestimated.

others get trapped into the immigration issues so deeply that their life becomes a series of sacrifices. Mere video calls and sharing pictures with parents and family back in India is not a substitution for maintaining real family relationships.

On the other end of the spectrum, first-generation NRI's do face challenges on coming back to India after naturally acclimatised in their new countries for many years. They are scared on falling sick due to hygiene issues, power outages, security issues, fitting with the crowd, inhalation of heavy airs in big cities, drinking only bottled water, the noise of honking cars, the frustration of moving in chaotic traffic, taxis on strike and travelling on crowded buses.

Despite their struggles, the overseas community has grown into an energetic and confident diaspora of over 25 million. The part played by the diaspora is very vital in the success of India and the foreign policy of India has a strong outreach to the Indian diaspora. The many contributions to knowledge transfer and investment cannot be underestimated. The restrictions on social distancing imposed due to Covid-19 has resulted in large scale moving back of migrant workers and many of these migrants were stuck not just at international borders but at national and state borders as well.

The “Vande Bharat” was yet another initiative of our Government to organise repatriation flights to bring back the migrant India diaspora especially from Doha, Kuwait, Dammam and Riyadh where more Indians have migrated and wanted to come back home due to this crisis. Almost 900 flights have been operated by this mission so far (as of August 31, 2020) and more than 12 lakh Indians from over 22 countries have been brought back home safely and all the required medical clearance is done for them before they are sent to their respective states and homes.

The basic needs of migrant workers such as food, shelter, healthcare, fear of procuring disease or spreading it, loss of wages, concerns about the family and anxiety are more concerning issues. Some also face harassment and negative response of the local community. Crucial measures to be taken should include; ensuring shelters and kitchens, making other relief material available, emphasising on the need for social distancing, tracking their health and adherence to protocols for management of such cases enable them to reach to the family members through telephone, video calls etc. and ensuring their safety.

As part of psychological safety for a migrant worker, the following steps can be adopted for their well-being:

1. All the migrant workers must be treated with dignity, respect, empathy and compassion. It is important to

listen to their concerns patiently and understand their problems to fulfil their needs for each person/family. There is no generalisation. Normal life is going to resume soon.

2. Make them realise their importance in the community and appreciate their contributions to the society and make them aware of the government policies.
3. Reassure that even if their employer fails them, local administration and charitable institutions would extend all possible help.
4. Out of desperation, many may react in a manner which may appear insulting. Try to understand their issues and be patient. Instead of reflecting any mercy, seek their support in the spirit of winning over the situation together.

Way Forward

- The already affected migrants and diaspora need to be ensured to feel welcomed back home on arrival and there needs to be an easier process of immigration and customs clearances.
- The Government needs to address the problems of blue-collar workers working overseas like:
 - a) Negotiating a Standard Labour Export Agreements with the host countries.
 - b) Monitoring and supervision of our overseas workers by our Missions.
 - c) Compulsory insurance schemes covering the risks faced by our overseas workers.
- There should be a greater focus on promoting tourism among 2nd generation PIOs and frequency of these PIO's to make frequent visits to their home state and visit relatives and family.
- The welfare of Indian Women married to NRIs/PIOs.
- Economic Development.



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- a) Diasporic professionals working in senior positions in the manufacturing industry can help promote India as an important destination for outsourcing.
 - b) The government should also consider setting up of Special Economic Zones, exclusively for projects to be set up by NRIs/PIOs.
 - c) The Government should consider issuing special infrastructure bonds for attracting NRI/PIO investments on the lines of the Israel Bonds.
- The diaspora's financial and intellectual capital must be cashed by India and the major challenge before India is how it can tap this for mutual benefit.

Conclusion

The Indian diaspora has been a pride of India. As all of us are aware, this unprecedented crisis has threatened economic, social and the health of Indians working abroad. India still has a gigantic burden until there is a cure for this virus and the spread is paused. India has taken this responsibility positively and has responded well and the Indian diaspora has been united with their families both for social and economic reasons. The pandemic has affected movements globally. The university students studying in different parts of the world are stranded and if all these students want to come back, it is a major challenge to India.

The world which was friendly to Indians is slowly turning hostile and certainly, lives will be disturbed and disrupted. If there is a mad rush and panic coming home by the Indian diaspora then the problem may become more complex for India. New contingency plans must be set up to avert this crisis. Not just negotiating with the Governments to retain the Indians abroad but also arrange a livelihood for Indians coming home if the doors are shut in their migrant countries.

The Vande Bharat Mission began their Phase 6 programme on September 1, 2020 to further bring the Indians abroad to India and the next phase of migrants workers and students to come back to India. The Indian nationals living abroad have every right to come back home and India has every obligation to bring them back safely and also welcome them back. □

Internationalisation of Higher Education

*Dr Vidya Yeravdekar
Shobha Mishra Ghosh*

The 21st century global-knowledge society has now necessitated redefining the whole concept of internationalisation of higher education with regards to its impact on policy and practice as more and more countries engage in the process. One can clearly see a strategic shift towards promoting borderless education in higher education. Apart from rankings and economics, there are other important aspects that are being emphasised on integrating internationally acclaimed quality assurance mechanisms and creating global institutional policies to enhance student learning outcomes.

The Context: Global & Indian Perspective

In the last decade of the 20th century, the rapid globalisation and regionalisation of economies, endowed with the requirements of the knowledge economy, created a huge push towards internationalisation of higher education. Global institutions such as the Organisation for Economic Co-operation and Development (OECD), UNESCO, World Bank and many federal governments of various countries placed internationalisation as one of their priorities in the reform agenda. In due course of time, internationalisation

of higher education was not only a focus in the developed world but also in developing and emerging economies.

Some of the key elements that the last three decades has witnessed are: mobility and exchange of students, scholars and faculty, collaborative/twinning programs, and reputation building and branding of universities and higher educational institutions (HEIs) through global and regional rankings. The number of international students in the global higher education ecosystem in the last ten years (2010-2020) has doubled to 5 million.



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- More of a 'case by case basis', ad hoc, arrangement with regards to internationalisation policy and absence of a comprehensive and robust foreign education policy.

- Mostly catered to a small segment of elite students and not being inclusive and intercultural.

- Economic and political imperatives been the primary force for promoting it as opposed to creating a global intellectual world order embedded with rich socio-cultural diversity.

- Prominently and strategically practiced more among developed economies than in emerging and developing economies.

The Indian higher education sector is the largest education system in the world in terms of institutions with over 998 Universities, 39931 Colleges, 10725 standalone institutions and second largest in terms of student enrolment with 34.6 million students. However, it is paradoxical that our top talent goes to the developed countries to study, innovate, carry out research and add intellectual as well as economic value to these countries but we have not seen many overseas students coming in to study in India.

An estimated 7,00,000 Indian students are studying abroad (of which around 50% study in North America) as opposed to just about 47,427 international students coming to India.

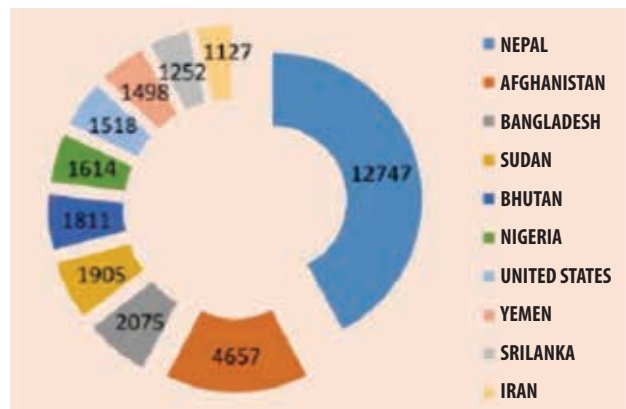
The maximum share of students come from neighbouring countries with Nepal contributing 26.88%, followed by Afghanistan (9.8%), Bangladesh (4.38%), Sudan (4.02%), Bhutan (3.82%), Nigeria(3.4%), United States of America (3.2%), Yemen (3.2%), Sri Lanka (2.64%), and Iran (2.38%). There is a sprinkling of students coming from other parts of the world who come for short-term study abroad or semester abroad programs.

Historically, in the 12th and 13th century, India was the global leader in attracting global scholars from across the world to its world class universities such as Nalanada, Takshila, Vikramshila etc. In the 20th century, USA and UK led the Internationalisation of Higher Education to attract talent pool from across the world that added invaluable diversity of knowledge, content and culture in the universities leading to cutting-edge research and innovation. This in turn helped in the economic development and growth of the country. Realising the value of internationalisation of higher education, Canada, Australia, China, Singapore and several other countries have also given a thrust since last two decades and devised policies to not only bolster the enrolment of international students, but also to retain them in their labour markets. English-speaking countries are among the largest hosts of international students, with the United States enrolling about one-quarter of the world's globally mobile students. 50% of the world's international students enrol in five English-speaking countries (United States, UK, Australia, Canada, and New Zealand).

Internationalisation of Higher Education, globally, in the last three decades (1990-2020) has witnessed the following key trends:

- Increasingly driven by national and global rankings with focus on internationalisation abroad than on "internationalisation at home".

Figure 11: Foreign Students' Distribution in Top 10 Countries



Source: MHRD AISHE Report 2018-19

One of the significant aspects in the post economic liberalisation was the signing of the General Agreement on Trade in Services (GATS) under the WTO in 1995, which identifies education as a ‘service to be liberalised and regulated by trade rules.’

Although maximum number of foreign students come from Nepal, the largest number of doctoral students are from Ethiopia (295) followed by Yemen (149). The Undergraduate programs with 73.4% have the highest number of students followed by 16.5% for Post Graduate programs. The most popular courses for foreign students are Bachelor of Technology and Bachelor of Business Administration, followed by Bachelor of Arts, Science and Commerce degrees.

The reason for large number of Indian students going abroad to study can be attributed to large young population base in the country, supply demand gap of quality higher education, aspirations and career growth prospects and quality of life available in developed countries.

Types of Educational Exchanges

One of the significant aspects in the post economic liberalisation was the signing of the General Agreement on Trade in Services (GATS) under the WTO in 1995, which identifies education as a ‘service to be liberalised and regulated by trade rules.’ Under the provisions of the GATS of which India is a signatory, there are four kinds of supply of services:

- Cross-border supply of services from territory of one member to another member (distance education, e-learning).
- Consumption of a service abroad by the citizens of a member country in the territory of another member country (study abroad).

- Commercial presence of service supplier of a member country in the territory of another member country (presence of foreign universities in other territories).
- Presence of natural persons enabling a form of trade resulting from mobility of people from one-member country to another country (cross-border mobility of teachers).

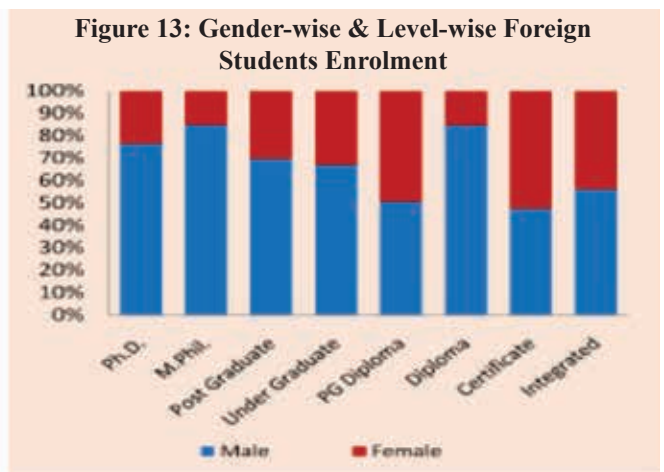
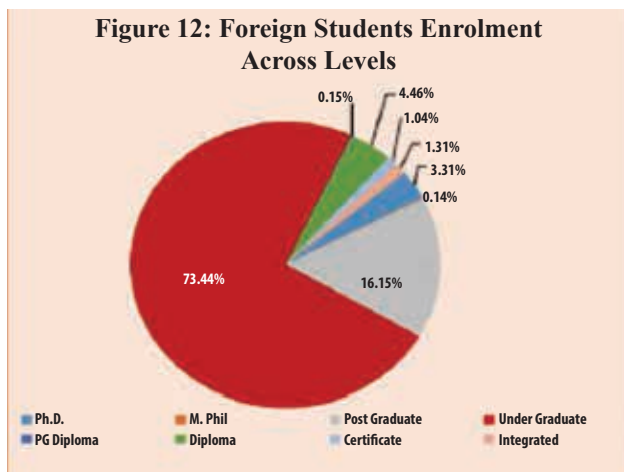
Medical Education Scenario

Despite having the largest number of medical colleges in the world and approximately 9.29 lakhs doctors enrolled on the Indian Medical Register, India is hugely short of healthcare workforce and way behind in achieving the targeted doctor population ratio of 1:1000, as per WHO norms. The urban-rural divide further accentuates the challenges of reaching the last mile and attaining the much-needed continuum of care. We require at least 1 million MBBS doctors, 0.1 million specialists, 2 million nurses and 3 million paramedics and healthcare technicians by 2022.

The need for larger workforce was acutely felt during the current Covid-19 pandemic where the hospitals fell short of doctors and nurses in both public as well as private sector. It is also estimated by Ministry of Health and Family Welfare that nearly 2 lakh employment opportunities will be generated in the next five years due to Ayushman Bharat. To address this challenge, several reforms and short and medium term interventions have been planned by the government for increasing the numbers of doctors, nurses and allied healthcare workers. To further substantiate these efforts, international mobility of medical students and doctors needs to be opened up.

Recent Initiatives

Over the years, the policymakers, have taken steps towards internationalisation and have framed policies to promote Indian higher education overseas. Some of the Governmentbacked initiatives to promote internationalisation includes the General Cultural Scholarship Scheme



Source: MHRD AISHE Report 2018-19



(GCSC) implemented through Indian Council for Cultural Relations (ICCR) which encourages student mobility by providing scholarships to countries from Latin America, Africa and Asia, Global Initiative for Academic Networks (GIAN) which promotes interaction between scientists, entrepreneurs and students internationally and the *Connect to India* programme by MHRD which encourages student mobility by offering short-term programmes.

The CV Raman International Fellowship for African Researchers was launched in 2010 by Federation of Indian Chambers of Commerce & Industry (FICCI) in partnership with the Department of Science & Technology (DST) and Ministry of External Affairs (MEA). The fellowship scheme was introduced under the India-Africa Forum Summit (IAFS) to promote scientific cooperation between India and Africa.

Several countries have also taken initiatives to promote internationalisation through students and faculty exchange programmes, academic and research collaborations in different disciplines. Some of such key initiatives include UK-India Education and Research Initiative (UKIERI), the Generation UK India initiative, the Indo-US 21st Century Knowledge Initiative, the Fulbright-Nehru programme and the Scheme for Promotion of Academic and Research Collaboration (SPARC).

In 2018, the Union Ministry of Human Resource Development (Now Ministry of Education) launched an ambitious “Study in India” program to project India as a higher education destination by attracting and facilitating inward mobility of foreign students from 34 target countries (representing Africa, Middle East, and SAARC regions), thereby increasing India’s market share of global education exports.

The recently released National Education Policy (NEP) 2020 has clearly emphasised the need to achieve global standards of quality in Indian higher education both in—class and distance learning modules.

Suggested Way Forward

Some Indian Higher Education Institutions (HEIs) have embraced internationalisation and have readied

themselves in terms of building up the infrastructure and adopting multiple internationalisation dimensions. In the current phase of Covid-19 pandemic, it is important for Indian universities to ensure reliable communications with current and prospective international students, students’ sponsors, embassies, recruitment agents and international partners. Since the post-Covid-19 era will compel the world to be more connected, hence the government must ensure a strong ecosystem of internationalisation across the length and breadth of the country.

Robust Framework for Collaboration with Foreign Universities & Export of Education Services

1. Provide autonomy to Institutions of Eminence (IoEs) and high NAAC rated/NIRF ranked institutions to design and run online programs for foreign students.
2. Top NIRF & NAAC ranking Indian Universities should be encouraged to develop joint online programs with top 500 foreign universities with appropriate credits.
3. The cap on intake of international students should be raised from the present 15% to 25% on supernumerary basis that will help in cross subsidising fee for Indian students.
4. For twinning programs, the requirement of spending 1-2 semesters in a foreign university campus needs to be relaxed in the Covid-19 environment. The course should be allowed to be completed entirely in India with virtual support from foreign universities.

India is hugely short of healthcare workforce and way behind in achieving the targeted doctor population ratio of 1:1000, as per WHO norms.

The urban-rural divide further accentuates the challenges of reaching the last mile and attaining the much-needed continuum of care. We require at least 1 million MBBS doctors, 0.1 million specialists, 2 million nurses and 3 million paramedics and healthcare technicians by 2022.



5. Establish Indian Network for Internationalisation of Education (INIE) that will be in the form of a consortium of Universities that are ahead in internationalisation. With international network as associate members, this network can frame policies and also mentor other universities in various aspects of Internationalisation.

Robust Study in India (SII) program

The “Study in India” program launched by the Government in 2018 needs to be executed strategically on a mission mode by engaging relevant stakeholders. Some of the key recommendations for its effective implementation are:

1. Appoint an education counsellor at every Indian embassy abroad in order to help promote India higher education and the benefits of studying in India.
2. Create a strong scholarship programme that will encourage the best brains to choose India as a study option.
3. Develop “student cities” that should be safe along with adequate infrastructural and logistical support.
4. Develop niche programmes in the areas that India has expertise in, such as life sciences, space sciences, creative disciplines, etc. Create unique elective programs such as a yoga, arts & sciences, traditional medicines, etc. that can be taken up by foreign students along with the mainstream courses such as engineering, management, etc.
5. Create a framework to map the credits of Indian programmes with a global framework so that there is a seamless mobility/transfer of credits.
6. A joint working group should be created with inter-ministerial collaborations at the federal level and city level administrators along with leaders of leading public and private HEIs to develop a conducive ecosystem that will encourage cross mobility of students, faculty and researchers.
7. Effective industry engagement for apprenticeships and employment, safe and secure living environment, state-of-the-art infrastructure, etc. are some of the other

critical pre-requisites to boost international mobility of foreign students to India.

Sustained Promotion of Indian Higher Education Abroad

1. The NEP 2020 suggests setting up a legislative framework to promote top 100 foreign universities set up campuses in India and vice versa. It is important that the execution modalities are clearly spelt out in the implementation framework.
2. Promote Indian Higher Education regularly in global education fairs like NAFSA: Association of International Educators, European Association of International Education (EAIE), Asia Pacific Association for International Education (APAIE), etc. by showcasing the best of universities, programs and innovations in a professional manner.

Facilitating Cross Mobility in Medical Sector

To encourage foreign medical students and doctors to educate and practice in India (both the basic doctor/primary physician and super-specialist who is capable of providing high level care), National Medical Commission (NMC) should bring about following amendments as mentioned below:

1. With regards to MBBS doctors, medical graduates who get education in countries where NMC is not satisfied with quality of education, the Indian government should have a dialogue with the foreign counterpart and collaborate with them to make the course at par with Indian standard. Alternately, these students may be given a compulsory two-year bridge course with one year compulsory rural posting before they appear in the NBE exam.
2. For super specialists, NMC currently allows doctors with OCI card from countries such as USA, UK, Canada, Australia and New Zealand to practice in India. It is suggested that this should be extended to foreign nationals of countries where the qualifications are of acceptable standard. Currently as per the regulation, the right to practice medicine in India is limited to Indian citizens, OCI persons only. This restricts the ability of foreign doctors from working in India. It is time the government should open this up to passport holders of countries which is acceptable by the MEA.
3. The 1.2 million doctors of Indian origin living abroad should be invited to practice in India even for few weeks and carry out teaching/mentoring programs and leadership trainings.
4. To enable capacity building of healthcare workers and training for appropriate skill-sets, collaborative programs with various countries between healthcare institutions and universities at UG and PG levels should be organised. □

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India Post and International Relations

Charles Lobo

*“Messenger of Sympathy and Love,
Servant of Parted Friends
Consoler of the Lonely
Bond of the Scattered Family
Enlarger of the Common Life
Carrier of News and Knowledge
Instrument of Trade and Industry
Promoter of Mutual Acquaintance
of Peace and of Good will
Among Men and Nations.”*

These words are inscribed on the former Washington DC Post office building (now home of the Smithsonian National Postal Museum). This message aptly summarises the role of the post office both in the domestic and international arena. Post office, as it deals in messages and merchandise, cannot function in isolation. It is a promoter of peace and goodwill among men and nations. It is also an instrument of trade and industry since many centuries. This article attempts to explore the various facets of the post office in the international business with special reference to India Post.

Foreign Post

The institution of Foreign Post is more than 100 years old. All the mail exported or imported from or to India, has to pass through the gateway called Foreign Post. There are four such gateways in India since long. These gateways are located at Mumbai, Kolkata, Delhi and Chennai—India’s port cities as mail was coming by ship before the arrival of aeroplanes and airmail. Mail received from foreign countries is first sent to these gateways and it is checked by a group of customs officers functioning from Foreign Post. This group of Customs officers is known as the ‘Postal Appraisal Department’. They check for violations in imports and exports. If any prohibited items are imported or exported, they are seized. If any imported article is required to pay customs duty, the PAD will assess customs duty to be paid by the addressee and will send it to post office for collection of Customs Duty.

In accordance with the Government of India policy to promote exports and increase the ease of doing business, an order has been issued on March 31, 2017 by the Department of Revenue (Ministry of

Finance) identifying 13 more foreign post offices for the purposes of clearance of imported goods or export of goods. These 13 offices are set up at Vijayawada, Guwahati, Ahmedabad, Srinagar, Leh, Bengaluru, Kochi,



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Ludhiana, Jaipur, Hyderabad, Kanpur, Agra, and Varanasi. Out of this, Bengaluru, Kochi and Ahmedabad were already functioning as sub-foreign post offices for quite some time. Now they have become full-fledged foreign post offices. This will facilitate the exporters as they can get the consignment examined before booking and answer all kinds of queries raised by Customs Department. It also enables importers to attend to the notices issued by the customs authorities. Prior to this decision, customers from Andhra and Telangana were dependent on Mumbai or Chennai Foreign Post offices for import or export. By opening offices at Vijayawada and Hyderabad the customers of these two states have been facilitated. So is the case with the customers from J&K, Leh and Ladakh. These new offices have been authorised to close and receive direct bags to and from foreign countries. Besides this, 28 Export Facilitation Centres for promotion of exports of MSMEs have been opened in post offices.

India Post and UPU

India Post (Department of Posts) is a member of the Universal Postal Union (UPU) since 1876. The UPU was formed in 1874 at Berne in Switzerland to regulate interstate mail movement and make rules that govern the mail movement. Although India then was a part of the British Empire, the colonisers enrolled India as a member of UPU. There are 192 member countries in this international

body. The UPU Conventions regulate the postal functions and although they are not binding in nature, all member countries adopt them as that helps in bringing about uniformity. For example, for tracking of consignment, India Post adopted the Barcoding system of 13 digits. The first two digits represent the product and the last two represent the country. In EK123456789IN, E represents Speed Post (or EMS) and K represents Karnataka while last two digits represent India. From the last two digits we can find out the country from which the article is imported. This barcode formula is accepted by all member countries and there is uniformity in operation. If each country follows its own formula like 11 digits or 16 digits, the software modification is a challenge for every country. This simple example explains how the UPU helps in putting a system and discipline in place. It gives lot of technical and technological support to the member countries and promotes exchange of ideas and knowledge. It funds the projects for improvement

India Post (Department of Posts) is a member of the Universal Postal Union (UPU) since 1876. The UPU was formed in 1874 at Berne in Switzerland to regulate interstate mail movement and make rules that govern the mail movement.

of postal services using the Quality of Service Fund (QSF) of the UPU.

Recently, India Post received financial assistance from the QSF for providing vehicles for delivery of international imports and exports by post. These vehicles are used for pick-up and delivery of international mail. From time to time, it conducts various studies and surveys and such reports are shared with member countries and they are valuable resource for member countries. The Guide to Disaster Risk Management produced by UPU has helped the member countries in developing a Disaster Risk Management plan for their own country. In current year, India is the Co-Chair of the committee 1 that deals with the Integrated Supply Chain with USA as the other Co-Chair.

India Post and APPU

India is also a member of Asia-Pacific Postal Union (APPU). Its headquarters is at Bangkok. There are 32 member countries from the Asia-Pacific Region. It aims to facilitate the postal exchanges in the region and promotes regional co-operation. The APPU runs a college or Academy for its members at Laksi, Bangkok. It conducts various courses to its member organisations on technology, marketing, quality of service, mail operations etc. Every country sends its trainees for short-term courses of one week and long-term courses of one month. This helps in interaction between different countries and exchange of ideas and developments in those countries.



Philately and International Cooperation

Philately is an important area of international understanding and cooperation. Printing of postage stamps is the monopoly of postal departments all over the world. Countries respect each other cultures and promote them by issue of stamps. During the 150th birth anniversary of Mahatma Gandhi (2019-20), 87 countries issued postage stamps on Mahatma Gandhi to show respect to the values of non-violence preached by the Mahatma. Many countries have released stamps on Mother Teresa too who lived and worked in India. The postage stamps issued by different countries are collected by philatelists and they are studied and exhibited at various exhibitions-district, State, National, International and World level. India Post organised the Inpex-2011, a world philatelic exhibition at Pragati Maidan in New Delhi in 2011. India Post and other philatelists participate in international philatelic exhibitions and showcase the stamps brought out by India Post creating demand for Indian Postage Stamps. Exhibitions help in exchanging ideas as seminars and workshops are organised during the exhibitions which are attended by prominent philatelists.

Philately is a great source of earning foreign exchange and some countries like France and Bhutan

consider it as a primary source of revenue. Exchange of postage stamps by clubs and at individual level improves knowledge about a country's culture and various other aspects. There are many joint issues of stamps depicting the culture of both countries. The Indo-Armenia Joint issue dated August 29, 2018 shows the Manipuri dance of India and HovArek Dance of Armenia. The India-Russia joint issue of October 26, 2017 showcased the Bhavai folk dance of Rajasthan and Beryozka round dance of Russia. In this sense, Post office is a promoter of mutual acquaintance.

Express Mail Service

The service which is known as EMS world over is known as International Speed Post in India. This service was extended to Bosnia and Herzegovina, Brazil, Ecuador, Kazakhstan, Lithuania and North

India Post adopted the Barcoding system of 13 digits. The first two digits represent the product and the last two represent the country. In EK123456789IN, E represents Speed Post (or EMS) and K represents Karnataka while last two digits represent India. From the last two digits we can find out the country from which the article is imported.

Macedonia from September 12, 2019. Now this service is available to more than 100 countries. Under this service, documents and merchandise can be sent and received. However, from some countries only documents are permitted. They are Guyana, Iraq, Nigeria, Rwanda, Yemen and Democratic Republic of Congo (Zaire). This is useful in promoting cross border ecommerce. Besides EMS, there is foreign money order service. Surface to Air (SAL) is another very economic international service available.

International Relations

International Relations and Global Business Division in the Postal Directorate coordinates matters relating to international business and co-operation. It primarily takes care of issues relating to UPU and APPU and other bilateral agreements with other countries. The Ministry of External Affairs plays an important role in shaping the policy of international relations with regard to postal relations. The Department of Customs too plays a crucial role in improving exports and import business. Electronic Data interface or EDI between the Customs and Post Office is a very important tool for the smooth operation of imports and exports. □

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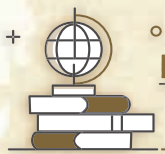
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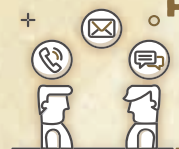
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National Recruitment Agency

Amitabha Khare

After about four decades of conventional pen and paper or OMR based organisation-specific recruitment examinations, National Recruitment Agency (NRA) comes with path-breaking reform, the first in this century, acknowledging the positive changes happening in New India and its aspirational youth. With NRA, crores of aspiring youth are set to embark on a new career path.

A New Dawn of Opportunity for Millions of Aspiring Youths

The Union Cabinet approved setting up of NRA on August 19, 2020, with the vision of creating a specialist body, bringing the state-of-the-art technology and best practices to the field of Central Government recruitment. It is a path-breaking reform. It will have far-reaching benefits for millions of job aspirants in the country. It is a win-win initiative for all stakeholders—job-seeking youth, various ministries, departments and other government instrumentalities, which need to fill up their vacancies and respective recruiting agencies. Once functional, it will alter the landscape of government recruitments. Its potential impact is going to be even bigger, in due course.

Current Scenario

Currently, more than 20 Recruitment Agencies, including Staff Selection Commission (SSC), Railway Recruitment Boards (RRBs) and Institute of Banking Service Personnel (IBPS) invite applications and hold recruitment tests for various Group 'B', Group 'C' and equivalent posts separately. Eligibility conditions and educational qualifications are

generally common. Job aspirants have to apply against each such recruitment notification and take multiple tests separately. Separate fees for each application and multiple travels to examination centres and stay arrangements for each test put a huge burden on unemployed youth. Women and candidates with disabilities who have to be escorted by some other family member and those from far-flung rural areas; suffer the most. At times, the examination dates also clash. Due to such constraints, many candidates miss out on various

opportunities, on which their entire career would depend. Preparing for different syllabi for each exam increases their difficulties and stress. SSC and IBPS conduct the exams only bi-lingually in English and Hindi. This puts the candidates from regional linguistic background to greater disadvantage. (RRBs however, have been conducting their exams in 16 Indian languages, for nearly a decade.)

Qualifications being common, all the recruitment agencies tap more or less the same pool of candidates

HIGHLIGHTS

- Multi-agency body including SSC, RRBs, IBPS
- For Group 'B', Group 'C' and equivalent Non-Technical posts
- For 3 Qualification Levels: Graduate, Higher Secondary and Matriculates
- Push to Digital India mission
- Common Online Application portal
- Single Common Computer Based Eligibility Test (CET)
- CET in 12 languages
- Every year, two CETs for each level
- No bar on number of attempts
- Opportunity to improve scores
- Scores to be valid for three years
- Best score to be treated as current score
- Subsequent stages of recruitment tests by respective agencies, based on CET scores
- Exam centres in every district
- Special Focus on 117 Aspirational Districts

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NATIONAL RECRUITMENT AGENCY

Towards a new era of employment generation

- Transparency and efficiency in recruitment process through online Common Eligibility Test (CET)
- Single admission test for Tier I of multiple govt jobs
- CET centres to be set up in every district. Special focus on 117 Aspirational Districts
- Standard curriculum and degree of difficulty
- CETs in multiple Indian languages
- **CETs for three levels:** graduate, higher secondary, matriculation
- NRA to conduct Mock Test for rural youth
- Test score to be valid for three years
- No restriction on number of attempts

but each hold separate exams for them. This entails replication of huge financial, infrastructural and other resources. Several lakhs (at times even crores) of candidates apply for the large-scale popular examinations. Every such single exam goes on for months; and centres are not available for other recruiting agencies for those long periods. This delays their exam cycles inordinately, harming both—the candidates as well as the departments where vacancies are not filled up for a long time.

For decades, recruitments for government vacancies were being held in conventional pen and paper mode with recruiting agencies requiring the candidates, from any part of India, to travel to the exam centres set up in few major cities within their geographical jurisdiction. Frequent unfortunate instances of question paper leakages and exam cancellations were also witnessed. Past few years have seen isolated attempts of harnessing digital technology capabilities in this

arena, by the recruiting agencies with varying scales of implementation.

Launchpad for NRA

NRA is coming up at an opportune time when the conventional government recruitments are transforming with the help of technology. In the past few years, various Recruitment Agencies have embarked upon a number of digital solutions to improve outreach, speed, transparency and security of examinations. These have

Currently, more than 20 Recruitment Agencies, including Staff Selection Commission (SSC), Railway Recruitment Boards (RRBs) and Institute of Banking Service Personnel (IBPS) invite applications and hold recruitment tests for various Group 'B', Group 'C' and equivalent posts separately.

been isolated efforts of respective recruitment agencies, yet they have provided a firm foundation to NRA to kickstart. Few of such bedrock initiatives and improvements are listed here:

1. Linguistic Inclusion

RRBs had started administering tests in 16 Indian languages, facilitating the candidates hailing from different linguistic regions of the country, about a decade ago.

2. Digitalisation of the Recruitment Processes

Digitalisation of the recruitment processes has already been undertaken by IBPS, RRBs and SSC. In the government recruitments, it was started by SSC and RRBs in earlier part of this decade with introduction of *Online Applications* and *Digital Fee payments*. Back then, there were few apprehensions in certain quarters, but it was a leap of faith which succeeded instantaneously and demonstrated a new face of digital readiness of the country. Candidates experienced altogether new ease and certainty in the submission of fees and applications and the option to choose the exam city nearer their homes came as a boon to them. It also speeded up the application process significantly and the real-time Management Information System (MIS) reports helped in taking dynamic decisions.

RRBs started *Computer-Based Tests—CBTs* (commonly called as online tests) in 2015 for 18 Lakh candidates and the very next year successfully conducted CBT for about 92 Lakh candidates—a world record at that time. This record was again broken by RRBs in 2018 when they successfully organised two back to back CBTs for staggering 2.37 Crore candidates.

SSC also changed its Optical Mark Reader (OMR) based exams to Computer Based Mode exams since June 2016.



and Training (DoPT), Ministry of Railways, Ministry of Finance, and three Members will be from the three major Recruiting Agencies viz Staff Selection Commission (SSC), Railway Recruitment Boards (RRBs) and the Institute of Banking Personnel Selection (IBPS). Two Members will be drawn from academia. It will have seven functional verticals including Examinations, IT Solutions and content development.

NRA will have six Regional Offices in the North, East, West, South, Central and North East respectively. An estimated outlay of Rs.1517.57 Cr. has been provided for setting up of NRA and conduct of CETs by the NRA in the first three years.

2. Candidates' Centric Features

a. Single Platform for Multiple Posts

Under the NRA, the candidates by appearing in one examination will get an opportunity to compete for many posts. Its first-level /Tier I Exams would be the stepping stone for many other selections. These screening tests would cover those Group 'B' gazetted posts which are outside the purview of UPSC, all Group 'B' Non-gazetted posts and all Group 'C' posts and equivalent posts under Central government and its instrumentalities. Initially, those non-technical posts will be covered for which recruitment is conducted by SSC, RRBs and IBPS.

In the banking sector, IBPS had already adopted these processes since long ago. In 2019-20 it has conducted Computer Based Tests for about 1.45 crore candidates.

3. Geographical Outreach

RRBs took examination to the doorsteps of the candidates in far-off regions of Kashmir Valley, all North-Eastern states and islands of Andaman & Nicobar and Lakshadweep by setting up more than 3000 centres in 311 cities. IBPS also conducts tests in about 200 towns across India.

Digital India Mission Initiatives: Umbrella Ecosystem

NRA will also draw upon the strengths of several far-reaching initiatives of Digital India Mission such as Broadband Highways, Universal Access to Mobile Connectivity, Public Internet Access Programmes, National Cyber Security Coordination Centre, Digilocker etc. The Mission envisages covering all 2,50,000 village Panchayats through National Optic Fibre Network (NOFN) and providing mobile connectivity to remaining 55,619 villages at the cost of Rs.16,000 Cr. Number of Common Service Centre (CSCs) is being increased from current 1,35,000 to 2,50,000—one in each Gram Panchayat. Moreover 1,50,000 Post Offices are being converted into Multi-service centres. On the other hand, NRA itself will

give a big boost to the Digital India Mission by providing accessible and transparent recruitment services to millions of Indian youth.

Firm foundation of Digital India ecosystem and the learnings from IBPS, SSC and RRB examples along with the evolution of digital assessment infrastructure will provide a useful launchpad for NRA to take off to further innovations and improvements.

Salient Features of NRA

1. Proposed Structure

NRA will be a multi-agency body—a Society (under Societies Registration Act, 1860). It will have a 10 member apex Governing Body including a Chairman and a Member Secretary of the rank of Secretary and Joint Secretary in Government of India respectively. Three Members will represent Department of Personnel



b. Common Application Portal

Instead of bothering about submitting multiple applications and fee payments, candidates will fill a single online application on this portal.

c. Common Eligibility Tests (CETs)

Similarly, instead of separate recruitment tests by different agencies, there will be Common Computer-Based Eligibility Tests (CETs). There will be separate CETs for the Graduate, the Higher Secondary (12th pass) and the Matriculate (10th Pass) candidates. NRA will use robust ICT to eradicate malpractices. The single CET would provide major relief to poor candidates. Currently, apart from examination fees, candidates have to incur additional expenses for travel, boarding, lodging and other such. A single examination will reduce the financial burden and stress of candidates to a great extent. On an average, 2.5 crore to 3 crore candidates appear in these examinations. A Common Eligibility Test would enable these candidates to appear once in the screening test and apply to any or all of these recruitment agencies for the next levels of examination.

d. Benefits to Recruiting Agencies: Shortening the Recruitment Cycle

A single eligibility test would significantly reduce the recruitment cycle and will lead to huge saving of resources currently being incurred by SSC, RRBs and IBPS on holding multiple such exams separately. With reduced cycle time, vacancies will also be filled up expeditiously. Some departments have indicated their intention to do away with any second level test and go ahead with recruitment on the basis of CET scores, Physical Tests and Medical examination. This would further reduce the cycle and benefit a large section of youth.

e. Bi-annual CETs

NRA proposes to conduct two CETs every year for each levels of

Graduation, Higher Secondary and Matriculation. There will be no bar on number of attempts that a candidate can take.

f. Subsequent Stages for Final Selection

Based on the scores obtained in the CET, final selection for recruitment shall be made through separate specialised Tiers (II, III etc) of examination. These may include subject-based tests, skill tests or physical tests. These later stages of recruitments will be conducted by respective Recruitment Agencies.

g. Validity of CET Scores

CET scores shall be valid for three years. A candidate with good score need not appear in CET every year. At the same time, the candidates

RRBs started Computer-Based Tests—CBTs (commonly called as online tests) in 2015 for 18 Lakh candidates and the very next year successfully conducted CBT for about 92 Lakh candidates—a world record at that time. This record was again broken by RRBs in 2018 when they successfully organised two back to back CBTs for staggering 2.37 Crore candidates.

with poor scores will not be stuck up with that one poor score.

h. Opportunity to Improve Scores

CETs will not be a one time make or break events for the candidates. They will get several opportunities to improve their scores. Best score shall be treated as the current score. This feature is going to be a major recruitment reform.

i. Standardised Testing

Currently, candidates appearing for separate tests of SSC, RRBs and IBPS prepare under lot of duress for different curriculum and examination patterns. Under NRA, curriculum, exam pattern and standards of CETs would be uniform. This would greatly ease the burden and stress of candidates. It is expected that NCERT syllabus will form the basis of CET curriculums and CETs would have multiple choice questions (MCQs).

j. Taking Recruitments to Candidates' Doorsteps

NRA will set up Examination Centres in every District of the country, with special focus on 117 Aspirational Districts. It would greatly enhance exam access to the candidates located in far-flung areas. Benefits in terms of cost, effort, safety and much more would be immense. The proposal will not only ease access to rural candidates, it will also motivate the rural candidates residing in the far-flung areas to take



is expected that other recruitment agencies in the Central Government would adopt the same. Further, it would be open for other agencies in the public as well as private domain to adopt it if they so choose. Thus, in the long run, the CET score could be shared with other recruiting agencies in the Central Government, State Governments/Union Territories, Public Sector Undertaking and Private Sector. This would help such organisations in saving costs and time spent on recruitment. Madhya Pradesh has already shown its interest in using CET scores.

the examination and thereby, enhance their representation in Central Government jobs. Women candidates and candidates with disabilities will be specially benefitted with this move. Taking job opportunities closer to the people is a radical step that would greatly enhance ease of living for the youth.

k. Scheduling Tests and Choosing Centres

Candidates would have the facility of registering on a common portal and give a choice of Centres. Based on availability, they would be allotted Centres. The ultimate aim is to reach a stage wherein candidates can schedule their own tests at Centres of their choice.

Outreach Initiatives by NRA

a. Multiple Languages

Barring RRB examinations, other exams are currently administered only bilingually—in Hindi and English. The CET would be available in 12 Indian languages, including English. This would greatly facilitate people from regional linguistic backgrounds in different parts of the country to take the exam and have an equal opportunity of being selected.

b. Scores—Access to Multiple Recruitment Agencies

Initially, the scores would be used by the three major recruitment agencies—SSC, RRBs and IBPS. However, over a period of time it

c. Mock Test for Candidates from Rural and Backward Areas

NRA will conduct mock tests for facility of such candidates. Besides mock tests, 24×7 helpline and grievance redressal portal will also be made available.

New Century Recruitment Reform

After about four decades of conventional pen and paper or OMR based organisation-specific recruitment examinations, NRA comes with path-breaking reform, the first in this century, acknowledging the positive changes happening in New India and its aspirational youth. With NRA, crores of aspiring youth are set to embark on a new career path. □

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Multiple Choice Questions

- Which of these option/s is/are correct while arranging the States in the ascending order of ranking (better performers first) based on implementation of Business Reform Action Plan for the year 2019?**

 - Andhra Pradesh, Uttar Pradesh, Telangana
 - Telangana, Andhra Pradesh, Uttar Pradesh
 - Madhya Pradesh, Jharkhand, Chhattisgarh
 - Himachal Pradesh, Rajasthan, West Bengal, Gujarat

A) Only i) B) ii) and iii)
C) i) iii) and iv) D) All of the above
- is a comprehensive breed improvement marketplace and information portal for direct use of farmers?**

A) Matsya Sagar App B) E-Gopala App
C) E-Neem App D) Kheti App
- Which of the following statements are true for “One Nation One Ration Card”?**

 - Two UTs of Ladakh and Lakshadweep have been recently integrated to it
 - A total of 26 States/UTs are now connected with each other under the scheme
 - Beneficiaries can access their subsidised foodgrains from any Fair Price Shop of their choice w.e.f. 1st September 2021
 - The scheme to ensure the delivery of food security entitlements to all beneficiaries covered under the National Food Security Act, 2013

A) i), ii) and iv) B) i), ii) and iii)
C) All of the above D) None of the above
- Who has assumed the charge of new Election Commissioner of India?**

A) Sunil Arora B) Rajiv Kumar
C) VS Sampath D) Om Prakash Rawat
- Which of the following statements are true for recently demonstrated hypersonic air-breathing scramjet technology**

 - Demonstrated at Dr APJ Abdul Kalam Launch Complex at Wheeler Island, off the coast of Odisha
 - A velocity of five times the speed of sound i.e., nearly 02 km/second for more than 20 seconds was achieved
 - Demonstrated with the flight test of Hypersonic Technology Demonstration Vehicle

A) i) and ii) B) i) and iii)
C) All of the above D) None of the above
- Which of the following are true for INDRA NAVY-20?**

 - It is a biennial bilateral maritime exercise between Indian Navy and Russian Navy
 - The previous edition of the exercise was conducted off Visakhapatnam in December 2018
 - The Indian Navy was represented by guided missile destroyer *Ranvijay*, indigenous frigate *Sahyadri*, fleet tanker *Shakti* etc
 - Sahyadri* has been recently redeployed to provide assistance to MT New Diamond, which has caught fire off the coast of Sri Lanka.

A) i) and ii) B) ii) and iii)
C) i) D) All of the above
- The Asian Development Bank (ADB) and the Government of India signed a \$500 million loan, for...**

 - Katra-Delhi Rapid Transit System (RRTS) corridor
 - Delhi-Mumbai Rapid Transit System (RRTS) corridor
 - Ahmedabad-Mumbai Rapid Transit System (RRTS) corridor
 - Delhi-Meerut Regional Rapid Transit System (RRTS) corridor
- Various functionaries of the Government observed which of the following months in September 2020?**

 - Indradhanush Maah B) Poshan Maah
C) Mahila Shakti Maah D) Annadata Maah
- Which of these would be set-up under Mission Karmayogi?**

 - Human Resource Commission
 - Capacity Building Commission
 - Civil Servants Commission
 - Central Government Commission
- What is the name of the 24x7 Toll-Free Mental Health Rehabilitation Helpline (1800-599-0019) launched in 13 languages?**

 - Asha B) Sahyog
C) Kiran D) Shakti

Answers Key : 1. (C) 2. (B) 3. (A) 4. (B) 5. (B) 6. (D) 7. (D) 8. (B) 9. (B) 10. (C)

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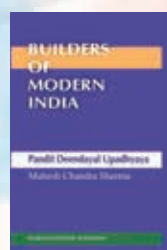
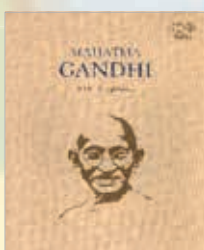
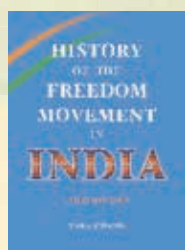
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Gandhiji's Contribution To World Thought

J B Kripalani

Gandhiji often said that he had nothing new to give to the world. He had no intention to form a sect of his own. He claimed no followers. About truth and non-violence he said these are "as old as the hills". Where then was his special contribution to the thought of the world and to the solutions of its problems?

It is true that truth and non-violence are as old as the hills. Not only were the prophets and reformers, but millions of ordinary people are also truthful. As a matter of fact, untruth cannot prosper in the world without the help of a large dose of truth. If all men were untruthful, all communications would cease. Nobody will then trust the word of anybody. But it is because people do expect that those with whom they have dealings of any sort will keep their word that communications are possible. It is only thus that the affairs of the world can and do go on.

It is well-known that there is a great deal of deceit in every sphere of life. This is more so in the commercial world. Yet it is a fact that a merchant's word given to another merchant is usually as good as his bond. If this were not so, no transactions would be possible. Transactions worth millions of rupees, pounds and dollars are carried on by mere word of mouth.

Nothing can be more deceitful than international diplomacy. It is said that treaties are treated by nations as scraps of paper when they do not serve their interest as conceived by them. Yet treaties and agreements are again and again made among nations every day. As soon as one treaty is broken another is made, or else there would be no communication between nations.

Where then comes Gandhiji's special contribution? It lies in the fact that *Satya* was made into *Satyagraha*, truth was made into insistence on truth. It was made into a weapon to fight untruth, injustice and tyranny. It was made dynamic and contagious. Even today millions of people are truthful. But do they fight untruth? We find millions

of truthful people but few who would risk their lives to see that truth prevails. If they are merely truthful, they are *Satyawadis* (truthful) but not *Satyagrahis*, prepared to bear any consequences in pursuit of it. They are only followers of truth but not its soldiers. Whenever they have fought for truth, they have done so through untruth. Will a double untruth turn into truth by some magic wand? To be a follower of truth in Gandhiji's sense one has to become a crusader of truth; one has then no weapon other than truth to fight untruth. This will add truth to truth and not untruth to untruth.



The same is the case with no-violence of Gandhiji's conception. Very few people practice violence in the ordinary affairs of the world. They go about peacefully in their lives. They rarely fight with their neighbours and even when they do, it is merely a wordy war. If they were to fight constantly with their neighbours, there would be no neighbours left. Are all these millions and millions of people non-violent in Gandhiji's sense? Evidently not, what then is lacking in their non-violence. May I suggest that what is lacking is resistance? Gandhiji's movement was not merely non-violent, it was non-violent resistance. It was not

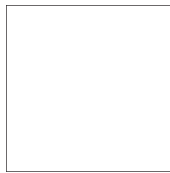
merely civil. It was civil disobedience.

Why again did Gandhiji think of non-violent resistance? Because, as the world goes today, one murder leads to another murder by common consent. This only means that people who allowed the second murder are at least accessory to it. If common opinion were against the second murder, it would be avoided. This clearly shows that violence cannot cure violence.

How then is violence to be tackled? By fighting it through non-violence and not by violence. Fighting violence with violence is being done every day but that is not violence as Gandhiji wanted from the non-violent resisters. We are civil without being civil resisters in the calls of justice.

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