



Dr. Beatrice Gorawantschy is Resident Representative of the Konrad-Adenauer-Stiftung in India.



Benjamin Querner is a trainee in the Konrad-Adenauer-Stiftung's office in New Delhi. In 2010 he was awarded his Master's degree by the Hertie School of Governance in Berlin.

INDIA'S ARMS RACE

CHALLENGES FOR FOREIGN, SECURITY AND DEFENCE POLICY

Beatrice Gorawantschy / Benjamin Querner

India is arming and is now the world's most lucrative market for military hardware. Since 2007 no other country has imported more arms and military equipment than the sub-continent. Until 2006 China was the world's top importer of arms, but now that its own arms industry is flourishing it is increasingly an exporter of weaponry and this is alarming its Indian neighbour. China is one of the most important suppliers of arms to Pakistan; as a result, Pakistan is now the third-largest buyer of armaments – a development that Indian security experts view with concern.¹ In view of India's present and future arms deals and the military build-up in the neighbouring states of China and Pakistan there are now fears of an Asian arms race.

At the start of 2012, therefore, all eyes looked towards India as the government prepared to conclude the country's largest ever arms deal. The French company Dassault Aviation emerged as the preferred bidder for the contract to supply the Indian government with medium multi-role combat aircraft (MMRCA), seeing off rivals including a consortium of German, British, Italian and Spanish companies that had offered to supply the Eurofighter Typhoon. The tender for the French Rafale fighter jet is now at the final review stage. If the contract is successfully concluded, Dassault Aviation will be commissioned to build 126 new combat aircraft. The arms deal, which is worth well over ten billion euros, is seen as a strategic turning point for the Indian air force, since for the first time the contract includes a complete technology transfer. In addition to the

1 | Cf. Brahma Chellaney, "China's Ethnic Tremors", *Project Syndicate*, 8 Aug 2011, <http://project-syndicate.org/commentary/china-s-ethnic-tremors> (accessed 20 Mar 2012).

modernisation of the air force, which urgently needs the new fighter jets, billions of euros' worth of other contracts for the navy and army are in the pipeline.²

With its successful test of the intercontinental Agni-V missile, which is capable of carrying a nuclear warhead and is said to have a range of more than 5,000 kilometres,³ India joins the elite club of countries that have long-range nuclear weapons. The missile programme represents an important step forward for Indian arms policy and is regarded as a response to China's similar efforts. The Indian prime minister Manmohan Singh described the missile test as "another milestone" in the quest to "strengthen the defence and security" of the country. In the Indian media there was widespread coverage of the "flawless" launch of the ballistic missile.⁴

The missile programme represents an important step forward for Indian arms policy and is regarded as a response to China's similar efforts.

Yet although the country is currently spending huge sums on equipping and modernising its armed forces, and although the Indian armed forces are regarded as the most powerful in South Asia, reform is slow to come about.⁵ The country's defence budget has been rising for years, but the armed forces are still not equipped to modern technical standards.

2 | Cf. Federal College for Security Studies (ed.), "Wettrüsten in Asien?", http://www.baks.bund.de/DE/Veranstaltungen/Rueckblick/Rueckblick2011/Trierer_China-Gespraech_2011/Trierer_China-Gespraech_2011.html (accessed 2 Feb 2012); "A rivalry that threatens the world", *The Economist*, 19 May 2011, <http://economist.com/node/18712274> (accessed 5 Feb 2012); "Rüstungswettlauf mit Pakistan", *Spiegel Online*, 9 Jun 2011, <http://spiegel.de/wissenschaft/technik/0,1518,767535,00.html> (accessed 5 Feb 2012).

3 | India successfully tested the intercontinental Agni V missile at about 8.10 a.m. on 19 Apr 2012 in the coastal region of the state of Orissa. The first test of a ballistic missile of this sort took place in 1989 with the launch of the Agni I, which had a range of 700 kilometres.

4 | Cf. Press Information Bureau, "PM congratulates DRDO scientists and technical personnel on Agni test launch success", 19 Apr 2012, <http://pib.nic.in/newsite/erelease.aspx?relid=82362> (accessed 20 Apr 2012); Manu Pubby, "Flexing with restraint, in reach and in name", *The Indian Express*, 20 Apr 2012, <http://indianexpress.com/news/939009/0> (accessed 15 May 2012).

5 | Cf. Answer from the German Government, "Rüstungsexporte an Indien und Pakistan", Drucksache 17/3391, 17/4620, 27 Jan 2011, Deutscher Bundestag, <http://dipbt.bundestag.de/dip21/btd/17/046/1704620.pdf> (accessed 15 May 2012).

Domestic military production capacity is inadequate and dependence on imports of foreign arms remains high. The regional superpower is still reliant on imports for more than 70 per cent of its armament needs. Licence contracts and domestic production contribute only a small share.⁶

The successful missile test and the modernisation of its armed forces are not enough to achieve security policy goals and make India a stabilising force in Asia.

Despite India's regional economic power and its growing influence in international affairs, its successful missile test and the modernisation of its armed forces are not enough to achieve security policy goals and make India a stabilising force in Asia. International terrorism, the disputes with Pakistan, unresolved border issues with China and threats to internal security from Naxalites and other separatist movements provide the greatest challenges for the country's foreign, security and defence policies and will continue to do so for the foreseeable future.⁷

THE INDIAN ARMED FORCES: MILITARY POLICY AND SECURITY STRATEGIES

In terms of troop numbers, India's armed forces rank with those of the USA and China as among the largest in the world. Its active forces total more than 1.33 million, of whom around 1.13 million serve in the army, around 127,200 in the air force and 58,350 in the navy and coastguard. In addition, the so-called paramilitary forces number more than a million.⁸

Until independence the Indian armed forces were fully integrated into the military structures of the British colonial

6 | Cf. Press Information Bureau, Government of India, "Antony Hints at Major Policy Changes for Defence Industry", 10 Nov 2010, <http://pib.nic.in/newsite/erelease.aspx?relid=66950> (accessed 14 May 2012). Licence contracts involve goods that are produced in India using foreign product technology.

7 | Cf. Beatrice Gorawantschy and Martin-Maurice Böhme, "India: International and External Security – Current Challenges to the Government", *KAS International Reports*, 8/2010, 122-142, <http://kas.de/wf/en/33.20262> (accessed 15 May 2012).

8 | Cf. Harjeet Singh (ed.), "Pentagon's South Asia Defence and Strategic Yearbook 2012", Pentagon Press; "For the paramilitary, all's in a new name", *The Telegraph*, 25 Mar 2011. The paramilitary forces include special units (e.g. Assam Rifles, Special Frontier Force) that do not form part of the actual armed forces but nevertheless fall partly under the command of the armed forces.

system. A strategy paper drafted by Baron Hastings Ismay, the last Chief of Staff of the British colony in India, and the Viceroy of India, Lord Louis Mountbatten, laid the foundation for the new political and military organisation of the country. On Baron Ismay's advice the Department of Defence was founded and supplemented by additional committees. The aim was to ensure better coordination of military decision-making between the political decision-makers, military chiefs and civil servants. Key decisions were to be taken by the newly created Defence Committee of the Cabinet. A Defence Minister's Committee and the Chiefs of Staff Committee (COSC), which brought together the chiefs of staff of each wing of the armed forces, were also set up.⁹

Since India became independent on 15 August 1947 its military policy has changed. The strategic character of the armed forces was shaped by the policies of the first prime minister, Jawaharlal Nehru. Nehru favoured military restraint and ensured that the influence of the military remained limited. He adopted a strategy of independence in foreign affairs and at an early stage declared self-reliance to be a political priority. Because he advocated avoidance of confrontation in the country's security policy, the military was accorded only a subordinate role during his period of leadership from 1947 to 1962. He also wanted to avoid high defence expenditure at a time of scarce resources, so as not to endanger the country's economy as a whole. Nevertheless, Nehru was not against all rearmament. His plan was therefore to gradually expand domestic production of military equipment, in order to reduce and eventually replace dependence on foreign imports.¹⁰

Nehrus plan was to gradually expand domestic production of military equipment, in order to reduce and eventually replace dependence on foreign imports.

9 | Cf. Arun Prakash, "India's Higher Defence Organisation: Implications for National Security and Jointness", *Journal of Defence Studies*, Vol. 1, No. 1, Aug 2007, http://idsa.in/jds/1_1_2007_IndiasHigherDefenceOrganization_aprakash (accessed 14 May 2012); General V. P. Malik, "Complexities of National Security Decision Making Process", *CLAWS Journal*, Summer 2011; S.S. Khera, *India's Defence problem*, Bombay, 1968, 1-10, 240 et sqq.

10 | Cf. Vijay Madan, "A Possible Future Military Thought for India", Institute for Defence Studies and Analyses India, <http://idsa-india.org/an-oct-1.html> (accessed 14 May 2012); Khera, n. 9; cf. Srinath Raghavan, *War and Peace in Modern India*, Palgrave, 2010, 1-46.

However, the principle of peaceful co-existence proved difficult to put into practice. Since independence India has been involved in four wars with neighbouring Pakistan (1947/1948, 1965, 1991, 1999) and the uprising in the Jammu and Kashmir region in 1988/1989 set the scene for continuing tension between the two nuclear powers.¹¹ India's defeat in the border war with China in 1962 is still a source of conflict, since China is constantly extending its political power in Asia. China's growing presence in India's sphere of influence in the Indian Ocean is likewise an increasing annoyance to India.¹²

THE QUEST FOR A MODERNISATION STRATEGY

The first decisive turning point in the civil-military balance of power came in 1955. The commanders-in-chief of the different wings of the armed forces were demoted to the rank of chief-of-staff and from then on were under the civil control of the Defence Secretary.¹³ At the same time they were stripped of their direct access to the prime minister and their position as direct military advisors.¹⁴ By contrast, the Ministry of Defence (MoD) – under civil management – was strengthened and the position of the government secretaries enhanced. This meant that the military decision-makers lost some of their decision-making responsibilities and, for example, no longer attended key cabinet meetings, since the military was now represented by the defence secretary.

The Ministry of Defence – under civil management – was strengthened and the position of the government secretaries enhanced.

According to analysts, no coherent security and defence policy emerged until 1962.¹⁵ Between the 1940s and the early

11 | Cf. Gurmeet Kanbal, "Kargil", contribution to "Symposium on low intensity conflicts", 1999, <http://india-seminar.com/1999/479/479%20kanwal.htm> (accessed 14 May 2012).

12 | Cf. Robert Kaplan, *Monsoon*, Random House, 2011, 5-15; Raja Menon and Rajiv Kumar, *The Long View From Delhi: To Define the Indian Grand Strategy for Foreign Policy*, Academic Found, 2011.

13 | Cf. Ministry of Defence, Government of India, *Annual Report 2010-11*, <http://mod.nic.in/reports/AR-eng-2011.pdf> (accessed 14 May 2012).

14 | Cf. Stephen P. Cohen, *The Indian Army: Its Contribution to the Development of a Nation*, Oxford University Press, 2001, 17-173.

15 | Cf. Stephen P. Cohen and Sunil Dasgupta, *Arming Without Aiming: India's Military Modernization*, Penguin Viking, 2010, 1-25, 75-82.

1950s, the focus of India's security policy was the dispute with Pakistan. When the Chinese invaded Tibet towards the end of 1950, India's political leaders were critical observers of the event but did not see it as having any direct bearing on their own unresolved border issues with China. Moreover, the Indo-Chinese treaty on Tibet signed in 1954, which laid down the principles of peaceful coexistence between the two countries, lulled Indian politicians into a false sense of security.¹⁶ In political circles the Indian military's warnings of a growing threat from China fell largely on deaf ears.¹⁷

REAPPRAISAL AFTER 1962

It took defeat in the border conflict with China in 1962 to persuade political decision-makers to rethink their attitude toward their own armed forces. The defeat engendered the realisation that cutting military expenditure and neglecting defence policy was no longer an appropriate response to the prevailing political conditions.¹⁸

This led to the first steps towards modernisation and restructuring of the Defence Committee of the Cabinet. The armed forces were dealt with more systematically, but there was no enhancement of the position of the armed forces within the MoD. Instead extensive military programmes were introduced with the aim of doubling the strength of the military and investing in the expansion of the air force. The Defence Research and Development Organisation (DRDO) had been set up in 1958 with responsibility for developing technology for military use. The DRDO was to become the main supplier of modern weapons systems and defence equipment. From the mid-1970s it was awarded a larger budget and given new orders to provide the armed forces with their own combat aircraft, tanks and

The Defence Research and Development Organisation had been set up in 1958 with responsibility for developing technology for military use.

16 | Cf. Christian Wagner, "Demokratieförderung und Außenpolitik in Indien", *SWP-Studie*, Stiftung Wissenschaft und Politik, Aug 2009, http://swp-berlin.org/de/publikationen/swp-studien-de/swp-studien-detail/article/indiens_aussenpolitik_demokratie_foerderung (accessed 14 May 2012).

17 | Cf. Raghavan, n. 10, 227, 272-278.

18 | Cf. K. Subrahmanyam, "Self-Reliant Defence and Indian Industry", Institute for Defence Studies and Analyses India, Oct 2000, <http://idsa-india.org/an-oct-00-2.html> (accessed 14 May 2012); Cohen and Dasgupta, n. 15, 1-25.

missile systems.¹⁹ The establishment of the Committee for Defence Planning in 1977 was also intended to help boost expansion of the capacity of the armed forces. This was followed by creation of the Department of Defence Production (DPD)²⁰ to ensure better coordination and organisation in the procurement of defence equipment and of the Director General Defence Planning Staff (DGDPS).²¹

During the Bangladesh offensive of 1971 the armed forces – led by the army – achieved more influence at institutional and operational levels. In 1971 India intervened successfully in this war on its own doorstep. Hostilities were followed by the separation of East Pakistan (Bangladesh) from the former West Pakistan (Pakistan) and recognition of the independent state of Bangladesh. A key factor in India's involvement was the refocusing of Indian's foreign policy under Prime Minister Indira Gandhi. Thereafter conflicts in the neighbouring states would not be resolved without India's assistance.²² The 1980s witnessed a second ambitious military modernisation programme under Prime Minister Rajiv Gandhi, who also held the post of Defence Minister between 1985 and 1987. The influence of the armed forces peaked for a while at this time, only to decline again with the assassination of Rajiv Gandhi and the economic crisis of 1990 to 1992.²³

In 1974 India conducted its first nuclear test. In both political and military terms this was regarded as a milestone in Indian nuclear research; the Indian view was that it bolstered the country's dominant position in international politics. In 1998 three more nuclear warheads were successfully tested in the Rajasthan desert. Shortly thereafter the Indian government declared the country a nuclear state and a world power. At the same time India sought to become a permanent member of the United Nations Security Council.²⁴

19 | Cf. Cohen and Dasgupta, n. 15, 1-25, 75-82.

20 | The DPD is responsible for controlling the production of defence equipment

21 | Control of the organisation of the armed forces

22 | Cf. Wagner, n. 16.

23 | Cf. Timothy D. Hoyt, "Modernizing the Indian Armed Forces", *Joint Force Quarterly*, 25, Summer 2000, 17-23.

24 | Cf. Heinrich Kreft, "Der eskalierende Konflikt in Südasien", *Internationale Politik und Gesellschaft*, Jan 1999, <http://library.fes.de/pdf-files/ipg/ipg-1999-1/artkreft.pdf> (accessed 14 May 2012).

POLICY CHANGE IN THE WAKE OF THE KARGIL CRISIS

The Kargil conflict with Pakistan in 1999 centred on a part of Kashmir to which both sides laid claim. It acquired special significance as a result of the fact that both India and Pakistan were now nuclear powers. While India initially hailed the struggle a success, retrospectively the conflict revealed the growing weakness of its armed forces and military planning.²⁵ Another considerable increase in the defence budget followed. Extensive reforms were announced, but by and large the problems remained: incongruent procedures, conflicting goals within and between the Indian armed forces and uncoordinated lines of command between the civil decision-making institutions and the armed forces.²⁶

The government increasingly came to realise that the country's defence policy needed to be revised. The Kargil Review Committee (KRC) was set up in the wake of the Kargil crisis; it was charged with analysing the reasons

The Kargil Review Committee was set up in the wake of the Kargil crisis. It was charged with analysing the reasons for the failures of the intelligence services and the causes of the recent war.

for the failures of the intelligence services and the causes of the recent war.²⁷ The findings and recommendations of the KRC led to the establishment of the Group of Ministers (GoM) in 2001, which reported on the underlying national security situation in India and had the task of implementing the KRC's recommendations.

The Report of the GoM in 2001 criticised the political leadership's long-standing strategic restraint on issues of military policy and the consequences of the military's reduced influence. Extensive proposals for reform were drawn up and submitted to the government. Among the points particularly singled out for criticism by the report were the absence of a national security strategy, the low priority attached to funding of the arms policy and an insufficiently well coordinated approach to the Indian armed forces. What the report's authors most wanted to see was greater

25 | Cf. P.R. Chari, "Reflections on the Kargil War", *Strategic Analysis* 33, No. 3, Feb 2009; Kapil Kak, "India's Conventional Defence: Problems and Prospects", Institute for Defence Studies and Analyses India, 1999, <http://idsa-india.org/an-feb9-1.html> (accessed 14 May 2012).

26 | Ibid.; Jasjit Singh, "India's Nuclear Policy: The Year After", Institute for Defence Studies and Analyses India, Jul 1999, <http://idsa-india.org/an-jul9-1.html> (accessed 3 Mar 2012).

27 | Cf. Cohen and Dasgupta, n. 15, 40-42 et sqq.

integration of the armed forces in the Defence Ministry and with it the appointment of a Chief of Defence Staff (CDS), whose task would be to improve coordination and communication between the Indian armed forces and the MoD.²⁸

The GoM's principal concern was the establishment of a Chief of Defence Staff. The post still has not been created.

Ten years after publication of the GoM report most of the proposed reforms had been implemented, but nevertheless the attempts at modernisation are not regarded as a success. The GoM's principal concern was the establishment of a Chief of Defence Staff (CDS) – a post that has still not been created. Other aspects that are viewed as failures are the inadequate integration of the armed forces in the MoD and what experts see as inadequate involvement of the military leadership in strategic decision-making by civilian officials.²⁹

The problems are long-standing ones and they form part of the current debate on the state of the Indian armed forces. For example, the serious underequipping of the Indian armed forces has been highlighted in various studies and in the media:³⁰ one recent study estimates that 15 per cent of the armed forces' equipment can be classed as "state of the art", 35 per cent as "matured" and 35 per cent as "obsolescent".³¹ Much of this equipment – around 70 per cent – still comes from factories in the former Soviet Union, which until its collapse was by far the biggest supplier of India's defence hardware.³²

28 | Cf. Report of the GoM, "Reforming the National Security System – Recommendations of the Group of Ministers", 2001, <http://mod.nic.in/newaddition/rcontents.htm> (accessed 15 Mar 2012).

29 | Cf. Anit Mukherjee, "Failing to Deliver – Post-Crisis Defence Reforms in India", *IDSA Occasional Paper*, No. 18, 1998-2010.

30 | Cf. KPMG (ed.), *Opportunities in the Indian Defence Sector 2010*, <http://kpmg.com/global/en/issuesandinsights/articlespublications/pages/opportunities-indian-defence-sector.aspx> (accessed 14 May 2012); Jayant Baranwal (ed.), *SP's military yearbook 2009-2010*, SP Guide Publications, New Delhi, 2010; idem, *SP's military yearbook 2011-2012*, SP Guide Publications, New Delhi, 2011; P.C. Katoch, "Declining Defence Budget", in: Jayant, *SP's military yearbook 2009-2010*, loc. cit.

31 | Cf. KPMG, n. 30; Confederation of Indian Industry (ed.), *Prospects for Global Defence Export Industry in Indian Defence Market*, <http://defense-aerospace.com/dae/articles/communications/DeloitteIndianDefence.pdf> (accessed 14 May 2012).

32 | Cf. Cohen and Dasgupta, n. 15, 20; KPMG, n. 30.

INVESTMENT IN SECURITY: INFLUENCE AND DEVELOPMENT OF THE DEFENCE BUDGET

Modernisation of the armed forces is an important element of a stable and sustainable security architecture in India. However, modernisation does not depend only on the level of the available funds; another crucial factor is the country's strategic orientation and the political will of the government. Foreign policy experts and former military officials are urging the creation of a coherent national security strategy. In the view of analysts and strategists, a holistic strategic plan would make it significantly easier to monitor the objectives and state of development of military planning.³³

THE DEFENCE BUDGET: STRUCTURE, SCOPE AND STRATEGY

The defence budget is submitted by the Finance Minister at the start of the year and approved by Parliament. The defence budget for the years 2012 and 2013 involves expenditure of 40 billion U.S. dollars. This is equivalent to 13 per cent of the total budget or around 1.9 per cent of gross domestic product (GDP). It is 17 per cent higher than the budget for the previous year, making this the largest budget increase in recent times.³⁴

The defence budget for the years 2012 and 2013 involves expenditure of 40 billion U.S. dollars. This is equivalent to 13 per cent of the total budget.

India accounts for around ten per cent of all international arms acquisitions (Table 1), having recently overtaken China as the world's largest importer of weapons. Pakistan with around five per cent has become the third-largest importer, ahead even of China. By contrast, an international comparison of defence budgets (Fig. 1) shows India lying far behind the USA and China but significantly ahead of its regional rival Pakistan.

33 | Cf. Arvind Gupta, "A National Security Strategy Document for India", IDSA Comment, 2011, 1-5.

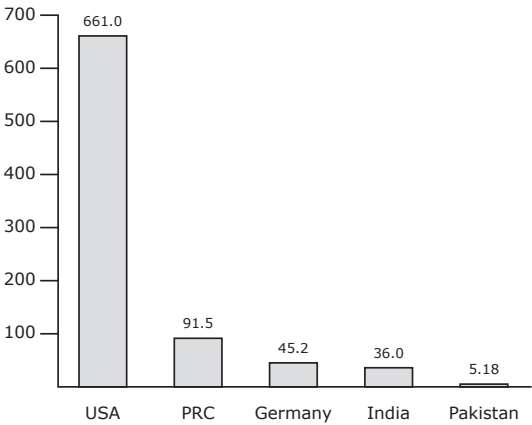
34 | Laxman K. Behera, "India's Defence Budget 2012-13", IDSA Comment, Mar 2012.

Table 1
Worldwide import and export of arms 2007-2011

Recipient	Global share in per cent	Arms suppliers (as percentage of recipient imports)		
		1.	2.	3.
India	10	Russia (80)	Great Britain (6)	Israel (4)
South Korea	6	USA (74)	Germany (17)	France (7)
Pakistan	5	China (42)	USA (36)	Sweden (5)
China	5	Russia (78)	France (12)	Switzerland (5)
Singapore	4	USA (43)	France (39)	Germany (8)

Source: SIPRI Military Expenditure Database, Stockholm International Peace Research Institute (SIPRI) 2010, 2011, <http://www.sipri.org/databases/milex> (accessed 18 May 2012).

Fig. 1
Arms expenditure (in billion U.S. dollars) 2011



Source: Stockholm International Peace Research Institute (SIPRI) 2010, 2011, <http://www.sipri.org/databases/milex> (accessed 18 May 2012).

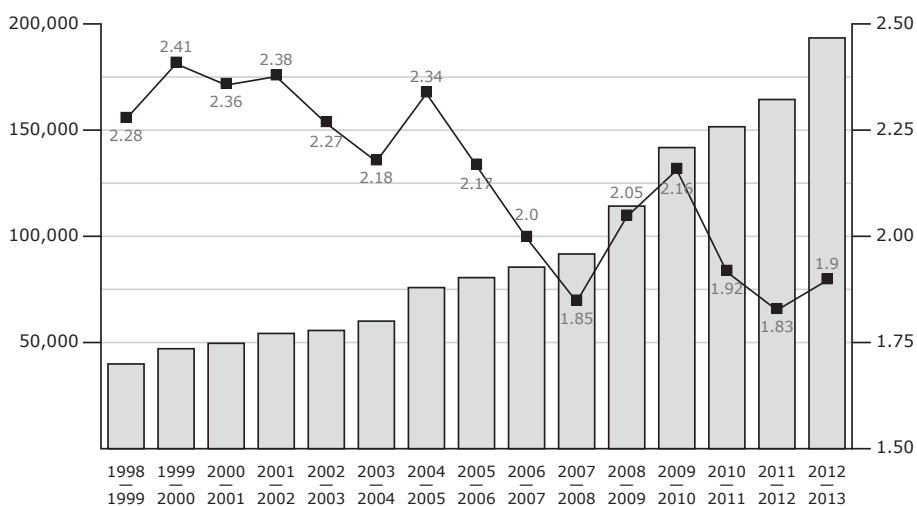
Over the last ten years the Indian defence budget has risen by between three and 34 per cent per year.³⁵ While there has always been a year-on-year increase, the amount of the increase has varied between 1.8 and 2.5 per cent of the GDP. As a percentage of the GDP the long-term trend

35 | The large fluctuations reflect among other things the armed forces' continuous modernisation methods and the continuously rising staff costs of the military.

is in fact negative (Fig. 2). This is mainly on account of politicians' restrictive attitude to military expenditure of more than three per cent of the GDP. Nevertheless, the level of its defence expenditure by comparison with that of other countries now makes India the world's largest importer of arms. The long-term aim, though, is to keep defence expenditure at less than two per cent of the GDP.³⁶ This contrasts with the MoD's announcement that it intends to increase the defence budget by ten per cent or 100 billion U.S. dollars annually until 2015. If India's high inflation rate, which averaged more than ten per cent last year, is taken into account, the MoD's demands for budget increases are put into perspective.

Fig. 2

Defence budget 1998-2013 (in Indian rupee, crore³⁷) and budget expressed as percentage of GDP



Source: Behera, n. 34.

36 | Cf. Report of the 13th Finance Commission, Dec 2009, http://fincomindia.nic.in/writereaddata%5Chtml_en_files%5Ctfc/13fcrcngVol2.pdf (accessed 14 May 2012). By contrast, the Indian armed forces and analysts consider a value of at least 3 per cent of GDP to be necessary.

37 | The word crore is used in South Asia to describe a figure of ten million. 1 Euro = 66.875 Indian rupees (exchange rate of 5 Apr 2012).

At macro level the defence budget is subdivided into the two categories of “current expenditure” and “capital expenditure”. Current defence expenditure includes costs such as personnel, maintenance and transport. Capital expenditure is available for modernisation of the armed forces. Manpower-related defence expenditure is the largest item in the budget, accounting for around 60 per cent, followed by defence investment expenditure at around 40 per cent. Research and development forms part of capital expenditure. This means that only the smaller part of the budget is available for modernisation of the armed forces.³⁸

Over the last ten years the army’s share of costs has fallen, while those of the navy and air force have risen. The army accounts for the majority of current defence expenditure, absorbing almost 70 per cent of personnel costs. At the same time the army harbours the greatest potential for savings. The highest capital expenditure has been incurred by the air force, which has undergone extensive modernisation in recent years (Table 2).

Table 2
Distribution of capital expenditure among the armed forces 2002-2012 (in per cent)

	2002-2004	2004-2006	2006-2008	2008-2010	2010-2012
Army	29	28	29	28	26
Navy	29	24	24	24	22
Air force	34	40	38	38	41
R&D	5	6	7	8	8
Other	3	2	2	2	3

Source: Behera, n. 34.

It is expected that the contract for the purchase of 126 combat aircraft worth over ten billion euros will be signed this year. The navy is also planning to spend billions of euros on new equipment over the next few years. Following the induction in April 2012 of INS Chakra, a nuclear submarine

38 | Cf. KPMG, n. 30; Jayant, *SP’s Yearbook 2010-2011*, n. 30; *SP’s Yearbook 2011-2012*, n. 30; P.C. Katoch, “Declining Defence Budget”, n. 30.

on a ten-year lease from the Russian navy, six more submarines of Indian manufacture are due to be delivered between 2015 and 2018.³⁹ Since 2007 India has placed orders for arms totalling some 20 billion euros. Other orders worth over 35 billion euros are in the pipeline.⁴⁰

CIVIL-MILITARY RELATIONS: ACTORS, INSTITUTIONS AND COMPETING INTERESTS

The relations and balance of power between the civil government and the military shape the development of states and are a sign of the status of the rule of law.

In a democracy the military is under the civil control of democratically legitimated institutions. Political decision-makers determine the authority of the military chiefs of staff and decide what influence the military should have on decision-making in the areas of security policy and foreign affairs.⁴¹ In India, strong civil control of the military – based on the structures of the British colonial system – developed shortly after independence. Mistrust of the potential influence of the armed forces was fuelled when governments in neighbouring countries were toppled by coups.⁴²

In India, strong civil control of the military – based on the structures of the British colonial system – developed shortly after independence.

The Ministry of Defence that was established in August 1947 has been restructured on several occasions. It now consists of the four departments of Defence, Defence Ex-Servicemen, R&D, and Production and Supply, together

39 | Cf. "Russian-built nuclear submarine joins Indian navy", *BBC News*, 4 Apr 2012, <http://bbc.co.uk/news/world-asia-india-17606829> (accessed 14 May 2012); Press Information Bureau, Government of India, "Antony Commissions Nuclear Submarine 'INS Chakra' into Indian Navy", 4 Apr 2012, <http://pib.nic.in/newsite/erelease.aspx?relid=82089> (accessed 14 May 2012); idem, "Submarine Fleet of Navy", 19 Mar 2012, <http://pib.nic.in/newsite/PrintRelease.aspx?relid=81182> (accessed 14 May 2012); Arun Prakash, "Maritime Security: An Indo-Pacific Perspective", *Defence Watch*, Mar 2012, 9-14.

40 | Cf. KPMG, n. 30; Jayant, *SP's Yearbook 2010-2011*, n. 30; P.C. Katoch, "Declining Defence Budget", n. 30; Ministry of Defence (ed.), *Annual Report of Accounts 2010-2011*, <http://mod.nic.in/reports/welcome.html> (accessed 14 May 2012).

41 | Cf. Aurel Croissant, „Wer bewacht die Wächter? Das Militär in Zeiten politischen Umbruchs“, *Ruperto Carola*, Mar 2011, <http://www.uni-heidelberg.de/presse/ruca/2011-3/03wer.html> (accessed 14 May 2012).

42 | Cf. Cohen and Dasgupta, n. 15, 39 et seq., 143 et seq.

with the Finance Division. This structure is laid down in the Government of India Business Rules, which also play a key part in regulating civil-military relations.

The Cabinet Committee on Security (CCS)⁴³ is the most important body for issues of national security and the country's strategic orientation. The CCS has the task of handling all defence-related matters affecting the country's internal and external security. The CCS and the National Security Council (NSC) are the country's highest control and coordination bodies. The NSC is headed by the National Security Advisor (NSA). This post was created under the BJP government in 1998, originally with the aim of strengthening national security. The NSA also acts as chair of the Executive Council of the Nuclear Command Authority

Over time the National Security Advisor has become the prime minister's principal negotiator in strategic discussions with the major powers.

and is responsible for the areas of defence, internal security, nuclear policy and the border conflict in Jammu/Kashmir. Over time the NSA has become the prime minister's principal negotiator in strategic discussions with the major powers.⁴⁴

Parliamentary control is effected through the Parliamentary Standing Committee on Defence (SCD), which, however, has only limited powers to intervene in the decision-making process. It is, however, an important control institution for the government, because it can initiate investigations and request detailed reports on defence policy, which in some cases it also makes public.⁴⁵

A number of think tanks and independent analysts – often former military officers or former diplomats – also attempt to influence the security policy debate. The media, too, have a considerable influence. For example, publication in the media of the Kargil Review Committee Report (Kargil, Pakistan, Incursion of the Line of Control) triggered debate on the failings of the Indian defence system, because important information about its shortcomings had been

43 | Cf. List of government committees, http://cabsec.nic.in/showpdf.php?type=council_cabinet_committees (accessed 14 May 2012).

44 | Cf. Gorawantschy and Böhme, n. 7, 139.

45 | Cf. Parliamentary Standing Committee on Defence, Committees under Lok Sabha: Defence, http://164.100.47.134/committee/committee_list.aspx (accessed 14 May 2012).

made public.⁴⁶ Recently the armed forces have again been the focus of media reporting, with extensive commentary on the succession policy and the age of the outgoing Chief of Army Staff, General V.K. Singh. Initially the general's pension arrangements were the subject of the media's attention as a result of conflicting records of the year of his birth. The media debate subsequently broadened its scope and there were extensive interviews with General Singh about alleged attempts at corruption in the procurement of defence equipment for the army. Following the publication of internal military documents that took a critical view of the state of the armed forces, public discussion of military issues continued for weeks.⁴⁷

Following the publication of internal military documents that took a critical view of the state of the armed forces, public discussion of military issues continued for weeks.

CHALLENGES FOR INDIA'S FOREIGN, SECURITY AND DEFENCE POLICY, AND ITS STRATEGIC PARTNERSHIPS

India's international role has undergone considerable changes over the last few decades. For a long time "independence" and "self-reliance" were the watchwords of India's foreign and security policy; now the emphasis is on fostering "strategic partnerships" and forging closer links with other major powers in the region.⁴⁸ A key shift in Indian foreign policy occurred in the 1990s with the development of economic and political relations with other Asian states and regional organisations. The changed political landscape after the end of the East-West conflict led the Indian government of the time to initiate the "Look East" policy. The focus on economic cooperation led to the establishment of closer links with the Association for South-East Asian Nations (ASEAN). In the 1960s India had rejected the idea of membership. In 1996 it joined the ASEAN Regional Forum (ARF), in which security issues affecting the Asia-Pacific region are discussed.⁴⁹ In 2010 the Indo-ASEAN

46 | Cf. Cohen and Dasgupta, n. 15, 42 et sqq.

47 | Cf. Santosh Bhartiya, "It is a fight for principles", *The Indian Express*, 11 Apr 2012, <http://indianexpress.com/news/it-is-a-fight-for-principles/935146/0> (accessed 15 May 2012).

48 | Cf. Christian Wagner, "Indiens neue Internationale Rolle", *GIGA Focus*, Apr 2006, http://giga-hamburg.de/content/publikationen/pdf/gf_asien_0604.pdf (accessed 14 May 2012).

49 | Cf. ASEAN Regional Forum, <http://aseanregionalforum.asean.org/about.html>, <http://mea.gov.in/staticfile/ASEANRegionalForum.pdf> (accessed 14 May 2012).

free trade agreement entered into effect, covering the exchange of goods between India and ASEAN. A free trade agreement for services is currently being negotiated; this will further strengthen relations with the ASEAN states.⁵⁰ It is not only for economic reasons that the countries of South-East Asia are keen to pursue closer cooperation with India; they also view India's involvement in the region as a strategic counterweight to the influence of China. Further steps in India's integration into Asia are its observer status in the Shanghai Cooperation Organization (SCO) and participation in the East Asia Summit (EAS).⁵¹

Asia's industrialised and emerging countries are now India's most important trading partners. They underpin India's economic integration in the region.

The "Look East" policy involved not only institutionalising relations with ASEAN but also improving bilateral relations with the individual ASEAN states and reviewing India's strategic positioning in South-East Asia in the light of the growing influence of China.⁵² Asia's industrialised and emerging countries are now India's most important trading partners; they underpin India's economic integration in the region. As a new economic power in Asia, India has also been able to pursue its political ambitions and in recent years has actively expanded cooperation in the areas of security and defence. Since 2003/2004 the annual report of the MoD has included a section on "Defence Relations with Foreign Countries". Cooperation on defence issues – also referred to as "defence diplomacy" – is regarded as a key component of India's foreign and security policy. In addition, it helps strengthen bilateral relations.⁵³ Important aspects of this defence diplomacy are training schemes and joint troop exercises, participation in security summits such as the Shangri-La Dialogue, new forms of cooperation on security and the import and export of arms and military

50 | Cf. Press Information Bureau, FTA with ASEAN Countries, 26 Mar 2012.

51 | Cf. Elli Polymeropoulos et al., „Asiatische Großmächte, China, Indien und Japan als Akteure regionaler und internationaler Ordnungspolitik“, *SWP-Studie*, Stiftung Wissenschaft und Politik, Apr 2011, http://swp-berlin.org/de/publikationen/swp-studien-de/swp-studien-detail/article/asiatische_gross_maechte (accessed 14 May 2012).

52 | Cf. G.V.C Naidu, "Whither the Look East Policy: India and South-east Asia", *Strategic Analysis* 28, No. 2, 2004, http://idsa.in/system/files/strategicanalysis_naidu_0604.pdf (accessed 14 May 2012).

53 | Cf. Ministry of Defence (ed.), n. 13., 166 et sqq.

equipment. India participates in security talks and dialogue forums with almost all Asian countries⁵⁴ and has strategic agreements and cooperation schemes in place with Japan and Singapore.

In particular, India and Japan have strengthened their military relationship in recent years. For both countries, maritime security is the focus of their bilateral relations. Since 2000 the Indian and Japanese coastguard have been conducting joint emergency and disaster training exercises and coordinating their safeguarding and monitoring of marine traffic. In 2006 they signed a Memorandum of Cooperation (MoC) intended to accelerate further initiatives and regular meetings. The "Joint Declaration on Security Cooperation between Japan and India" of 2008 extended joint troop exercises to the navies of both countries. Defence cooperation will in future also include the army and air force. An exchange of cadets between the National Defence Academy of Japan (NDAJ) and the National Defence Academy of India (NDAI) is likewise planned.⁵⁵ Negotiations on a bilateral civil nuclear agreement are currently in progress. India also conducts extensive troop exercises with Bangladesh and Nepal, and for some years it has been developing military relations with South Korea, Vietnam, Indonesia, Malaysia, Thailand and Australia.⁵⁶

India's relations with China have long been ambivalent. India and China are regarded as regional nuclear powers and hence play a key role in determining the direction of Asian security policy. While trade between the two countries has been growing for some time,⁵⁷ they remain at odds over the unresolved border issues in the Himalayas (China's role in Kashmir, the Tibet question and the presence of the Dalai Lama in India, and China's dam-building projects in

India and China are regarded as regional nuclear powers and hence play a key role in determining the direction of Asian security policy.

54 | Lecture by G.V.C. Naidu on "India and East Asia Security", 8 Dec 2011.

55 | Cf. website of the Ministry of Foreign Affairs of Japan: <http://www.mofa.go.jp/region/asia-paci/india/index.html> (accessed 14 May 2012); cf. Press Information Bureau, Government of India, "Maritime Security Issues Dominate India-Japan Defence talks", 3 Nov 2011, <http://pib.nic.in/newsite/erelease.aspx?relid=76976> (accessed 14 May 2012).

56 | Cf. Naidu, n. 54, 166-174.

57 | In the last ten years it has risen to more than 60 billion U.S. dollars.

the Himalayas), the re-arming of both countries and the growing military cooperation between China and Pakistan.⁵⁸ The demarcation of the Indo-Chinese border is still unclear in places; this regularly triggers border conflicts

The demarcation of the Indo-Chinese border is still unclear in places. This regularly triggers border conflicts between individual security units from both countries.

between individual security units from both countries. Meanwhile India is now dependent on the outcome of talks with China, because important water resources for northern India originate in China. However, the disputes about demarcation lines and water resources have not escalated recently; this can be attributed to the good personal relationship between Manmohan Singh and his Chinese counterpart Wen Jiabao and to India's well-balanced China policy.⁵⁹ Nevertheless, India and China have been unable to arrive at a common official line on the handling of the Tibet question and the Dalai Lama – from 1959 to 2011 head of the Tibetan government in exile. The former head of the Tibetans, who lives permanently in India and has been granted asylum there, is regarded by many Indians as a respected spiritual leader.⁶⁰ In the past, disputes about the role of the Dalai Lama have repeatedly led to heated political sparring between the two countries, although on the Chinese side the need for this may diminish with the political retreat of the Dalai Lama's successor.⁶¹ The successful testing of the Indian Agni V intercontinental missile has already elicited a fairly restrained response from the Chinese. Chinese commentators have emphasised the improved bilateral relations, while the Indian media are of the view that the Chinese government is concealing its anxieties about the Agni V.⁶²

58 | Cf. Chellaney, n. 1.

59 | Cf. Ananth Krishnan, "India, China play down border dispute", *The Hindu*, 17 Mar 2010, 5, <http://thehindu.com/news/international/article248182.ece> (accessed 15 May 2012).

60 | Cf. Sanjoy Majumder, "Frontier town venerates Dalai Lama", *BBC News*, 2 May 2010, <http://news.bbc.co.uk/2/hi/8351813.stm> (accessed 14 May 2012).

61 | Cf. Barbara O'Brien, "The Dalai Lama steps back, but not down", *The Guardian*, 11 Mar 2011, <http://guardian.co.uk/commentisfree/2011/mar/11/dalai-lama-retirement-tibetans> (accessed 14 May 2012).

62 | Cf. Beatrice Gorawantschy and Mareen Haring, "Stimmungsbild: Indien testet Interkontinentalrakete Agni-V", *KAS-Länderbericht*, 24 Apr 2012, http://kas.de/wf/doc/kas_30839-1522-1-30.pdf (accessed 14 May 2012).

As the most stable democracy and a regional economic power, India plays a key role in South-East Asian integration. India's hope is that a strategy of promoting peace and prosperity will prevent internal conflicts within the individual SAARC countries undermining regional

security and amplifying mutual tensions. At the same time, India's very size makes its smaller neighbours in the region feel threatened by the prospect of an Indian super-

India's very size makes its smaller neighbours in the region feel threatened by the prospect of an Indian superpower.

power. Joint efforts aimed at boosting regional cooperation and economic integration – such as the creation of the South Asian Association for Regional Cooperation (SAARC), the SAARC Preferential Trading Arrangements (SAPTA) and the South Asian Free Trade Area (SAFTA) – appear at first glance to have achieved only limited success.⁶³ Yet precisely on account of these bilateral, primarily political conflict lines ("small power-big power relations"), especially in light of shared political threats such as the risk of international terrorism, strengthening regional cooperation mechanisms would seem to be essential. In this context BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) is seeking to bring together the "Look West" policy of Thailand and ASEAN and the "Look East" strategy of India and South Asia.⁶⁴

The relationship between India and Pakistan continues to be tested. This is a result both of the historical division of the British colonial empire and of recent political developments in Pakistan and the attacks in Mumbai (November 2008). Another factor is Pakistan's involvement in the Hindu Kush, which puts regional security structures under strain. Talks between the two countries on a number of issues, including the Kashmir question, which had commenced in 2004 and had already led to the introduction of a number of trust-building measures, were temporarily suspended after the Mumbai attacks. However, the SAARC summit in Bhutan in 2010 marked an important step in Indo-Pakistani rapprochement. Agreement was reached at top government level on the resumption of a "comprehensive, substantial and results-oriented process of dialogue" at foreign ministerial level. This is due in particular to the policy nurtured carefully over several years by the Indian

63 | Cf. Gorawantschy and Böhme, n. 7.

64 | Ibid.

prime minister Manmohan Singh, who – despite much criticism from his own ranks and contrary demands from political hardliners – has not given up his moderate policy strategy towards Pakistan and has thus avoided an escalation of bilateral hostilities. These talks were continued at the SAARC summit in the Maldives in November 2011.

The Indian media as well as politicians agreed that the killing of Osama bin Laden in Abbottabad confirmed Pakistan as a “safe haven” for terrorists.

The killing of Osama bin Laden in Abbottabad, Pakistan, in May 2011 led to verbal clashes in the media between India and Pakistan. The Indian media as well as politicians in both government and opposition agreed that the event confirmed Pakistan as a “safe haven” for terrorists and cast doubt on Pakistan’s credibility. However, after the visit of the Pakistani foreign minister Hina Rabbano Khar to India in July 2011 the media spoke of a new era of bilateral relations – among other things, agreement was reached on trust-building measures for the disputed region of Kashmir.⁶⁵ Further signs that a new phase of rapprochement has dawned are the Pakistani government’s decision in February of this year to expand trade with India and the latest meeting between the Pakistani head of state Asif Ali Zardari and prime minister Singh in New Delhi in April 2012.⁶⁶ This was the first visit to India by a Pakistani head of state since 2005.

India has recently agreed a “strategic partnership” with Afghanistan. During President Hamid Karsai’s visit in October 2011 it was agreed that a “strategic dialogue” on national security would be set up. This is to be conducted by the national security authorities and will involve regular consultations with the aim of strengthening peace and security in the region. Issues will include the war on terrorism, organised crime, drug trafficking and money laun-

65 | “Efforts to eliminate terror havens must not abate: India”, *The Indian Express*, 2 May 2011, <http://indianexpress.com/news/efforts-to-eliminate-terror-havens-must-not-abate-india/784512> (accessed 14 May 2012).

66 | Cf. Christian Wagner, “Wandel durch Handel. Eine neue Phase der Annäherung zwischen Indien und Pakistan”, *SWP-Aktuell*, No. 19, Apr 2012, German Institute for International and Security Affairs, http://swp-berlin.org/fileadmin/contents/products/aktuell/2012A19_wgn.pdf; Sandeep Dikshit “Zardari for emulating India-China model for better ties”, *The Hindu*, 9 Apr 2012, <http://thehindu.com/news/national/article3294236.ece> (accessed 14 May 2012).

dering.⁶⁷ In light of relations between India and Pakistan, which remain tense despite efforts at rapprochement, this agreement is particularly strategic.

The refocusing of Indian foreign policy has been accompanied by growing interest from western industrialised countries in developing stronger economic and political relations with India. The last decade has certainly seen the emergence of a close partnership with the USA. The foundation for the strategic partnership between India and the United States was laid by the joint programme "Next Step for Strategic Partnership" (NSSP) of 2004 and the nuclear agreement announced by U.S. president George W. Bush and prime minister Singh in 2005 and adopted in 2008. The cooperation agreement provides a basis for nuclear trade between the two countries and sets out conditions for the transfer of civil nuclear technology.

Since the USA increased the attention paid to the Pacific region in its foreign and security policy, the scope of its defence cooperation and joint military exercises has been constantly expanded. In June 2005, building on the "Agreed Minute of Defence Relations" signed in 1995, India and the USA signed a ten-year defence agreement entitled the "New Framework for the U.S.-India Defence Relationship" (NFDR).⁶⁸ During his visit to India in 2010 President Barack Obama affirmed the good bilateral relationship and accorded India an important role in the security architecture of Asia. When U.S. secretary of state Hillary Clinton visited India in July 2011 she urged the country to play a leading role in the region appropriate to its growing economic power. The U.S. secretary of state's latest visit to Delhi in May 2012 confirmed the close partnership between the two countries ahead of the third U.S.-India Strategic

Building on the "Agreed Minute of Defence Relations" signed in 1995, India and the USA signed a ten-year defence agreement.

67 | Cf. Shubhajit Roy, "Delhi, Kabul enter first strategic partnership", *The Indian Express*, 5 Oct 2011, <http://indianexpress.com/news/delhi-kabul-enter-first-strategic-partnership/855981/0> (accessed 14 May 2012); Hamid Karzai during the 3rd RK Mishra Memorial Lecture, New Delhi, 5 Oct 2011; speech by Manmohan Singh to the joint session of the Afghan parliament on 13 May 2011.

68 | Cf. "India, US sign 10-year defence pact", *New Indian Express*, 29 Jun 2005.

Dialogue that will take place in Washington in June 2012.⁶⁹ In January 2012 the USA's new long-term military strategy was set out in a document entitled "Sustaining US Global Leadership: Priorities for 21st Century Defence". The Asia-Pacific area is becoming ever more important to the USA and is hence receiving more attention in its foreign policy. The United States intends to develop extensive deepened relations not only with China but also with India.⁷⁰ India and the USA have common interests in Asia – for example in connection with marine security, democracy and human rights. In addition, the USA would like to see India have a permanent seat on the World Security Council.

In addition, India's strategic partnership with Russia continues to be important. Until the collapse of the Soviet Union, India's links with Moscow were particularly strong and in the area of armaments there is still very extensive cooperation between the two countries. Russia is the only country with which India holds an annual defence meeting at ministerial level and it remains by far the most important arms partner for India. Bilateral relations between Russia and India were strengthened by Singh's visit to Moscow in December 2009 and the signing of a civil nuclear agreement. In addition, the long-term military agreement between the two countries has been extended by a further ten

During his visit to Moscow in October 2011, Indian defence minister Antony discussed potential defence cooperation measures with his Russian counterpart Anatoly Serdyukov.

years until 2020. Cooperation in the arms and nuclear industry was extended by the visit of the Russian prime minister Vladimir Putin to India in March 2010 and further strengthened by the visit of the Russian president Dmitry Medvedev in December of the same year. During his visit to Moscow in October 2011, Indian defence minister A.K. Antony discussed potential defence cooperation measures with his Russian counterpart Anatoly Serdyukov. In 2010 and 2011 important decisions were therefore taken with the aim of extending cooperation in the areas of defence technology, modernisation of military equipment and joint manufacture of military products.⁷¹

69 | Cf. "Hillary Clinton meets PM Manmohan Singh", *The Economic Times*, 8 May 2012.

70 | Cf. Hillary Clinton, "America's Pacific Century", *Foreign Policy*, Nov 2011, http://foreignpolicy.com/articles/2011/10/11/americas_pacific_century (accessed 14 May 2012).

71 | Cf. Press Information Bureau, Government of India, "Joint Statement furthering the India-Russia Strategic Partnership to meet the Challenges of a Changing World", 16 Dec 2011, ▶

CONCLUSION

Questions are increasingly being raised about India's role as a stabilising factor in a very conflict-prone region. As a solid democracy and the largest country on the Indian Ocean, a regional economic power and an important global trade-route hub, India occupies a special position – not only in the process of integration within South Asia, but also in international relations.

With regard to national security, it is up to India's political leadership to formulate a holistic, forward-looking security policy for the country that also embraces reform of the armed forces sector. India's National Security Advisor Shivshankar Menon has recently summarised this under five headings⁷²:

- Internal security: Modernising internal security instruments, for example by reforming legislation and police structures and setting up a National Counter-Terrorism Centre (NCTC).
- External security: Peace in the region and India's role in guaranteeing it.
- Defence: Guaranteeing India's conventional security and the country's defence.
- Global insecurity factors: These include the global economic and financial crisis, political developments in North Africa and the Middle East, the shifting balance of power in Asia and growing tension in regional crisis spots such as North Korea, Syria and Iran.

<http://pib.nic.in/newsite/erelease.aspx?relid=78857> (accessed 14 May 2012); "Antony to Go on a Three-Day Visit to Russia to Strengthen Defence Cooperation", *Defence Tech*, 30 Sep 2011, http://defencetech.in/index.php?option=com_content&view=article&id=797:antony-to-go-on-a-three-day-visit-to-russia-to-strengthen-defence-cooperation&catid=65:ministry&Itemid=56 (accessed 21 May 2012); Rajya Sabha, "Russian Policy Towards India", Ministry of External Affairs, Parliament Q & A, 25 Nov 2010; Press Information Bureau, Government of India, "Opening remarks by the Prime Minister at the Second Meeting of the India-Russia CEOs' Council", 7 Dec 2009, <http://pib.nic.in/newsite/erelease.aspx?relid=55371> (accessed 24 May 2012).

72 | Cf. Shiv Shankar Menon, "External environment doesn't support India's transformation", *The Indian Express*, 7 Apr 2012, <http://indianexpress.com/news/external-environment-doesnt-support-indias-transformation/933593> (accessed 15 May 2012).

- National security capacity: Increasing national security capacity in order to be equipped to tackle non-traditional risks such as cyber-crime and threats to energy security.

India's current attempts to develop a number of "strategic partnerships" indicate that the country's foreign and security policy is increasingly based on cooperation. Moreover, these strategic partnerships signify far more than cooperation on issues of foreign affairs and security policy; instead, they represent comprehensive cooperation projects in the areas of foreign and security policy, trade and industry, research, energy and innovation. For example, in light of the expansion of the strategic partnership with India, Herman Van Rompuy, President of the European Council, stated that "increased cooperation between India and the EU can make a difference for the security and the prosperity of our continents".⁷³ Within many of India's "strategic partnerships", combating international terrorism is a key concern. Shared political threats such as this increase the need for closer political cooperation by India both regionally and internationally.

Establishing new institutions and strengthening existing ones to investigate terrorist attacks and set up anti-terrorism early warning systems is a pressing task that the Indian government must face up to. In view of growing intra-state conflicts that act as a breeding ground for national and international terrorism, the Indian government must in particular take on two challenges: it must quickly set up a National Counter Terrorism Centre (NCTC) and ensure that it is efficiently structured, and it must reform the existing structure of the National Security Council so that sustainable strategic planning and analysis are guaranteed.

This involves not only being armed against threats to internal and external security, but also strengthening India's position globally as a strategic partner. The recent launch from Indian soil of an intercontinental missile capable of carrying a nuclear warhead has sparked media speculation of a new arms race between China and India. However, it is

73 | Cf. European Council (ed.), "Developing the strategic partnership with India", 10 Feb 2012, <http://european-council.europa.eu/home-page/highlights/developing-the-strategic-partnership-with-india?lang=en> (accessed 14 May 2012).

possible that Agni V represents an opportunity to establish a “strategic partnership” in the form of focused security diplomacy between the two nuclear powers.

Manuscript finalised on 8 May 2012.