

ROUTLEDGE SECURITY IN ASIA PACIFIC

India as an Asia Pacific Power

David Brewster

India as an Asia Pacific Power

David Brewster

This edition published 2012

by Routledge

2 Park Square, Milton Park, Abingdon, Oxon, OX14 4RN

Simultaneously published in the USA and Canada

by Routledge

711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

© 2012 David Brewster

The right of the David Brewster to be identified as author of this work has been asserted by him in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or reproduced or utilised in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

Trademark notice: Product or corporate names may be trademarks or registered trademarks, and are used only for identification and explanation without intent to infringe.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data

Brewster, David.

India as an Asia Pacific power / David Brewster.

p. cm. – (Routledge security in Asia Pacific series; 18)

Includes bibliographical references and index.

ISBN 978-0-415-61761-1 (cloth : alk. paper) – ISBN 978-0-203-63768-5

(ebook : alk. paper) 1. India–Foreign relations–Asia. 2. Asia–Foreign relations–India. 3. India–Foreign relations–Pacific Area. 4. Pacific Area–Foreign relations–India. I. Title. II. Series: Routledge security in Asia Pacific series ; 18.

DS33.4.I4B74 2012

355*.033054–dc22

2011016300

ISBN: 978-0-415-61761-1 (hbk)

ISBN: 978-0-203-63768-5 (ebk)

Typeset in Times New Roman

by Taylor & Francis Books



Printed and bound in Great Britain by the MPG Books Group

India as an Asia Pacific Power

The emergence of India as a regional and potentially global power is forcing us to rethink our mental map of the Asia Pacific. We are only just beginning to discern how India may alter the global economic landscape. How will the rise of India change the strategic landscape of Asia and beyond?

This book provides a comprehensive assessment of India's strategic relations in the Asia Pacific, a region which has not traditionally been understood to include India. It examines India's strategic thinking about the Asia Pacific, its relationships with China and the United States, and India's increasingly close security ties with other major countries in the region. It considers the consequences of India's rise on the Asia Pacific strategic order and asks whether India is likely to join the ranks of the major powers of the Asia Pacific in coming years.

David Brewster is a Visiting Fellow with the Strategic and Defence Studies Centre at the Australian National University. He has written widely about India's strategic relationships in the Asia Pacific and Indian Ocean.

Routledge Security in Asia Pacific Series

Series editors

Leszek Buszynski, International University of Japan and William Tow,
Australian National University

Security issues have become more prominent in the Asia Pacific region because of the presence of global players, rising great powers and confident middle powers, which intersect in complicated ways. This series puts forward important new work on key security issues in the region. It embraces the roles of the major actors, their defense policies and postures and their security interaction over the key issues of the region. It includes coverage of the United States, China, Japan, Russia, the Koreas as well as the middle powers of ASEAN and South Asia. It also covers issues relating to environmental and economic security as well as transnational actors and regional groupings.

1 Bush and Asia

America's evolving relations with East Asia

Edited by Mark Beeson

2 Japan, Australia and Asia-Pacific Security

Edited by Brad Williams and Andrew Newman

3 Regional Cooperation and Its Enemies in Northeast Asia

The impact of domestic forces

Edited by Edward Friedman and Sung Chull Kim

4 Energy Security in Asia

Edited by Michael Wesley

5 Australia as an Asia Pacific Regional Power

Friendships in flux

Edited by Brendan Taylor

6 Securing Southeast Asia

The politics of security sector reform

Mark Beeson and Alex J. Bellamy

7 Pakistan's Nuclear Weapons

Bhumitra Chakma

8 Human Security in East Asia

Challenges for collaborative action

Edited by Sorpong Peou

9 Security and International Politics in the South China Sea

Towards a co-operative management regime

Edited by Sam Bateman and Ralf Emmers

10 Japan's Peace Building Diplomacy in Asia

Seeking a more active political role

Lam Peng Er

11 Geopolitics and Maritime Territorial Disputes in East Asia

Ralf Emmers

12 North Korea's Military-Diplomatic Campaigns, 1966–2008

Narushige Michishita

13 Political Change, Democratic Transitions and Security in Southeast Asia

Mely Caballero-Anthony

14 American Sanctions in the Asia-Pacific

Brendan Taylor

15 Southeast Asia and the Rise of Chinese and Indian Naval Power

Between rising naval powers

Edited by Sam Bateman and Joshua Ho

16 Human Security in Southeast Asia

Yukiko Nishikawa

17 ASEAN and the Institutionalization of East Asia

Ralf Emmers

18 India as an Asia Pacific Power

David Brewster

Acknowledgements

Thanks to Christine, Jack, Juliette, Bronte and Essie for their love, patience, support and understanding. Many thanks also to my dedicated editorial team.

18 April 2011

Introduction

The emergence of India as a major regional and potentially a global power is forcing us to rethink our mental map of the Asia Pacific. We are only just beginning to discern how India may alter the economic landscape. India's impact on the strategic picture of Asia is even less clear. Although India is not traditionally understood to be part of the Asia Pacific, it is now claiming an important strategic role in that region. This book will examine the consequences of India's rise on the Asia Pacific strategic order and ask whether India is likely to join the ranks of the major powers of the Asia Pacific in coming years.

The consequences of India extending its power into the Asia Pacific are significant for itself, the region and the world. The Asia Pacific is the most economically vibrant region in the world and since the end of the Cold War has become the primary locus of interaction and competition between most of the world's major economic and military powers. The Asia Pacific is also becoming increasingly unstable, with numerous unresolved territorial disputes and shifting alignments in the face of China's growing power. India has the potential to profoundly alter the dynamics of the region. Some see the Asia Pacific's strategic landscape in coming decades as essentially involving competition and even conflict between the United States and China in East Asia. The rise of India has the potential to swing the regional balance for or against China, or even lead to a multipolar contest played across a wider space of the Pacific and Indian Oceans. India could bring greater stability to the region or it could make the Asia Pacific strategic order increasingly complex and unpredictable.

India has long been recognised as the leading power of South Asia. However, its potential as a major power must now be understood in several dimensions. India is in the process of extending its strategic reach beyond South Asia into the entire India Ocean region, westwards into West Asia and, perhaps most significantly, east towards the Asia Pacific. Its emergence as a power of regional and global significance has been largely driven by its remarkable economic growth over the last 20 years. If its growth continues as many predict, India will become one of the largest economies in the world. This will expand its political and economic influence and give India the capability, if it so chooses, to project military power far beyond its borders. Will the rise of India as an economic giant cause it to expand its strategic reach

into the Pacific Ocean, or will it remain relatively cautious and inward looking within its traditional area of influence?

Along with the development of its material capabilities there has also been a revolution in India's strategic thinking. In the years following independence, India worked within a strategic paradigm of nonalignment in which it generally avoided security alignments, while also seeking an important 'moral' role in the world system. For much of the Cold War, India effectively acted as the 'shop steward' of the Third World. In practice this paradigm also inhibited the extension of India's power beyond South Asia. The end of the Cold War has allowed India to refashion traditional ideas about strategic autonomy, the balance of power and space in a way that is now helping India extend its strategic reach. This has particular impact on India's role in the Asia Pacific.

Two major factors drawing India into the Asia Pacific are China and the United States. India identifies China as its principal long-term strategic competitor. With the economic rise of China and now India, competition between them has become multidimensional and more geographically spread, extending through much of the Indian Ocean region and the western Pacific. A need to balance against China's rising power and economic influence has become a driving force in India's engagement with the Asia Pacific. Over the last decade or so, India has also developed a much more cooperative strategic relationship with the United States, which sees benefit in building India as a counterweight to China in the Indian Ocean and the Asia Pacific. Although few in New Delhi will care to admit it, the United States is shaping India's role in the Asia Pacific.

There are, however, important constraints on India's ability to project power into the Asia Pacific. India is not physically part of the Pacific Ocean and despite its remarkable economic growth in recent years, its military and economic capabilities are limited. There is also a deep-seated understanding within much of East Asia that India occupies a separate cultural and strategic sphere. These factors limit India's ability to project power into the Asia Pacific and give particular importance to India's strategic partnerships in the region. For many years to come, India will to a significant extent need to cooperate with local partners to project power into the region – much more so than major powers situated on the Pacific Ocean, such as the United States, China, Japan and Russia. An examination of India's key relationships in the region and the willingness of India's partners to facilitate the projection of India's power is therefore necessary to understand India's future role.

The evolving 'peer' relationship between Japan and India will be important in defining India's strategic role in the Asia Pacific. Until recently Japan and India have shown an extraordinary degree of indifference towards each other. Each has seen the other as being largely beyond its sphere of strategic interest and each has seen little common cause in their relationships with China, the giant that lies between them. However, in recent years, shared concerns about China's growing power have led to an informal partnership. This may help legitimise India's claims to be recognised as a great power of Asia.

India's relationships with the middle powers in Indochina, archipelagic Southeast Asia and the South Pacific are also important to India's future strategic role. India has long recognised Vietnam's important geostrategic position dominating Indochina and the South China Sea and has long supported Vietnam against attempts by other major powers to dominate Indochina. However India has had only limited success in recent years in transforming its political partnership with Vietnam into a closer security relationship. India has had greater success in building a role in archipelagic Southeast Asia where Singapore has been a major focus of India's strategic ambitions. Singapore has positioned itself as India's strategic gateway to Southeast Asia and is increasingly seen by India as an eastern anchor to its strategic space that extends into Southeast Asia. Indonesia is also likely to play an increasingly important role in India's strategic ambitions in Southeast Asia. As Southeast Asia's largest power and a gatekeeper between the Indian and Pacific Oceans, Indonesia is likely to have a key role in India's ability to project power into the Pacific. India has also been improving its relationship with Australia, an active middle power in the Asia Pacific. India and Australia share many common interests in promoting maritime security and regional stability and there is significant scope for them to build a relationship that could facilitate the extension of India's influence into Southeast Asia and even the South Pacific.

In developing a role in the Asia Pacific India has not articulated any 'grand strategy' and seems unlikely to do so in the near future. However, one can identify several imperatives for India to play a greater role in the region. India is becoming increasingly wary of Chinese influence in South Asia and the Indian Ocean. India also sees the possibility of Chinese hegemony in East Asia as inimical to its aspirations to play a major role in a multipolar regional order. Together these create an imperative for India to balance against China in the Asia Pacific. But India's strategic motivations in the Asia Pacific go well beyond balancing against China. The extension of India's influence into Southeast Asia and beyond might be seen as a natural consequence of India's rise as a major power and the expansion of its strategic space. India has aspirations to become the leading power of the Indian Ocean region and some see India as having a natural sphere of influence extending into archipelagic Southeast Asia and Indochina.

In short, several factors are pushing India to adopt a major strategic role in the Asia Pacific. But many questions remain. It is not clear whether India will have the material capabilities or political willingness to project power into the western Pacific beyond Singapore. Although Asia Pacific states see India as a potentially important strategic partner, few see it as naturally 'belonging' to the region and legitimately exercising a direct security role. But should we see India as occupying a separate strategic sphere to the Asia Pacific, or should we begin to think about the Asia Pacific and the Indian Ocean region as a strategic whole? This book examines these questions and considers whether India will become a major power of the Asia Pacific.

Contents

| | |
|---|------|
| <i>Acknowledgements</i> | viii |
| <i>Introduction</i> | ix |
| 1 India as a great power | 1 |
| 2 Developments in Indian strategic thinking about the Asia Pacific | 18 |
| 3 Sino-Indian strategic competition and the Asia Pacific | 34 |
| 4 The United States and India's strategic role in the Asia Pacific | 49 |
| 5 Northeast Asia: India's peer relationship with Japan | 64 |
| 6 Indochina: India's political partnership with Vietnam | 90 |
| 7 Archipelagic Southeast Asia: India's strategic relationships with Singapore, Malaysia and Indonesia | 102 |
| 8 India's uncertain partnership with Australia | 119 |
| 9 India's maritime security ambitions in Southeast Asia and the western Pacific | 134 |
| 10 Understanding India's engagement with the Asia Pacific | 144 |
| 11 India as an Asia Pacific power | 156 |
| <i>Notes</i> | 165 |
| <i>Bibliography</i> | 193 |
| <i>Index</i> | 214 |

1 India as a great power

India has always believed it would shape the future of the world. In recent years India's dream of claiming its rightful place has come ever closer. On the back of its remarkable economic transformation, India is projecting its power and influence out of South Asia into West Asia and the Indian Ocean and, most significantly, into the Asia Pacific. But does India have what it takes to become a great power?

India's 'destiny' as a great power

Indians have long believed that India is destined to become a great state of global significance. Jawaharlal Nehru saw India's role in bringing morality and stability to the world as not a policy but as implicit in India itself. He spoke of India's 'manifest destiny' to become the third or fourth greatest power in the world.¹ In recent years it has become commonplace for Indian leaders to talk of India's 'destiny' as a 'great power'.² A widespread belief among India's elite of its destiny – and even of its obligation – to play a major role on the world stage distinguishes India from other important regional powers such as Indonesia or Brazil. However, India failed to achieve this destiny in the 50 years after its independence. The reasons are many, including relative economic failure, the constraints of the Cold War and India's security preoccupations in South Asia. But India's past failures have done little to diminish this underlying belief. As Stephen Cohen, a leading analyst of Indian strategic affairs, puts it: 'Despite foreign policy failures and much debate over tactics, the Indian elite holds fast to a vision of national greatness.'³

India's purported destiny has been received much more hesitantly outside India. During much of the Cold War, India was treated by many in the West and Asia as more of a problem or international irritation than a serious power to be reckoned with. Even in the mid-1990s, Henry Kissinger would only cautiously concede that India 'has yet to assume a role commensurate with its size on the international political stage'.⁴ Nonetheless, since the beginning of the twenty-first century a great many political leaders and analysts throughout the world have increasingly accepted that India will in coming years be recognised as a great power in the region and even the

2 *India as a great power*

world.⁵ The United States, in particular, made its view plain when a White House spokesman announced in 2005 that the US would 'help India become a major world power in the 21st century'.⁶ This change in expectations has been largely driven by the remarkable transformation in India's economy since the early 1990s and predictions of sustained high growth in future decades. It has also been driven by major transformations in Indian strategic behaviour, such as its 1998 declaration as a nuclear weapons state, and the development of new strategic relationships with the United States and other key states. These have all opened the way for India to project its power and influence beyond the traditional confines of South Asia.

While there are growing expectations of India's emergence as a great power, there is still much debate within India about the nature of its destined 'greatness'. There has long been a strong element of exceptionalism among the Indian elite who see India as a spiritual or moral leader of the world, and this perspective continues to be a significant factor in the way in which it exerts its influence.⁷ Many Indians believe that as one of the world's largest and most enduring civilisational entities, India is not only destined but also has a moral *obligation* to fulfil an international leadership role. Some see this combination of destiny and obligation as a legacy of India's nationalist independence movement as articulated by Nehru.⁸ Others link it with Hindutva beliefs about the superiority of Hindu civilisation over others.⁹ A perceived obligation to demonstrate moral and spiritual leadership in the international arena was one of the key ideological foundations of India's nonaligned posture during the Cold War. This was contrasted with what was often disparagingly referred to as the 'power politics' practised by the United States and other powerful states in the international system. Although during the post-Cold War period there has been less emphasis on spiritual or moral leadership and more emphasis on conventional capabilities backed by economic power, perceptions of Indian exceptionalism remain strong, if perhaps not always clearly articulated. As Indian Foreign Minister Yashwant Sinha commented in 2004:

It is important therefore that India distances itself from the conventional idea of power, as the ability of a nation to bend other nations to its will through coercive use of force. It is also essential to make clear at the very outset that India approaches the notion of power with an alternate vision and a deep consciousness of responsibilities. There can be no other way for India.¹⁰

However, India's exceptionalism seems to have little following outside India, at least in the post-Cold War world. On the contrary, the self-proclaimed moral dimension in India's strategic rhetoric and the particularly didactic approach of some Indian officials to international issues can sometimes be a source of puzzlement and irritation to many of India's interlocutors.

Despite widespread expectations that India's economic and political power will increase considerably in the coming decades, there remains more than a

little scepticism about India's ability to achieve its 'destiny' to become a great power, even in conventional terms. While India clearly has many attributes that could make it a major Asian power – and these will be discussed below – many believe that it will continue to be constrained by such factors as its difficult regional circumstances, incomplete economic reforms, flawed governance institutions and a lack of strategic thinking.¹¹ Some see India as having just enough power to resist the influence of others, but consider that it must make great strides before it can attain significant power over other states.¹² Cohen, who long argued the case for India's emergence as a great power, now concludes that India is less likely to emerge as a military great power than an economic great power – with an influence in the region perhaps equivalent to that of Japan. Cohen argues that the Indian political community is too domestically focused and the Indian security community is 'hopelessly unstrategic'.¹³ Many Chinese analysts in particular have long been publicly sceptical about India's great power aspirations, seeing India as weak and divided with unrealistic and unachievable 'big power dreams' (*daguomeng*).¹⁴

A significant gap also exists between what might be called India's strategic self-perceptions and its actual role in the international order. India has been described as a 'status inconsistent' power – that is, there is a discrepancy between its perceptions of its own achievements and its ascribed status at an international level.¹⁵ Among the international community, India is often regarded as *currently* possessing only some great power capabilities (e.g. nuclear weapons, a large population and military), and having the *potential* to possess others (e.g. economic strength and military power projection capabilities). However, many in New Delhi believe that India is unfairly denied recognition of its global importance through being denied such things as permanent membership of the UN Security Council, formal recognition as a nuclear weapons state and membership of Asia Pacific regional entities such as APEC. In other words, many in India perceive an entitlement to international status based on India's *potential* rather than *actual* capabilities. This impatience for an enhanced international status contrasts with what Paul Kennedy, author of *The Rise and Fall of Great Powers*, sees as a 'normal' time lag between the trajectory of a state's relative economic strength and the trajectory of its military/territorial influence.¹⁶ As Selig Harrison, a US expert on South Asia, put it, 'Many Indians have what might be called a "post-dated self image." They are confident that India is on the way to great power status and want others to treat them as if they had, in fact, already arrived.'¹⁷ The gap between India's ambitions and its capabilities is an oft-noted feature of Indian strategic behaviour.¹⁸

As will be seen later, a perception of status inconsistency is an important factor shaping India's strategic ambitions in the Asia Pacific. Although Asia Pacific states are to some extent willing to deal with India on the basis of its great power *potential*, the gap between its current capabilities and its ambitions will nevertheless cause its recognised strategic role to fall short of its

4 *India as a great power*

ambitions. How might we judge whether India has the capability to become a great power in the Asia Pacific?

India's capability to become a great power

There is no settled understanding in international relations theory as to what constitutes a great power. While various criteria have been put forward, many theorists have ended up concluding that while great powers are difficult to define in the abstract, they nevertheless 'know one when they see one'. There is certainly a degree of consensus as to which states should be regarded as great powers during different historical periods.¹⁹ Realists argue that at the heart of a great power is its ability to project military power.²⁰ However, most international relations theorists suggest that there needs to be an examination of a state's material and non-material resources as well as social or cultural factors in determining whether it should be regarded as a great power. Kenneth Waltz, the founder of the neorealist theory, argues that the key material factors determining whether a state should be regarded as great power include: population and territory; resource endowment; economic capability; political stability and competence; and military strength.²¹ In recent decades there has been particular focus on economic power as a key source of power in other dimensions. In *The Rise and Fall of Great Powers*, Kennedy documented the close long-run connection between the economic and military power and influence of rising states, arguing that not only are economic resources necessary to support a large scale military establishment, but also that the international system essentially operates on the basis of *relative* wealth and power. While Kennedy claims that economics plays a key role in the rise and fall of great powers he also avoids what he calls 'crude economic determinism', stressing that other factors such as geography, military organisation, national morale and alliances can, along with economics, be key to the success or failure of nations.²² Geopolitical theorists emphasise the fundamental role of space and geography in a state's capacity to be a great power.²³ This can be a function of size and location and especially the impact of geographic features on a state's ability to defend itself and to project power. Easy access to markets through maritime trading routes and other geographic factors can also play a major role in a state's economic development and therefore its potential military power.

Many international relations theorists also emphasise the importance of non-material factors in understanding whether a state should be regarded as a great power. These include such things as national 'will' and political stability which can directly affect a state's willingness and practical ability to project military power. Hedley Bull, the noted Australian strategic theorist, also emphasised that great power status was a socially constructed role in the international system. Bull argued that in addition to material factors, great powers must be:

recognised by others to have, and conceived by their leaders and peoples to have, certain rights and duties. Great powers, for example, assert the

right, and are accorded the right, to play a part in determining issues that affect the peace and security of the international system as a whole. They accept the duty, and are thought by others to have the duty, of modifying the policies in light of the managerial responsibility they bear.²⁴

Bull's definition in effect would require that a state recognise itself as a great power and be recognised by other states in the international system. The recognition of great power status by other states can be important at least in some circumstances. As will be seen later, the recognition of the legitimacy of India's role by key Asia Pacific states is a significant factor in its ability to act as a great power in that region.

Putting aside these debates over the definition of a 'great power', this book will consider whether India is likely to have the capacity and willingness to project power in the Asia Pacific that places it broadly within a category occupied by what are currently recognised to be the great or major powers of the region: the United States, China, Japan and, perhaps, Russia. Just as importantly, will these and other important states of the Asia Pacific treat India as an Asia Pacific power?

India is endowed with many of the attributes of a great power, arising from its huge population and geographic position. It is the second most populous state in the world with an estimated population of around 1.17 billion in 2009 and is expected to become the world's most populous state in the next two decades. It is one of the world's largest countries in area (with around 3.3 million square kilometres) and possesses large areas of arable land as well as significant reserves of coal, iron ore and other minerals. Its location, essentially dividing the northwest and northeast Indian Ocean, gives it the capacity to militarily dominate the Indian Ocean region, while the Himalayas provide a major defensive barrier to invasion from the north. Its position and long coastline (approximately 5,700 km) also provides easy access to the main trading routes between East Asia, the Middle East and Europe. India's democratic system provides it with political stability and resilience, although perhaps impedes long-term strategic planning and execution. Some believe that India also has significant 'soft power' attributes – that is, the ability of a state to get what it wants through attraction rather than coercion or payments – at least in the cultural dimension.²⁵

India also has significant military capabilities. Its military expenditure was the ninth largest in the world at US\$36.3 billion in 2009 (less than Saudi Arabia but more than Italy).²⁶ India is a declared nuclear weapons state with approximately 50–60 nuclear devices as of 2007.²⁷ Its military establishment is also very large in size: with the world's second largest army (around 1.1 million active regular personnel); the world's fourth largest air force (around 850 combat aircraft); and one of the world's largest navies. However, India's ability to project power beyond South Asia is somewhat constrained. Although it has a huge standing army, much of it is deployed to deal with domestic insurgencies or in defensive roles along its western and northern

borders. The Indian Navy is well trained and efficient, but is deficient in many areas, including in maritime reconnaissance, extended logistical support and expeditionary forces. Much of its equipment requires modernisation. There are also significant limitations in India's long-range nuclear weapon delivery capabilities, meaning that while India can deploy nuclear devices against all of Pakistan, it cannot deploy nuclear devices against China's eastern cities. India's nuclear doctrine calls for the development of a triad of air, land and sea-based delivery capabilities, however the development of some, such as a submarine launched ballistic missile delivery system, are reportedly a long way off.²⁸

Rapid economic growth in recent years is being translated into expanded military capabilities, particularly India's ability to project power. Military expenditure has increased significantly from Rs196 billion (US\$13.8 billion) in 1991 to Rs1,851 billion (US\$36.6 billion) in 2009, although as a percentage of GDP, military spending declined from around 3 per cent to 2.6 per cent over the same period.²⁹ Given the projected growth in the Indian economy, Indian military spending is likely to increase significantly in future years and there is also claimed to be broad political support for an increase in military spending as a percentage of GDP.³⁰ Much of the increase in India's defence expenditure in recent years has been devoted to modernising army and air force capabilities and transforming the Indian Navy into a blue water navy. The navy's share of defence expenditure (and particularly of capital expenditure) has increased very significantly in recent years. Nevertheless, it will be more than a decade before the Indian naval modernisation and expansion programme has a significant impact on India's ability to project maritime power.

Despite having many attributes of a great power, throughout much of its modern history India has had material deficiencies in several areas. These include economic underdevelopment, a strategic preoccupation with South Asia and policies that have inhibited the projection of power and influence beyond South Asia. Only in the last two decades has it taken significant steps to overcome these deficiencies, allowing India to claim to be a major power beyond its immediate neighbourhood.

From the biggest loser of the Cold War to an Asian juggernaut?

At independence, India was one of the poorest nations in the world. This was compounded in the following decades by policies that promoted economic autarky and a high level of government control of the economy, which in practice led to economic isolation and stagnation. The so-called 'Hindu rate of growth' averaging around 3 per cent per annum that India experienced from the 1950s to the 1980s,³¹ made India a by-word for failed economic policies and contrasted sharply with the 'economic miracles' being experienced in East Asia during that period. India's strategic doctrine also led it up a dead end. India sought to maintain its strategic autonomy during the Cold