

India Central Asia Relations



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Why in News?

- Recently India's External Affairs Minister (EAM) participated in first **India-Central Asia Dialogue** in Samarkand, Republic of Uzbekistan.
- Five countries from Central Asia participated in the dialogue- Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan.
- All the countries participating in the dialogue are also members of the **Shanghai Cooperation Organization**.

India-Central Asia Dialogue

- It was the first ministerial level India-Central Asia dialogue.
- Dialogue focused on a number of issues **including ways to improve** connectivity and stabilize war-ravaged Afghanistan.
- India has proposed setting up of 'India-Central Asia Development Group' to take forward development partnership between India & Central Asian countries.
 - The group may enable New Delhi to expand its footprints in the resource-rich region amid China's massive inroads and to fight terror effectively, including in Afghanistan.
- India will host the next India-Central Asia Dialogue in 2020.

Historical ties with Central Asia

- India has had relations with Central Asia since the 3rd century B.C as the nations fell on route to the **Legendary Silk Route**.
- The Silk Route not only served as the medium for transportation of goods, silk, textiles, spices etc but also facilitated dispersion of thoughts, ideas, religion and philosophy.
- Buddhism found inroads in several of Central Asian cities such as Merv, Khalachayan, Tirmiz and Bokhara etc in form of Stupas and Monasteries.

- Babur in 1526 came from the fertile valley of Fergana (food bowl of Central Asia) to the dusty town of Panipat and established the mighty rule of Mughals in India.
- Men of prominence such as Amir Khusrau, Dehlawi, Al-Biruni, Abdur Rahim Khan i Khanan etc having Central Asian routes came and made their name in India.
- During the Soviet period- culture, music, dance, movies and literature bound the Soviet Republics closely with India. Popularity of iconic stars like Raj Kapoor, Nargis, and others brought India into the homes and hearts of common people of this region.
- Bilateral relations however suffered considerable neglect in the 25 years after emergence of these countries as independent States in 1991.

Present Time

India has registered significant progress recently through renovation of **Chabahar port**, development of the **International North-South Transport Corridor (INSTC)** and becoming a member of **Ashgabat Agreement**.

International North-South Transport Corridor (INSTC)

- International North-South Transport Corridor (INSTC), is multi-modal transportation established in 12 Sep 2000 in St. Petersburg, by Iran, Russia and India for the purpose of promoting transportation cooperation among the Member States.
- This corridor connects India Ocean and the Persian Gulf to the Caspian Sea via the Islamic Republic of Iran and then is connected to St. Petersburg and North Europe via the Russian Federation.
- The INSTC was expanded to include eleven new members, namely: the Republic of Azerbaijan, Republic of Armenia, Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Turkey, Republic of Ukraine, Republic of Belarus, Oman, Syria, Bulgaria (Observer).
- India uses the instrumentality of soft power and its ready acceptability in Central Asia to strengthen bilateral ties.
 - India through cultural events- classical dance, music, Bollywood films, yoga, literature and educational programs reinforces the historical ties with the region.
- The **Indian Technical and Economic Cooperation (ITEC)** Program provides technical assistance and training in areas such as banking, remote sensing and information technology etc in the premier institutions in India.

Importance of Central Asia for India

• India has a very wide array of interests in Central Asia covering security, energy, economic opportunities etc.

- Central Asia serves as a land bridge between Asia and Europe, making it geopolitically axial for India.
- Security, stability and prosperity of Central Asia is imperative for peace and economic development of India.
- The region is rich in natural resources such as petroleum, natural gas, antimony, aluminum, gold, silver, coal and uranium which can be best utilized by Indian energy requirement.
- Central Asia has huge cultivable areas lying barren and without being put to any productive use, offering enormous opportunity for cultivation of pulses. Indian agribusiness companies can setup commercial agro-industrial complexes in Central Asia.
- Owing to higher economic growth, several areas have become attractive for construction business, providing huge scopes to Indian companies engaging in financial services, contractors, engineers, and management specialists.
- Both India and Central Asian Republics (CARs) share many commonalities and perceptions on various regional and world issues and can play crucial role in providing regional stability.
- For India to use Chabahar as a vital gateway to access Eurasian markets and optimally operationalize its use, requires a Central Asian state joining the project as a direct stakeholder.
- Central Asian Regions are fast getting linked to the global market for production, supplies of raw materials and services. They are also increasingly getting integrated into the **East-West Trans-Eurasian transit economic corridors**.

Indian Synergy in Central Asian Region

- Central Asia is facing many challenges in food security; Indian expertise in the field can be a game changer in the region.
- Commercial farming is another important area where India and CARs can cooperate.
- India's experience in boosting food and milk production and modernizing agrotechniques under the green and white revolution can prove panacea for Central Asia.
- Good relations with India will provide an assured market to these countries for their energy, raw materials, oil and gas, uranium, minerals, hydro electric power etc.
- India can significantly bring in lots of foreign investment along with technical expertise in field of infrastructure, hospitality, medical etc.

Challenges

- There are obstructions of physical connectivity due to Pakistan's hostility and Afghan instability for its desultory attitude towards Central Asia.
- India's current trade volume with Central Asia is minimal, and cannot be increased without substantially improving transport connectivity.

- Politically, the Central Asian republics are highly fragile and also face threats like terrorism, Islamic fundamentalism etc making the region a volatile and unstable market.
- There are several administrative laggards in the region such as non-availability of hard currency, banking services, and prevailing corruption creating roadblocks in smooth bilateral relations.
- India's "Look East" policy has resulted in concentrating its economic and diplomatic resources in Southeast and East Asia.
- Involvement of China in Central Asia in form of Belt and Road Initiative while posing opportunity by giving easy access to India in the region, it can significantly undermine India's influence in the region.
- Porous border and unbridled corruption along with the proximity with regions of soaring opium production (Golden Crescent and Golden Triangle) makes the region a powerhouse for drug and money trafficking.

Suggestions

- It is fairly understood that both the CAR and India both have not optimally utilized each other's resources present in diverse sectors.
- India is rapidly moving towards its goal of becoming a regional power which continuously requires uninterrupted supply of fuel and energy which can easily be provided by the CAR.
- There is a need to realize a Free Trade Agreement (FTA) between India and the **Eurasian Economic Union (EAEU)** which has a potential of spurring the trade to 170 billion dollars from paltry 10 Billion Dollars.

Eurasian Economic Union

- The Eurasian Economic Union was started in 2015 based on the Customs Union of Russia, Kazakhstan and Belarus.
- The bloc was launched to ensure the free movement of goods, services, capital and workforce within its borders.
- Members: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia.

Way Forward

- India should be fully mindful of its historic Silk Route ties with Central Asia, and try to make an entry into the largely untapped energy potential of the region.
- India needs to use its instrument of **economic leverages more efficiently** to build closer ties with Central Asia.
- 'Connect Central Asia' Policy is a very comprehensive policy which includes political, security, economic and cultural cooperation.

- India should make **efforts to step up multilateral engagement** with Central Asian partners using the synergy of existing forums like the SCO, Eurasian Economic Community (EEC) etc.
- Measures such as **relaxing of visa regimes**, **establishing schools and universities**; **strengthening tourism**; **Investment in agriculture sector** can significantly improve India's position in the region.
- Growing synergies between the India and CAR will promote security, stability, economic growth and development of all countries.