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India-Russia Bilateral Relations: Longstanding, Time-tested Partners

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In a Nutshell

- India-Russia diplomatic relations are now 70-years-old.
- A key pillar of India's foreign policy has been the cultivation of relations with Russia.
- The substantive relationship was cemented when the two countries signed the ***Declaration on the India-Russia Strategic Partnership*** in October 2000.
- In December 2010, the Strategic Partnership was elevated to the level of a ***Special and Privileged Strategic Partnership***.
- India-Russia ties in the post-Soviet era have acquired a qualitatively new character with enhanced levels of cooperation in almost all areas of the bilateral relationship including political, security, trade and economy, defense, science and technology, and culture.

Introduction: India-Russia Bilateral Relations over the Decades

India and the Soviet Union (USSR)

Trust and mutual interests are at the base of India's relationship with the former Soviet Union/Russian federation.

In the years after its independence, India gained industrially from the USSR which provided a base for its future growth. Starting in the 1950s, India received from the Soviet Union generous assistance for its industrialization. Its development in the areas of defense, space and atomic energy had Soviet capital and knowhow. India was short of capital, foreign exchange and technology; Soviet Union filled the gaps in India's development story letting India pay for projects in rupees through a special arrangement.

India got reliable, affordable and good quality military supplies and crucial products like oil and oil products, fertilizers, metals etc. India's emerging Public Sector (PSUs) was scripted with Soviet help. India's relationship with USSR helped India in many ways to become more self-reliant.

During the Cold War and non-alignment decades, India was dependent on the USSR on strategic issues such as the Jammu and Kashmir problem. Support of Soviet Union has been behind India's space, technological and nuclear advancement. The **Indo-Soviet Friendship Treaty of 1971** (in the wake of 1971 Indo-Pak war where Russia supported India while the US and China supported Pakistan) supplied the framework to deepen the cooperation. **Military-technical cooperation** has indeed been at the centre of this bilateral relationship.

The 1990s: India and Post-Soviet Russia

In the 1990s, in the wake of USSR's disintegration and rising Atlanticism in Russian foreign policy orientation, Russia looked up to the West and cut its third world engagements. It started on a difficult transition to a market economy to become a 'normal', 'capitalist' nation like the Western countries. The decline of Soviet military-industrial complex, its 'shock therapy' for transition to capitalism forced by the geopolitical developments led to change in content of bilateral relations and the two countries drifted apart for some time. However, the two countries have remained friends during the turbulent decade of 90s and later.

Post-Soviet India-Russia Relations after Putin: Contours and Interests

In the Soviet era, political, military and economic policies of the USSR were seen through the overriding Marxist-Leninist framework. But after the de-ideologization of the Russian foreign and security policy framework post 1991, it was Russia's economic interests that superseded ideology which altered the board for countries like India. The bilateral relations had to undergo some pragmatic renewal (also given the liberalization of India in 1991), based on realistic possibilities and the legitimate interests of both sides with an emphasis on economics.

Russia, a vast nation of eleven time zones, made a remarkable comeback under President Putin after a turbulent decade of economic and political instability in the wake of the Soviet Union disintegration. Russia, under Putin, has been seeking the lost 'great power status' asserting itself on the regional and global stage. The nationalist surge was particularly emboldened by the rising oil revenues which helped Russia's economic

fortunes. Even though a Cold War era hostility has been ruled out, Russia has been trying to stand up to the West and NATO expansion in its 'near abroad' (independent republics which were once part of Soviet Union).

There has been a marked improvement in Indo-Russian relations that had suffered setback after the collapse of the Soviet Union. Bilateral high-level visits have been institutionalized and mutual visits by heads of state are a norm than an exception. India (with Pakistan) became a full member of the Shanghai Cooperation Organisation (SCO) and it also engages with Russia in the BRICS forum.

Indian military continues to depend on Russian hardware although the dependence is reinventing itself to one of partnership and joint production than the usual supplier-client relation. Countries like the US aspire to be India's defense supplier as India is one of the world's most lucrative arms market. Of late, Russia has turned to Pakistan for arms sales but nothing serious has materialized yet; Pakistan was also accommodated as a full member of the SCO.

The growing strategic dimensions of India-Russia bilateral relationship is grounded in the foundations of converging security interests at the global and regional levels. India supports Russia's call for multi-polarity, multilateralism and reforms in the UN Security Council. Russia supports India's candidature for a seat in the Security Council (UNSC) as India seeks a greater role for itself in the international system.

Russia's Emphasis on a Multipolar world

Both Russia and India support the concept of a multi-polar world, an idea shared by China and many others.

This vision supports the co-existence of multiple powers and possibilities in the international system; a collective security that is inclusive; it supports greater regionalism to foster common regional interest; it supports negotiated settlements and the possibility of independent foreign policy; and also that international decisions be made through bodies like the UN which should be strengthened, democratized and empowered. It suits a rising Russia which sulks its loss of 'great power status' and a rising India which aspires for a permanent seat at the UNSC and enhanced status in the global arena.

It is not a coincidence that all Cold war institutions that Russia inherited as the successor state to the Soviet Union, such as the COMECON and the Warsaw Pact, have collapsed. But the US-led Cold War regime remains intact. NATO not only remains but has been strengthened and touches the Russian borders. The US walked out of the Anti-Ballistic Missile (ABM) Treaty. The US constantly critiques Russia on its democracy. The US challenges Russian influence in Central Asian republics, its policy on Iran, and most of all,

its aspirations with China for a multi-polar world. Anti-Americanism in Russian foreign policy is not a dogma, it is often a need. India has to balance itself between Russia and the US, both of who look up to it for cooperation and engagement.

Russian and Indian interests converge with respect to global foreign policy landscape where both seek a rise in their profile. Russia's foreign relations are more unstable now than ever (given its support for Syria, a suspected nerve agent attack in the UK, its meddling in the US elections, ***continuing US sanctions for annexation of Crimea in 2014***) and it needs a stable partner like India.

Russia's Domestic Problems which attract International Criticism

The post-Soviet surge in the Russian economy was also linked to a power struggle within – redistribution of wealth (centralisation and reprivatisation), especially in the energy sector and even in military industrial complex.

Corruption is rife with little transparency in the decision-making system in Russia. Its judicial system is weak and requires reforms. There has been considerable opposition against the leadership for adopting autocratic tendencies, backsliding on democracy, curbing free press, encouraging nationalism and xenophobia while using energy as a powerful weapon of foreign policy. In May 2018, ***Putin was sworn in as Russia's president for a fourth term***, extending his almost two-decade rule by another six years at a time of high tension with the West.

Recent Security Concerns in Russia-India Bilateral Relationship

There are emerging concerns in India-Russia bilateral relations. The most important of which is **Pakistan**. Russia, of late, is courting Pakistan as India inches closer to the West. For example, Pakistan was also admitted as a full member of the SCO alongwith India in 2017.

Most recently (February, 2018), a Balochistan rebel leader gave an interview in Moscow blaming India for the trouble in the region. Russia has expressed its willingness to help Pakistan augment its 'anti-terror capabilities', a modest phrase for arms sales. India has repeatedly asked Russia not to sell arms to Pakistan.

India is also part of the Quadrilateral Security Dialogue (**Quad**) with US, Japan and Australia seeking a viable balance of power in the Indo-Pacific region which raises some eyebrows in Russia. Russia is also said to be cozying up to China. It has also suggested India to join China's Belt and Road Initiative which India maintains transgresses its sovereignty. Russia has also showed willingness in joining Pakistan and China in giving legitimacy to Afghan Taliban.

India is the biggest market for arms and Russia has been the traditional supplier. Now India is looking up to the West, particularly to the US and Israel, and because of this Russia is finding new allies and markets as it feels slightly alienated. Russia still has substantial military-technical engagements with India which will nevertheless continue. Russia as such, appears to be trying to balance its South Asia relations rather than abandon its traditional strategic partner India even as it cultivates new partners and engagements.

Conclusion: Enduring Partnership

The fact is that Russia has been a long standing, significant partner of India. The bilateral relationship with Russia forms a cornerstone of India's foreign policy and it is likely to continue so despite occasional concerns. The two countries have a political understanding underpinned by a strong economic and strategic relationship which continues to evolve and endure.

On the trade front, the two countries need to up the ante. India has to concentrate on export of its strength areas (sectors such as IT/ITeS, pharmaceuticals and healthcare) while gaining from Russia's expertise in nuclear technology, defence, energy and hydrocarbons so that efforts like Make in India, Digital India and Smart Cities get aligned with India-Russia bilateral relationship.

There are certain concerns that India is looking up to the West and trying to replace Pakistan as US pivot in the South Asian region as it aspires for Western defence equipment (including aircrafts) and Russia is warming up to Pakistan to counter the US in Afghanistan and Central Asia. Despite the concerns, if the two countries keep playing the balancing game the bilateral relations will endure.

Most recently, PM Modi and President Putin had a fruitful informal meeting in Sochi in late May 2018 where the two discussed bilateral and regional issues including BRICS and the International North-South Transport Corridor. These talks have been labelled 'extremely productive'.

India-Russia Relationship: A Timeline

Pre-Independence Period

- The deep roots of this relationship go back to the early 20th century when India was under British rule and the Czars ruled over Russia. The Russian Revolution of 1905 inspired Indian freedom fighters.
- Gandhi developed a close connection with Russia and carried on lengthy correspondence with Leo Tolstoy.
- Russia's communist leader V.I. **Lenin** followed with interest and sympathy the rising Indian freedom struggle.

- ***Nehru visited the Soviet Union in 1927***, on the occasion of the 10th anniversary of the Bolshevik Revolution, and he came back deeply impressed with the Soviet experiment. He was convinced that a poor developing country like India needed to follow not the capitalist path but a socialistic one.

India-Russia Relations Since 1947: Important Landmarks

- In 1947, the Stalin led Soviet Union became one of the first countries to recognize India's independence.
- Even before India became independent, an official announcement was made on 13 April 1947 on the establishment of diplomatic relations between India and the Soviet Union.
- The Soviet Union also showed great interest in Pakistan which instead showed more interest in an alliance with the West instead of Soviet Union. Soviets became pro-India since then, evidenced by their coming to more neutral positions on Kashmir and Goa.
- After Stalin's death in 1953, ***Nikita Khrushchev showed greater interest in aiding countries with a mixed economy***. India also got substantial assistance from USSR during the Khrushchev period.
- ***Soviet Union used its veto power*** for the first time to block anti-India initiatives on Jammu & Kashmir (first in February 1957 and then again in June 1962) and Goa (in December 1961).
- IIT Bombay was established in 1958 with assistance from UNESCO and the Soviet Union and was stocked with Soviet equipment.
- The Soviets declared their neutrality during the 1962 Sino-Indian War and helped broker a peace agreement during the 1965 India-Pakistani border war.
- In 1962, the USSR agreed to transfer the then-cutting edge technology to co-produce the **MiG-21** jet fighter in India (something which was denied to China earlier).
- The **military-technical assistance** the USSR was providing to India came with the advantage of **payment in nonconvertible rupees** through a **rupee-rouble credit fund** set up by the Soviets, thereby saving scarce foreign currency.
- *Indian debts to the USSR could be paid back in goods* as per the agreement between the two nations. So, traditional export commodities like **Indian tea, leather, textile goods**, and agricultural products dotted many a Soviet household (apart from the Raj Kapur films popular in the USSR).
- In the initial decades, Five-year plans in India coincided with or were preceded by a new loan by USSR.
- India got assistance in the sector of **industrial technology**, with the Soviets building dozens of factories throughout India for producing heavy machinery, for manufacturing of steel some of which was also exported to the USSR, for generating power, and for extracting and refining oil.

- USSR also played a major role in building India's **energy sector** by building hydropower stations, developing India's coal industry and finding oil in Indian soil. USSR also helped in setting up India's energy major ONGC.
- Estimates say that between 1955 and 1970 Indian imports from the Soviet Union increased more than 100 times, and exports to the Soviet Union more than 50 times. Also, 70,000 skilled workers were trained at joint Indo-Soviet centres in India.
- During the **1971 Indo-Pak war**, the Soviet Union cast **three vetoes** in the UN Security Council to block attempts to stop India from its ongoing military campaign.
- Soviet diplomatic backing and material support and the confidence provided by the **1971 Indo-Soviet Treaty of Peace, Friendship and Cooperation** enabled India to successfully undertake the operations in 1971 that led to the **creation of Bangladesh**.
- The 1971 treaty contained a pledge of **military assistance; it was a significant departure from India's stance of nonalignment**.
- ISRO built **India's first satellite, Aryabhata**, which was launched by the Soviet Union on 19 April 1975.
- **Rakesh Sharma** became the first Indian in space in 1984, when he flew aboard the Soviet spacecraft Soyuz T-11.
- **In 1991, about 70% of Indian army's armaments, 80% of its air force systems, and 85% of its naval platforms were of Soviet origin.**
- In **1991**, two watershed moments happened — **economic liberalisation was introduced in India, and the Soviet Union was dissolved**.
- Soviet disintegration was met with shock and disbelief in Indian foreign policy circles. In the early 1990s, discussions were about managing India's rupee-rouble debt that had accumulated over the years of the Soviet Union's favourable trade policy.
- When Vladimir **Putin** became Russia's President in 2000, the bilateral ties were put on a solid foundation again after about a decade of post-Soviet confusion and stagnation.
- Russia-India defence relationship has begun to move beyond the buyer-seller model to a more cooperative relationship with **joint research, design, and production**.
- The manufacture and supply of tanks and missiles (T-90 and **BrahMos**), ships and submarines (the Talwar-class stealth frigates), the aircraft-carrier Vikramaditya and the nuclear submarine (Arihant), jetfighter and early airborne warning aircraft (Sukhoi 30MKI and IL-76) are all examples of such cooperation.
- India and Russia historically enjoyed **ties in the cultural sphere**: long-term scholarly and student exchanges, culture festivals, and art exhibits, observance of Year of Russia in India and vice versa.

- Indo-Russian energy cooperation has acquired new dimensions particularly in the **hydrocarbon and nuclear sector**. In August 2017, Russia's largest oil producer, Rosneft acquired Essar Oil refinery and port (Vadinar, Gujarat) in a \$12.9-billion deal.
- **India-Russia Civil Nuclear Cooperation** is an important dimension in the strategic partnership and includes transfer of nuclear power reactors (over twenty reactors to be built in twenty years), fuel supply agreement, fuel supply assurance, agreement to transfer reprocessing technology and enriched technology. This developing Eurasian grid of peaceful Nuclear production and consumption could also be extended to other countries in future deepening the bilateral cooperation.
- India's investments in Russia's oil and gas industry is presently around \$8 billion. It is likely to reach \$15 billion by 2020, with India set to acquire an almost 50 per cent stake in the Rosneft Siberian oil project.
- In October, 2016 (Goa), the two adopted a Joint Statement, ***“Partnership for Global Peace and Stability”*** which resulted in 19 cooperation agreements in areas including defence, space, trade and investment, hydrocarbons and railways.
- In 2016, India announced a \$5.5 billion deal with Russia to purchase the S-400 ***Triumf air defence system***. Russia could deliver it in 2018.
- The weakest link in Indo-Russian cooperation remains the ***low volume of trade***. The goal is of boosting bilateral trade to US\$30 billion by 2025.
- On 21 May 2018, PM Modi had extremely productive discussions with President Putin in **Sochi**. The complete range of India-Russia relations was reviewed as well as other global subjects.