



An Opportunity for India-Russia Ties

This editorial is based on [“Resetting Putin’s Red Carpet”](#) which was published in Indian Express on 06/12/2021. It talks about reviving the stagnant India-Russia economic ties.

Recently, the 21st India-Russia annual summit took place at New Delhi which also included the first 2+2 ministerial dialogue of India’s foreign and defence ministers with their Russian counterparts.

This first face-to-face bilateral meeting of the Russian President with any country since the onset of the pandemic signifies that the long-standing relations between the two are still as strong as ever.

However, the continuing conflict between Russia and the West and the absence of a thriving commercial relationship between India and Russia are the obstacles in reviving the bilateral partnership between the two.

India and Russia

- **Diplomatic Ties:** India and Russia are together in multiple forums including [BRICS](#) and [Shanghai Cooperation Organisation \(SCO\)](#).
 - India helped the induction of Russia as a dialogue partner in the [Indian Ocean Rim Association](#) which may give Russia a major role in the Indian Ocean.
 - Russia also **helped Indian and Chinese Foreign Ministers to meet and diffuse the stalemate in Ladakh** on the sidelines of the SCO Summit in Moscow.
 - Also, in the [UNSC conference on maritime](#) security chaired by India, **Russia displayed its proximity to the former.**
- **India-Russia Annual Summit:** It is the **highest institutionalized dialogue mechanism** in the strategic partnership between India and Russia.
 - The latest summit is an institution of a new “two plus two” mechanism bringing the foreign and defence ministers from both sides into a single forum.
 - There is also **speculation about a new 10-year defence pact** between the two countries.
 - **Russia became the fourth nation**, along with the US, Japan and Australia, with which India has such a joint structure in place.
- **Recent Cooperation in Defence:** Currently, **65% of Indian armed forces equipment is of Russian origin** and India continues to rely on Russia for spares.
 - Despite strong US opposition, India procured the [S-400 Triumf Missile](#) from Russia.
 - A deal worth over ₹5,000 crore with Russia for the manufacture of AK 203 assault rifles is also in the pipeline.
 - For now, India has escaped the [US sanctions on the purchase of S-400](#) missiles, however, India’s deepening defence ties with Russia will continue to trouble the USA as

well as China.

- **Economic Domain of Relations:** India and Russia have greater freedom in the economic domain but their failure to boost the commercial relationship has been stark.
 - India-Russia **annual trade is worth about only \$10 billion** whereas the latter's annual trade with China is a little more than \$100 billion.
 - India's goods trade with the US and China is at the level of \$100 billion.
- **Significance of India for Russia:** Persistent conflict with the US, Europe, and Japan have moved Moscow closest ever to Beijing. However, Russia is well aware of the dangers of relying solely on a neighbour like China.
 - While resetting its relations with the West still has a lot to cover, sustaining the **traditional partnership with India holds political value** to Moscow.
- **Issues in India-Russia Ties:**
 - India remains wary of the **growing military partnership between Russia and China** and their shared **opposition to the [Indo-Pacific framework](#)**.
 - Despite political tensions, India's China trade continues to grow, while its **commercial ties with Russia are stagnant despite good political relations**.
 - The Russian business elites gravitate to Europe and China and the Indian corporations are focused on America and China.
 - Russia **considers the [Quad](#) as the 'Asian NATO'** and has claimed military alliances in Asia as counterproductive.

Way Forward

- **Befriending the Best Friend:** The structural constraints posed by the great power dynamic and vastly different appreciation of the regional security environment could be reduced if matters improve between Washington and Moscow.
 - A less conflictual relationship between the two will be a huge relief for India.
 - Also, the US-China quest for power or Russia's deepening ties with China would have mattered less to India if its relations with China were more peaceful and stable.
- **Connecting with the Russian Far-East:** Connectivity is another driver in the strategic partnership with underlying commercial advantages and overall economic development.
 - Parallel to the multimodal International [North-South Transport Corridor](#), the proposed [Chennai-Vladivostok Maritime Corridor \(CVMC\)](#) will **sharpen India's strategic intent in the South China Sea** and the Indo-Pacific region, with a naval presence securing its energy and trade shipments from the Russian Far East.
 - The far-flung regions of Siberia, the Arctic and the Far East are home to one of the largest reserves of hydrocarbon, metallurgical coke, rare-earth and precious metals in the world.
 - India and Russia can work with countries like Japan and Korea to **promote joint investments for exploration in the Far East, the Arctic and Siberia**.
- **Cooperation in the Energy Sector:** The unknowns of climate change suggest that India should accelerate its energy transition from fossil fuel based to a renewable one.
 - Russia, one of the key global players across the energy market, could **emerge as an indispensable partner for such a transition**.
 - Fortunately, both countries have an extensive record of bilateral cooperation in the energy domain but undoubtedly more efforts are needed to expand the cooperation.
- **Leveraging Multilateral Institutions for Improving Relations:** Promote mutually beneficial trilateral cooperation between Russia, China and India that could contribute towards the reduction of mistrust and suspicion between India and China.
- In this context, the SCO and [RIC trilateral forum](#) must be leveraged.

Conclusion

- Although India and Russia cannot do much about each other engaging with their rivals, Delhi and Moscow have no reason to be satisfied with the poor state of their commercial ties.
- To give a start to the revival of their ties, India and Russia shall focus on laying a clear path for expansive economic cooperation and generating a better understanding of each other's imperatives on the Indo-Pacific.

Drishti Mains Question

Discuss the key factors responsible for the plummeting India-Russia relations and the approach that the two can pursue to revive their long-standing bilateral ties.

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