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Abhijnan Rej

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Beyond India's Quest for a Neoliberal Order

In many ways, 2016 was a year of reckoning for India's national security and foreign policy grand strategy. On the domestic front, the year marked the completion of 25 years of India's economic liberalization project. It also marked the halfway point for Prime Minister Narendra Modi's term in office, whose government was elected to power with a dramatic popular mandate. Modi had been elected principally on his promise to reform the Indian economy and to remove the final institutional hurdles that have stood in the way of a complete transition to a market economy.

Almost three years into his first term, Modi has continued to struggle to complete the economic reforms mission. The year also saw a spate of high-profile attacks on India's military installations in Punjab as well as Kashmir. These attacks, in turn, led many to question the efficacy of Modi's Pakistan policy, and the value of restraint when it comes to tackling the problem of Pakistan-based terrorism head on.

There was much disquiet on the international front as well, both on India's east as well as its west. India's bid to membership in the Nuclear Suppliers Group (NSG) failed last summer, largely due to vocal opposition from the Chinese. Membership in the NSG would have affirmed India's nuclear exceptionalism in that it would have been the first non-NPT signatory and nuclear-weapons state to be admitted to that cartel. Jarring still for New Delhi was the Chinese blocking of a Pakistan-based terrorist from being designated as such by the UN Security Council. Many in India read this Chinese position as evidence of further collusion between China and Pakistan.

Abhijnan Rej is a Fellow at the Observer Research Foundation, New Delhi. His current research revolves around India's grand strategy, foreign and defence policies. He can be reached at abhijnan.rej@orfonline.org and on Twitter @AbhijnanRej.

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A cordial and mutually beneficial relationship with the United States has been a bedrock of Indian foreign policy since the two countries began their rapprochement following the Indian nuclear weapons test of 1998. India values the United States as a source of technology, a partner in meeting Indian national security and foreign policy goals, a site for Indian businesses and diaspora to flourish, and as a source of capital and technology. With a populist and economic-nationalist in the U.S. office, Donald Trump, who has had no past engagement with India's foreign policy elites, New Delhi has found itself questioning several of its core assumptions about the future of the international order. The election of Donald Trump, the British decision to exit the European Union, and, *in extremis*, the possibility of a China-led global economic order in which India would be reduced to the role of a subsidiary Asian power have all led India to question its basic global-strategic assumptions.

New Delhi is now questioning several of its core global-strategic assumptions.

Since the beginning of economic reforms in India in 1991—which critics as well as admirers refer to as India's turn towards neoliberalism—a working assumption among the Indian elites as well as the general populace has been that the primary task of India's security and foreign policy is to create an external atmosphere for the country that is conducive to India's economic growth. This position, affirmed since 2005 when Indian then-Prime Minister Manmohan Singh articulated it,¹ has directed India's strategic conduct as well as external relations. It has shaped how India has engaged with the great powers, and how it has sought to engage with Pakistan.

When Modi was elected to office in 2014—by adopting an 'economy-first' approach to his foreign policy—he had shown his willingness not to break with his predecessor on this ground. If anything, he put India's economic imperatives front-and-center in his foreign policy. As his foreign secretary, Subrahmanyam Jaishankar, described it in the first edition of a large conference exclusively dedicated to the intersection of business and diplomacy, "[a] new normal is in the making, one where the business of Indian diplomacy is increasingly business" for India's foreign policy.²

The interlocking set of goals for India's strategic, foreign, and economic policies have been termed as India's "neoliberal strategic paradigm."³ From this paradigm, scholars have argued, flow visions of India's grand strategy. As such, it has had tactic imprimatur across India's political spectrum (barring the extreme left or right) in the recent past. What are the key assumptions that such a grand strategy makes? What prescriptions have followed from it? How successful has this grand strategy been when it comes to managing key foreign relations of India? And

with India's external environment changing rapidly, is neoliberalism still a valid model for India's strategy?

A Bland Strategy for a Grand Nation?⁴

In a recent book, prominent Indian analyst C. Raja Mohan divided independent India's foreign policy into three epochs—the 'First Republic' that spanned 1947 (the year India became independent) to 1989; the 'Second Republic' from 1989—the year the Berlin Wall collapsed, ending the Cold War—until 2013; and the 'Third Republic' that began with the election of Narendra Modi in 2014.⁵

The First Republic of Indian foreign policy was marked by internationalist-activism punctuated by realism. The figurehead of the First Republic—India's first prime minister Jawaharlal Nehru—advocated a strategy of 'non-alignment,' ostensibly on moral grounds of aversion to power politics, but really to extract benefits from both poles of the Cold War international system. Economics was a crucial consideration behind this strategy, where both the West as well as the USSR were to be leveraged for trade and foreign technology,⁶ while India pursued a course of strategic autonomy by refusing to bandwagon with either of the poles. But Nehru was aware of the fact that India could pursue an independent foreign policy as long as India's economic development relied more on its domestic industries rather than foreign aid or foreign direct investment (FDI).⁷

It was with the advent of the Second Republic of Indian foreign policy that economics became lodged firmly in India's grand strategy as an end and not just as means. In 1991, India faced the gravest economic challenge in its post-independence history. Facing a critical balance-of-payment crisis (in the making since the late 1980s, triggered partly by economic disruptions in the Persian Gulf as a result of the U.S. invasion of Iraq), the Indian then-Prime Minister P.V. Narasimha Rao—aided by his finance minister Manmohan Singh—dramatically opened up the Indian economy. One of the drivers of this decision was to meet the economic standards advocated by Western multilateral financial institutions. The other was a belief that the collapse of the bipolar system would incentivize cooperation over conflict.⁸

When Singh himself became prime minister thirteen years later, he articulated what would become India's dominant thinking on grand strategy. In a speech at a strategic policy think tank, Singh said: "Our security policy in the emerging global order must be based on three pillars. The first must be to strengthen India economically

In 1991, economics became lodged firmly in India's grand strategy as an end and not just as means.

and technologically; second, to develop adequate defence capability making the optimal use of modern science and technology so that we can effectively meet all contemporary challenges to our security. And finally we must develop partnerships in the strategic economic and technological spheres to enlarge our policy choices and developmental options.”⁹ Foreign policy analysts closely associated with the Singh government further elaborated this a few years later in a grand strategy document that had evident (though understated) imprimatur of the ruling dispensation. They argued that “India’s primary strategic intent [therefore] is to ensure an open economic order.”¹⁰

Narendra Modi’s election in 2014—marking the start of the Third Republic in Indian foreign policy—was on a mandate of economic development. Singh’s second term had seen economic reforms stall and what many observers began to note as an endemic state of policy paralysis. Modi’s tenure as the Chief Minister of Gujarat saw a dramatic improvement of the state of that’s region’s economy. In that capacity, Modi had sought—and received—international capital for infrastructure development, including from China. It was therefore to be expected that he would pursue an “economy-first” approach to Indian foreign policy.

Right in the beginning of his term, he outlined his vision of India’s world as one where India would pursue “enlightened self-interest.” In a speech that the Indian president delivered in June 2014, he noted that from this would follow “a doctrine of mutually beneficial relationships.”¹¹ Those who think that would have been an inevitable statement from Modi’s government should remember that, because of his Hindu-nationalist background, many had hoped—or feared, as the case may be—that he would embark on a much more muscular foreign policy than the previous dispensation.

From an economy-first strategic paradigm would follow prescriptions that Modi’s government has followed over the past three years. They include a reinvigorated attention to Southeast and East Asia—where the ‘Look East’ policies of successive governments were upgraded to an ‘Act East’ policy. Modi’s government has extensively focused on economy-centric plurilaterals like the G20 and BRICS grouping (including Brazil, Russia, India, China, and South Africa). Regional and Asian connectivity projects have been brought front and center. To its west, India continues to pursue an ambitious International North-South Transportation Corridor linking India with Russia and Europe through Iran.¹² To its east, it seeks greater connectivity with ASEAN countries through land and sea.¹³ And finally, India has continued to negotiate free- and preferential-trade agreements with a variety of partners under Modi’s watch, continuing a pattern that began in 1991. Modi’s very personalized style of diplomacy, unlike that of his predecessors, has reinvigorated Indian foreign policy. But in terms of its economic orientation, one discerns significant continuity with the past governments.

Visions and Prescriptions in Indian Grand Strategy

Grand strategy, as an academic subject, has its roots in the classic work of Liddell Hart in the early twentieth century, where it was defined as the coordination and direction of all state resources to meet the political objectives of warfare.¹⁴ Implicit in this is a Clausewitzian premise—of war as a means to advance state policy. This, in turn, expands grand strategy as a way to structure the deployment of resources—military, diplomatic, economic—to meet fundamental strategic objectives of the state, both at war *and* peace.

But the state itself is embedded in an international system. Therefore, grand strategy necessarily involves visions of what the state perceives to be the structure of the international system. To the extent possible, a nation's grand strategy also seeks to shape the international system itself, through its interactions with other states, in a way that can achieve the nation's core strategic objectives. Grand strategy is, in other words, "the intellectual architecture that gives form and structure to foreign policy"—where foreign policy is understood to mean the sum total of all interactions of a state with other states.¹⁵ From this architecture, a state's strategic postures and foreign policy doctrines follow. It is also, in its very essence, a teleological exercise in that it involves aligning "today's initiatives with tomorrow's desired end-state," matching power and purpose.¹⁶

Therefore, any discussion of contemporary Indian grand strategy must also identify the vision of the world Indian policymakers and scholars hold in their heads as much as the grand strategic prescriptions that follow from these visions.¹⁷ It should also examine the role of the economy. For the former, we need to ask: How do the Indian policy elites see the international order evolving, and for the latter, what is the trajectory of the Indian economy through this evolution? Do they see a robust economy as a means to meet strategic objectives, or as an end in itself in that economic strength becomes a core strategic objective?

One influential typology that classifies Indian strategic paradigms comes from Kanti Bajpai, also adopted in a new book by Teresita C. Schaffer and Howard B. Schaffer. In this typology there are three strategic paradigms—"Nehruvian," "neoliberal," and "hyperrealist."¹⁸ The Schaffers have termed adherents of these paradigms as "Nonalignment-Firsters," "Broad-Power Realists," and "Hard-Power Hawks," respectively.¹⁹

The Nehruvian strategic paradigm takes as a fundamental objective of Indian foreign policy the continued strategic autonomy of the Indian state in the international system—Nehruvians hold that non-alignment is far from a dead ideology.

Is a robust economy a means today for India to meet strategic objectives, or an end in itself?

A Nehruvian grand strategy privileges multilateralism centered on the UN system and developing-countries plurilateralism. Most importantly, in a Nehruvian grand strategy, economic progress is “an advantage, but not a driver of India’s foreign policy.”²⁰

Hard-Power Hawks or hyperrealists take as India’s core grand-strategic goal the attainment of military great-power status. Hobbesian in their orientation, the hyperrealists are mistrustful at worst, and utilitarian at best, about the possibility of lasting inter-state cooperation.²¹ In fact, the Hard-Power Hawks remain instinctively mistrustful of the United States’ intention toward India having opposed the 2008 U.S.–India civil nuclear agreement.²²

In distinction to the above two, the grand strategy driven by the neoliberal/Broad-Power-Realist paradigm takes as its core objective the transformation of India into an economic great power through cooperation with great powers, especially—though not solely—to its west. Achievement of this core objective would, the neoliberals argue, translate into India’s ascendance as a military and diplomatic great power. This grand strategy supposes that conditions of complex interdependence will preclude major military conflicts—and it can be leveraged to tame India’s traditional adversaries. It also takes foreign policy multi-alignment to be an asset to secure economic concessions from all powers.

India is far from being the only Asian country to pursue a neo-liberal grand strategy. The Indian foreign secretary, in 2016, noted that “India’s approach in aligning business and strategic goals bears some similarity to the experiences of East Asian and South East Asian polities as they traversed their path of national development.”²³ The shadow of Chinese grand strategy looms large over how India has chosen to orient its policy preferences.²⁴

The Limited Efficacy of the Neoliberal Approach

An influential formulation of India’s implicit geostrategic orientation—inspired by the ancient Indian strategist Kautilya’s conception of the international system—imagines India’s world to be divided into three concentric circles. An inner circle consists of South Asian countries where India seeks hegemony and to neutralize the influence of other powers; an intermediate circle of India’s ‘extended neighborhood’ spans Asia and littorals of the Asia–Pacific; and a third circle of great Western powers among which India seeks to find its rightful place.²⁵ Pakistan sits in the inner circle, China in the intermediate one, and the United States in the outer circle. The limited success of the neoliberal grand strategy that India has pursued—with varying degree of commitment since 1991—becomes evident when we look at India’s relationship with these three key countries.²⁶

China

The neoliberal approach has repeatedly hit the Chinese wall. As events of 2016 have made clear, India's strategy of managing China by inducing economic interdependence, as well as through a cooperative posture when it comes to global governance issues, has not translated to any significant accommodation from China when it comes to India's major strategic aspirations. Neither has this approach yielded any tangible benefit when it comes to China mitigating India's key national security concerns, let alone led to any significant movement in resolving the long-standing dispute around a 4,000-kilometer border between the two countries.

Foreign policy neoliberals in India have argued that "growing Indian trade and interdependence with China are a principal vehicle for changing Chinese behavior and calculations in the long run."²⁷ In 2006, total bilateral trade between the two countries stood at US\$23.7 billion;²⁸ ten years later, this figure increased to US\$70.7 billion.²⁹ India and China are equal contributors and shareholders in the BRICS New Development Bank. India is also the second-largest shareholder in the China-led Asian Infrastructure Investment Bank (AIIB). India and China cooperate on global governance issues in BRICS. India is also slated to join the Shanghai Cooperation Organization (SCO) this year. Early on during Modi's term as prime minister, he became a supporter of a Bangladesh–China–India–Myanmar connectivity project.³⁰ Modi in a visit to Beijing in May 2015 announced—to the dismay of his intelligence services—that India would extend its e-visa program to include Chinese nationals.³¹

At the same time, India's bid to membership in the Nuclear Suppliers Group (NSG) was unsuccessful last summer. India had doggedly pursued this goal despite having a waiver from the NSG to engage in nuclear commerce as a sign of its nuclear exceptionalism. As a non-NPT signatory, NSG membership would decisively signal to the world that the global non-proliferation regime must pave the way for a nuclear-normal India. Indian diplomats had hoped that—like 2008 when the United States convinced China to not block the NSG waiver India needed in order for the U.S.–India civil nuclear agreement to be signed—China could be made to accommodate India this time around.

This was not to be the case. Beijing made it clear that if India was allowed into the NSG despite not signing the NPT, so should Pakistan—something that would be unacceptable to most NSG members.³² The high-profile spat between the two countries that followed, playing out in the editorial pages of major newspapers on both sides, was a first major indication that China would prove to be an obstinate adversary when it comes to India's bid to leading-power status. At least one Indian

The neoliberal approach has repeatedly hit the Chinese wall.

strategist interpreted this instance of Chinese obstructionism as an example of China's incipient containment policy directed at India.³³

But while the NSG issue could be considered aspirational—an argument could indeed be made that India's pursuit of the seat is largely as a status symbol—when China repeatedly blocked the designation of the Pakistan-based extremist Masood Azhar as a global terrorist in the UN, this was a move that was seen as directly acting against India's national security interests and counter-terrorism efforts.³⁴ Indian authorities have suspected Azhar, the leader of Jaish-e-Mohammed (a jihadist group with deep ties to Pakistan's intelligence services), as the mastermind behind several anti-India terrorist plots. The most recent was an attack on an Indian military installation in January 2016.³⁵

At the same time, Chinese investments in maritime facilities (of potential naval value) in countries that India has considered to be of core strategic importance have increased, alarming many in New Delhi. These investments are part of an ambitious Chinese initiative to build a 'maritime Silk Route' as part of its Belt and Road Initiative. Beijing has acquired the Sri Lankan port of Hambantota "bringing Sri Lanka's debt to the superpower to the east up to over \$8 billion."³⁶ Maldives has leased an island close to Male, its capital, to the Chinese.³⁷ To India's east, China has sold two *Jin*-class submarines to Bangladesh, deepening its military and commercial ties with that country.³⁸ It has also launched a new rail-cargo route to Nepal through Tibet, a move that could significantly weaken the competitiveness of Indian exports to that country.³⁹ These were just developments in 2016 alone, and the list here is by no means exhaustive.

Pakistan

Pakistan is quickly becoming, as far as New Delhi is concerned, a key Chinese instrument in balancing India in South Asia. In 2015, Xi Jinping announced an investment package of US\$46 billion for Pakistan. Most of this money has been earmarked to develop a 'China-Pakistan Economic Corridor' (CPEC) that will connect the Pakistani port of Gwadar to China through its Xinjiang province. India has two principal concerns about this. One, Indian analysts suspect that Gwadar has the potential to become a de facto Chinese naval base in the Arabian Sea. Two, and this concerns India the most, the corridor passes through parts of Kashmir in Pakistan's control that India considers a part of Indian territory.⁴⁰ A Chinese presence in 'Azad Kashmir,' as Pakistan terms that area, will also make it a party to any future negotiation between India and Pakistan around Kashmir. CPEC represents the latest chapter in the deepening ties between China and Pakistan which, while traditionally limited to military cooperation (including on Pakistan's nuclear-weapons program), now has an ambitious economic component.⁴¹

Even after discounting the China–Pakistan ‘all-weather friendship,’ that India and Pakistan have an extremely troubled relationship is a fact that can be tabled without further comment.⁴² The neoliberal prescription for dealing with Pakistan has been to integrate it economically with India and the rest of the South Asian subcontinent. The driving belief behind this prescription has been that a conventional war between the two countries—under the nuclear overhang—could lead to uncontrolled escalation. War being thus out of the question, the only way to change Pakistan’s irredentism, and its support for proxy warfare against India, is to make that country economically dependent on, or at least integrated with, India.⁴³ Curiously enough, this has not been a prescription of the neoliberals alone. Even Hard-Power Hawks, who would normally prefer a muscular approach in dealing with India’s adversaries, have argued that Pakistan needs to be managed through solely economic means.⁴⁴

The fact that this has not worked out is also self-evident. India has blamed Pakistan for a series of high-stakes attacks on Indian military installations in Kashmir and elsewhere over the past year. But even looking at the relationship purely through an economic lens, a strategy of trade-over-conflict seems to be a non-starter. Not only has Pakistan refused to reciprocate India’s decision to grant it a Most-Favored-Nation (MFN) status as a trading partner, the volume of trade as it stands (a little less than US\$2.7 billion last year)⁴⁵ negates the prospect of either side managing conflicts through economic leverage.

Other mechanisms to integrate Pakistan with the South Asian region through a South Asia Free Trade Agreement remain stalled. The South Asian Association for Regional Cooperation (SAARC) summit last year was cancelled after India refused to participate in it. Connectivity projects like the Turkmenistan–Afghanistan–Pakistan–India gas pipeline have been on the books for more than a decade.⁴⁶ At the end of the day, for Pakistan the calculation is simple: jumping on the Chinese boat, through CPEC, allows it to link up to one of the most economically dynamic countries in the world. There are no good reasons to believe why it would seek access—and grant access—to a two trillion dollar economy when it can do the same to a ten trillion dollar one, especially when the former is a historical adversary and the latter a potential security guarantor.

But beyond the empirical record of the neoliberal approach having had very limited success in inducing changes in Pakistan’s behavior, there is a more conceptual reason why a neoliberal approach will necessarily fail in managing India’s relationship with Pakistan. A unitary state is one where the state has a monopoly over the use of violence against other states. A case can be made that Pakistan is a classic example of a *non*-unitary state, where

The neoliberal approach has had very limited success inducing changes in Pakistan’s behavior.

non-state actors (often—though not always—with state support) matter as much as state actors.⁴⁷ A strategy of offering economic benefits to the state in return for the target state exhibiting restraint assumes unitarity, in that it is a strategy directed at leaders who monopolize violence and credibly control escalation, and can rationally compute policy preferences. Pakistan does not possess those abilities today.

United States

The United States, for neoliberals, is the key partner in India's economy-first grand strategy. First and foremost, neoliberal scholars argue that the "logic of Asian security relationships may require India to build closer ties ... with the United States."⁴⁸ An influential Indian-American scholar and former government official, Ashley Tellis, writes, "Modi's initiative to deepen the partnership with Washington is most portentous. It implies a recognition that the United States holds the most important keys for India's long-term success outside of its own domestic policies: as a host for India's skilled labor; as a source of capital, technology, and expertise; and as a fulcrum of strategic support for India's global ambitions."⁴⁹

Such sentiments are not uncommon and are indeed key arguments advanced in India's policy circuits around a closer Indo-U.S. relationship. In the neoliberal account, the United States becomes a key means for India to meet its strategic objectives. American realists have argued that American hegemony can be maintained—in face of the rise of China—through closer economic ties with India, including the possibility of a U.S.–India Free Trade Agreement.⁵⁰ And in many ways, economic ties *have* deepened. The total volume of India–U.S. bilateral

Western economic and cultural nationalism may be a key reason for the demise of India's approach.

trade (including that in services) now stands at more than US\$100 billion; industry advocates on both sides seek to expand this to US\$500 billion by 2025.⁵¹ This sits on top of growing military cooperation and moves toward the interoperability of armed forces of the two countries.

India's IT industry accounts for 9.5 percent of its GDP; around 60 percent of revenues of Indian IT companies come from the United States. A large majority of the 85,000 temporary visas the United States has issued in the

past for technology workers have gone to Indian citizens.⁵² But above all, the Indian IT industry exemplifies an instance where two of the key means of the Indian neoliberal grand strategy meet: educated and young people, and technology.⁵³ Any significant changes to immigration and trade regulations in the

United States—and the rise of economic and cultural nationalism in the West, in general—stand to significantly hurt India's neoliberal grand strategy. A Jacksonian in the White House, under whose watch the “existing [American] liberal internationalist grand strategy is likely to be revised and gestured toward neo-isolationism,”⁵⁴ may be a key reason for the demise of India's neoliberal approach.

But all was not well in the U.S.–India economic relationship even before Donald Trump became the American president. As a retired Indian diplomat commented recently, “[t]he strategic convergence the two countries are seeking does not percolate down to the trade segment, which, at its core, continue to be adversarial.”⁵⁵ India was not a member of the (now-doomed) Trans-Pacific Partnership (TPP)—a key component of former President Obama's Asia pivot. The two countries have regularly clashed at the World Trade Organization (WTO) over agricultural subsidies and intellectual-property-rights issues. But most importantly, the United States finds itself incapable of providing India what it needs the most in achieving the core neoliberal grand-strategic objectives: investments in infrastructure.

Automation, Hard Power, and the End of Neoliberalism

Moving beyond the exigencies of the domestic politics of countries India seeks to bring closer, there may be a more basic reason why its neoliberal approach to grand strategy will eventually fail, barring dramatic re-imagining of the economic tools that India needs to utilize to make it a great economic power. This has to do with the changing nature of trade itself, and the introduction of completely new means and models of manufacturing.

With the advent of robotics and artificial intelligence, and the consequent possibility of greater unemployment even in advanced economies, it is unlikely that India can emulate the East Asian model of growth driven by manufacturing exports. If manufacturing is automated and automation technologies scale up effectively, this would be a key driver in slowing world trade. One study by the consulting firm McKinsey indicates that “[r]elative to the cost of labor, average robot prices since 1990 have fallen by 40–50 percent in many advanced economies,” one key reason behind the resurgence in re-shoring manufacturing jobs in those economies.⁵⁶

If India keeps its neoliberal grand strategy, it will have to rely more on the indigenization of advanced technologies. It also will have to reorient its trade. As an influential Indian analyst recently put it, “[o]ne-fifth of humanity is a market and a productive base in and of itself. But for the country to take advantage of its size, it must sign a free trade deal with itself.”⁵⁷ There are precisely two things that India ought to do to ensure the survivability of its “economy-first” strategic orientation. One, it should ensure conditions for what could be called ‘enlightened autarky’—a reliance on domestically-developed high technology that will then form the

foundation of a large domestic market. Two, it should ensure that economic power is effectively converted to military power to be utilized for well-defined (and necessarily narrow) strategic purposes.

Scholars of recent Indian foreign policy have also noted that the default Indian thinking on power has been that economic power in itself is a good proxy for power in the international hierarchy. This liberal vision, as Rahul Shankar has argued, will make India a great commercial power.⁵⁸ But significant friction remains in the Indian state that has prevented greater conversion of latent power to hard power tools. Indigenous development of defense platforms still remains a distant dream in almost all cases, making India the world's largest arms importer. Defense analysts have argued that a large percentage of capital expenditure for India's defense go toward acquiring expensive weapons systems that do not serve any immediate strategic purpose.⁵⁹ Significant gaps also remain—even when resources are indeed available—when it comes to integrating and coordinating resources to meet strategic policy objectives.⁶⁰ The posture of strategic restraint that reinforces a neoliberal grand strategy has translated to inadequate attention to securing deeper pools of war-wastage reserves, a necessary condition for prosecuting intense and prolonged conventional combat. The current ammunition stock in the possession of the Indian Army can last only 20 days, according to some media reports.⁶¹

A neoliberal approach to grand strategy (including its primary objective of strengthening India's economy) has had consequences for the doctrines of the three services as well, in particular for the Indian navy. The current Indian naval doctrine takes as a given that one core objective of the navy is also to protect India's economic interests. It notes that "role and contribution of maritime power in the growth and prosperity of great nations" and takes as a guiding principle a navy that aids national (economic) development.⁶² This implicitly assumes, once again, that international trade will continue to be important for Indian prosperity, and that in the long-run nations will continue to see the need to trade with one another.

Getting Real about India's Grand Strategy

This article has argued that the Indian neoliberal grand strategy that has guided much of India's foreign and defense policy has had limited success in meeting the core objective of any grand strategy—that is, to meet fundamental national security objectives. It has also argued that the potential unraveling of the liberal international order can render this strategy obsolete in that it challenges some of the core premises around which that grand strategy is constructed. What could be the alternative?

India could define its grand-strategic *objectives* more narrowly, for example, by delineating a conservative security perimeter which it would credibly claim to have resources to enforce. This security perimeter would be drawn around South Asia's waters and landmass—the first concentric circle, in Raja Mohan's description. Equivalently, it could define its core grand-strategic objective politically to be to maintain a multipolar Asia in a potentially bipolar world. Through restraint that follows realism, this would involve internally balancing China on land and, through economic and other support to East Asian states, balancing China offshore.⁶³ A corollary of this stance would be minimizing the chances of conflict with China in areas outside the basic security perimeter that India would draw. This is very different from the maximalist position that some Hard-Power Hawks have advocated in the recent past.⁶⁴

A robust Indian economy will be the key *means* by which this is achieved and not the grand goal in itself. This, in turn, would require smoothing bureaucratic and other structural obstructions to rapid development and deployment of indigenously-developed weapons and platforms. In terms of diplomatic engagements, India will continue to engage with the United States, but purely as a military partner, the friction in the relationship around economics being cast aside as an unimportant element. *Yathartwada* (realism) is—as Modi reminded an international audience of scholars and policymakers in January this year—a key “civilizational ethos” that shapes “Indian strategic intent.”⁶⁵ It is time that India pays greater heed to this.

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