

EU-India relations: Why Narendra Modi is likely to make the case against Brexit on his visit to the UK

*Narendra Modi, the Indian prime minister, will make a visit to the UK this week. Ahead of the visit, **Dhananjay Tripathi** writes on India's relations with the EU and the UK, noting that the possibility of a Brexit forms one of the country's key concerns in its dealings with Europe.*



Europe has a central place in the history of India's engagement with the international community. Indian folklore is incomplete without mention of Alexander the Great, and likewise the Portuguese explorer Vasco da Gama is an intrinsic part of India's trade history. Similarly, modern India cannot be imagined without a discussion of Britain.

Guided not only by the past, even the contemporary picture of India's foreign relations has different colours as well as some essential shades from Europe. In this relationship, both the European Union and its member states are of equal relevance for India. So while the EU is the number one trade and investment partner for India, French Rafale fighter jets will soon give additional strength to the Indian Air Force. German technology is helping India to grow further, and India's command over the English language gives India an edge in the global services sector.

Last but not least, the Indian diaspora in Europe has inspired many Bollywood movies – which is one of the most important constituents of popular Indian culture. India's history, economy, politics, society and culture have not only strong links with Europe, but also some tangible influence on Europe. This makes the Indian state and the Indian people sensitive and conscious of Europe's role, and that includes both the EU and its member states.

As the organisation that defines the regional integration of Europe, what distinguishes the EU from its member states is blurred and there is always an overlap between the two when analysing Europe-India relations. A frank opinion is that Europe in general parlance has evolved into a single entity conjoining the EU and its member states. This oneness is celebrated across the world because by overcoming its narrow divisions of nation-states, Europe has emerged as one of the most peaceful, stable and prosperous regions of the world.

Internationally, Europe has a normative appeal and much of this attraction should be credited to the EU. Thus, any perceived destabilising factor for the EU might not fit well with common international opinion of its success. A potential destabilising trend is the possibility of a Brexit, one that is rapidly being linked to the future of the EU. China and the US have already showed explicit support for a united Europe, thereby denouncing the prospect of Brexit. In this scenario India, which has natural ties with both the EU and the UK, also needs to take a position regarding Brexit. The following issues will act as significant guiding principles when India formulates a comprehensive position on the issue.

India and the UK: a natural partnership

The relationship between India and the UK has remained untouched despite various changes in international relations. This should come as no surprise given the Indian diaspora in the UK is one of the largest in the country. According to official records, the 2011 census recorded approximately 1.5 million people of Indian origin in the UK, equating to almost 1.8 per cent of the population.

In terms of trade relations, the UK and India are close allies. This year the UK is likely to be the third largest investor in India and India the third largest investor in the UK. The UK is also a highly preferred destination for young Indians, especially for higher education. India and the UK also share similar security concerns, particularly with regard to

international terrorism. These socio-cultural, political, economic and security affinities explain why in 2004 both the UK and India enhanced their level of bilateral partnership by making it into a strategic partnership.

With India and the UK such close partners, important developments in the UK, whether related to political, economic and social life, are of concern and hence, closely followed in India. Therefore, the UK's discussions about its future prospects of remaining within the EU have generated interest in India, not only amongst the Indian intelligentsia but also among a large section of its population. Thus, India's press coverage of the electoral victory of the Conservative Party in May 2015 highlighted the proposed referendum on the EU. This interest reflects a number of concerns about the referendum.

New Delhi regards the UK as one of Europe's main powers, thereby entitled to independent relations without including it or grouping it with the EU (the EU has also been a strategic partner of India since 2004). Despite this clear bifurcation between the EU and the UK, it cannot be ignored that the UK as a member of the EU provides a certain amount of help to the international community. Brexit is perceived as detracting from this and creating confusion.

Any period of uncertainty while a new relationship is agreed upon or worked out would be problematic to India's immense business interests in the UK. Even though the UK maintains some independent policies, such as not being a part of the Schengen Area and the Eurozone, there are areas of policy convergences with the EU. How these common policies might alter in the case of Brexit is presently a matter of supposition and conjecture, but it will make the Indian business community anxious. Similarly, some of the new changes being considered might add to existing concerns amongst students considering the UK as a destination for their higher education.

India's stake in a stable and united Europe

The Indian government has made no formal statements on any recent political discussions related to the UK's future relationship with the EU. However, there are possibilities that the Indian Prime Minister Narendra Modi might make some observations on this issue during his forthcoming UK visit this week.

Given the shared interests, India would prefer a stable EU without any radical changes in the region. The Indian stock market registered losses during the period of uncertainty related to Greece. A crisis in the Eurozone also affected Indian exports to Europe. In all likelihood a volatile situation in Britain and in Europe will be detrimental to the economic interests of India.

A key concern for India is that a UK vote to leave the EU will trigger similar cases in other member states. This is certainly the most undesirable situation for any country that has interests both in the UK and the whole of Europe. Brexit would also damage the UK's normative appeal amongst the general Indian public, announcing to the world it is turning inwards and so weakening its standing in India and the world. A strong and untied EU with the UK as one of its important members is in India's interest rather than managing or dealing with a completely new situation in the case of a Brexit.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics. Featured image: Shri Narendra Modi addresses 'Bharat Vijay rally' in Jamshedpur, Jharkhand. Credit: Narendra Modi / Flickr (CC BY-SA 2.0)

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