Sergei Lunev argues that Russia should pursue improved political and economic relations with India, despite the many setbacks in the partnership. This is the second of two posts examining parallels and bilateral relations between India and Russia. Click here for a post titled ‘Globalisation: Many Indias, many Russias’.

Many reasons underpin the successful development of India-Russia relations, but it would be imprudent to set all hopes upon these. Concrete, consistent initiatives and changing Russian and Indian elites’ approaches towards the partnership are essential, otherwise the stagnation of bilateral ties might worsen to degradation. At present, the relationship is predicated on cooperation in the defence and aerospace sectors, but the potential of these are insufficient to secure long-term, positive ties.

India has already joined the group of world powers and tuned into a special sub-system of international relations. Together with the United States and China, it is the most likely candidate for the status of a global centre of influence, and the future of the world will probably depend on the development of relations within the US-China-India triangle. Russia, the European Union, and Japan have an opportunity to be part of a new pattern, but much will depend on their political will and dynamics of economic development. Russia should attach special significance to the development of relations with India due to its place in the world political and economic system.

The strategic partnership between the two countries has been natural and objective. Russian and Indian national interests coincide, or at least do not contradict each other. Geopolitical considerations predetermine the need to strengthen mutual ties. The famous Arthashastra treatise, allegedly written by Kautilya, noted that “your immediate neighbour is your enemy and your neighbour’s neighbour…is a friend.” The proximity of Russian and Indian positions on global issues is not accidental. An analysis of voting at the UN General Assembly on a broad range of world politics issues shows that Russia and India vote similarly, while on international security themes they vote unanimously. The two countries reject a unipolar world. Russia and India are also interested in easing the conflict potential in relations between the North and the South.

Political processes in South Asia obviously resemble the post-Soviet situation: the presence of a state that is superior to others by economic, political, intellectual, and military strategic indicators; common history of the countries in the region; cultural and civilisational similarities across countries; smaller countries striving to strengthen their geopolitical positions with the assistance of states located beyond their region; and disruption of economic ties within a hitherto consolidated economic complex. In its regional context, India’s situation is amazingly similar to
Russia’s. This geopolitical similarity determines similar approaches to Commonwealth of Independent States problems for Russia and to South Asia relations for India.

Moreover, Russian and Indian foreign economic goals are also similar. The two countries strive for integration into the world economy and increasing their competitiveness while protecting domestic production. The common objectives of Russia and India stem not only from their similar place in the world economy, but also from the size of their territories and populations. By quantitative indicators, the roles of the two countries in the world economy are similar. But from a qualitative perspective, Russia and India belong to different groups of countries. While Russia still has the opportunity to go a high-tech path, India is unlikely to enter the post-industrial phase of development in the short term.

These differences could lead to a positive and promising result: the consolidation of Russian high-tech and mining potency with India’s industrial opportunities. The prospect for combining Russian research with Indian engineering (which is already taking place in the defence sector) and inexpensive Chinese labour seems attractive. The end product would go to a huge sales market given that the two Asian giants focus on their domestic markets and post the highest long-term growth rates in the world. However, if realised, such a scenario would lead to a paradox: Russian reforms with a view to a phased rapprochement with the West would be implemented on the basis of developing political and economic ties with the East.

Despite all the reasons in favour of improved Russia-India ties, the bilateral relationship has endured many setbacks and faces multiple challenges. For one, the psychological perception of the partner by the elites is negative. The ‘third’ wave of immigration from India to North America and Europe created a powerful expatriate community that occupies a privileged position in both its original and new homelands. This diaspora has led to closer ties between India and the United States, dismantling a five-decade consensus in foreign policy.

The consequences of this shifting dynamic in India are exacerbated by the fact that Russia has illusions that India is thankful for economic, political, and military support rendered by the USSR. This is not true because India has long forgotten those earlier ties, and Russia does not remind India about them. In the post-bipolar period, Russia has taken no action to improve its image abroad. The West continues to form Russia’s image on the global stage—and that image is inherently biased.

India, and Asia in general, is exposed to the West’s projection of Russia, which explains why the overall attitude towards Russia (in places like India) is taking a turn for the worse. The defamation of Russia is not only politically dangerous, but it also limits Russia’s ability to compete economically with the West. If the Indian mass media lobbied Russian interests, it would be more difficult to prevent Russian companies from participating in the modernisation of enterprises built by the Soviet Union in India.

Owing to the scaling down of Russian propaganda in India, opinion polls show that Indian attitudes towards Russia are worsening, and are now on par with how Indians feel about the United States. Only 36 per cent of Indians polled said Russia had a positive influence on the global situation, whereas in Russia, 47 per cent of respondents gave a positive opinion of India’s role.

As for the Russian elite, it continues to believe in a Eurocentrist “ideal model”, feels an inferiority complex with respect to Europe, and has a traditionally pessimistic view of its own country. A certain disappointment with the West’s policy is manifested in growing scepticism towards the United States, but not towards Western Europe. The largely pro-Western approaches of Russia’s elite are a major obstacle to the strengthening of the Asian vector in the country’s foreign policy—indeed Moscow’s continuing policy of approaching India as a country of secondary importance is a setback for the partnership.

It doesn’t help that Russian and Indian businesses have not developed normal relations either. Indian industrialists who used to deal with Soviet bodies have no solid ties with the private sector that emerged in Russia, and make justified complaints about corruption and the mafia in Russia. On the whole, Indian business is not keen to seek
rapprochement with Russia. For their part, Russian businessmen are not particularly welcome in South Asia and also complain of encountering bribe-taking and fraud. Russian entrepreneurs also have a poor knowledge of Indian reality, particularly state-run companies that remain over-bureaucratized and inflexible.

Meanwhile, Indian courts discourage Russian investment by defending compatriots in practically all cases. Russia also points out that India places considerable restrictions on its exports to India (on several occasions in the past, India accounted for the largest number of anti-dumping probes against Russian metallurgical companies, along with two other countries).

Rebuilding the previous level of political trust between Moscow and New Delhi must occur in the context of the new economic situation in the two countries. The governments have far fewer opportunities to influence the dynamics of foreign economic relations, which are focused in both countries on the United States, Europe, and East Asia. The situation may change if top Russian and Indian politicians begin to actively lobby Russian economic interests in India (including the interests of private companies) and vice versa. In the absence of such initiatives, a renewed bilateral relationship seems unlikely.

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