

Modi-Putin Summit: RSTV – Big Picture

Guests: Professor Harsh V Pant, Distinguished Fellow and Head of ORF's Strategic Studies;

Ashok Sajjanhar, Former Diplomat;

Sanjay Pandey, Professor, Centre for Russian, Central Asian Studies, JNU.

Anchor: Vishal Dahiya

Context:

- The Indian Prime Minister Narendra Modi attended the **5th Eastern Economic Forum (EEF)**, held in **Vladivostok, Russia**, as the chief guest.
 - He also held a meeting with the Russian President Vladimir Putin at the **20th Annual India-Russia Summit**.
- The importance of India-Russia relations is underlined by the invitation of the Indian PM as the chief guest of EEF. The meetings are vital for the **reinvigoration of partnership** between India and Russia.

Past meetings

- This is the 3rd time Modi and Putin are meeting in 2019.
- They had an informal summit at Sochi (May, 2019). They also met on the sidelines of the SCO summit held in Bishkek (June, 2019).

Current Status of India-Russia Relations:

- **Defence Sector:**
 - India and Russia have impressive cooperation in the defence sector. India has signed agreements to purchase the **S400** missile system and **Kamov 226T** Helicopters from Russia.
 - At present, the cooperation has transformed from **equipment purchase to joint development and production**.
 - The Ordnance Factory in Amethi is making **AK 230 Kalashnikov** rifles under the 'Make in India'
 - The **BrahMos** missile has been developed as a joint venture between India and Russia.
 - **Su-57E**, a fifth generation fighter aircraft is being considered for a joint development in India and Russia.
- **Energy Sector:**
 - Bilateral investment in the energy sector has grown significantly in the last ten years.
 - Russia has **\$13 billion** investment in the oil sector of India, including the acquisition of 'Essar Oil'. India has **\$10 billion** investment in Russia.
 - Russia is the largest **nuclear energy** partner of India. Russia has set up 6 reactors (total capacity of 7200 MW) in the **Kudankulam** nuclear power plant.
- **Economic Sector:**
 - The traditional areas of economic cooperation between the two countries are **pharmaceuticals, fertilizers, energy**, etc.
 - **Ruble-Rupee trade arrangement** was introduced to reduce the dependency on dollars in India-Russia trade. It was particularly vital after sanctions were issued against Russia by US and European countries.
 - A team led by India's **Minister of Commerce and Industries** comprising of more than 150 businessmen and four **Chief Ministers** (of Uttar Pradesh, Haryana, Gujarat, and Goa) had

visited Russia in August 2019.

- They signed a number of **Memorandums of Understanding** (MoU) with Russian counterparts.
- Government schemes like **Skill India** and **Make in India** have the potential to attract more investment from Russia.

India-Russia Relations in the Present Regional Context:

- **Concerns:**

- **Russia-Pakistan** relation is getting stronger.
- India was **not invited** to the 1st meeting of the **Afghan peace process** organized by Russia. India had to carry out a **diplomatic protest** against it.
- Russia is willing to have limited engagement with **Taliban** in the Afghan peace process. But India does not support the idea.
- India has articulated an **Indo Pacific policy** to take advantage of that region. But, Russia still prefers the term **Asia Pacific** over Indo Pacific.

- **Positive Aspects and the Way Forward:**

- Even though the Russia-Pakistan relation is growing stronger, Russia continues to be a supporter of India in matters like revoking the special status of **Jammu & Kashmir**.
- In the context of the **US'** plan to withdraw its troops from **Afghanistan**, the burden of **establishing peace** in the region falls on the regional powers, i.e., India and Russia.
- India and Russia need to **leverage their friendship** to solve the differences and talk about common interests in the **Indo Pacific region**.

What are the Impacts of the Changing Global Scenario on India-Russia Relations?

- At present, every nation has its own national, regional and global interests and trajectories.
 - All nations are engaging with multiple partners through a **multi-vector foreign policy**.
- Earlier, Russia was suspended from the **G8** after the Crimea crisis. After that, the group is being called G7.
 - Recently, at the **G7 summit**, US President Trump openly invited Russia to rejoin the group.
 - However, **other members** of the G7 are **not agreeing** to this demand of Trump.
- Isolation from western countries is making Russia move **closer to China**.
 - Russia is a partner of the **Belt and Road Initiative** of China (BRI). But, India has remained outside the BRI scheme.
 - In spite of the growing relations, Russia is **anxious** about China getting into domains exclusively held by Russia.
 - China has growing economic and military presence in **Central Asia**, and the people of the **Far East region** of Russia have concerns regarding Chinese investment and military presence across the border.
 - It is also one of the reasons Putin has invited investments from other countries.
- There is a perception, especially among Russia that **India is moving closer to the USA** and European countries.
 - But India's cooperation with the USA is **not intended against Russia**.
 - It is a strategic move necessitated by the Chinese assertiveness in the Indian Ocean.
 - China has been increasing its political, economic and military presence in the region.
 - Further, the cooperation between India and the US has its own concerns due to the unpredictable nature of the US President.

What is the Need for Redefining India-Russia Strategic Relations?

- Due to the **isolation by the western countries**, Russia can't expect a western ally to balance China.
- Hence they are looking for **India's cooperation** for the same.

- **Finance and human resources** from India need to be relocated to Russia to balance the Chinese presence.
- At the same time, India finds the embrace between **Russia and China** a **challenge** to her interests. India wants to see them in a relatively dissociated position.
 - But, India need not be unnecessarily worried because the reasons behind Russia and China partnership is not related to India. E.g. they share a very long **land border**.
 - Further, their relationship has been going through a number of **ups and downs**.
- There are several areas where **India, Russia and China** have **common concerns**. E.g., **cross border terrorism, Afghan crisis**, etc.
- The three countries should build on these **areas of convergence** by forming trilateral working groups.

How can India and Russia take the Relations in Nuclear Energy and Defence Sectors to the Next Level?

- **Concerns:**
 - At around \$9 billion, India-Russia bilateral trade is very less. It has declined from the earlier value of \$10 billion. Such lower trade volume would not push the relations further.
 - **Sanctions against Russia** by US and European countries after the **Crimea crisis** and the recent global economic slowdown has worsened the situation.
 - Russian investment in 'Make in India' can be upgraded.
- **Way Forward:**
 - India needs to get out of the traditional dimensions of cooperation (**nuclear energy and defence**) and move forward to new avenues like **trade and oil & gas**.
 - **Maritime connectivity** could be increased by a sea lane connecting **Chennai and Vladivostok**. The lane can be extended to **Europe** via the Northern Sea route and the Arctic Ocean.
 - India should accept the invitation of Russia regarding new opportunities in **Far East Russia**.
 - Within the defence sector, the **infrastructure** available at Visakhapatnam and other ports can be used for manufacturing **naval ships and other military equipment** using Russian technology.

Cooperation in Far East Russia:

- The Far East region of Russia ranges from **Siberia to the Pacific Ocean**. It is more than **6 million km²** in area (almost twice as big as India).
 - But the population is only around 8 million due to a severe cold climate.
- The region is rich in **oil & gas, minerals, diamonds**, etc.
- It has huge potential in **farming, fishing, and tourism**
- Russia has been trying to develop the region, particularly after the formation of EEF in 2015.
- The Far East region of Russia is close to 'Indo Pacific', where India and other countries have growing interests.
- India wants to increase her presence in Far East Russia.
- Earlier, Russian Deputy Prime Minister in charge of the development of the region had visited India.

Outcomes of the Indian PM's Visit to Russia:

- Prime Minister Narendra Modi said that India and Russia are **against 'outside influence'** in the **internal matters** of any nation.
 - His remarks came against the backdrop of growing tension between **India and Pakistan** after India revoked **Jammu and Kashmir's special status**.
 - Russia has backed India's move on Jammu and Kashmir while Pakistan is trying to internationalize the issue.
- The Indian PM also unveiled the '**Act Far East**' policy to boost India's engagement with Far East

Russia. India announced a **\$1 billion line of credit** for the development of the region.

- The two leaders discussed ways to bolster **cooperation** in trade, investment, oil & gas, mining, nuclear energy, defence, air and maritime connectivity, transport infrastructure, technology, outer space, and people-to-people ties.
- The two sides signed 15 agreements in areas such as defence, air and maritime connectivity, natural gas, petroleum and trade.
- A proposal has been made to introduce a full-fledged maritime route between **Chennai and Vladivostok**.
- Russia has offered India a proposal for joint design and development of **conventional submarines** along with full access to technology and **Intellectual Property Rights (IPR)**.
- Russia expressed its support for India's candidature for a **permanent membership in the UNSC**.
- They also agreed to focus on increasing the effectiveness of **Shanghai Cooperation Organization-Regional Anti-Terrorist Structure (SCO-RATS)** in countering terrorism, extremism, drug trafficking, cross-border organized crime, and information security threats.
- PM Modi said that Russia will help **train Indian astronauts for Gaganyaan**, India's manned space mission.
- Both sides expressed their concern over the possibility of an **arms race in outer space** and advocated peaceful uses of outer space.
- Russia expressed its strong support for India's membership in the **Nuclear Suppliers Group (NSG)**.
- The two sides also expressed their support for an **Afghan-led and Afghan-owned** peace process in Afghanistan.
- They reaffirmed their commitment to build an equal and indivisible **security architecture** in Asia and the Pacific region.

Conclusion:

- Both India and Russia realize that their partnership remain **steadfast, stable and time-tested**. But the strategic relations have been perceived to have stuck in a time warp and lost the significance it used to have. India and Russia need to **take forward** the progress in their partnership imparted by the meetings held at Vladivostok.

