



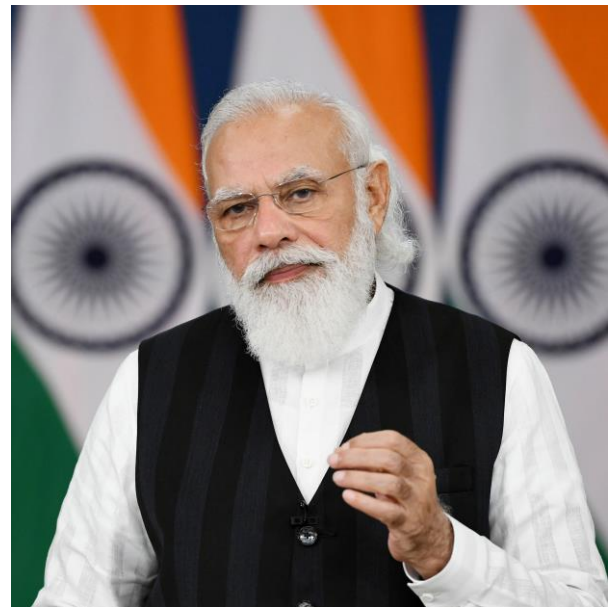
Feature Article  
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## India's Changing Approach towards Central Asia and the Caucasus after the Afghanistan Debacle

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*India's ambition to raise its profile and connect with Central Asian neighbourhood was reflected through its 'Extended Neighbourhood' and 'Connect Central Asia' policies. Prime Minister Modi further elevated these policies through India's SCO membership and other institutional mechanisms. India's strategy towards the region has been linked to its Afghanistan, China and Pakistan policies as well as Russian and U.S. designs. With the Afghanistan debacle, the earlier connectivity strategies are no longer valid as a Taliban-Pakistan-China axis will further strengthen the BRI profile, in which India has not participated. In coming years, New Delhi will work with Central Asian partners to safeguard the region from negative repercussions of the Taliban takeover in terms of radicalization, increased terrorist activity and drug trafficking.*

Central Asia and the Caucasus have long been part of the Indian imagination because of old civilizational linkages and cultural connections. After the Soviet break-up, new geopolitical realities and geo-economic opportunities further influenced Indian thinking in the 1990s. The emergence of new independent states opened opportunities for energy imports as well as trade and transit. There were also worries of rising religious fundamentalism. Therefore, developing political, economic and energy partnerships dominated New Delhi's "extended neighbourhood" policy in the 1990s. Although India established close political ties with all countries in the region, economic ties



*India's Prime Minister, Shri Narendra Modi addressing the joint SCO-CSTO Outreach Summit on Afghanistan, through video conferencing, in New Delhi on September 17, 2021.*

remained limited. An unstable Afghanistan and difficult India-Pakistan relations created problems for direct connectivity. New Delhi tried to resolve the issue through working with Russia and Iran via the International North-South Trade Corridor (INSTC) and its tributaries. Due to the U.S.-Iran tensions and stagnating India-Russia trade, this option did not prove very effective. In the meanwhile, the Chinese profile in the region increased significantly.

Worried by its limited footprint in the region, India wholeheartedly supported the U.S. New Silk Road Strategy<sup>1</sup> announced by Hillary Clinton in Chennai in 2011. Unlike the U.S., the EU and many multilateral organizations seeking to spread democracy and market economics, India primarily focused on ensuring political stability in the region. New Delhi obviously would have welcomed a more democratic Central Asia, but it favoured the process of democratization to happen at its own pace. For quite some time, New Delhi also remained convinced that Russia would retain a predominant political and economic influence in the region, and generally pursued cooperation with Moscow in Central Asia and the Caucasus. With increased U.S. interest in the region due to the Afghanistan conflict, some of India's security and economic interests also coincided with Washington's. In 2012, India announced its own twelve point 'Connect Central Asia' policy.<sup>2</sup> The idea was to strengthen India's political, security, economic and cultural connections throughout the region. Major initiatives included stepping up multilateral engagement

(through the SCO and Eurasian Economic Union); establishing a new Central Asian University in Bishkek; setting up a Central Asian e-network with its hub in India; reactivating INSTC and close consultations on Afghanistan. The idea was to look at the region collectively in a more proactive manner. However, instead of looking at Central Asia and the Caucasus in its own right, Indian policy toward the region has been subservient to its Afghanistan, China and Pakistan policies. In addition, Russian and U.S. designs have further influenced Indian strategy towards the region.

### **Renewed Focus under Prime Minister Modi**

Coinciding with economic transformation towards a market economy in the post-Soviet states, India also transitioned from an excessively inward-oriented to a more globally-integrated economy in the 1990s. As a result of new policies, it became one of the fastest growing economies in the world. High economic growth had its own strategic consequences. This helped India to strengthen its traditional partnerships with the developing world and also forge new partnerships with all major powers including the U.S., EU and Russia. New Delhi also signed many trade agreements in Asia. Apart from the "special and privileged" partnership with Russia within the Eurasian region, India signed four important strategic partnerships with Kazakhstan (2009), Uzbekistan (2011), Afghanistan (2011) and Tajikistan (2012).

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<sup>1</sup> Hillary Rodham Clinton, *Remarks on India and the United States: A Vision for the 21st Century*, Chennai, July 20, 2011. <https://2009-2017.state.gov/secretary/20092013clinton/rm/2011/07/168840.htm>

<sup>2</sup> Ministry of External Affairs, *India's 'Connect Central Asia' Policy: Keynote address by MOS Shri E. Ahamed at First India-Central Asia Dialogue*, June 12, 2012. <https://www.mea.gov.in/Speeches-State-ments.htm?dtl/19791/>

Against this backdrop of an emerging India, Prime Minister Narendra Modi received a decisive mandate in the 2014 parliamentary elections. His Bharatiya Janata Party (BJP) campaigned on the promise to further boost economic growth and decisive foreign policy. This was also the time when many developments were taking place in the Eurasian region. As a result of rising tensions with the West over the Ukrainian crisis, Russia renewed its assertiveness in the post-Soviet space. For linking South and Central Asia through Afghanistan, the U.S. had announced its New Silk Road Strategy. However, it also declared its intention to exit from Afghanistan. China had already announced its Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road, which turned into the Belt and Road Initiative (BRI). The landmark Iranian nuclear deal with the prospects of removal of sanctions against Tehran by the U.S. raised Indian hopes to further improve its profile in the region. Due to difficult India-Pakistan relations, Iran always plays a significant role in Indian strategic thinking towards Afghanistan, Central Asia and the Caucasus.

Worried about Russia and China and their increasing closeness, Central Asian regimes also started looking for enhanced strategic and economic engagement from India. This fits well within their 'multi-vector' foreign policies, in which they are trying to balance their relations with Russia and China through enhanced engagement with the West and regional players. The announcement of a U.S. withdrawal from Afghanistan from 2014 onward had already added a new dimension to India's relations with the region. It was becoming clearer that any failure of the Afghanistan project would pose common security challenges to both India and Central Asia. Relative stability in

Afghanistan, on the other hand, would open up many economic opportunities to the region.

In July 2015, Prime Minister Narendra Modi visited all five Central Asian States. This was the first visit of any Indian prime minister to all the Central Asian countries together since they became independent in 1991. During the visit, 22 agreements were signed with five Central Asian countries. Apart from agreements on defence, military and technical cooperation, trade, tourism, culture etc, a bilateral agreement was also signed for the purchase of uranium from Kazakhstan. The visit resulted in a raised Indian profile in Central Asia. In December 2015, Indian Vice president Hamid Ansari attended the ground-breaking ceremony of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline at Mary, Turkmenistan. There were hopes that pipeline may start operating by the end of 2018.

In June 2017, India also became a full member of the SCO. India has been an observer in the organisation since 2005. Prime Minister Modi had already signed a Memorandum of Obligation at the SCO Tashkent summit in 2016. During Prime Minister Modi's visit to Iran in May 2016, a trilateral agreement on Chabahar between India, Iran and Afghanistan was signed. Another contract for the development of Chabahar port was aimed to improve India's connectivity to Afghanistan and Central Asia. In 2018, India also joined the Ashgabat Agreement, which aimed to improve Eurasian connectivity and coordinate activities with other transport corridors including the INSTC. The agreement was first signed by Uzbekistan, Turkmenistan, Iran, Oman and Qatar in 2011. Kazakhstan and Pakistan also joined in 2016.

In 2019, New Delhi initiated an “India-Central Asia Dialogue” at the Foreign Ministers level including Afghanistan.<sup>3</sup> The first such dialogue took place in Samarkand which mainly focused on connectivity and ways to stabilize Afghanistan. During the same year, bilateral relations with Kyrgyzstan were also elevated to ‘strategic partnership’. To improve development activities in the region, India also proposed setting up of an ‘India-Central Asia Development Group’ in addition to proposing dialogue on air corridors between India and Central Asia. February 2020 saw the creation of an India-Central Asia Business Council.<sup>4</sup> At the second India Central Asia Dialogue in October 2020, a \$1 billion Line of Credit for development projects in infrastructure, IT, energy and agriculture was launched.<sup>5</sup> Currently, bilateral trade between India and Central Asia is in the range of about \$3 billion, out of which \$2.5 billion is only with Kazakhstan. India has another \$500 million in bilateral trade with the Caucasus region.

### Focus Area and Countries

In the last fifteen years, India’s Afghanistan engagement had a direct bearing on its Central Asia policy. The South Caucasus has received much less

attention and New Delhi does not have any clearly articulated Caucasus policy. Although India is trying to formulate and implement a regional policy, bilateral ties have also been important for specific reasons. Tajikistan, for example, is very important strategically. It is about twenty kilometers from Greater Kashmir, separated by the narrow Wakhan corridor in Afghanistan. It is close to the Karakoram highway and camps of anti-India terrorist groups in Pakistan. India operated a medical facility at Farkhor base for the Northern Alliance which fought the Taliban in the 1990s. Along with Tajik forces, India also maintains an air base at Ayni, near Dushanbe, since 2002. During the current Taliban takeover, this base was used to evacuate Indian citizens from Afghanistan.<sup>6</sup> Kazakhstan and Turkmenistan have been important for energy. TAPI has been part of the narrative for the last twenty years. Indian public sector company ONGC Videsh had invested about \$300 million in Satpayev block in Kazakhstan. However, in 2018 the company exited Kazakhstan as it could not find commercially exploitable oil.<sup>7</sup> Currently the ONGC holds stakes in Azeri Chirag Guneshi (ACG) fields and BTC pipeline in Azerbaijan. By contrast, Uzbekistan has been important for historical and political reasons. With increasing

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<sup>3</sup> Ministry of External Affairs, “Press Statement by EAM after First India-Central Asia Dialogue”, January 13, 2019. [https://www.mea.gov.in/Speeches-State-ments.htm?dtl/30907/Press\\_Statement\\_by\\_EAM\\_After\\_1st\\_IndiaCentral\\_Asia\\_Dialogue](https://www.mea.gov.in/Speeches-State-ments.htm?dtl/30907/Press_Statement_by_EAM_After_1st_IndiaCentral_Asia_Dialogue)

<sup>4</sup> Outlook India, “India-Central Asia Business Council Launched” 6 February 2020. <https://www.outlookindia.com/newsscroll/indiacentral-asia-business-council-launched/1727841>

<sup>5</sup> Ministry of External Affairs, “Joint Statement of the 2nd Meeting of the India-Central Asia Dialogue”, October 28, 2020. (<https://www.mea.gov.in/bilateral->

[documents.htm?dtl/33148/Joint+State-ment+of+the+2nd+meeting+of+the+IndiaCentral+Asia+Dialogue](https://www.mea.gov.in/bilateral-documents.htm?dtl/33148/Joint+State-ment+of+the+2nd+meeting+of+the+IndiaCentral+Asia+Dialogue))

<sup>6</sup> Snehes Alex Philip, “Gissar Military Aerodrome — India’s First Overseas Base that Came to the Rescue in Afghan Crisis” *The Print*, 23 August, 2021. <https://theprint.in/defence/gissar-military-aerodrome-indias-first-overseas-base-that-came-to-the-rescue-in-afghan-crisis/720356/>

<sup>7</sup> The Economic Times, “ONGC Videsh to Exit Kazakhstan’s Satpayev Oil Block” September 18, 2018. <https://energy.economictimes.indiatimes.com/news/oil-and-gas/ongc-videsh-to-exit-kazakhstans-satpayev-oil-block/65856935>

interests from Indian students, farmers and tourists in the Caucasus region, India's External Affairs Minister recently visited Georgia.<sup>8</sup> Throughout the Central Asia and the Caucasus, India has a significant soft power influence through Bollywood, education exchanges and development cooperation projects.

### The Afghanistan Debacle

With the Taliban taking over Afghanistan again, India will have to re-work its Central Asia strategy. The Afghanistan debacle is a major strategic setback for those countries which worked along with the U.S. in Afghanistan for the last 20 years. This includes not just NATO allies of the U.S., but also India. The immediate impact will be felt in the neighbouring regions of South and Central Asia. The current strategic environment surrounding Afghanistan is very different from the situation in the 1990s up until 2001. For India, the problem is complicated by the emergence of the Taliban-Pakistan-China axis as well as Russian, Turkish and Iranian support to the Taliban. Besides, direct 'engagement' by the EU and some of its member states risks

providing *de facto* legitimacy to Pakistani designs in South and Central Asia.

It is only a matter of time before Taliban get recognition in one form or another from major powers. Pakistan, China, Russia, Turkey and Qatar, among other, are trying to facilitate their global engagements and interactions. The U.S. had already legitimized the Taliban by signing an agreement with the movement in February 2020. The EU and its Member States have now agreed for an "operational engagement"<sup>9</sup> with the new government through a joint EU presence in Kabul coordinated by the European External Action Service. The UK also intends to have direct engagement with the Taliban.<sup>10</sup> Uzbekistan and Turkmenistan have been building links with the Taliban for some time, and a Kyrgyzstani delegation has also met the Taliban leadership<sup>11</sup>. Tajikistan, however, will keep pushing for an inclusive government with appropriate Tajik representation. The Taliban have started talking favorably about the TAPI and other connectivity projects with Central Asian neighbors.<sup>12</sup>

For the time being, Afghanistan is likely to be an extension of Pakistan. India will be planning accordingly. The whole world knows about the Taliban's

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<sup>8</sup> Ministry of External Affairs, "Statement by External Affairs Minister at the Joint Press Conference with H.E. Irakli Garibashvili, Prime Minister of Georgia", July 10, 2021. <https://mea.gov.in/outgoing-visit-detail.htm?34007/Statement+by+External+Affairs+Minister+at+the+Joint+Press+Conference+with+HE+Irakli+Garibashvili+Prime+Minister+of+Georgia>

<sup>9</sup> Alexandra Brzozowski, "EU Sets Five Conditions for Future 'Operational Engagement' with Taliban, September 3, 2021. <https://www.euractiv.com/section/defence-and-security/news/eu-sets-five-conditions-for-future-operational-engagement-with-taliban/>

<sup>10</sup> Kim Sengupta, "Afghanistan: It's Time to Engage with the Taliban, Says Raab" *Independent*, 3 September 2021. <https://www.independent.co.uk/asia/south-asia/raab-afghanistan-taliban-dialogue-b1913153.html>

<sup>11</sup> RFL/RL Kyrgyz Service, "Top Kyrgyz Officials Meet With Taliban Leadership In Kabul" September 23, 2021. <https://gandhara.rferl.org/a/kyrgyz-taliban-meeting/31474821.html>

<sup>12</sup> Vladimir Afanasiev, "Taliban: Tapi Gas Pipeline is a Priority Project" 18 August 2021. <https://www.upstreamonline.com/production/taliban-tapi-gas-pipeline-is-a-priority-project/2-1-1053761>

linkages with Islamabad. It is not that Europe and the U.S. are naïve. But for most of them, strategically it does not matter now or they feel it does not pose an immediate direct threat to them. After two decades of American-led Western intervention, *The Economist* in its editorial claims that “Afghanistan is a backwater, with little geopolitical or economic significance.”<sup>13</sup>

In the emerging scenario, India may find itself in a relatively disadvantageous position in Afghanistan and Central Asian region. This is the price India has to pay for going too close to the U.S. and certain errors in its own policy judgements. Even when every country, including the U.S., legitimised the Taliban politically by openly talking to them, Indian policy makers remained hesitant.

Despite the U.S. announcement of its withdrawal since 2014, New Delhi hoped the stalemate would continue for some more years. Now the new security and economic architecture in Afghanistan is going to be different from the one followed by Kabul in the last 20 years. The new influencers, particularly China, Pakistan, Russia and Iran, will be happy to see the U.S. influence reduced further. China and Pakistan will also try to minimise Indian engagement.

For India, Afghanistan’s major strategic significance has been in the context of difficult India-Pakistan relations. Once Kabul is closely linked with the Pakistani state, its own strategic significance will decline. However, India’s Pakistan problem will become bigger.

For India, Afghanistan has also been important for regional connectivity. The whole idea of the U.S. New Silk Road Strategy was to link Central Asia and South Asia (especially India) via Afghanistan through trade, transit and energy routes. Investments at the Chabahar port in Iran and the Zaranj-Delaram Road in Afghanistan were part of the strategy to bypass Pakistan. This approach is no longer valid, and as a result, India has to sort out its connectivity issues with China and Pakistan first before thinking about connectivity towards Central Asia via Afghanistan.

Afghanistan will continue to be important for regional connectivity. But now the focus may change towards China’s BRI and the Gwadar port in Pakistan. Even under the Ghani government, Kabul was keen on connecting itself to the BRI either directly or through the China-Pakistan Economic Corridor (CPEC). As Central Asians are already part of the BRI, they may find these developments useful. Taliban have already asserted that “China is our most important partner and represents a fundamental and extraordinary opportunity for us because it is ready to invest and rebuild our country.”<sup>14</sup>

Just before the Taliban takeover, the Biden administration had agreed to set up a new quadrilateral diplomatic platform focused on enhancing regional connectivity involving the U.S., Afghanistan, Pakistan and Uzbekistan. In the changed circumstances, the Chinese may replace the U.S. as leaders in regional connectivity platforms involving Afghanistan. China-Russia bonhomie is matured now.

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<sup>13</sup> The Economist, “America Should Engage with the Taliban, Very Cautiously” September 4, 2021. <https://www.economist.com/leaders/2021/09/02/america-should-engage-with-the-taliban-very-cautiously>

<sup>14</sup> The Mint, “China is Our Most Important Partner, Says Taliban, September 3, 2021. <https://www.livemint.com/news/india/china-is-our-most-important-partner-say-taliban-11630662700353.html>

Together their influence in Central Asian states is significant. Due to the U.S. obsession with Iran, Tehran will also work mainly with Russia and China. Iran will also become a formal SCO member soon.<sup>15</sup>

New Delhi is still mainly trying to coordinate its Afghanistan policy with the United States. But the U.S. and the broader West will have a very limited interest in Afghanistan in the coming years. Compared to Biden's 'America is back' foreign policy promise<sup>16</sup>, the exact opposite has happened in South Asia. To counter China's rise, India may aspire to work with the U.S. in the Indo-Pacific, but it will have a tough time finding convergences with the China-Pakistan-Taliban axis in South and Central Asia. In a shrinking space, it will still try to coordinate some of its actions with Russia and Iran in Eurasia. Recently, the national security advisors of India, Russia, Iran and Central Asian republics met in Delhi to discuss evolving Afghanistan situation and threats arising from terrorism, radicalisation and drug trafficking in the region.<sup>17</sup> During President Putin's visit to India in December 2021, it was asserted that both India and Russia share "common perspectives and concerns on Afghanistan."<sup>18</sup>

To get recognition and assistance, the Taliban may allow restricted female education and token women presence in offices. But their links with terror groups will continue be a serious concern. New Delhi will also have to live with Pakistan's perceived success in its adventure in Afghanistan and its implications for the Indian national security and Central Asia strategy. India's declared policy is 'wait and watch.'<sup>19</sup> It is carefully monitoring Taliban's links with Pakistan based terror groups. The Taliban government, even under Pakistani influence, will need broader recognition and economic opportunities arising from Indian linkages. However, neither the Indian government nor the Taliban are in a hurry to change their perceptions about each other.

### Changing Approach

In the last three decades, India had an ambition to raise its profile and connect with its Central Asian neighbourhood. This was reflected through its 'Extended Neighbourhood' and 'Connect Central Asia' policy. Though New Delhi was successful in forging close strategic ties with the region, the instability in Afghanistan and the troubles in India-Pakistan relations did not allow New Delhi to seriously

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<sup>15</sup> Maziar Motamedi "What Iran's Membership of Shanghai Cooperation Organisation Means" *Aljazeera*, 19 September 2021. <https://www.aljazeera.com/news/2021/9/19/iran-shanghai-cooperation-organisation>

<sup>16</sup> The White House, "Remarks by President Biden in Address to a Joint Session of Congress" April 28, 2021. <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/04/29/remarks-by-president-biden-in-address-to-a-joint-session-of-congress/>

<sup>17</sup> Ministry of External Affairs, "Delhi Declaration on Afghanistan" November 10, 2021. <https://mea.gov.in/bilateral->

[documents.htm?dtl/34491/Delhi\\_Declaration\\_on\\_Afghanistan](https://mea.gov.in/bilateral-documents.htm?dtl/34491/Delhi_Declaration_on_Afghanistan)

<sup>18</sup> Ministry of External Affairs, "21st India – Russia Annual Summit", December 06, 2021. [https://mea.gov.in/press-releases.htm?dtl/34608/21st\\_India\\_\\_Russia\\_Annual\\_Summit](https://mea.gov.in/press-releases.htm?dtl/34608/21st_India__Russia_Annual_Summit)

<sup>19</sup> The Hindu, "India Adopting 'Wait and Watch' Policy on Afghanistan, Says Government" August 26, 2021, <https://www.thehindu.com/news/national/jaishankar-briefs-political-leaders-on-afghanistan-situation/article36112751.ece>

connect economically to Central Asia and the Caucasus. The increasing Chinese profile in the region also coincided with a significant U.S. engagement in Central Asia due to Afghanistan. To improve its connectivity, New Delhi continued making efforts along with Russia, Iran and Afghanistan. The INSTC, Chabahar port and engagements in Afghan infrastructure was part of this strategy. The U.S. design to connect Central and South Asia through Afghanistan coincided with Indian policy. Though it did not take off, it helped foster a positive connectivity narrative. With the U.S. debacle in Afghanistan, these narratives are no longer valid. The Taliban-Pakistan-China axis will now strengthen the BRI profile. This is happening at a time when India's relations with both China and Pakistan are at an all-time low. India's growing ties with the U.S. in the Indo-Pacific may also restrict its options in

Central Asia and the Caucasus. In the next few years, India will work with Central Asians to safeguard the region from negative repercussions of Taliban takeover in terms of radicalization, increased terrorist activity and drug trafficking. This was clearly evident when at the recent SCO summit, Prime Minister Modi asserted that biggest challenges in the region "are related to peace, security and trust-deficit and the root cause of these problems is increasing radicalization."<sup>20</sup>

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<sup>20</sup> Ministry of External Affairs, "Prime Minister's Address at the Plenary Session of the 21st Meeting of SCO Council of Heads of State" September 17, 2021. <https://mea.gov.in/Speeches->

[Statements.htm?dtl/34274/Prime\\_Ministers\\_Address\\_at\\_the\\_Plenary\\_Session\\_of\\_the\\_21st\\_Meeting\\_of\\_SCO\\_Council\\_of\\_Heads\\_of\\_State](https://mea.gov.in/Speeches-Statements.htm?dtl/34274/Prime_Ministers_Address_at_the_Plenary_Session_of_the_21st_Meeting_of_SCO_Council_of_Heads_of_State)