2023 could be India's year

The current international situation offers a window of opportunity for India to step in and prove its role as one of the top global players

India's influence in the world has increased significantly in recent years. The government in Delhi now has great ambitions to be a global player. The main reason for its greater importance is its phenomenal economic growth, which, with some fluctuations, has averaged over 7 per cent annually since the end of the 2000s. With 8.7 per cent growth in 2021, India has advanced to being the fifth-largest economic power in the world after the US, China, Japan and Germany. The Indian government's ambitious goals of playing in the big leagues or even influencing their agenda are not new. In global affairs, the political elite has always seen India as belonging to the top group. But in the past, the country has too often been caught up in the regional conflicts of South Asia.

India has now assumed the presidency of the G20 for 2023 and thus has the opportunity to shape the G20 agenda. In Delhi, this is seen as a historic opportunity and is perhaps some compensation for the fact that for decades the country has been denied a permanent seat on the UN Security Council. With a population of over 1.4 bn, this year, India is poised to overtake China as the world's most populous country. Delhi has long argued for the reform of international institutions (such as the World Bank, International Monetary Fund and UN Security Council) because they remain more in line with the distribution of power after World War II than with the world situation today. During the G20 presidency, the government is striving above all to make the 'unheard voices' of the Global South heard.

A tradition of nonalignment

In an interview with the *New York Times*, India's Minister of External Affairs, Subrahmanyam Jaishankar, confidently made it clear that he still considers the world order to be too Western-dominated. He accuses the Europeans of prioritising their own affairs and thereby losing sight of

global issues. In poorer countries, for example, western sanctions against Russia have driven up energy, food and fertiliser prices and caused acute economic problems. The Indian government is resisting this sort of bloc formation that we know from the Cold War era and which is currently looming in a different form — the competition and conflict between the US and China.

India refuses to simply take the side of the West as a matter of course. Rather, the government in Delhi has multiple alliances in mind – a concept that fits in perfectly with India's tradition of nonalignment. The country does not want to join the US camp completely, for example by setting limits on China in Asia or globally. Although it is a member of the Quadrilateral Security Dialogue (Quad) alongside the US, Australia and Japan, India did not yield to US and European pressure in the UN votes condemning the Russian war of aggression but instead abstained from voting. Russian President Vladimir Putin maintains good relations with the Indian government in an attempt to express that Moscow is far from being as isolated as the West often claims. At the same time, in September 2022, Indian Prime Minister Narendra Modi told the Russian President in no uncertain terms at a meeting of the Shanghai Cooperation Organization (SCO) that 'Today's era is not an era of war.'

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India's good economic relationship with Russia is maintained neither secretly nor remorsefully. The country has been importing armaments technology from Russia for decades and continues to rely on Moscow's cooperation. In the course of the Ukraine war, India increased its oil imports from Russia – at reduced prices. In response to reproaches from the West regarding India's 'seesaw policy' the Indian foreign minister retaliated with talk of European hypocrisy: when countries with a per capita income of USD 60,000 think they want to look after their own interests when it comes to energy supply, then that is legitimate. But they shouldn't expect a country with a per capita income of USD 2,000 to restrain itself when it comes to its interests.

The concept of multiple alliances – maintaining good connections with Washington and Brussels as well as Moscow – allows Delhi to act as a mediator. Thus far, the Russian government is still rejecting any diplomatic attempt to end the war or start negotiations. However, experience in conflict regulation shows that the efforts of neutral

mediators can be helpful. This also amounts to an opportunity for the Indian government to position itself constructively in world politics.

Windows of opportunity

India can also benefit from the currently widespread scepticism about China's policies for many reasons. The pandemic has been instrumental in contributing to India's growing influence, as it has made many people realise just how deep and diverse its economic dependencies on China are. China's aggressive foreign policy, its lack of transparency regarding the Coronavirus and the upheavals from the threat of a collapse in supply chains, as well as technological dependence in key economic areas, have led to a certain rethinking. In particular, many governments regard the diversification of supply chains as an indispensable measure to reduce dependency and increase the resilience of their own societies.

This mixed situation offers an immense opportunity for India. The country has great potential in its class of well-trained, English-speaking professionals. This resource and the large Indian market with a growing middle class are attractive to many foreign investors. Current economic strength and political determination can make 2023 India's global year.

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But obstacles also remain. Even with its technologically advanced sectors, India is still a poor country. The Indian economy needs more than 7 per cent growth in order to provide enough jobs for the 10 to 12 million young people entering the labour market every year and to reduce poverty. It needs a boom phase spanning several decades, similar to the one that China experienced. It is not difficult to predict what this means for climate change.

In terms of foreign policy, Modi's government succeeded in intensifying relations with the US, Japan, Australia and European countries. India's image among the surrounding countries, which has not always been positive, has also improved. However, India's role and status in Southeast Asia is complicated and its relations with smaller neighbours are not free of tensions, if only due to India's size.

The critical situation in the region is reflected in India's longstanding conflict with Pakistan and difficult relationship with China. Territorial disputes – unresolved to this day – repeatedly give rise to border incidents. Both the unresolved border disputes and China's preferential relationship with Pakistan are a source of worry for Delhi. China and

India are investing heavily in armed forces – but the former significantly more than the latter. Beijing's 'New Silk Road' project is further heating up the situation. In addition, China's presence in the Indian Ocean is raising security concerns in Delhi. At the same time, however, the governments of India and China are cooperating in areas such as the BRICS initiative, the SCO and the G20.

India is interested in transcending ideological differences and working with like-minded countries to develop a roadmap for a new multilateralism.

Relations between the two Asian giants remain conflicted. Despite various meetings between Modi and his counterpart Xi Jinping, the rivalry between the two countries has intensified. In India, too, people have long believed in the moderating influence of trade. But the considerable growth in bilateral trade between China and India has failed to ease tensions. Now the Indian government has embarked on a policy of decoupling. But due to India's import dependency, this will not be easy. The global ambitions of the world's two most populous countries have turned them into fierce competitors. Despite unresolved social and political problems, both governments see themselves as Asian powerhouses.

India is interested in transcending ideological differences and working with like-minded countries to develop a roadmap for a new multilateralism. In the struggle between democracies and autocracies, particularly in the Indo-Pacific rivalry between the US and China, Delhi can play an important role in tipping the scales. India's growing influence, communicated with self-confidence, may well have a positive impact on the emerging global order.



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