

From 'Big Brother' to 'Vishwamitra'

India is growing increasingly isolated in its own backyard. To counter this, the country needs to actively cultivate a more cooperative, gentler image

India's 'Neighbourhood First Policy', originally conceived with the vision of reinforcing ties with its South Asian counterparts, has been the guiding force behind Indian Prime Minister Narendra Modi's diplomatic strategy since he entered office. Initially lauded for its role in bolstering stability and goodwill in the region, recent developments are starting to suggest a different story.

The policy of fostering economic integration and building trust between India and its neighbours seems to have encountered some turbulence, leaving the country isolated in its own backyard. Relations with key neighbours such as Bangladesh and the Maldives are suddenly delicate, and with China's sphere of influence expanding, it is high time for India to re-evaluate its 'Neighbourhood First' approach and adopt a more pragmatic and cautious tactic.

Shifting tides

The first shock for India's leadership came in the form of the new president of the Maldives, Mohamed Muizzu, who arrived on the scene in 2023 with a concrete vision: India out, China in. Muizzu immediately demanded the withdrawal of Indian troops from the Maldives, declaring them an infringement on the small country's sovereignty. Tensions intensified when several Maldivian high-ranking officials made derogatory remarks about Modi and his leadership. This marked a radical reorientation of Maldivian foreign policy, which had previously put India on a pedestal. Simultaneously, relations with China have grown, exemplified by a military pact between the two states in early 2024.

The strategic importance of the Maldives lies primarily in its location next to key shipping lanes that carry a significant proportion of the global oil trade, particularly between Asia and the Middle East. Put simply, whoever wields power over the Maldives can control, and possibly even

disrupt, the flow of global trade. As such, India cannot afford to lose its presence in the country, as this would diminish its strategic advantage in the Indian Ocean. China is no longer lurking in the corner — it is already a force to be reckoned with. Allowing it to move unchallenged into the Maldives is detrimental not only to Indian but also to Western interests in the Indo-Pacific.

Bangladesh remains crucial to India's 'Act East Policy', which aims to counter Chinese influence in the east.

In an effort to repair the strained relations between the two countries, Modi offered financial assistance to the Maldives on Monday, 7 October, after talks were held in New Delhi. It was Muizzu's first state visit to the neighbour since coming to power last year. The aid comes in the form of a rollover of \$100 million in treasury bills.

The second blow to India has come with the collapse of Sheikh Hasina's pro-India government in Bangladesh. Hasina's departure from power has been accompanied by calls to reduce Indian influence, and with pro-Pakistan parties such as the BNP and the Islamist Jamaat-e-Islami now poised to contest elections, the hitherto smooth bilateral relationship with India could face significant challenges. While some are hailing the regime change in Bangladesh as the first step towards a glorious democracy, the reality is that India could lose its most stable and cooperative neighbour, potentially opening the door to unfriendly forces.

The potential loss of Bangladesh as an ally, with whom a long border is shared, could threaten India's security and influence in the long run. Moreover, Bangladesh's economy, coupled with its location along the Bay of Bengal, makes it an attractive destination for infrastructure projects and investments. It effectively links India and China, allowing both countries to develop ports and expand their sphere of influence in South Asia. As such, Bangladesh remains crucial to India's 'Act East Policy', which aims to counter Chinese influence in the east.

Economic disparity

The question then arises: What is undermining India's 'Neighbourhood First Policy'? Is it a matter of poor execution, or are there structural problems hampering its effectiveness?

It is, in fact, a combination of both.

One of the fundamental structural issues is the economic disparity between India and its neighbours, which has hindered greater economic

integration, as India's position has been perceived as a means of asserting control over smaller states. An example of this was the 2015 Nepal blockade. While India denies imposing an undeclared blockade on trade into Nepal, many Nepalese politicians see it as an illegal act of aggression. This diplomatic row echoed a growing sentiment of mistrust among smaller nations that perceive India's economic strength as a coercive tool.

Beyond this, India has also faced allegations of weaponising its political influence to advance its own interests. Its close ties with Hasina's Awami League have been both a blessing and a curse. On the one hand, they have reinforced bilateral ties; on the other, political support for the authoritarian regime has fuelled anti-India sentiment and sown the seeds of instability within the country. At the same time, some have also accused New Delhi of employing intelligence agencies and Hindutva activists to influence the political decisions of its neighbours.

India must establish its position as a benevolent leader and Vishwamitra — one who commands respect not out of fear but out of cooperation and shared prosperity.

Given the growing dissatisfaction with India's position, it is imperative that India adopts a more cautious approach. There appears to be nothing wrong with the guiding vision of the 'Neighborhood First Policy'. However, India needs to shed its 'Big Brother' image and reposition itself more as a *Vishwamitra* (a friend of the world). The government must recognise that its smaller neighbours hold absolute sovereignty to choose their own path, just as New Delhi does, and it is therefore crucial to refrain from active interference in the internal affairs of other states.

That said, merely refraining won't be enough. India needs to actively cultivate a collaborative and gentle image. This will require a shift away from what some deem a 'muscleman attitude' and towards the development of genuine partnerships. India must remember that its neighbours are bound to it through strong cultural ties and that, despite Chinese influence, these historical bonds are difficult to erode.

The world's largest democracy has no need to resort to assertive tactics. By embracing a role that prioritises cultural and economic cooperation, India can overcome accusations of interference and build sustainable relationships. Additionally, India's dominant position in the region means that its neighbours cannot afford to disrupt this relationship without serious consequences for their own growth. With this in mind, India must establish its position as a benevolent leader and *Vishwamitra*

— one who commands respect not out of fear but out of cooperation and shared prosperity.



Kshitij Singh

Kshitij Singh is studying politics, philosophy and economics at the Central European University. He previously worked as an intern at the Indian Embassy in Austria.