



## India's South Asia Strategy

*This editorial is based on "[Is India really 'neighborhood first'?](#)" which was published in The Indian Express on 19/11/2024. The article highlights India's strained ties with neighbors like Nepal, Maldives, and Bangladesh, emphasizing the need to shift from an assertive approach to a "neighborliness first" policy based on mutual respect and non-interference.*

**For Prelims:** [South Asia](#), [Neighborhood First policy](#), [China's "String of Pearls" strategy](#), [India-Maldives-Sri Lanka Maritime Exercise 'Dosti](#), [SAARC region](#), [India-Myanmar-Thailand trilateral highway](#), [Chabahar Port](#), [Bangladesh, Bhutan, India, Nepal \(BBIN\) Power Trade Agreement](#), [Information Fusion Centre-Indian Ocean Region](#), [BIMSTEC](#), [International Solar Alliance](#), [Galwan Valley Standoff in 2020](#), [Sri Lanka's Hambantota Port](#), [China Pakistan Economic Corridor](#).

**For Mains:** Significance of Neighbourhood First for India, Key Challenges India is Facing in the South Asian Region.

India finds itself at a crossroads in [South Asia](#), where strained ties with neighbors like **Nepal, Maldives, and Bangladesh** signal growing discontent with its traditional approach to regional diplomacy. The reliance on **geographic dominance** and assertive policies is increasingly counterproductive, as smaller nations deftly leverage China to balance India's influence.. This calls for a shift from a "[neighborhood first](#)" **policy to a more inclusive "neighborliness first"** approach, emphasizing mutual respect, non-interference, and addressing the aspirations of smaller nations.

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## What is the Significance of Neighbourhood First for India?

- **Strategic Security Imperatives:** India's **15,106.7 km of land borders** and **7,516.6 km of coastline** make neighborhood stability crucial for national security.
  - The policy helps counter **China's "String of Pearls" strategy**, which aims to encircle India through military and commercial facilities.
  - Collaborative security initiatives, like the **joint India-Maldives-Sri Lanka maritime exercise 'Dosti'**, emphasize regional unity in safeguarding shared waters.
- **Economic Integration and Growth:** **South Asia**, with a population of 2 billion, represents significant economic potential.
  - The average exports share of India in the **SAARC region** has been 5.9% of its total product, highlighting growing regional trade importance.
  - Infrastructure initiatives like the **India-Myanmar-Thailand trilateral highway** and **Chabahar Port** development in Iran provide crucial trade connectivity.
  - These economic linkages are vital for India's **\$5 trillion economy goal by 2025**.
- **Energy Security and Resource Management:** Regional cooperation is crucial for managing shared resources, particularly water from rivers like **Ganges, Brahmaputra, and Indus**.
  - Growing energy demands require regional solutions - for instance, **India has permitted Nepal to export an additional 251 MW of electricity**, marking the first instance of the Himalayan nation supplying power to Bihar.
  - Cross-border electricity trade initiatives like the **Bangladesh, Bhutan, India, Nepal (BBIN) Power Trade Agreement** facilitate optimal resource utilization.
- **Cultural and Civilizational Bonds:** The region shares deep **historical, cultural, and religious ties spanning millennia**.
  - India's soft power initiatives like the **Buddhist Circuit tourism** strengthen these bonds.
  - Cultural diplomacy through initiatives like the **South Asian University in Delhi** builds regional understanding. These connections **help counter growing anti-India narratives in neighboring countries**.
- **Maritime Domain Awareness and Control:** India's strategic location commanding key Indian Ocean trade routes makes regional maritime cooperation vital.
  - **Information Fusion Centre-Indian Ocean Region (IFC-IOR)** launched in 2018 promotes maritime domain awareness with regional partners.
  - Coastal security cooperation helps combat **maritime crimes** - like in March 2024, a joint

operation by the NCB, Indian Navy, and Gujarat ATS seized 3,300 kg of drugs from a dhow **60 nautical miles off the [Indian Ocean coast](#)**, arresting five foreign nationals with suspected Pakistani links, the **largest offshore drug bust in India**.

- **Global Power Aspirations:** Strong regional influence is crucial for India's global power ambitions as a leader of the Global South.
  - Leadership in regional organizations like [BIMSTEC \(Bay of Bengal Initiative\)](#) demonstrates regional stewardship.
  - Successful regional cooperation strengthens **India's case for [UNSC permanent membership](#)**.
  - The Neighbourhood policy helps establish India as a responsible power capable of managing regional affairs. Also, Regional support is crucial for **India's global initiatives like [International Solar Alliance \(ISA\)](#)**

## What are the Key Challenges India is Facing in the South Asian Region?

- **Territorial Disputes:** Territorial disputes remain a significant barrier to peace and cooperation in South Asia.
  - The long-standing **conflict over Kashmir between India and Pakistan** continues to fuel tensions, while unresolved border issues with China add another layer of complexity.
    - India's recent decision to **refrain from traveling to Pakistan for the 2025 Champions Trophy (Cricket)** reflects the broader challenges in maintaining normalcy in such relationships.
  - These disputes often lead to **military confrontations and diplomatic standoffs** like the [Galwan Valley Standoff in 2020](#) that distract from cooperative efforts on regional development.
- **Rising Chinese Economic Influence and Debt Diplomacy:** The Belt and Road Initiative (BRI) has dramatically **increased China's footprint in South Asia**, with investments exceeding **\$200 billion in the region**.
  - [Sri Lanka's Hambantota Port](#), leased to China for 99 years after debt default, stands as a stark example of debt-trap diplomacy.
  - **Pakistan** has received over \$62 billion through [China Pakistan Economic Corridor \(CPEC\)](#), while in the 2023-24 fiscal year, China committed NPR 254.7 billion to **Nepal**, making up 51.4% of the country's total foreign investment.
  - **Bangladesh**, traditionally India's close ally, has accepted Chinese investments worth \$26 billion in infrastructure projects.
  - This economic penetration has **directly challenged India's historical role** as the region's primary development partner.
- **Diminishing Political Capital and Trust Deficit:** Recent political transitions have highlighted India's waning influence- The **Maldives' newly elected President has prompted demands for the removal of Indian military presence**.
  - Nepal under **K P Oli has shown a clear pro-China tilt**. The fallout from India's perceived interference in **Nepal's 2015 constitution-making process** and subsequent unofficial blockade continues to sour relations.
  - Bangladesh's new government under **Mohammed Yunus** represents a shift from the previously **India-friendly regime**.
  - [Myanmar's military coup](#) and ongoing civil conflict have implications for India's Act East Policy and management of the North Eastern border.
- **Security Challenges and Strategic Vulnerabilities:** The China-Pakistan military nexus has evolved into a more sophisticated threat, with Pakistan acquiring advanced Chinese military technology including **J-10C fighters and Type 054A/P frigates**.
  - Reports indicate a **20% increase in piracy incidents in 2023**, with notable attacks such as the **hijacking of the [MV Chem Pluto off India's west coast](#)** underscoring the evolving nature of maritime terrorism
  - **Pakistan's continued support to cross-border terrorism evident in the recent [Reasi terrorism attack](#)**, remains a persistent threat.
- **Economic Integration Barriers:** SAARC's ineffectiveness, largely due to **India-Pakistan tensions**, has stalled regional economic integration.
  - Intraregional trade accounts for barely **5% of South Asia's total trade**, compared to the ASEAN region where intra regional trade makes up **25%**.

- The **Bangladesh, Bhutan, India, Nepal (BBIN) initiative's slow progress, particularly in implementing the Motor Vehicles Agreement**, exemplifies regional connectivity challenges.
- Cross-border infrastructure projects face delays - for instance, **India-Nepal Pancheshwar Multipurpose Project**, conceived under the **Mahakali Treaty** of 1996, has faced significant delays.
- **Resource and Environmental Challenges:** Water-sharing disputes in the region have escalated, particularly with **India's unresolved Teesta river agreement with Bangladesh**.
  - At the same time, **China's extensive dam-building activities on rivers** flowing from its upper riparian positions are increasingly threatening India's water security, potentially reducing the flow of vital rivers like the **Brahmaputra**.
  - Climate change impacts, particularly rising sea levels threatening **Maldives and Bangladesh**, create potential for mass displacement and regional instability.
  - Energy security concerns are growing as **India competes with China for access to regional resources** - evident in the **competition for Myanmar's gas fields and Sri Lankan energy projects**.
- **Cultural and Identity Politics:** The rise of **religious nationalism** across the region complicates India's secular diplomatic stance.
  - Treatment of minorities in neighboring countries (like **Hindus in Pakistan and Bangladesh**) creates domestic political pressures on Indian foreign policy.
  - The **Rohingya refugee crisis** strains resources and tests regional relationships.
  - Issues like the **Citizenship Amendment Act(CAA)** have impacted India's relationships, particularly with Bangladesh, where concerns about potential refugee influx exist.

## What Measures can India Adopt to Strengthen its Neighbourhood First Policy?

- **Economic Integration and Trade Facilitation:** Initiate a Comprehensive Economic Partnership Agreement (CEPA) specifically for South Asian neighbors with reduced tariffs and simplified customs procedures.
  - Establish **Special Economic Zones (SEZs) along border areas with Nepal, Bangladesh, and Myanmar** to boost cross-border trade and local development.
  - Develop **integrated check posts (ICPs) with modern facilities**, single-window clearance, and digital payment systems to reduce trade barriers.
  - Launch a **regional e-commerce platform to facilitate direct business-to-business** and business-to-consumer trade within the region.
- **Infrastructure and Connectivity Enhancement:** Fast-track completion of ongoing projects like **India-Myanmar-Thailand Trilateral Highway** and **extend it to Cambodia and Vietnam**.
  - Develop **multi-modal transport corridors** connecting Indian ports with landlocked neighbors through rail, road, and inland waterways.
  - Establish **cross-border energy grids and gas pipelines** to create an integrated regional energy market.
  - Modernize **border infrastructure with advanced surveillance systems**, better roads, and trading facilities.
  - Implement **BBIN Motor Vehicles Agreement** fully with technology-based tracking and documentation systems.
- **Digital and Technology Cooperation:** Create a **South Asian Digital Hub** for sharing expertise in fintech, e-governance, and digital public infrastructure.
  - Extend **India Stack (UPI, Aadhaar) technologies** to neighboring countries to facilitate cross-border digital transactions.
  - Establish a regional cyber security coordination center to **combat cyber threats and share intelligence**. Launch dedicated satellites for improved regional connectivity and disaster management.
- **Cultural and Educational Exchange:** Increase Indian Council for Cultural Relations scholarships for students from neighboring countries with focus on technical and professional courses.
  - Establish more **South Asian Universities** in border states focusing on regional languages, culture, and development studies.
  - Create a **Regional Cultural Circuit** connecting **Buddhist, Islamic, and Hindu heritage**



- **sites** across borders.
- Launch joint media initiatives including co-production of content and journalist exchange programs.
- **Security Cooperation Framework** Establish a **Regional Counter-Terrorism Coordination Center** with real-time intelligence sharing capabilities.
  - Create joint border management teams with neighboring countries for **coordinated patrol and crisis response**.
  - Develop a shared maritime domain awareness platform with **automated vessel tracking and threat assessment**.
- **Environmental and Resource Management:** Establish a **Regional Climate Action Task Force** for coordinated response to environmental challenges.
  - Implement **shared early warning systems for natural disasters** and environmental emergencies. Create a regional **carbon trading market** to promote clean development.
- **Skill Development and Employment:** Launch **Regional Skill Development Initiative** focusing on **sectors with high employment potential**.
  - Create cross-border industrial training institutes with standardized certification systems. Develop regional labor market information systems for better skill-demand matching.
  - Implement **mutual recognition of professional qualifications across the region**.
- **Local Government Cooperation:** Establish **Sister City partnerships between border cities for cultural and economic cooperation**.
  - Create Joint Development Councils for border districts with coordinated planning.
  - Develop **integrated urban planning for border cities with shared facilities**. Create mechanisms for regular interaction between local government officials.
- **Green Border Initiative:** Establish cross-border renewable energy corridors with solar and wind projects jointly operated by neighboring countries.
  - Create '**Green Buffer Zones**' along borders with **joint forest management and biodiversity conservation**.
  - Develop shared waste management and recycling facilities in border regions. Also, Launch joint **climate-resilient agriculture projects in border areas**.

## Conclusion:

The road ahead for India in South Asia requires a fundamental shift in approach to its neighbors. A genuine commitment to **mutual development, non-interference, and addressing common concerns is paramount**. By prioritizing economic integration, addressing security challenges, and fostering cultural exchange, India can reclaim its rightful place as a **regional leader and usher in an era of peace, prosperity, and shared progress in South Asia**.

### Drishti Mains Question:

Evaluate the effectiveness of India's 'Neighbourhood First' policy in fostering regional cooperation and addressing key challenges in the South Asian Region.

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

### Prelims:

**Q. Elephant Pass, sometimes seen in the news, is mentioned in the context of the affairs of which one of the following? (2009)**

- (a) Bangladesh
- (b) India
- (c) Nepal
- (d) Sri Lanka

**Ans: (d)**

**Q. Consider the following statements: (2020)**

1. The value of Indo-Sri Lanka trade has consistently increased in the last decade.
2. "Textile and textile articles" constitute an important item of trade between India and Bangladesh.
3. In the last five years, Nepal has been the largest trading partner of India in South Asia.

**Which of the statements given above is/are correct?**

- (a) 1 and 2 only
- (b) 2 only
- (c) 3 only
- (d) 1, 2 and 3

**Ans: (b)**

**Mains:**

**Q.** "China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia". In the light of this statement, discuss its impact on India as her neighbour. **(2017)**

PDF Reference URL: <https://www.drishtiias.com/printpdf/india-s-south-asia-strategy>

