

**India Africa Relations and the shadow of the dragon: a neoclassical realist  
approach to Indian strategy of cooperation in Africa**

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**Abstract**

Africa has been considered the place where the world will meet in the next few years. This is due to several reasons: the growing consumption market, the vast availability of natural resources and the growing stability of governments in the continent. Because of that, great and rising powers are now trying to develop partnerships and alliances to both extract these natural resources and export products to Africa. The most vivid experience of this kind of cooperation is China-Africa cooperation with its several partners and strategies. India is now enhancing its cooperation with the continent in a different way. In the India-Africa cooperation, Indian companies transfer both technology and expertise to African countries and employ more Africans than Indians in their enterprise. This could bring benefits for both countries and that is the aim of this paper: to assess the likely benefits for India in carrying along these relationships. As a hypothesis, it is argued that this cooperation – despite its historical roots – could be a reaction to Chinese presence in the continent and the perception of Indian elites that not taking part in this new run for natural resources might undermine Indian development and international insertion.

**Key words:** India, Africa, Emerging Powers, Neoclassical Realism, Grand Strategy

*This is a first draft. Comments are welcome.*

## **Introduction**

Neoclassical realism deals with both systemic and domestic variables in order to assess foreign policy behavior. Additionally it brings hypothesis about resource extraction and mobilization in order to counter and undermine any external threats. Resources could be, in this sense, economic or military power or raw materials that could be transformed into some of the two powers mentioned above. Mobilization would be the ability to shift these resources to counter any perceived threat in form of foreign policy.

Indian case is quite peculiar since it lacks enough domestic resource to be mobilized in case of any attempt to counter any threat. India has a huge energy deficit combined with many other deficits in raw material commodities like oil. It's also been said that if India would have to fight any war (against Pakistan or China, perhaps) or attempt to be taken into account by super powers and also to be considered as one (with a permanent seat in United Nations Security Council, for example) it would have one important issue to deal with: how to mobilize something India does not possess?

Bearing this deficiency in mind the left alternative would be to acquire these resources elsewhere even though it would not be the best scenario since today's ally might be tomorrow's enemy. Hence, India relation with Africa would be a strategy to acquire these resources and then become more able to defend and mobilize resources when threats are perceived as eminent.

Africa has been considered as the place where the world will meet in the next few years. This is due to several reasons: the growing consumption market, the vast availability of natural raw resources like oil and gas and the growing stability of governments in the continent. Because of that, all great and rising powers are now trying to develop partnerships and alliances to both extract these natural resources and export products to Africa. The most vivid experience of this kind of cooperation is between African countries and China with its several partners (public and private companies and governmental cooperation) and strategies that are even been considered by some analysts as a new model of imperial domination. On the other hand India is now enhancing its cooperation with the continent in a much more different and sensitive way. In the India-Africa cooperation, Indian companies transfer both technology and expertise to African countries and employ more Africans than Indians in their enterprise. This could bring benefits for both countries and that is the aim of this paper: to assess the likely benefits for India international insertion in carrying along this type of cooperation. As a hypothesis

it is argued that this cooperation – despite its historical roots of non-alignment and anti-colonization mutual support – could be a reaction to Chinese presence in the continent and the perception of Indian domestic elites that not taking part in this new run for natural resources might undermine Indian development and international insertion strategies.

In order to assess the abovementioned hypothesis the article is structured as follows: in the first part a brief review of the Neoclassical Realist thinking and rationale focusing specially on how this theory conceive Grand Strategy formation and its impact on foreign policy; in the following a brief overview of the Indian actions in Africa will be made and we will try to identify the actors and processes in which this cooperation is held; in the final section we will draw some preliminary conclusions and add the Chinese factor in the equation so we can have a big and more accurate picture of the motives of Indian cooperation with Africa.

### **Neoclassical Realism: a brief overview**

Neoclassical realism, according to Gideon Rose (1998) attempts to articulate the domestic and structural dimensions, by stating that "the States respond to uncertainties of anarchy seeking to control and shape their external structure" (p. 4). In saying this, it is clear that the Neoclassical Realism considers structural constraints greatly, but also states that household attributes influence decisively in international politics. In this way, such a theory can not only shape a type-ideal of how international relations are grounded in General, but also explain some peculiarities; This fact is evidenced by the work of some Neoclassical realists as Wohlforth (1993) and Schweller (1998), when these specific issues are analyzed to arrive at a general theorizing.

According to Rose, the Neoclassical Realism attempts to, firstly, explain why foreign policy theories (or Innenpolitik, as called by the author) and structural theories have elements that lead to analytical errors. According to this school of thought, if there is a variable that excels in relation to others, and should remain as a determining factor in political analysis, would be the logic of relative gains. (Rose, 1998)

As Neoclassical Realism (NCR) makes relative gains as its independent variable, the neoclassical realists are forced to define that logic. It is stated that "power" refers to resources or capabilities with which States can influence or be influenced by other States. Here is made a distinction between these features of power and the State interests, the

latter being defined as objectives or preferences that guide the State external behavior. (Rose, 1998)

Instead of simply saying that States seek to maximize their safety in the international system, the neoclassical realism affirms that States respond to uncertainties that anarchy brings, to seek control and shape their external environment. It is argued, too, that States increasingly seek ways to influence its external environment.

The central empirical prediction of neoclassical realism states that the long-term relative amount of material resources and power that countries have will shape the magnitude and ambition [...] of its foreign policy: while its relative power rises States will seek more outside influence, and as this power diminishes their actions and ambitions will be reviewed in accordance with this new reality. (Rose, 1998. p. 152)

To understand how leaders respond to the external environment, it is necessary to analyze how systemic pressures are translated to the unit level. Here, we introduce two intervening variables, which are: (1) the perception of decision makers and (2) the domestic structures of power. World leaders are constrained either by domestic or external pressures. The international anarchy, to the neoclassical realist research program, does not have the hobesian style, either it is benign, but rather grey and extremely difficult to be understood and grasped. States have trouble understanding if security is abundant or scarce. (Rose, 1998)

Neoclassical realism believes that there is an objective reality of relative power, and that has an effect on the results of State interactions. It is assumed, however, that States does not ever seize this reality adequately. (Rose, 1998)

Hans Morgenthau argued that, with his theory, you could peek over the shoulders of statesman; neoclassical realists believes in the same thing, but feel that in doing so we see through a glass, darkly. The world in which States live would therefore be produced by themselves. [...] He also predicts that the process won't necessarily be gradual or uniform, however, because it does not depend only on objective trends, but also about the way policy makers perceive subjectively this process. (Rose, 1998. p. 152-167)

The central objective, and biggest concern, is to build and advance on previous studies about the relative power to introduce the domestic level while intervening variable, by systematizing the approach and by testing it against recent approaches.

*Intervening variables: perception and domestic environment*

As stated earlier, the first intervening variable introduced by Neoclassical Realism is the perceptions of decision makers, that's where systemic pressures are filtered. Unlike some theories that claim that these pressures are transmitted by a some kind of transmission wiring (almost mechanical), the Neoclassical Realism states that the distribution of power can lead to a kind of State behavior just by influencing decision-makers and policy analysts should explore how each policymaker understands its own situation. This means that the transmission of capabilities in state behavior is usually hard and unstable in the short to medium term. (Rose, 1998)

In addition, some neoclassical realists put perceptions in the center of their work. As Wohlforth argues: "rapid changes in state behavior are related to changes in perception that a decision maker has on the distribution of power, being this hard to be captured by typical measures of capabilities". (Rose, 1998)

The second intervening variable emphasized by the neoclassicals is the strength of the domestic institutional apparatus of a given State and its relationship with their society. Distribution of international power ratings are inadequate, since the leaders don't always have access to all the material resources or power of his State.

At the same time NCR also states that leaders cannot freely and automatically convert nation's economic power or resources availability into military or political power and thus in foreign policy orientation. Domestic politics could be tricky, as leaders cannot have, for example, enough power to convince its society, or political elites could act in a parochial way rather than in the name of national interest and, above all, "a state can be motivated by regime survival instead of national survival" (p. 44-45). (Lobell, 2009)

In this sense, threats can come both from international environment and from domestic politics. Actions by a leader or country in the domestic level can be made, therefore, to influence or alter the status quo of the international level and the other way around. (Lobell, 2009)

So NCR is still a structural theory, as it values the primacy of structural constraints in state behavior, but also adds unit level variables to better understand how states will behave in certain conditions. This brings one additional challenge to Neoclassical Realism that is to explain how Grand Strategy is formed and how ideas can impact this process. Ultimately it is left to explain how states conceive its goals in order to achieve a desired end, bearing in mind structural constraints. This is our task in the next section and we turn to it now.

## *The power of ideas, Grand strategy formation and Neoclassical Realism*

In order to assess how Grand Strategy is formulated, it is important to understand how ideas are worked within Neoclassical Realist model and then evaluate how they impact in foreign policy behavior. This section is thus divided in two parts being the first one dedicated to the discussion about ideas and the second about Grand Strategy formation.

### *Ideas*

For the Realist tradition in general and Neoclassical Realism in particular, it is paramount that states act in such a way that enables them to ensure their survival and that means to coordinate policies that could undermine threats and expand its advantage in relation to others. Those policies might be called Grand Strategy and it “encompasses not only military means and ends, but the means and ends of politics, economics and ideology, in short all the aspects of power and influence at a nation’s – and therefore, a statesman’s – disposal.” (Kitchen, 2012.p. 120)

Accordingly, it is argued that Grand Strategy (GS) is policy coordination that happens during decades and even centuries and therefore occurs in both peace and war times prescribing actions that a State ought to do in order to achieve goals that it figures to be the best way to ensure its survival and enhances its chance to counter threats.

In order to assess how GS is formulated and operationalized we need to understand the role ideas play in Neoclassical Realism theories. In NCR, ideas and material factors have equal force and can influence each other. Kitchen (2012) argues that there are three types of ideas. The first are the scientific ideas, that “tell us about how the world works” and establish “relations between things in the international environment”. The second type of ideas are the normative suggestions and they reflect some sort of ethical or moral orientation for foreign policy. The third type is the operational ideas and they can be both scientific or normative and they recommend “the means by which a certain end should be pursued”. (Kitchen, 2012. p.129)

Ideas are related to power, but has a different character as the relation of economic power or military hardware power to political power. Their power can be “dependent and variable” (p. 130). Some Neoclassical Realist thoughts, as Kitchen’s, believe that ideas

can have impacts through the unit level in three different ways: “through the individuals that holds them; through institutions that have them embedded; and through the broader culture of the state.”. (Kitchen, 2012)

As Kitchen puts it: “the power of ideas therefore rests on the ability of believers in ideas to alter the costs and benefits facing those who are in a position to promote or hinder the policies that the ideas demand.” (Kitchen, 2012. p. 132)

### *Grand Strategy formation*

Grand Strategy formation starts at the definition – made by State leaders and domestic elites – of what constitutes a threat to the State. The analysis starts at a geopolitical evaluation of the context in which the State is in and about the material balance of power “that defines and prioritizes national interests and the threats to those interests”. These threats can come from material capability and from perception of intentions, but even when they seem clear the operational ideas might “contest the raking of those threats in terms of imminence” (Kitchen, 2012. p. 134-5)

Since threat assessment requires geopolitical context evaluation GS gains, therefore, its long-term character as it might be difficult to change some geopolitical tensions.

After a threat has been identified, it is time to decide the means to address it. In this case, leaders assess what means are available, which of them will work more effectively and if this mean is morally justifiable. This assessment, however, is not uniform and there might be competing operational ideas among elites and leaders.

In order to counter threats States must have resources to mobilize. These resources can be raw materials (oil, gas and so on) – that can be translated into industrial activities and then to both economic power and military hardware – military and economic power. It is important to notice that for Neoclassical Realism this process is not mechanical because of the strength of domestic elites. Leaders might have a hard time in convincing that the mobilization of certain resource is the right thing to do to counter one perceived threat. There is also another problem though: the case where the State has little or not enough resource to mobilize. When it comes to resource mobilization, we argue that the lack of energy sources is the biggest problem a State can have. With a huge energy deficit one State cannot increase its industrial activities – or limit them a lot – and therefore

cannot benefit from economic power and development in military hardware and technology.

In this case, we argue that this State has two alternatives, one domestic-oriented and the other external-oriented. The first one involves trying to develop alternative sources of energy preferable one type that this particular State have in abundance in its territory. The other alternative is to acquire these resources (oil and gas, mainly) elsewhere. This second scenario is not desirable, since today's ally might be tomorrow's enemy (and this could simply and abruptly interrupt energy supplies), but at the same time it is the easiest way of acquiring these resources since the development of new technologies might be too expensive and the State might not have proper expertise to research and develop them. Therefore, this creates a tricky situation and an additional problem for GS formation: where to put efforts? Some might think that it is clever to invest in new technology while others might not and this starts the domestic debate and could end up delaying decision-making and losing timing and money.

This situation is especially true in the case analyzed and we will explore this issue deeper in the next section when we show Indian cooperation initiatives in Africa. It will be clear that this type of relationship is not only about acquiring resources to be able to undermine the Chinese threat but also the counter strategy itself.

### **India-Africa Relations: a brief overview**

In this section, we briefly expose India-Africa relations as we show the types of relations, who conduct them and some statistics about money flow, meetings held and so on. After we have done it we will show how China is conducting its relations with Africa where we will be able to see huge differences not only about the quantity of investment made by the two countries and how they conduct their business.

#### *India Africa relations: from ideational to pragmatic relations*

As Naidu (2010) puts it, India and Africa “enjoy a long-standing historical relationship. Contacts and trade between the two sides have been noted as extending beyond British colonialism”. (p. 34). After India's independence and during Nehur's premiership the relations with Africa were based on the idealistic idea of a free world and



on the non-alignment movement a relationship that became to be known as Asian-African Solidarity.

The main idea was to be cooperate and try to put an end to economic deprivation and to call for a New International Economic Order (NIEO) that would be negotiated through a unity in the Third World against the North. There was an express intention to enlarge South-South cooperation. The problem with that was that the economic ties between India and African countries were weak since both parties were facing developmental challenges and thus had to prioritize economics ties with richer nations.(Bhattacharya, 2010)

Things begun to change after the Indian defeat in the war against China in 1962 where the lack of full support from African countries to India indicated that a change was necessary if India would have to benefit from its relations with Africa. This led to the creation of the Indian Technical and Economic Cooperation (ITEC) in 1964 and it was supposed to “examine ways to improve economic and technical cooperation with the continent”. According to data from 2010, over ten thousand Africans were trained by ITEC in areas ranging from agriculture and industry to management and diplomacy. (Naidu, 2010. p. 35)

For much of the cold war India's own regional and domestic pressures made it inward looking. With economic liberalization in the 1990s, however, India's policy-makers realized the importance of a foreign policy that resonated with its economic ambitions. Opening up to overseas investment also meant strength-ening external relations that could help to realize its political and economic potential. (Naidu, 2010. p. 35)

After Cold War, then, India-Africa relation has moved from idealistic from to a more pragmatic one and the major objective for Indians is to acquire energy security. According to the International Energy Agency, India’s oil dependency is about 75% and it is estimated that it will rise to 90% in 2020 and:

Given that most of these imports are coming from the volatile Middle East, where political conditions can easily give rise to sporadic disruptions that would jeopardize the country's economic security, it is more then understandable that India would seed an alternative supply of energy in the burgeoning African oil Sector. (Pham, 2011. p. 194, Kindle)

Bhattacharya (2010) argues that there are three types of relations currently taking place between Africa and India: first is with African countries on a bilateral basis; second with the African Union (AU) and third with the continent as a whole and its multiple Organizations. The basic deal that India makes with these instances are the exchange between oil for infrastructure projects and this is the same model that almost every other country does. (Bhattacharya, 2010)

After this brief explanation about the evolution of the motives that drove India to engage with Africa, we will now show how this cooperation is being held. Three things are going to be emphasized in this part: actors involved (governmental and private); active projects and the amount of investment made by both parties. In the end we will also add the Chinese factor so we can compare and then analyze the main objective of this paper.

#### *Indian investments in Africa: projects, actors and investment quantity*

After the idealistic phase India is now becoming aware of the benefits in engaging with Africa. As sign of this trend the India-Africa trade went from US\$967 million in 1991 (the ending of the idealistic phase) to US\$27 billion in 2007. As we can see in the table below – extracted from Naidu (2010) – both exports and imports are rapidly growing

**India's trade with Africa (US\$ million)**

|             | 1990/91 | 2003/04 | 2004/05 | 2005/06  | 2006/07  |
|-------------|---------|---------|---------|----------|----------|
| Exports     | 393.6   | 3,861.7 | 5,578.4 | 7,013.6  | 10,255.7 |
| Imports     | 573.4   | 3,202.1 | 4,006.4 | 4,878.8  | 14,722.8 |
| Total trade | 967.0   | 7,063.8 | 9,584.8 | 11,892.4 | 24,978.5 |

Source: Naidu (2010)

As shown, trade has grown more than 2.400% in the last 15 years. “Indian exports to Africa consist of manufactured products in the most part (49 percent), chemical products (11 percent) and machinery and transport equipment (10 percent)”. As we expected, African exports to India are mainly primary goods and commodities like oil, gold and other mineral commodities. (Naidu, 2010. p. 39-40)

In the oil sector specifically there are five major companies that are conducting business in Africa right now and three of them are State Owned Enterprises (SOE) and two are private companies. The SOEs are ONGC (and OVL), IOCL, OIL, and the private

enterprises are RIL and Essar Energy. Three of these companies appear in the Fortune 500 list of the biggest companies in the world and four of them are displayed on the Platts Global Energy Company Rankings

**Table 1 - Indian oil companies in the Fortune 500 from 2005-2012**

| Company | Country | Type    | Rank in Year |      |      |      |      |      |      |      |
|---------|---------|---------|--------------|------|------|------|------|------|------|------|
|         |         |         | 2005         | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| IOCL    | India   | SOE     | 170          | 153  | 135  | 116  | 105  | 125  | 98   | 83   |
| RIL     | India   | Private | 417          | 342  | 269  | 206  | 264  | 175  | 134  | 99   |
| ONGC    | India   | SOE     | 454          | 402  | 369  | 335  | 402  | 413  | 361  | 357  |

Source: Fortune 500 Global 2005-2012

**Table – 2 Platt 2010 ranking of Indian oil companies**

| Company      | Country of Origin | Rank |
|--------------|-------------------|------|
| ONGC         | India             | 21   |
| RIL          | India             | 24   |
| IOCL         | India             | 42   |
| Essar Energy | India             | 225  |

Source: Compiled from Platts Top 250 Global Energy Company Rankings

After OVL entered in a joint venture with LN Mittal Steel, it became ONGC Mittal Energy Ltd (OMEL) and entered in a project worth US\$6 billion for building infrastructure in Nigeria in exchange for oil exploration in the country. ONGC is also operating in four other countries in Africa. Also in Nigeria, ONGC is operating in Block OPL 279 and OPL 285, which are deep-water offshore exploitation Block. The investment in these Blocks were about US\$156 million until 2012. (Naidu, 2010; ONGC, n/a)

In Libya, it has acquired 49% on the operating rights in the land Block NC-189 (measuring around 2,000 km<sup>2</sup>) in June 2003. Turkish Petroleum Overseas Company (TPOC) holds the other 51%. In 2005, after the Exploration and Production Sharing Agreement (EPSA), the Block 81-1, also in Libya, started to be exploited and ONGC holds 100% of the exploiting rights. (ONGC, n/a)

Other oil companies are also operating in Africa, as Naidu (2010) in table 3 shows:

**Table 3 – Other oil companies in Africa**

| Country | Indian Company | Type of Investment | Size of Investment |
|---------|----------------|--------------------|--------------------|
|---------|----------------|--------------------|--------------------|

|               |  |                             |                             |
|---------------|--|-----------------------------|-----------------------------|
| Côte d'Ivoire | Unknown (various companies acting as a consortium) | Oil prospecting             | US\$1 billion               |
| Nigeria       | National Thermal Power Corporation (NTPC)          | Liquefied natural gas (LNG) | US\$1.7 billion             |
| Nigeria       | Indian Oil Corporation (IOC)                       | Oil refinery                | US\$3.5 billion             |
| Nigeria       | IOC  | LNG plant and oil refinery  | US\$ 2-4 billion (proposed) |
| Sudan         | Videocon Group                                     | Oil prospecting             | US\$100 million (76% stake) |

Source: Naidu, 2010. p. 38

In the governmental level, the Government of India (GOI) established the India Development Initiative with the goal to provide aid to developing countries, and African countries were included. GOI also granted debt cancellation to seven heavily indebted poor countries (HIPC): Mozambique, Tanzania, Zambia, Guyana, Nicaragua, Ghana and Uganda. “The GOI announced the establishment of the India International Development Cooperation Agency (IIDCA), which would bring all activities related to development cooperation under one umbrella” (Ministry of Finance *apud* Sinha, 2010)

India has two development cooperation instruments that it uses to assure developmental assistance. The first is India’s Aid and Technical Assistance Programme, which is managed by the Ministry of External Affairs. The second instrument are the lines of credits that were available through the Department of Economic Affairs (DEA), an Ministry of Finance body, until 2003. From 2004 on, the system changed because the GOI stopped signing any credit agreements directly with the recipient country. After that, the system started to be managed by the Export-Import (EXIM) Bank of India. (Sinha, 2010)

Since early 2000s the amount of investment that has been put by India in government-to-government development assistance has been rising. In 1999 the amount was of Rs 9.2 billion; in 2008 it was of more than Rs 26 billion. “Grants now constitute approximately 75 per cent of India’s development assistance. Over the past ten years, Rs

124.25 billion has been extended as grants, compared to Rs 46.69 billion as loans.” (Ministry of Finance *apud* Sinha, 2010)

During 2008/09, the EXIM Bank extended twenty-five LOCs aggregating US\$783.5 million, out of which US\$479 million was extended to Africa (EXIM Bank of India 2008). New initiatives to double the existing levels of lines of credit to Africa to US\$5.4 billion over the next five years, and a fresh grant of US\$500 million in the area of capacity-building and human resource development, will only strengthen and enhance this development cooperation. (Sinha, 2010. p. 84)

India also raised its lines of credit to The New Partnership for Africa's Development (NEPAD) to US\$200 million. It is important to note that this money is not supposed to finance the institution but rather for it to transfer this money to regional projects like the regional road network or electricity grid shared by countries. In this level, we could mention the Techno-Economic Approach for Africa-India Movement (TEAM-9). “It is a regional cooperation mechanism set up by the government of India and eight countries in West Africa: Burkina Faso, Chad, Côte d’Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali and Senegal” (Sinha, 2010. p. 88)

All these cooperation projects, lines of credits, and oil for infrastructure deals are now becoming institutionalized as the GOI and African countries have established the India-Africa Forum Summit in 2008. Since then, the Forum has held two meetings and the main tone of both the Final Declarations and the Framework for Enhanced Cooperation is to enhance cooperation and raise trade between the GOI and Africa.

All these initiatives are, however dwarfed by Chinese investment in Africa. China-Africa trade is estimated to be around US\$200 billion in 2013. (Reuters, 2013) Chinese companies very often outbid their Indian counterparts mainly because the former has strong support by the Chinese government while the latter faces difficulties in the Indian slow or more risk-averse bureaucracy. One example brought by Naidu (2010) is the case of the “aborted deal with Royal Dutch Shell to acquire 50 per cent of their equity in one of Angola’s offshore oil blocks for US\$600 million [...]where the Chinese [companies] were able to outbid the Indians with their state-backed US\$2–3 billion oil deal” (p. 37).

As we could see, India is now approaching Africa in a more pragmatic way and the relationship between them has been expanding both in projects and in trade amount. Even though India is dwarfed by China, some relevant things might be pointed so we can

better understand this process. China is seen by westerns as one imperial power that sometimes support dictatorships in its quest for energy resources. India, while also doing the same thing in some cases, is a big democracy and is not linked as a supporter of authoritarian regimes in the continent. In Africa, some leaders and civil society is seeing China's role as intrusive and imperial. As demonstrated by some analysts and even in television by the documentary "When China Met Africa", the Chinese model of bringing the whole package – project design, workers, machines and so on – is seen as a model that will reinforce African dependency. India, for its part, develops African population as they employ more Africans than Indians and transfer both technology and technical knowledge.

This could create a better condition for India to improve its relations with Africa as the continent might play a significant role in Indian Grand Strategy formation and this is what the next section will be about. In our final analysis we will show that India-Africa relations is not only about facing Chinese presence in the continent, but also to acquire resources that the country might need to face the Chinese perceived threat.

#### *India-Africa relations: resources, Grand Strategy and China*

Before we assess the role that Africa plays in India Grand Strategy (GS) formation we need to verify the need for this GS and this means that India must perceive China as an imminent threat. Although the two countries have been living in peace for more than fifty years now, one cannot say that relation among them are peaceful. The Indian National Security Advisor, Mr. M. K. Narayanan stated clearly in 2009 that "China certainly sees us as a rival."

The border issue that started the war in 1962 was never fully solved and from time to time it emerges and give rise to tensions among the two countries. "Dark clouds are hovering on our national security as China continues to test our mettle and patience by (carrying out) frequent incursions across our borders, besides dumping its products in our country", said Mohan Bhagwat, the chief of the Rashtriya Swayamsewak Sangh, a right-wing, paramilitary, volunteer Hindu nationalist group. Additionally there is a dispute over water resources since the two countries share 16 major rivers. The Indian government accused China to build dams in the Brahmaputra river, known as Yarlung Zengbo in Tibet. According to Li Zhefei, a researcher of the National Institute of International

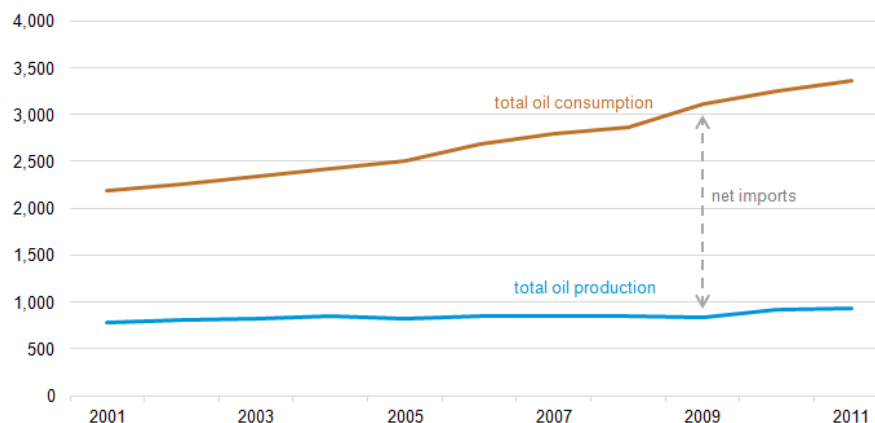
Strategy, “China could raise water levels to cut off communications and drown Indian troops in the event of any hostility.”

A recent study conducted by the Lowy Institute of International Policy, an Australian think tank, showed that more than four fifths of Indians believe that the country’s major threat is China and Pakistan. This has an enormous impact for the foreign policy behavior since one politician to be elected must have a clear policy towards these countries as Indians fear that a misguided policy might drastically affect India’s stability and security.

Nevertheless, if India would have to counter the perceived Chinese threat, it would have to mobilize resources in order to do so. That is where Indian situation becomes tricky. According to the US Energy Information Administration, the country consumes around 3,410.54 petrol barrels per day while its productions is no more of a 1,000 barrels per day, as the following graph extracted of EIA (2013) shows. It makes India dependent of foreign oil by more than 60%. In natural gas the scenario is not much different, while the country consumes 2,260.51 Billion Cubic Feet while produces only 1,681.70. (EIA, 2013)

India oil production and consumption, 2001-2011

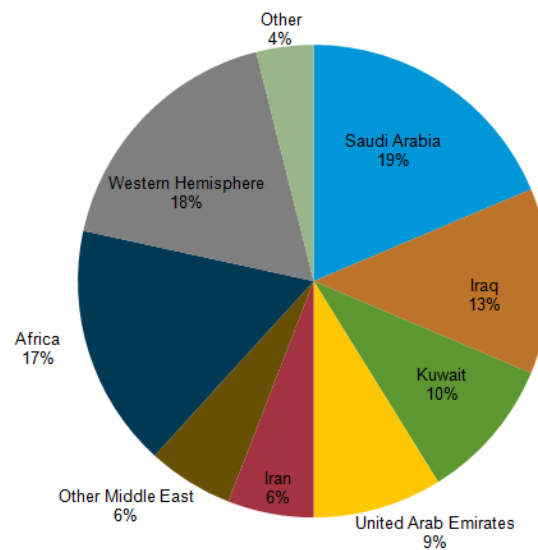
thousand barrels per day



Source: U.S. Energy Information Administration, International Energy Statistics

Additionally to this problem of underproduction India also imports the majority of its crude oil (around 63%) from Middle East countries, a region that is historically unstable – as stated above – and some of the imports has to go through Pakistan to arrive in Indian territory. Africa accounts for 17% of exports as shown below:

India crude oil imports by source, 2012



Source: U.S. Energy Information Administration, International Energy Statistics, Lloyd's List Intelligence.

India has, then, two problems: face Chinese threat and acquire enough resources to transform into economic activity and later on military capability. At the same time, the majority of the resources India is now acquiring comes from an instable source and has to come across a historical enemy. The turn to Africa would be understandable as the continent is the closest geographical place with abundant resources.

The turn to Africa is also explained by another reason related to China but from another perspective. Although Africa has plenty of resources, they are also finite and since China is now expanding its presence in the continent, then India would have to counter the Chinese presence in Africa so it could benefit from natural resources.

We can see that the Indian Grand Strategy has twofold and consist of domestic and external elements: China is perceived as a threat for domestic reasons (the war and the river situation, for example) and for international reasons (as the attempt to acquire all available resources and leave a very small quantity for India).

India has a tough path if it want to become able to counter the Chinese threat and this is not only in the military domain – that India has disadvantage – but also in infrastructure to fight any war. It is believed that if India would have to mobilize troops to dispose across Chinese border it would have difficulties to get there since there are some regions that lack proper roads for military equipment to go through. The turn to Africa could be a decisive part of Indian Grand Strategy to at least become more able to counter Chinese threat. If it will succeed only time will tell.



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