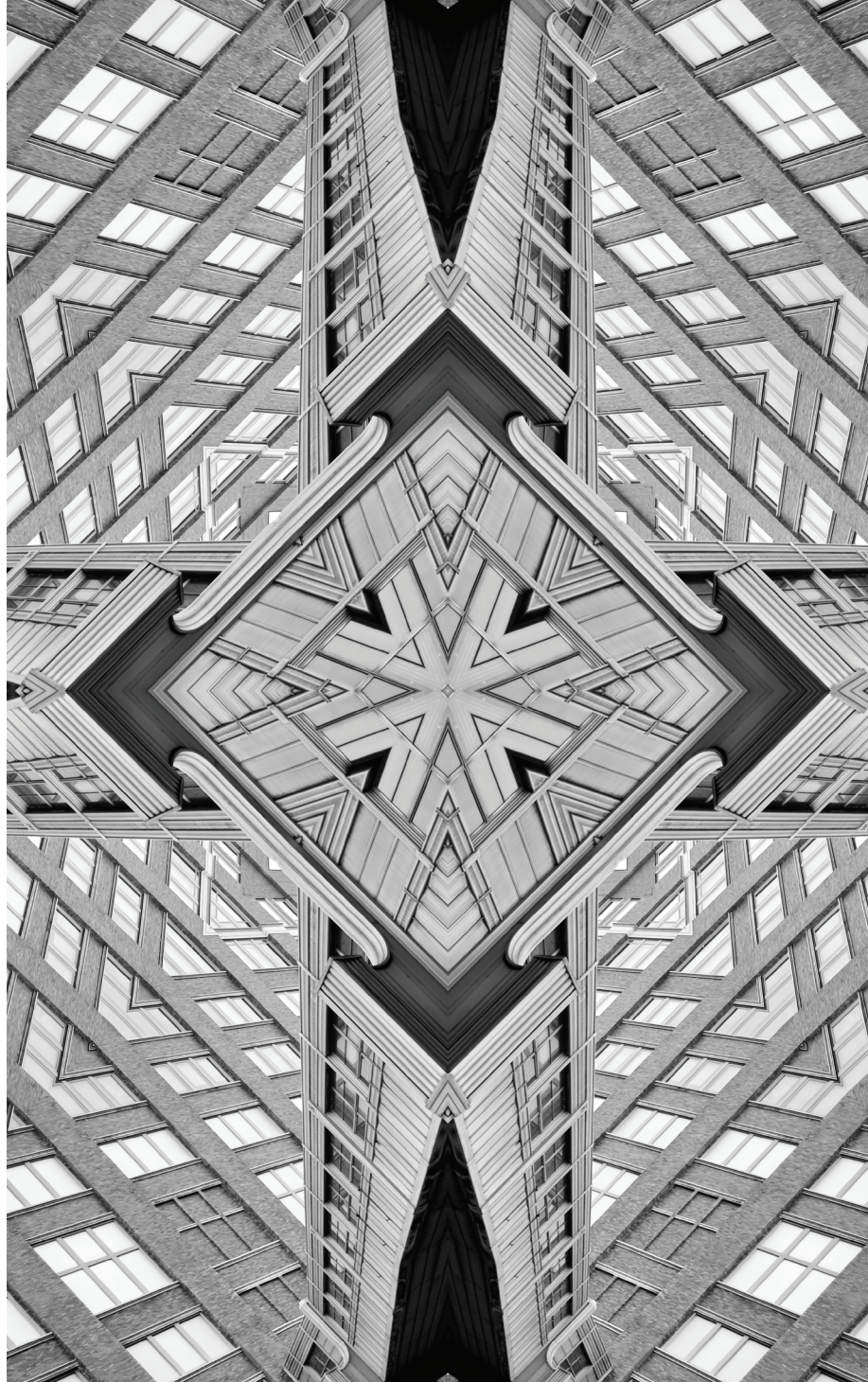


Issue

Brief

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A Kautilyan View of India's Non-Zero- Sum Game in the Neighbourhood

Kajari Kamal and Gokul Sahni

Abstract

This brief seeks to apply ancient Indian strategic thought to the country's approach towards its immediate neighbourhood. Employing a Kautilyan perspective on India's allies within the broader framework of foreign policy end goals, it proposes a non-zero-sum view towards four of its neighbours: Bhutan, Bangladesh, Sri Lanka and Nepal. The brief classifies these neighbours based on the attitudes they exhibit and presents a nuanced approach towards each. While the four countries vary in their Kautilyan classifications, a relatively uniform, positive approach is recommended for all—establishing broad-based support for the bilateral relationship, boosting connectivity, improving economic integration and, overall, pursuing a non-reciprocal foreign policy given the asymmetry in resources while setting red-lines around security interests. Greater generosity from New Delhi should be seen as investment for sustained strategic dividends.

When India's External Affairs Minister S Jaishankar penned 'Nine years of Modi's transformative foreign policy' in May 2023, he was unambiguous in what he saw as the most significant change in Indian foreign policy in recent years:

*"Foreign policy begins on our borders and understandably, that has seen the greatest transformation. A generous and non-reciprocal approach to immediate neighbours has been backed by vastly improved project delivery. As a result, regionalism in South Asia is making rapid strides, reflected in new road, rail and waterway connectivity, power grids, fuel pipelines and border crossing facilities."*¹

This brief analyses India's relationship with the countries in its immediate neighbourhood and calls on New Delhi to embrace Kautilyan statecraft to optimise its relations with its smaller neighbours.^a The authors offer this brief as the third in a series that looks at the application of ancient Indian strategic thought for contemporary Indian foreign policy: the first part examined India's challenges from China and Pakistan,^b and the second part covered India's approach to the Indo-Pacific.^c

The *Chakravartikshetra*

In ancient times, the Indian subcontinent as a geographical space was a hub of civilisational growth, an epicentre of regional trade, and the nucleus of a broad cultural congruence. Its contemporary avatar is different: It has become one of the least integrated regions of the world in terms of trade and people-to-people contact, and is deeply fractured on political, ethnic, communal, and sectarian fault lines. The geo-cultural sacredness, inclusive self-identity, and defensibility of the landmass described by Kautilya as '*chakravartikshetra*' – "In that, the region of the sovereign ruler extends northwards between the Himavat and the sea, one thousand yojanas in extent across,"—today stand revoked. The post-colonial modern 'South Asia' comprises nation states with political borders, distinct identities, and a hardened concept of 'sovereignty'.²

a Kautilya is an ancient strategic thinker whose work, the Arthashastra, is an Indian classic on state and statecraft. Translation of Kautilya's Arthashastra by R.P Kangle has been used for this Issue Brief. See R.P. Kangle, *The Kautilya Arthashastra*, Part II, Delhi: Motilal Banarsidass Publishers, 2010

b See: <https://www.orfonline.org/research/the-relevance-of-ancient-indian-strategy-in-contemporary-geopolitics/>

c See: <https://www.orfonline.org/research/india-in-the-indo-pacific/>

India is at the heart of South Asia, with Afghanistan, Pakistan, Nepal, Bhutan, Bangladesh and Sri Lanka forming its immediate neighbourhood. Since Independence, Indian foreign-policymakers have faced the challenges of both asymmetry and proximity, compounded by the threat of regional volatility. In the words of EAM Jaishankar, “An India that is more Bharat takes greater pride in its heritage and traditions” and “their expression at the international stage is essential...to India’s rise.”³ Arguably then, it is fitting to draw lessons from Kautilyan statecraft to address India’s challenges and harness opportunities in what is the quintessential Kautilyan *Rajamandala* (concentric circle of states)—the Indian subcontinent. This brief explains the contemporary relevance of Kautilya in India’s engagement with its small neighbours, specifically Bhutan, Bangladesh, Nepal, and Sri Lanka—chosen from a cultural, geographic, economic, and strategic perspective.

These four are all immediate neighbours of India that neither openly challenge India’s preponderant presence in the region, nor look beyond the Indian subcontinent as their primary strategic sphere. The cakravartikhetra, therefore, excludes Pakistan which these authors have previously described as a ‘strategic opponent’ of India⁴ that shows little interest in connecting with the Indian subcontinent (or else be seen as yielding to Indian hegemony), preferring to orient itself westwards. It also excludes Afghanistan which, despite much of its population’s strong desire to engage closely with India, is geographically sealed off from the Indian subcontinent; and Myanmar, which orients itself eastwards and views the Association of South-East Asian Nations (ASEAN) as its strategic neighbourhood.

The imagery of the circle of states described in Kautilya's *Arthashastra* sees the potential conqueror (*vijigishu*) as the nucleus, with a concentric circle of states extending outwards, forming an alternating pattern of foe and friend. However, what appears as geometric rigidity that paints the neighbouring mandala as enemy (*ari*) is described by Kautilya with more nuance in his portrayal of the graded neighbourhood comprising enemies (*aribhavin*), friends (*mitrabhavin*), and vassal states (*bhrtyabhavin*). Perhaps, the radiating concentric circles aptly capture the 'hub and spoke' idea of Kautilyan statecraft.

“Making the kings separated by one (intervening territory) the felly and those immediately proximate the spokes, the leader should stretch himself out as the hub in the circle of constituents.”⁵

An important component of state power for Kautilya is the ally (*mitra*), the seventh and last of the state factors (*prakritis*). The first six, in order of importance, are: ruler (*swami*), ministers (*amatya*), people and territory (*janapada*), fort (*durga*), treasury (*kosha*), and armed might (*danda*). The excellences of an ally include, “Allied from the days of the father and the grandfather, constant, under control, not having a separate interest, great, able to mobilise quickly.”⁶ Importantly, Kautilya gave preference to “an ally in ally's difficulty”, “one under control though inconstant”, “constant one though giving small help”, and “a small ally mobilizing quickly.”⁷

At the time the treatise was generally agreed to have been written, the political landscape was dotted by several *Mahajanapadas* (large political units) and the end-goal championed in the text is political unification of the Indian subcontinent as a practically defensible and culturally coherent unit, despite its vastness and diversity. The revisionism inherent in the *Arthashastra* has given way to status-quoism in contemporary times. Yet, the concepts of concretised sovereignty of nation states, the fundamental idea of a socially cohesive, culturally congruent, and politically stable Indian subcontinent as a necessary precondition for the region's security and prosperity—all remain valid. Therefore, championing the notion of this landmass as a collective unit despite political fragmentations can improve its fortunes.

In terms of territory, demographics, military, and economy, India is the largest country in South Asia and enjoys an appreciable relative strength vis-à-vis its smaller neighbours. The Kautilyan dictum that treaties and partnerships between the stronger and the weaker invariably lead to the latter ceding control to the former, creates apprehensions among India's smaller neighbours over

India's dominance. Such suspicions compel smaller states to spread their risks by hedging to expand leverage and remain strategically autonomous. The anxiety of the small neighbours proves advantageous for the machinations of the *Madhyama* (middle king) of the *Rajamandala*—i.e., China, which is looking for every opportunity to expand its footprint in India's backyard.⁸

Furthermore, unlike the Westphalian logic of non-interference in other states, the political dynamics in the subcontinent has shown a propensity for a clear linkage between maintenance of domestic order and international security—i.e., internal threats create opportunities for external threats to breed. This is evidenced by the mention of internal security in the book on foreign policy in the *Arthashastra*.

“Subjects when impoverished, become greedy; when greedy, they become disaffected; when disaffected they either go over to the enemy or themselves kill the master. Therefore, he [the ruler] should not allow these causes of decline, greed and disaffection among the subjects to arise, or, if arisen, should immediately counter-act them.”⁹

A critical function of the Kautilyan state is to maintain domestic order, which leads to social cohesion and economic productivity which, in turn, strengthens the state. Any external threat to domestic security presents a justifiable case of intervention by the greater power (India in this case), invariably resulting in fear psychosis among the smaller states.^d

There is a way out, however. The challenge of asymmetry and proximity can be suitably addressed if India is set towards achieving its foreign policy goals—i.e. *Yogakshema* in Kautilyan terms.

^d For India, these threats are brought about by cross-border cultural, ethnic and linguistic ties.

Yogakshema and Non-Zero-Sum Game

Yogakshema is a combination of a state's *yoga* (action) and *kshema* (consolidation), and translates into providing security (*raksha*) and prosperity (*palana*) to its people. The state and the people are complementary: The material prosperity of the people affirms political legitimacy and strengthens the rod wielded by the state in the interstate realm, thereby further securing the kingdom. The state, in turn, consolidates and augments the means of livelihood to promote the people's welfare. It interweaves the rational/realist goals of political survival with idealist/abstract aims of welfare of the people.

Independent India's security and prosperity has been inextricably linked to the South Asian region, and more critically so amid globalisation and economic interdependencies, the emergence of non-traditional security challenges, and evolving global systems. As noted in an ORF brief on a Kautilyan perspective on the BRICS grouping of Brazil, Russia, India, China and South Africa, "The productive forces of any country are dependent on their connections with other countries.....this leaves enmity or zero-sum games with only a side role."¹⁰

The demographic and economic potential of the South Asian region is tremendous. It houses one-fourth of the total world population and is poised to contribute the largest youth labour force in the world until 2040.¹¹ According to estimates by the International Monetary Fund, the region, led by India and Bangladesh, contributes nearly 15 percent to global GDP.¹² Regional cooperation can improve the prospects of all countries. Intraregional trade now stands at just one-fifth of its potential with an estimated gap of US\$44 billion annually.¹³

A Kautilyan Perspective on India's Allies

The *Arthashastra* espouses a delicately balanced approach towards ‘allies’:

*“The ally is permanent because of (exclusive) feelings of friendship, fickle because of (his feelings) being common to the enemy, indifferent when not interested in either, with feelings for both when interested in the two.”*¹⁴

A ruler who has the dispositions of both an ally and an enemy simultaneously is an *ubhayabh āvin*, distinguishable from an *udasina* (neutral) who lacks the disposition of either an ally or an enemy. Further, Kautilya advises the *vijigishu* to increase power of an ally who identifies with the conqueror; embroil in a conflict an ally who is likely to grow in power; a very weak ally be so maintained that he neither becomes too weak nor too strong; a fickle (equally partial to the foe) ally should be prevented from leaving the alliance; a weak ally who seeks help from the conqueror and the enemy shall be helped with troops so that he does not turn to the enemy; and an ally in calamity shall be helped to overcome the enemy by himself.¹⁵

Bhutan, and to a large extent Bangladesh, can be categorised as neighbours who identify with India and therefore need special treatment. Nepal is a weak ally whose strength needs to be maintained, and Sri Lanka falls in the category of ‘an ally in calamity.’ The following discussion outlines India’s approach towards its neighbours based on these categories.

Bhutan

*“The ally is permanent because of (exclusive) feelings of friendship.”*¹⁶ Such a description best defines Bhutan’s relationship with India. Kautilya would advise:

*“Of these, that ally, who would make common cause with him in case of hostility with the enemy, he should help with power, with which he would withstand the enemy.”*¹⁷

Bhutan’s relationship with India has been historically classified as ‘special’, with India’s MEA describing it as “a unique and time-tested bilateral relationship, characterised by utmost trust, goodwill and mutual understanding.”¹⁸ Bhutan maintains no diplomatic relations with any of the five United Nations Security Council permanent members and tends to use its embassy in New Delhi as its window to the world.

A Kautilyan Perspective on India's Allies

India-Bhutan relations have maintained their strategic closeness through successive governments and monarchs, respectively, with both New Delhi and Thimpu recognising their security convergences. While India's 'guidance' of Bhutan's 'external relations' formally ceased with the revision of the 1949 Treaty of Friendship in 2007,¹⁹ then Indian President Ram Nath Kovind noted in 2017 that the common security of both countries was 'indivisible and mutual'.²⁰

India's current approach towards Bhutan can serve as a model for relations with its other small neighbours. Bhutan is the largest recipient of development assistance from India, with INR 24 billion budgeted for FY23/24, over 40 percent of the MEA's allocation for foreign development assistance.²¹ Bilateral trade by value is relatively better balanced, with India's exports to Bhutan being only twice the level of imports, largely on account of the hydropower sector with Bhutan exporting electricity to India.²² India's acceptance of Bhutan's requests in April 2023 of upward revisions of hydropower tariffs and increased power purchases are an illustration of New Delhi being responsive to a smaller neighbour's economic imperatives.²³

From a Kautilyan viewpoint, India should continue to make a fulsome effort to increase Bhutan's power, given the demonstration throughout history of Bhutan being a country that "identifies" with India. It would not be a stretch to state that Bhutan is the neighbour that is least likely to take any action that would be against India's interests, a statement that holds true even after Bhutan Prime Minister Lotay Tshering said in March 2023 that China was a third "equal" stakeholder in the Doklam plateau dispute.²⁴ It would be unwise for New Delhi to expect complete subservience from Thimpu on how it should view China; India should instead continue to work closely with Bhutan to jointly address concerns against China. Given Bhutan's long record of close cooperation with India, there should be greater trust in the Indian foreign policy establishment for Bhutan's China policy. At the same time, quiet diplomacy should continue to identify Indian red-lines in this context.

Bangladesh

Bangladesh is India's "neighbour to be prioritised above all."²⁵ Given its size as the world's 8th largest country by population, dwarfing India's other four smaller neighbours combined, Bangladesh merits a special emphasis in India's neighbourhood strategy. The governments of Narendra Modi and Sheikh Hasina have been able to successfully transform the bilateral relationship between the two countries after years of malaise. India and Bangladesh have worked towards restoring pre-1965 road and rail connectivity, while introducing new waterway links. Bangladesh has also given India permanent access to the ports of Chattogram (formerly known as Chittagong) and Mongla for the transit and trans-shipment of goods, a decision that will help "reduce both time and costs for transporting goods to India's northeastern states and West Bengal and promoting regional connectivity in the Bay of Bengal."²⁶ The success of improving connectivity with Bangladesh serves as an example of how India can execute mutually beneficial projects with its neighbours.

Bangladesh's 'India-positive foreign policy orientation' under the Sheikh Hasina-led Awami League is clearly advantageous to New Delhi, which has responded positively to the initiative.²⁷ A stronger Bangladesh will be in India's interests, not least because it will become more resistant to Chinese overtures and also because it has sufficient scale to become a middle power on its own, with the ideal India-Bangladesh relationship looking akin to that of the US and Canada. The two countries should not expect complete congruence in their relations; even Washington and Ottawa have disputes on trade and territory.²⁸ Yet, the US Department of State continues to describe US-Canada relations as that of "friends, partners, allies."²⁹

Past experience and current rhetoric highlight that opposition parties such as the Bangladesh National Party (BNP) and Jamaat do not share the Awami League's 'pro-India' bent and could prove to be stumbling blocks if and when they come to power.³⁰ It is incumbent upon India to be reasonably friendly to Bangladesh, albeit at an overall level and not directly focused on the Awami League as a party nor with Hasina as a figure. It is also important that India is able to tie itself closer with Bangladesh through connectivity projects and people-to-people linkages to prevent opposition parties from making sharp realignments against India. Reviewing the balance in the trade relationship is an urgent requirement to ensure that there is greater appreciation among the Bangladesh public that economic cooperation with India will bring about gains. Current trade levels are lopsided, with Indian exports to Bangladesh at US\$10.64 billion, far exceeding Indian imports of US\$1.86 billion.³¹

A Kautilyan Perspective on India's Allies

While Bangladesh may be seen to identify with India, its geopolitical neutrality and lack of inclination to exclusive alliances prevent complete strategic convergence; as do the continuing irritants in the bilateral relationship, including the issue of river water-sharing and cross-border smuggling. However, the leaderships in both countries have managed to transcend the disagreements and work together on a path of shared peace and prosperity. Both New Delhi and Dhaka realise that cooperation founded on mutual respect can facilitate an enduring partnership. At a greater level, Bangladesh “provides India with a unique opportunity of reversing the subcontinent’s unnatural partition in 1947, and rejecting the two-nation theory for good.”³² Every step that brings India and Bangladesh closer, takes them on the path of re-integrating the ‘chakravartikshetra’ and, to a large extent, restoring the unity of the Indian subcontinent.

Sri Lanka

Sri Lanka exemplifies “an ally in calamity” given its sovereign debt crisis in 2022, with the government running out of foreign exchange reserves and subsequently defaulting on its external debt payments.³³ The economic crisis soon escalated into a humanitarian crisis as the country found itself short of essential goods like food, fuel, cooking gas and medicines. India’s generous assistance was visible, with New Delhi extending aid worth US\$3.9 billion, to which then Prime Minister Ranil Wickremesinghe expressed his gratitude in May 2022:³⁴ “I wish to specially mention the assistance provided by India, our closest neighbour, in our efforts of economic revitalisation.”³⁵

India’s support of Sri Lanka’s economic recovery on the global stage highlights how relationships with close neighbours transcend ongoing disputes, whether around the treatment of fisherfolk in each other’s territorial waters or continuing issues related to the implementation of the 13th amendment.³⁶

India’s approach to Sri Lanka in recent months exemplifies Kautilya’s advice of helping an ally to overcome the ‘enemy’. India is not only helping Sri Lanka overcome its crisis; it is showcasing such assistance to contrast the widely reported ‘debt traps’ caused by Sri Lanka’s Chinese loans.³⁷ However, India’s assistance is not open cheque-book charity, either. New Delhi has been sharp enough to progress on various domains of interest including constructing solar power plants and wind energy farms that will provide renewable energy, part

A Kautilyan Perspective on India's Allies

of which will be exported to southern India.³⁸ India is also keen to turn the Trincomalee district into an ‘energy hub’, renovating 99 of the oil tanks at the port and leasing 14 oil tanks for 50 years. India’s Trincomalee strategy has been described as “more strategic than economic”, as it was keen to ensure that the tanks did not fall into “the hands of countries inimical to India.”³⁹ At the same time, the almost two decades that it took to conclude the agreement in 2003 highlights the need for painstaking negotiations and constant engagement to improve the security of the subcontinent.

Nepal

Nepal can be classified as a ‘weak ally’ that merits support from India to keep it on its side; however, it has neither displayed the historical goodwill of Bhutan nor the recent positive trajectory (and significant promise) of Bangladesh for New Delhi to accord it positive unilateralism.^e India’s relationship with Nepal has been often described by analysts as “close, yet complicated.”⁴⁰ Even in past decades, Nepal’s leadership has not been shy in looking to play the ‘China card’ to counter Indian influence, a practice going all the way back to King Mahendra (1955-1972) in the 1950s.⁴¹

Arguably, Nepal can be seen as an *ubhayabhavin* (ruler who has the dispositions of both an ally and an enemy, simultaneously):

“One who, because of his weakness, is subservient to the prosperity of the enemy and the leader and is not treated as an enemy by either, should be known as (the ally) with feelings of both.”⁴²

Indeed, India’s relationship with Nepal is unique—there is an open border between the two, two-thirds of Nepal’s foreign trade is with India, and Nepal’s currency is pegged to the Indian Rupee.⁴³ Nepali citizens are also often treated on a par with Indian citizens for working in India. Nearly 8 million Nepali citizens work in India, a sizeable portion of a country whose total population is 30 million.⁴⁴

At the same time, New Delhi’s relationship with Kathmandu is fraught with irritants—some of them legacy, while others are newer issues that have emerged in recent years. The adoption of Nepal’s new Constitution in 2015, for instance, provoked protests from the Madhesis which Kathmandu saw as being tacitly supported by New Delhi. According to Nepalese officials, India’s subsequent

e ‘Positive Unilateralism’ is a phrase used by C. Raja Mohan in various contexts, including India’s approach in South Asia.

A Kautilyan Perspective on India's Allies

imposing of an unofficial ‘trade blockade’ was an act of “vengeance” from India which was “not happy” with the new Constitution.⁴⁵ Relations nosedived further during the prime ministership of KP Oli (2018-2021), when Nepal’s government issued a new map of the country, incorporating regions which are disputed by India as its territory according to the 1816 Treaty of Sugauli. In 2020, during the height of the COVID-19 pandemic, Oli made remarks on what he called an “Indian virus” spreading in Nepal, comments that “baffled New Delhi and outraged officials in New Delhi.”⁴⁶

Today, India’s strategy with Nepal is one of continued engagement while spelling out the red lines—a nuanced approach which, arguably, would have a Kautilyan sanction. In May 2023, during his trip to New Delhi, Nepal’s current PM Pushpa Kamal Dahal failed to make headway in his country’s proposals around market access, air routes, and even a potential land swap.⁴⁷ India also made clear its displeasure about increased Chinese investment in Nepal—refusing to purchase any Nepali electricity produced with Chinese financing or even providing an air route to airports built with Chinese assistance.⁴⁸ At the same time, New Delhi remains keen to further increase connectivity and regional integration, by finalising a new agreement for Nepal to supply power to Bangladesh via India.⁴⁹

India’s future strategy towards Nepal should continue to be “more of the same” in this case. Given how, historically, Nepalese politicians have used anti-India rhetoric to court public favour—and amid the expanding Chinese footprint—Nepal will continue to draw a cautious response from India.

India should adopt a relatively uniform approach to these four countries. First, New Delhi needs to ensure that it fashions relationships with Thimpu, Dhaka, Colombo and Kathmandu that are broad-based, finding support from both elites and the general population. It should also be non-partisan—where the nature of the incumbent political party either in India or these neighbours has no bearing on the sustenance of their relationships. India must be seen as an important partner for these countries, with estrangement to be viewed as highly undesirable. The Indian strategy, therefore, must have a positive mindset towards these countries as exemplified during the early stages of Vaccine Maitri, the Indian government’s humanitarian initiative to provide COVID-19 vaccines to different countries across the world in 2021,⁵⁰ or as demonstrated by providing nearly US\$4 billion in financial assistance to Sri Lanka during its sovereign debt crisis of 2022.⁵¹

Second, India must focus on boosting connectivity with these four countries. This includes ‘hard’ connectivity like the physical infrastructure required for air, rail, road and maritime links, as well as the ‘soft’ kind in the form of exchanges and visits pertaining to education, healthcare, tourism, sports and business. India needs to regain its historical position as the ‘centre’ of the region across multiple fields.

Third, India should promote economic integration with the neighbourhood. Rather than a one-way traffic of increased Indian exports to or investments in these countries, the integration should involve the reverse: i.e., India must allow businesses from these countries room to expand their footprint. The three largest neighbours—Bangladesh, Nepal and Sri Lanka—all suffer sizeable trade deficits with India. For example, India’s FY23 exports to Nepal are more than nine times its imports.⁵² Similarly, with Bangladesh, Indian FY23 exports are more than five times the imports and in Sri Lanka, Indian FY23 exports are almost five times the imports. A more balanced trade relationship will help drive greater regional prosperity.

Fourth, India should look to re-introduce the ‘Gujral doctrine’ of the 1990s, where it “does not ask for reciprocity but gives all it can in good faith and trust.”⁵³ Such a strategy is not one of blind charity; it recognises that it is pointless to expect reciprocity between the world’s largest country (by population) and its much smaller neighbours. The aim of the Gujral doctrine is to build a reservoir of trust and goodwill, which can be tapped during times of strategic necessity and be seen as the price of red-lines where these countries agree to not permit any activity, from China, Pakistan or even non-state actors, that is deemed to be against Indian interests.

This is not to say that India should be contesting growing Chinese economic influence in these countries—it is pointless for New Delhi to deny the world’s second largest economy a role in the subcontinent. Instead, India should ensure that Chinese presence is minimal in strategic sectors, and negligible in security and defence. The hosting of Chinese submarines in the future, for example, would be an example of an Indian red-line. It is, however, imperative that New Delhi ensures that the benefits of greater strategic and economic integration are tangible enough to deter any of these countries agreeing to Chinese requests in this domain.


What is needed, overall, is the deepening of relationships and entwining these countries with India to such an extent that any new leader or administration cannot easily undo them. Closer integration is, therefore, desirable from an Indian perspective. While an EU-style softening of borders allowing complete freedom of movement is unlikely given reservations about illegal immigration from countries like Bangladesh, a phased construction of a closer region should try and remove barriers for the cross-border movement of labour, capital, goods and services.

However, this ‘positive unilateralism’ needs to be exercised with nuance rather than as a broad-brush strategy. Each of the neighbouring countries needs to be treated according to its distinct characteristics.

“India should re-introduce the ‘Gujral doctrine’ to build a reservoir of trust and goodwill, which can be tapped during times of strategic necessity.”

Kautilyan prudence advocates that the underlying potential of the region can and should be harnessed by its largest member. India should become the engine of economic growth for the region and use the asymmetry of power to engage in benign and ‘positive unilateralism’ to contribute to the socio-economic development of the neighbours. This will, in large measure, address the apprehensions of smaller neighbours. Importantly, from a Kautilyan perspective, it is both rational and normative. It safeguards India’s security interests by allaying fears of dominance of the weaker states, thereby reducing the opportunity of extra regional powers to enter the power dynamics. The prosperous web of economic interdependencies could potentially tie the region together, drastically reducing incidents of political volatility and boosting regional growth. India needs to follow a “generous policy” and “incentivise cooperation by often stepping out and not emphasising too much on reciprocity.”⁵⁴

As Kautilya advises, “A large gain after a long time is preferable, if not liable to disappear (and if) of the nature of a seed. In the reverse case, a small but quick gain is preferable.”⁵⁵

India’s investment in its neighbourhood is of the nature of a seed. This non-zero-sum view can most effectively help India address the challenges and insecurities of its immediate periphery. The ‘paradox of proximity’ can be transformed into ‘paragon of proximity.’ 

Dr. Kajari Kamal is Associate Professor at Takshashila Institution, Bangalore.

Gokul Sahni is based in Singapore and writes about geopolitics, geoeconomics, and Indian foreign policy.

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20, Rouse Avenue Institutional Area,
New Delhi - 110 002, INDIA
Ph. : +91-11-35332000. Fax : +91-11-35332005
E-mail: contactus@orfonline.org
Website: www.orfonline.org