

# Global Impact of India

By

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About the author:

Dr. Kheya Bhattacharya is a retired Indian IFS officer who was formerly Ambassador of India to Morocco from 2016 to 2019. Ms. Bhattacharya has an impeccable academic record, having graduated with a First Class in Zoology (Honours) from Miranda House, Delhi University, she obtained her Masters in Molecular Biology from Columbia University, New York and completed her Ph.D. in Molecular Biology from Indian Agricultural Research Institute, New Delhi having been awarded a Gold Medal for her research.

Dr. Bhattacharya joined the Indian Foreign Service in 1985 and had a long and illustrious career within it. As a diplomat she was entrusted with multilateral assignments in Europe, Africa and other countries neighboring India.

- Was appointed Second Secretary (EEC) in India's Mission in Brussels from 1986 to 1989, and First Secretary (Information, Culture) in Dhaka from 1992 to 1994
- Was posted in Paris as Counsellor (Political) from 1997 to 2000 and participated in the establishment of the Strategic Dialogue between India and France. from 2004 to 2007  
Ms. Bhattacharya was Deputy Chief of Mission in Kathmandu, Nepal
- Was appointed Deputy Permanent Representative in India's Permanent Mission to the UN, Geneva, from 2009 to 2013, where she participated actively in the affairs of the UN Bodies including HRC, UNHCR, WHO, ILO and the WMO. Her contribution was pivotal in the creation of the Global Framework for Climate Services and its related institutions
- Worked as Under Secretary in the Americas Division (from 1989 to 1991), subsequent to which she was nominated by the Foreign Ministry to study at the Institute Internationale d'Administration Publique in France in May 1991
- Was part of the prestigious Foreign Service Programme of Oxford University from September 1991 to July 1992 where she was awarded an "Outstanding" Grade

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- Was Additional Secretary and Senior Directing Staff, and a faculty member in the prestigious National Defense College from 2013 to 2016, overseeing the research work of more than 60 senior officers (at the rank of Brigadier and equivalent) of Foreign and Indian Army, Navy, Air Force and the civil services
- Dr. Kheya Bhattacharya's final stint in the foreign ministry was as Ambassador of India to Morocco from 2016 to 2019. During her tenure, India-Morocco relations intensified to a historical high. She facilitated the establishment of the Centre for Excellence in IT, Casablanca, training 500 Moroccan students per annum; she was ICCR Chair of Hindi Language and Indian Studies in Mohammed V University, Rabat; India-Morocco economic relations also consolidated further under her, with annual trade figures reaching US\$ 2.0 billion and Visa Facilitation for Businessmen being operationalized.

Ambassador Bhattacharya superannuated as Ambassador (Secretary to the Government of India) in February 2019 from Embassy of India, Morocco.

Since her superannuation, Dr. Bhattacharya has continued to pursue activities in the academic sphere. She has, on invitation, given lectures at the National Defense College, Sri Ramakrishna Institute for Culture, Kolkata, and at Janki Devi Memorial College, Delhi University. She has translated from Bengali to English a book of children's' folklore narrated by the Mother in French for Sri Aurobindo Ashram, Delhi Branch. On invitation from Haryana Institute of Public Administration, Gurugram, Dr. Bhattacharya has been training senior Officers of the Haryana Civil Services through a training programme on Global Issues such as Climate Change and Cyber Security. The training prog which started in October 2020 goes on till April 2021.

Abstract:-

India's global impact is principally due its size and diversity. While on one hand, the challenges of development that india is addressing in the areas of health, education and infrastructure are similar those faced by other developing countries, its democratic credentials, its soft power , its expertise in science and technology, software engineering and space technology , its skilled manpower resources are at par with other developed countries. With such credentials, immense opportunities are available in India, to friendly foreign countries to intensify their engagement with India. Furthermore, these credentials have enabled India to actively participate in international bilateral and multilateral conversations. Since independence, India's contributions to the international multilateral institutions have been pivotal in ensuring the creation of platforms in these institutions for furthering the interests of developing countries. Finally, India's tolerant , friendly and diverse people are a magnet to other friendly foreign countries welcoming their people to India and committing to walk the path of development together.

Global Impact of India

India's sheer size, diversity and apparent contradictions make it inevitable for the country to have a global impact in both political and economic terms. India's Global Impact further increased following globalization. While on one hand the persistence of poverty, illiteracy, malnutrition and the relatively low ranks in human development indices categorises it as a developing country its democratic credentials, its strengths in its soft power , expertise in science & technology, software engineering and space technology , its skilled manpower resources demonstrates India's technological prowess and expertise at par with the developed countries. Such credentials create and provide immense opportunities to friendly foreign countries to intensify their engagement with India.

The world economy has evolved considerably since World War II. The emerging market countries , other developing countries and economies in transition account for over one half of global GDP measured in terms of purchasing power parity , hold most of the currency reserves and represent a majority of the world's population.

According to latest the figures of IMF and the World Bank in PPP terms, India's per capita income in 2020 was estimated by the IMF to be at US \$6284 ([www.imf.org/2019](http://www.imf.org/2019)) . It is world's fifth largest economy according to GDP terms ([www.investopedia/world's top economies](http://www.investopedia/world's%20top%20economies)) . At the same time as highlighted by the IMF, it is ranked 124 in terms of GDP(PPP) in 2020.

The world order that came about in the aftermath of World War II was a western oriented construct. Since then there has been considerable evolution in the global political and

economic scenario. The multilateral framework spearheaded by the UN now includes 193 member countries from 51 founding members at the time when UN was established in 1945.

The devastating effects of climate change including floods, tsunamis, natural disasters, droughts, earthquakes and pandemics have increased in frequency. The world is now digitally connected and has embraced globalization with all its opportunities and challenges.

At the same time, while the world has been relatively at peace, the scourge of civil wars, terrorism and cyber warfare are the new systems of violence over communities and civilization. Against this backdrop, these global changes and phenomena in offer India an opportunity to participate in the crafting of political and economic institutions that would more pertinent to the emerging geopolitical realities as some of those of 1945 may be outdated.

The old order's principal multilateral political institution was UN Security Council had five veto wielding members, US, USSR, UK, France and Taiwan. The composition was later changed to Russia( USSR) and China(Taiwan). Shortly afterwards a conference was held in the US which created the Brettonwoods Institutions—the International Monetary Fund to prevent the devaluations and the International Bank for Reconstruction and Development( World Bank) to finance the reconstruction of devastated European economies. (1945). That was followed in 1947 by the General agreement on Trade and Tariffs ( GATT) later renamed as the World Trade Organisation(WTO) in 1995. , with the mandate to regulate multilateral trade. Since the US was by far the biggest shareholder in these institutions, the twentieth century became known as the “American Century” or the “Pax Americana”

India was at that time a colony struggling for independence from the British. Its economy was a meagre \$30 billion. Thereafter not only was it not on the high table where decision were taken, India was not even in a position to articulate its own concerns. Our two most prominent

individuals at that time, with an international profile, Mahatma Gandhi and Jawaharlal Nehru, were on tracks opposed to the prevailing western orthodoxy, the entrenchment of the capitalist system.

Simultaneously, Cold War rivalries were developing between the West, and the communist countries. This was led by the US and USSR. Developing countries were coerced into joining one or the other camp. For example the Western European countries, Turkey and Pakistan joined the Western Power-led alliances and its Asian incarnations( NATO-North Atlantic Treaty Organisation, SEATO-South East Asia Treaty Organisation) while East European and some developing countries like Egypt, Tanzania and Ghana were more sympathetic to the USSR, not just for left leaning ideals but because the USSR took anti colonial postures at the UN(J.Bandyopadhyaya- The Making of Indian Foreign Policy-2003)

Larger countries like India, Indonesia and Yugoslavia pushed back through the creation of the Non-Aligned Movement in 1961. The Cold War ended in 1989 with the reunification of Germany and the dissolution of the Soviet Union the following year. One consequence of this was the loss of India's privileged relationship with the USSR especially as a partner for defence equipment. Nevertheless, India moved rapidly to intensify relations with the US , including through market opening reforms in 1992.

However, it was seen that the United Nations Security Council(UNSC)was increasingly sidelined as was observed in the progressive entrenched strife in the Middle East, global isolation of Iran, the terrorist attacks on the two towers of the World Trade Centre 9.11.2001, invasions in Afghanistan, the Arab Spring and the ongoing conflict in Syria. However even now there is still no willingness by the UNSC to accept reforms to include India, Brazil,

Germany and Japan as permanent members in it given the economic and political influence that these countries exert in the global arena.

Apart from the unwillingness of the West to reform political institutions it continues to refuse to acknowledge that the weight of the economic growth has shifted east, principally in China, India, Indonesia, Brazil and Russia. BRICS was thus created in 2006, based on the idea that the world needed institutions beyond the control of the West. Nevertheless the West continues to be strongly resistant to the reform of the IMF-WB (World Bank) for increasing the voting rights of the developing countries except for a small increase for China(J.Kemp, China and World Economy, Reuters-March 5 2020)

Equally unfair is the situation in the WTO, which classifies American and European subsidies for agriculture to an “Amber Box” so that they are not up for discussion in the WTO. But India’s Public Distribution System (PDS)which is intended for the poor, is constantly under pressure as a market distorting system.

With now one in every five person in the world being an Indian, the heads of the two Big-Tech Companies being helmed by individuals of Indian origin, Satya Nadella(Microsoft) and Sundar Pichai (Google), the heads of many International Banks being lead by Indians, it is inevitable that the global community has intensified its engagement with India in digital connectivity. India has also provided opportunities to the friendly foreign multinational corporations and enterprises to set-up offices in India and invest in India.

As the world’s largest democracy, India’s inclusive approach to development especially in the core areas of health, education and infrastructure are being replicated in other developing countries. Through its iconic Technical and Economic Cooperation Programme and offer of scholarships and admissions in its education of higher learning, India is gaining global



recognition as an education hub for developing countries. India is already known as the pharmacy of the world with its export of reasonably priced generic drugs through out the world that commenced during the scourge of AIDS. According to the Department of Pharmaceuticals, Ministry of Chemicals and Fertilisers, domestic pharmaceutical market turnover reached (US\$18.12 billion) in 2018 growing 9.4% year on year. The Indian pharmaceutical industry supplies over 50% of the global demand for various vaccines, 40% of generic demand in the US and 25% of all medicines in the UK. the industry is expected to grow by 30% in 2020. (Annual Report 2017-18 , Department of Pharmaceuticals , Ministry of Chemicals and Fertilizers, GOI)

With a 300 million strong middle class, a vibrant diaspora and uniquely merging traditional values with a modern outlook, India's voice is increasingly been heard and sought after in the global conversations .

In recent times, three important developments in 2016 had a huge impact on global order. The three developments were:-a) Chinese rejection of the judgement of the Tribunal of the Law of The Seas against its claims to the South China Sea b)Vote for Brexit and c)Election of Donald Trump in the US. (Srinath Raghavan – Four Books on 2016, Mint 26 December 2016)

The Chinese economy has grown at an average of 10% per annum. China's One Belt and One Road Initiative is the most ambitious project and encircles India not only through the China -Pakistan corridor in Pakistan, but also through Sri Lanka who has now handed over Hambantota port to China for 99 years. Maldives making its islands available to China for strategic engagement economic and Nepal continues to pursue its policy of balancing its relations with India and China.

Notwithstanding the signing of the final agreement at the end of 2020, Brexit has shown up the weaknesses afflicting member countries of the EU, that have stagnant economies, the continuing impact of the EURO Crisis, the influx of refugees from Syria to Europe and strengthening of right wing political parties opposed to immigration.

President Trump had shaken up old global order, dismissing the UN system, taking his country out of the Human Rights Council, Climate Change Conventions, not agreeing to multilateral trade agreements, preferring bilaterals instead, disrupting the global supply chains and reimposing sanctions against Iran. With the election of Joe Biden, the US is now reengaging with the multilateral institutions that it had abandoned providing a renewed fillip to global conversations on development.

Against this backdrop, India has taken certain steps, in the security arena to build closer relations with the West through the Quadrilateral Initiative, defence collaboration and weapons purchases from the US, Israel and France and military exercises with the ASEAN. India also has close cooperation with Central Asia against Terrorism and has joined Asian Security Organisation such as the Shanghai Cooperation Organisation.

On the economic and cultural front India continued to intensify its relations with friendly developing nations through sharing of its best practices and its economic cooperation programme for them. India indicated its readiness to continue to intensify its cooperation with its neighbours, its continental neighbour Africa and strengthen its Act East Policy.

The global pandemic has been one of the most disruptive challenges of 2020, affecting movement of people, supply of good and overall health of millions of people all over the world. At the same time it provided an opportunity to nations to overcome the health challenge through research and development that accelerated the production of vaccines for it. India, through its

VandeBharat and Vaccine Maitri Programmes was able to reinforce its position as a friend in need to other countries by facilitating air travel for their citizens stranded during lockdown and providing the much needed vaccine for their population.

At the same time, key global challenges that would require India's continued intervention include global warming, management of its economy and its development path.

The effect of global warming on India's climate has led to climate disasters. India is a disaster-prone country with its agriculture being especially affected. This in turn would affect its food security. According to Indira Gandhi Institute of Development Research, global warming would cause a decrease in India's GDP by 9% with a 40% decrease in production of major crops. a temperature increase of 2 degrees in India is projected to displace seven million people and possibly submerge Chennai and Mumbai, Bangalore and Delhi are some of the cities that are witnessing rapid depletion of their ground water level sw.(IPCC Special Report Global Warming of 1.5 Degree C, December 2018)

Although India is still one of the world's largest economies, ( producing \$9.4 trillion in goods and services in 2017)it relies heavily on agriculture and services , not manufacturing( hallmark of a developed economy). While India has shifted towards a market economy and deregulated several industries , encouraged FDI( Foreign Direct Investment), India still has far to go. the US monetary policy has also impacted on India's economy., with the Federal Reserve lowering interest rates causing the value of the rupee to fall. Its growth has decelerated over the past two years prior to 2020.

India's development has been uneven , with the gains of economic progress and access to opportunities differing between population groups and geographic areas. Implementation challenges remain including tax challenges, stress in the rural economy and high youth

unemployment . The country's human development indicators underscore its substantial development needs. Indeed the world will only be able to eliminate poverty if India succeeds in lifting its citizens above the poverty line. On January 21, 2020, the IMF lowered India's economic growth forecast to 4.8% for this fiscal year owing to the crisis in its non banking financial sector and weak rural demand. It also cut the world's growth estimate and blamed the slowdown on India.

Energy shortages are endemic in India. This is caused by deficits in infrastructure in rapidly expanding urban areas. India is also heavily dependent upon fossil fuels. Coal reserves are only there up to 90 years and are a polluting source. All the energy institutions require reforms. Electricity generation is dominated by fossil(80%) with hydro(15%) nuclear(3%) and wind/solar(2%) making up the rest. The need to import petroleum for its development also impacts economically as well as politically in India's conversations in many multilateral fora of the UN. Therefore the constraints of social inequality and biophysical limits needs to be overcome for India's growth and development.

At the same time, the opportunities for India are likely to overcome some of these challenges. Given its democratic credentials, and with citizens from diverse cultures, India's voice in the global arena has credibility due to its democratic governance and consensual approach .It remains an attractive country for outsourcing and a source of reasonably priced imports. Its cost of living is lower than in many other countries .With its large population of skilled , scientific and technological manpower and English as one of India's official languages, India becomes an attractive destination for investment.

In case of agriculture, the Green Revolution in India was mainly engineered by Dr. M. S. Swaminathan. This was part of the endeavour initiated by Dr. Norman Borlaug, which

leveraged agricultural research and technology to increase agricultural productivity in the developing world. By 1970, Punjab was producing 70% of the country's total food grains and farmers' incomes had increased by 70%. but now it has passed the peak. driven by foreign interests, it is leading to foreign ownership of India's farmlands undermining farmer's interests. Farmers financial issues have become especially apparent in Punjab, where its rural areas have witnessed an alarming rise in suicide rates. So new economic, scientific, soil friendly models are required to revitalise this sector.

India's soft power, values, those propounded by our Founding fathers, hold global appeal . Mahatma Gandhi's values of non-violence gave birth to a new generation of global leaders such as Martin Luther King, Nelson Mandela etc. Satya( Truth) and Ahimsa( non-Violence) were not new to India. But Gandhiji used these values for fighting against injustice and oppression using satyagraha and non-cooperation as weapons to fight against injustice. Yoga, a time tested means of comprehensive reflection and healing has been recognized globally through the institutionalisation of International Yoga Day. Evidence of India's 5000 year old civilization abounds all over India in Rakhigarhi, Lothal, in its temples, churches , mosques and monuments including the iconic Taj Mahal . India's Hindi Film Industry has a fan following the world over. India's intellectuals, Olympians, Nobel Laureates are globally renowned and respected for their views.

Finally India's tolerant, friendly and diverse people act as a magnet to friendly foreign countries , welcoming their people to India and committing to walk the path of development together.

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