

## India among superpowers: what is its geopolitical role?

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October 2024

India is recognised as a growing power in global politics. Its rise is not simply due to economic growth but also its deft ability to handle present-day international diplomacy. The country's key strength is its capability to both



maintain and leverage relationships with world leaders and regional actors. This includes improving ties with the US and Europe, while delicately managing a nuanced relationship with China and Russia. This unique level of diplomatic understanding permits India to negotiate from a position of strength over matters of trade, technology and security. As the country continues to assert authority and influence, its actions must be observed as they have significant implications.

### India's strategic assets and capabilities

India's burgeoning economy stands out as a vital contributor to the technology, pharmaceuticals and manufacturing sectors. The nation's participation in these industries has enabled tremendous growth, which has served only to heighten its influence in forums like the G20 and BRICS. Yet, its rise as a superpower is effectively reinforced by a significant and growing military force. Its impressive military capabilities include a robust nuclear arsenal, a space program and an advanced cyber warfare unit that highlights its readiness to protect national interests. Defence collaborations with countries such as the US, Russia and Israel further strengthen these capabilities.

Additionally, India's naval ambitions are becoming increasingly evident as it extends its presence on international waters. Recent deployments include anti-piracy patrols and involvement in mitigating Houthi rebel attacks, enhancing global maritime security without engaging in direct combat.

These actions are part of India's strategy to showcase its naval strength and commitment to international security, especially as a counter to China's growing maritime assertiveness. While India's naval capabilities continue to develop, its proactive presence in international waters signifies a strategic move to cement its role as a pivotal player on the global stage.

### **Balancing global tensions and alliances**

The country's geopolitical prowess is demonstrated in its delicate handling of neighbours China and Pakistan. Repeated border disputes and economic rivalry with these countries place India in a complicated regional landscape that also has implications for regional trade. At the same time, Prime Minister Modi is strengthening relations with Western powers through collaboration with the US and the EU. These engagements are reinforced by trade and defence agreements that focus on shared concerns regarding regional threats, in particular from China. These alliances go some way toward positioning India as a counterbalance in Indo-Pacific politics. The Quadrilateral Security Dialogue (Quad), involving the US, Australia, Japan and India is one such example.

Despite the strengthening of international alliances, Modi still faces intricate political and diplomatic challenges, particularly in balancing relations with key global players like the US, Russia and Ukraine. His diplomatic manoeuvres include a notable visit to Kiev, where he engaged in extensive talks with President Zelensky, highlighting the complex dynamics of international diplomacy. These efforts reflect Modi's strategy to manage meticulously the optics of India's foreign relations, ensuring that India maintains robust ties with Russia, while actively participating in dialogue that aims to resolve global conflicts. This nuanced diplomatic approach is crucial for the country as it navigates the geopolitical landscapes of both its immediate and extended environments.

### **India as a negotiator: tools for bargaining and influence**

Modi's tenure has been marked by significant diplomatic achievements that have raised India's profile on the global stage. He, now the second longest-serving prime minister since India's independence, has clearly used this balanced diplomatic approach between the East and West to elevate the country's global stature.

His notable efforts include advocating for the Global South and successfully securing permanent UN membership for the African Union.

But it should not be forgotten that India has long used its well-placed strategic positions within international organisations to support and shape policies. An example of this is in India's role in the World Trade Organisation (WTO) negotiations, where it pushed for the acknowledgement of food security concerns, which led to the Bali Package in 2013. This package - aimed at lowering trade barriers - was the first agreement reached through the WTO to be approved by all its members. It demonstrated India's capacity to align trade norms with domestic policy objectives, especially in agriculture.

Further, India had already become a major player in terms of economic and energy security. Its reserves of rare earth minerals - vital for technologies used in semiconductors and mobile phones – has provided it with significant bargaining power in negotiations. During the 2012 rare earth crisis, India moved to increase its exports to fill the gap formed by Chinese restrictions, making it an essential supplier in the global supply chain. While China does still produce more than 80 percent of the world's rare earth elements today, it is China's own industries that account for 70 per cent of global demand for them.

India's investments in renewable energy have also generated substantial diplomatic gravitas. Its founding of the International Solar Alliance (ISA) in 2015 with France, demonstrates how renewable initiatives can increase India's influence in environmental governance.

### **Risk assessment and strategic opportunities**

India's geopolitical influence comes as a result of its core strength. Its political stability, especially following major elections, reaffirms the nation's pledge to economic reforms and foreign policy initiatives. This stability provides peace of mind for investors and global partners. However, changes to this status quo in the form of regional political tension or conflict could pose risks and affect trade agreements.

In terms of its economy, India's market liberalisation agenda has improved its business environment significantly, although challenges remain.

There are regulatory hurdles and red tape inefficiencies that can hinder market access, and this affects sectors dependant on foreign direct investment (FDI). Reforms in labour and tax laws have aimed to address these issues, which are hoped to make the country more attractive for international investment capital.

Security, however, is still a concern, with border issues and regional conflicts remaining as threats from China and Pakistan. In addition, maritime security in the Indian Ocean is paramount to maintain trade routes and supplies. That said, India has been enhancing proactively its naval capabilities and participating in international maritime security coalitions to mitigate these risks.

### **Conclusion: strategic recommendations for global businesses**

India's geopolitical position is a complex paradigm, involving a delicate balancing act among the world's superpowers. For multinationals operating in or parallel to the Indian market, it is important to recognise India's geopolitical dance with China and Pakistan, both of which remain sources of tension.

Nevertheless, India continues its trade and diplomacy with China while maintaining its relationships with Russia and the US, creating a melting pot that can influence business operations in unpredictable ways. Such an intricate mix of alliances and rivalries could present challenges for business operating in the region. This necessitates a need to create adaptive strategies that consider the current geopolitical flux. While India does indeed appear to enjoy "*Keeping a foot in all camps*" for now, be aware that if tensions between the US and China worsen, it may well have to choose a side.

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