PUTTING THE PERIPHERY AT THE CENTER
Indian States’ Role in Foreign Policy

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About the Author

Happymon Jacob is an associate professor of disarmament studies at the School of International Studies of Jawaharlal Nehru University (JNU). Prior to joining JNU in 2008, Jacob held teaching positions at the University of Jammu in Jammu and Kashmir and the Jamia Millia Islamia University in New Delhi, as well as research positions at the Center for Air Power Studies, the Delhi Policy Group, and the Observer Research Foundation. Jacob is a frequent op-ed contributor to the Hindu, one of India’s leading English-language dailies. He also has organized and participated in the three most influential Indian-Pakistan track-two dialogues: the Chaophraya Dialogue, the Pugwash India-Pakistan Dialogue, and the Ottawa India-Pakistan Dialogue.
Summary

India’s states traditionally haven’t played any significant role in the formulation of foreign policy, but this may be changing to some degree. Economic liberalization and the emergence of coalition governments in New Delhi have created an environment conducive for states to proactively engage the central government on foreign policy issues that affect their interests. Prime Minister Narendra Modi has realized the necessity of getting the country’s regional governments on board with his foreign policy endeavors, but efforts to make good on this vision have had limited success. New Delhi needs to institutionalize the legitimate foreign policy role that Indian states are starting to play so that they can put forward their views in a constructive manner.

Key Themes

• In recent years, Indian states have begun playing a larger role in foreign policy than they previously did, due to the country’s economic liberalization and the rising influence of regional political parties.

• The current government led by Prime Minister Modi has been more accepting of states playing a role in foreign policy than past administrations. It seems to view such engagement not as a negative form of interference but as a useful asset for pursuing the country’s national interests abroad. The creation of the States Division within the Ministry of External Affairs is indicative of this new willingness to mainstream regional voices on foreign policy matters.

• Modi has implemented some measures to integrate states into the foreign policy making process, but these efforts have been largely ad hoc and functionalist rather than holistic and structurally transformative.

• The Modi government’s efforts are informed by the logic of using the tools of diplomacy for promoting economic development and foreign direct investment, with very little focus on strategic security issues.

• Modi’s government will need to take a more consensus-based approach and make institutional adjustments in order to make good on promises of broadening states’ role on foreign policy making.
Institutionalizing Indian States’ Foreign Policy Role

- The Modi government should strengthen existing coordination mechanisms such as the Inter-State Council and National Development Council.
- The Modi administration should allow state governments to place personnel in new and existing institutions, empowering state-level officials to coordinate with Indian central government officials and foreign diplomats in state capitals, foreign capitals, and New Delhi.
- The Modi government should institutionalize ways for top officials in the Ministry of External Affairs to regularly meet and consult with their leading counterparts in state governments.
- State governments should consider creating their own institutional frameworks to engage the central government on foreign policy issues.
There is a newfound recognition in New Delhi of the significant role that states have come to play in the country’s foreign policy.
postelection declarations into practice? And, looking forward, in what ways could New Delhi consider working more closely with the states to ensure their concerns about its foreign policies are heard?

This analysis evaluates the current role of the Indian states in the foreign policy making process. It examines relevant constitutional provisions, the extraconstitutional manner in which states have managed to play a role, the rationale and causes behind such engagement, the approach of the new government in New Delhi, and what can be done to institutionalize the role of states.

While the role of states in India has traditionally been seen by New Delhi as hampering its constitutionally mandated, autonomous, unconstrained foreign policy making process, today there is an increasing acceptance of states’ legitimate concerns and role. While the Congress-led regime under former prime minister Manmohan Singh (2004–2014) viewed the so-called foreign policy activism of states as a constraint, the new BJP-led regime does not seem to view state influence as something necessarily negative. Having been chief minister of a state himself for more than a decade, Modi seems to be aware of, and sensitive to, states’ demands and concerns. More importantly, the central government increasingly views states’ role as useful—an asset that can be utilized to better articulate and pursue the country’s national interest. In short, in India today there is a certain appetite for mainstreaming and purposively directing what was previously seen as interference by the Indian states in the realm of foreign policy.

Despite the stated enthusiasm of the central government to increasingly consult states on foreign policy matters, fundamental policy changes do not appear to be underway. Surely, the Modi government has undertaken important measures to mainstream the role of states in the country’s foreign policy, but the approach seems more functionalist in nature than holistic or aimed at structural transformation. Moreover, the central government’s inability to engage in consensus building with other political parties and state governments on foreign policy matters has further constrained progress. The BJP-led central government in general and Prime Minister Modi in particular do not come across as consensus builders. Modi’s majority in the Lok Sabha (the lower house of Parliament) does not seem to encourage him to be a consensus builder, and the lack of it in the Rajya Sabha (the upper house) has not yet persuaded him to be one either.

In short, while Modi’s declared attempts at consulting state governments on foreign policy matters are laudable, they need to be institutionalized. Moreover, the catchy slogans that the Modi government has propagated—such as “Make in India” and “cooperative federalism”—can only achieve success if the government builds consensus among state governments and opposition political parties that happen to be in power in many of
these states. There are several steps that Modi can take to bring about such changes, such as strengthening existing coordination mechanisms between central and state government personnel and establishing new organizations to deepen such collaboration.

**Factors Shaping India’s Foreign Policy**

The Constitution of India is unambiguous in bestowing the central government, also known as the Union government, with nearly absolute powers when it comes to the dual areas of foreign policy and defense. One important exception concerns the redrawing of borders, in which case the matter needs to be referred to the respective state legislature(s). Indeed, when the Modi government pushed to conclude a land boundary agreement (LBA) with its eastern neighbor Bangladesh in June 2015, it had to ensure that key border states, such as Assam and West Bengal, were on board. This exception aside, the constitutional predominance of the central government has been fully adhered to, in letter and spirit, for most of the republic’s journey since independence.

Article 246 of the Indian Constitution divides legislative powers of the country into three categories, or lists: the Union list (items on which the central government alone can make laws), the State list (items on which only state governments can make laws), and the Concurrent list (items on which both the Union and state governments can enact legislation, though the writ of the central government prevails in case of a conflict). Almost all legislative matters related to foreign policy, security, and defense come under the Union list. Moreover, international trade and even interstate trade come within the mandate of the Union government. As the author and Amitabh Mattoo argue in a previous publication, “the Constitution, then, gives the central government in New Delhi virtually exclusive jurisdiction over foreign and defense policy. The states have, with some notable exceptions, played little role in formulating or implementing the country’s foreign relations.”

Jawaharlal Nehru, the country’s first prime minister, is widely considered to be the architect of independent India’s foreign policy. During Nehru’s years in power (1947–1964), not only did the states have no role in the country’s foreign policy making, even his own cabinet colleagues did not play a prominent role in it. While an underlying reason for the limited role of states was Nehru’s personality, a significant driver was the presence of what is commonly referred to as the Congress system, which refers to the huge majority that the Congress Party enjoyed in the country’s politics and governance before 1967. Until then, most states were ruled by the Congress Party and, given the constitutional provisions regarding foreign policy, it was unthinkable for a state to dispute the Nehruvian foreign policy consensus. Nehru himself often wrote to his various chief ministers on foreign policy issues to take them into confidence, though
it was mostly by way of informing them of foreign policy matters rather than consulting them.

**Beyond the Congress System**

While the constitutional provisions regarding foreign policy decision making have remained unchanged since 1947, evolutionary changes in India’s politics have had a positive impact on states’ ability to assert themselves. Between 1947 and the late 1960s, the country experienced extreme political centralization. From the 1970s onward, the Congress system came under severe stress and the rise of regional parties led to increasing demands by the states. However, nothing substantial transpired until the general election of 1989, which saw the rise of the National Front coalition government led by former defense minister V.P. Singh. The Singh government (1989–1990) was formed by a coalition of twenty-seven political parties, and the 1991 elections saw a coalition of forty-three parties come to power. Since then, all central governments (barring the current one led by Modi) have been formed by coalitions of political parties.¹⁰

The author and Mattoo attribute the weakening of central control over foreign policy to the following four factors:¹¹

- Some states, such as Jammu and Kashmir, enjoy a special constitutional status that may enhance their political leaders’ influence on foreign policy.¹²
- Certain state leaders have the political clout to informally shape foreign policy making.
- Central coalition governments have empowered state governments and leaders to have a greater say on foreign policy because such coalitions are composed of regional parties, many of them located in a single state.
- Finally, although the constitution has not undergone change, the forces of globalization have created new practices and possibilities that have already given the states a greater role and will continue to do so in the future.

In addition to the dawn of coalition governments in New Delhi, the other major factor that managed to dilute the central authority was the onset of economic liberalization in the early 1990s. Economic liberalization drastically weakened New Delhi’s grip over the economic activities of Indian states. It also led to the end of the License Raj, which involved excessive governmental control over economic matters. States’ ability to engage in international economic activities has empowered them in an unprecedented manner.

In short, despite lacking a constitutional mandate, states today have come to play a significant role in India’s foreign policy by virtue of their ability to put pressure on, negotiate with, or obstruct the central government’s policy
making capacity. Moreover, various circumstantial, geographic, and political factors have empowered the states to do so.

The Rationale for a Greater State Role

One of the major factors underlying the foreign policy demands of Indian states is the country’s geopolitical context (in terms of contested borders, shared cultures, and economic ecosystems), which creates ripe conditions for state participation in foreign policy. Traditional trade routes and modes of economic exchange involving border states, in many cases, have been disrupted due to the partition of the subcontinent in 1947. And yet ethnic, familial, and economic affinities continue to exist between many Indian border states and neighboring territories. In some cases, however, resources such as water—which have been artificially partitioned—have created problems for many border states. Moreover, there is often a conflictual relationship that many border states share with neighboring countries due to migration and the attendant employment pressures as well as conflicts over water scarcity, among other issues. In short, India’s border states face both challenges and opportunities in the context of the country’s relations with their neighbors. This is what prompts them to play a role in India’s foreign policy toward their neighbors, and most of the time, legitimately so.

A Lack of Institutional Mechanisms

What recent trends also show is that states’ ability to have a say in the country’s foreign policy making is, at best, ad hoc and contingent on factors such as where a given state is located and which political party is in power there. As of today, there is neither a developed institutional role for states nor fully formed institutional procedures for serious consultation—even on issues that matter to the states. The MEA’s recently created States Division is a central-government body that does not include state representatives, and the Inter-State Council (ISC) is increasingly becoming dysfunctional. The latter is a council chaired by the prime minister and composed of all chief ministers as well as selected Union ministers.

Efforts in this direction have been largely futile. In 2000, the previous BJP-led coalition established the National Commission to Review the Working of the Constitution. In its final report, the commission thoughtfully recommended “that for reducing tension or friction between States and the Union and for expeditious decision-making on important issues involving States, the desirability of prior consultation by the Union Government with the inter-State Council may be considered before signing any treaty vitally affecting the interests of the States regarding matters in the State List.” To date, however, this proposal has remained on paper.
Another measure that has been suggested, in this case by the present government, is a potential accord called the Center-State Investment Agreement (CSIA), which would help the central government better implement any bilateral investment treaty it signs with foreign countries. An annex to the finance minister’s 2016 budget speech argued that such an agreement “will ensure fulfilment of the obligations of state governments under these treaties. States which opt to sign these will be seen as more attractive destinations by foreign investors.”

CSIA, in other words, would help the central government coordinate with states on matters relating to the management of foreign direct investment, although it is unlikely to improve states’ bargaining power vis-à-vis the center.

Other institutional fora where the center and the states can coordinate their policy preferences are the ISC and the National Development Council (NDC). Though the constitution (Article 263) provides for the ISC, it was only established in 1990 after the Sarkaria Commission (which was set up in 1983 to give recommendations for smooth center-state relations) strongly recommended its creation. However, the ISC has neither met regularly nor served as a key institution of center-state consensus building.

The other mechanism, the NDC, set up in 1952 to discuss and deliberate the country’s five-year plans, is an extraconstitutional and non-statutory body. It used to advise the Planning Commission, which functioned as a national-level body for planning economic policy, allocating funds, and coordinating policy. Given the NDA government’s disbanding of the Planning Commission, the NDC’s future is also bleak.

Although the BJP mentioned in its 2014 manifesto that “moribund forums like the National Development Council and Inter-State Council will be revived and made into active bodies,” it has not shown any interest in doing so; if anything, it has gone in the opposite direction. With existing institutions either being disbanded or not given adequate importance, and given that the Modi government has not shown a great willingness to establish new institutions (barring the States Division in the MEA), it will be exceedingly difficult to convert promises such as cooperative federalism into actual practice.

Indeed, some voices have harshly criticized the role that states have come to play. For instance, senior political scientist C.P. Bhambhri argues that “India is likely to pay a very heavy price if it makes foreign policy a football game where ‘regionalists’ begin to dictate and decide the directions of policy.” Although Bhambhri was referring to the extreme context of India’s contentious vote against Sri Lanka in the United Nations Human Rights Council (UNHRC) in March 2012, the fact remains that there is a certain unease among a lot of Indian analysts about the increasing influence of states on the country’s foreign policy. The concern is that states tend to pursue their parochial interests rather than promoting what is good for the country as a whole.
States’ Emerging Foreign Policy Role

Some of the key areas of foreign policy engagement by Indian states include: foreign economic, resource management, environmental, and security concerns. There are also political issues, though few and far between, which prompt them to use their influence to shape the country’s foreign policy.

States are primarily—and legitimately—interested in ensuring that their foreign economic engagements are unencumbered by the central government. Dating back to the onset of liberalization, a number of Indian states have actively pursued foreign direct investment from abroad and other foreign economic opportunities. Gujarat, Madhya Pradesh, Tamil Nadu, West Bengal, and other states have regularly organized investor summits in order to gain foreign investment. Andhra Pradesh Chief Minister Chandrababu Naidu has been a key player in this regard. In April 2015, the Union government asked him to lead a high-level Indian delegation to China on its behalf.

The second major arena of foreign policy activity by states is resource management. The most prominent example is the opposition by the West Bengal government to a potential Teesta River treaty between India and Bangladesh. The Teesta River, which originates in the Indian state of Sikkim, flows to Bangladesh via West Bengal. During the regime of then prime minister Manmohan Singh and the United Progressive Alliance (UPA), the two countries nearly agreed on a 50-50 water-sharing arrangement in 2011, but the accord could not be signed due to stern opposition from West Bengal Chief Minister Mamata Banerjee, who dropped out of the prime minister’s official delegation to Bangladesh at the eleventh hour. After Banerjee torpedoed the Teesta deal, then prime minister Singh said he had conferred with Banerjee about the treaty and had asked National Security Adviser Shivshankar Menon “to seek guidance from her.” This is an example of how an Indian state was able to stall diplomatic negotiations between two sovereign counties because the state in question felt that it had too much to lose if the treaty were signed. Interestingly, in February 2015, Banerjee paid a visit to Bangladesh, during which she told reporters: “Have trust on me on the Teesta issue . . . I will have talks on the matter with [Bangladeshi] Prime Minister Sheikh Hasina.”

Another example is the India-Bangladesh LBA. In June 2015, during Prime Minister Modi’s visit to Dhaka, the land boundary issue between the two sides, which had lasted over four decades, was resolved. The passage of the enabling legislation (the One Hundred Nineteenth Constitutional Amendment Act of 2013) in the parliament paved the way for the operationalization of the 1974 India-Bangladesh LBA, including the exchange of enclaves and “adverse possessions” from the Indian states of Assam, Meghalaya, Tripura, and West Bengal. Since this is a constitutional amendment, it still required the consent
of at least half of the state legislatures before becoming law. However, what is important to note is that state governments played a major role in negotiating and signing the agreement. Indeed, when “the UPA government tried to introduce it [the LBA legislation] in the parliament it was met with stiff resistance in the parliament by TMC [the ruling party in West Bengal], AGP [a key regional party in Assam] and also by the BJP initially,” according to political commentator Manan Kumar. In the end, the BJP managed to get the state governments on board and to proceed with the agreement.

States have also raised environmental concerns regarding various energy policies and security agreements that the central government has pursued domestically and with foreign countries. Given that both the previous UPA and the current NDA governments have pursued international civilian nuclear cooperation as a major component of their foreign policies, states’ opposition to such cooperation and domestic projects poses serious challenges to the central government’s overseas pursuits. For instance, the BJP’s coalition partner in the state of Maharashtra, the Shiv Sena, has opposed the Modi government’s decision to fast-track the revival of the Jaitapur nuclear power project. The Shiv Sena’s consistent opposition to the project could create problems for Modi’s ambitious nuclear energy plans. Similarly, the government of Tamil Nadu, led by Chief Minister Jayalalithaa Jayaram, also consistently opposed the Kudankulam nuclear power project in the state until 2012, at which point it executed a sharp U-turn on the matter. At the time, then prime minister Manmohan Singh had to personally ask Jayalalithaa to allow the project to go forward.

In yet another interesting example, the government of Kerala, fearing local political fallout, strongly argued for an India-hosted trial of two Italian marines who stood accused of killing two fishermen off the Kerala coast in 2012. Kerala Chief Minister Oommen Chandy argued that the “State government does not agree to Italy’s move not to send back Massimiliano Latorre [one of the two marines] to India. The Centre should take stern action to bring him to India to face trial.” This led to a diplomatic standoff between India and Italy, for which New Delhi was forced to pay a price: Italy exercised its veto power to block India’s entry into the Missile Technology Control Regime (MTCR). Even though the veto was not supported by any of the regime’s other members, India was unable to gain admission into the club since the MTCR works on the basis of consensus. Italy’s move was likely a direct response to India’s decision to arrest and try the Italian marines in an Indian court.

In other instances, political considerations on the part of the state governments and regional parties have constrained the central government’s ability to pursue a specific foreign policy or security agenda. The best example is India’s policy toward Sri Lanka between 2012 and 2013. When the United States sponsored a resolution at the UNHRC in Geneva seeking accountability for the deplorable excesses the Sri Lankan security forces perpetrated against the minority Tamil population at the end of the country’s civil war, the Indian
government, under pressure from the Tamil Nadu state government and various local political parties, had to support the resolution, which represented a significant departure “from their normal practice of not voting for country-specific resolutions,” according to two analysts.\(^2\) India did the same in 2013.

And in November 2013, then prime minister Manmohan Singh decided not to attend the Commonwealth Heads of Government Meeting (CHOGM) in Colombo under pressure from leading parties in Tamil Nadu. Both the ruling All India Anna Dravida Munnetra Kazhagam party and the opposition Dravida Munnetra Kazhagam party demanded that India boycott the meeting. Chief Minister Jayalalithaa wrote a letter to the prime minister saying: “At the very least, India must stay away from the CHOGM to be held in Colombo and, thereby, exert pressure on Sri Lanka to do justice by its hapless, much exploited Tamil minorities.”\(^2\) Clearly, the pressure applied by the state worked because Singh ultimately decided to skip the Colombo meeting, even though alienating Sri Lanka proved to be strategically costly because it helped drive Sri Lanka closer to China.

In short, foreign policy making has increasingly become embroiled in domestic politics in India. Central governments are finding it important to engage in domestic deal making for the successful actualization of their foreign policy agenda. One must also keep in mind that states are, most of the time, not persuaded by what may be termed the foreign aspects of foreign policy decisions, but the local domestic aspects of such policies.

The Border States

In the years to come, New Delhi will find it difficult to pursue a neighborhood policy without getting the border states on board. The central government will be more effective in conducting neighborhood diplomacy if it can coordinate with the peripheral states, both in terms of political management and formulating policy content. What this means in practice is that the periphery has become more central when it comes to Indian diplomacy. While the periphery can frustrate the center’s neighborhood policy, as has been seen, it is also possible for the periphery to act as a connector between the central government and neighboring countries or regions.

More importantly, the fact that most Indian states (barring five) have either land or maritime borders with neighboring countries should make New Delhi consider incorporating border states into its diplomatic engagement with the neighborhood (see map). For instance, India’s China policy has potential implications for Arunachal Pradesh, Jammu and Kashmir, and Sikkim; its Pakistan policy has implications for Gujarat, Jammu and Kashmir, Punjab, and Rajasthan; India’s policy toward Nepal has implications for Bihar, Sikkim, Uttar Pradesh, Uttarakhand, and West Bengal; and finally, Assam, Meghalaya, Mizoram,
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Tripura, and West Bengal will all be affected by the state of India-Bangladesh relations. These great Himalayan linkages can be seen as a constraining factor or as a great regional foreign policy connector.

One of the reasons India has traditionally been cautious about the peripheral states and their engagement with neighboring countries is due to the unsettled borders that India shares with several of its neighbors, namely Bangladesh, China, and Pakistan. And even though borders with both Bhutan and Myanmar are settled, spillovers in ethnic politics have been a cause for concern.

As Arvind Gupta, India’s incumbent deputy national security advisor, pointed out in a March 2013 speech at Sikkim University: “Border management issues involving trade, human trafficking, border trade, illegal trade, illegal migration, drugs and arms smuggling, border fencing etc are major issues of concern for India. India’s sovereignty is tested by organised crimes, insurgent groups ever so often. Porous, ill governed borders create huge law and order problems too.” Gupta suggested that “the involvement of the populations of border regions in the formulation and implementation of a proper border management policy is of great significance. Border regions need to be given special attention for a successful border management policy.”

He went on to argue that “it is essential that the people of the North East should be involved in the conceptualisation, formulation and implementation of the Look East Policy.” Similarly, Nagaland Chief Minister Neiphiu Rio recently articulated how important it is to involve the northeastern states in the country’s foreign policy making, pointing out that the northeastern region borders Myanmar, the only member of the Association of South East Asian Nations (ASEAN) that has a physical land boundary with India. The northeastern part of the country has long been understood as India’s commercial and geopolitical gateway to Southeast Asia. A lack of adequate infrastructure and planning has prevented India from utilizing this opening. The new government, however, has vowed to convert the country’s Look East policy into an Act East policy.

Interactions between Indian states and Chinese provinces have also been on the rise. There is an India-China provincial leaders’ forum to promote greater engagement between key officials from Indian states and their Chinese counterparts. New Delhi has hosted delegations from Sichuan, Xinjiang, Yunnan, and other parts of China, while Indian chief ministers from the states of Assam, Bihar, Gujarat, and Karnataka have either visited or hosted central and provincial Chinese counterparts in the last few years. Jabin Jacob of the Institute of Chinese Studies in New Delhi argues that the state-provincial linkages are indeed very strong: “The growing number of exchanges between Indian and Chinese sub-national actors is dominated by trade and commercial interests and Indian envoys in China today, are, in fact, savvy enough to court Chinese capital at both the central and provincial levels.”
The states could also promote cooperation on noncore matters such as cultural, religious, and sporting ties. Punjab-to-Punjab cooperation across national boundaries is an excellent example. The Indian and Pakistani Punjabs were created by dividing formerly united Punjab—with the two sides continuing to share a great deal of historical connectivity in spite of the post-1947 border. During the heyday of the India-Pakistan peace process from 2004 to 2007, the leadership in both Punjabs tried to give peace a try by engaging in a number of joint initiatives.

After a long period of estrangement, the leaders of the two Punjabs decided on a number of initiatives when the Indian and Pakistani prime ministers met in Lahore in 1999. Chief Minister Prakash Singh Badal of Indian Punjab discussed trade and the maintenance of religious shrines in Pakistan with his Pakistani counterpart on that occasion. In 2004, then chief minister of Indian Punjab Amarindar Singh announced the establishment of a World Punjabi Center in the city of Patiala on the Indian side. He followed this up with a 2005 visit to Pakistani Punjab, once again accompanied by leading businessmen from Punjab. Later, India and Pakistan jointly decided to restart the Amritsar–Nankana Sahib bus service in 2006. The All-Punjab Games were held for the first time in December 2004, featuring competition in traditional Punjabi sports like kabaddi, although they did not continue beyond 2004. With the joint effort of the chief ministers of the two Punjabs, the two governments inaugurated an integrated check post at the village of Attari in 2012, followed by exchanges and agreements on the promotion of culture, education, science, and economics in subsequent years. Unfortunately, progress on this front also waned after an initial burst of activity.

Prime Minister Modi, like his predecessor, has also shown enthusiasm for partnering with states to promote smart-city diplomacy with other countries. During his visit to Japan, he signed a sister-city agreement between Kyoto and Varanasi. And with China, similar city- and state-level agreements have been signed between Aurangabad and Dunhuang, Chennai and Chongqing, Hyderabad and Qingdao, and Karnataka and Sichuan. Today, there is a new focus on not only pairing cities but also the respective states in which they are located, given that cities might lack the capacity to take the ties further.

While small in nature, these initiatives could potentially alleviate the negative attitudes that India and China have toward each other, and the states involved in these efforts could benefit a great deal. That said, state governments should take the lead on regional integration, with MEA oversight if needed, as it would be impossible for the short-staffed MEA to manage these new activities.

**States and the Securitization of India’s Borders**

While states play an important role in managing India’s borders with its neighbors, the involvement of states can sometimes amplify existing securitized
narratives about borders making the central government’s job even more difficult. As Rafiq Dossani and Srinidhi Vijayakumar point out, “as state parties have increased their voice in government, they have demanded an increased role in controlling migration into their states. Nowhere is the ambiguity of federal jurisdiction more apparent than in the case of border patrol. In West Bengal, the state police and the Border Security Force (a centrally-controlled paramilitary force) often work together to control the movement of migrants and goods from Bangladesh.”

To cite another example, while negotiations between India and Pakistan were still ongoing with regard to the Sir Creek dispute (contested territory located in the Indian state of Gujarat), the then chief minister of the state and the BJP’s aspiring prime ministerial candidate, Narendra Modi, wrote a letter to then prime minister Manmohan Singh in which he alleged that Gujarat was “at no point . . . consulted” on the negotiations and that New Delhi should not decide to “hand over” Sir Creek to Pakistan as it is against the interest of the country and the people of Gujarat. This intervention by Modi preempted any potential resolution to the Sir Creek issue.

In yet another instance, given the deep cultural similarities between Rajasthan (in India) and Sindh (in Pakistan), the central government under Manmohan Singh was willing to open the Munabao-Khokhrapar land route for trade, but the Rajasthan state government did not show great enthusiasm for the endeavor, given its fears that Hindu families may migrate from Sindh to Rajasthan. Politicians in Sindh have also been concerned about this.

**Interference as Strength**

In certain cases, however, the central government can benefit from opposition by states. While no particular state interfered with negotiations of the U.S.-India civil nuclear deal, the Indian central government did face major domestic political hurdles when the negotiations were still ongoing. What is important to note here is that the central government was often able to use these domestic hindrances to its advantage at the negotiating table. This is a clear example of the notion that domestic or regional constraints on the foreign policy making process need not necessarily be viewed in a negative light.

Indeed, the Modi government’s approach to engaging Indian states when it comes to the country’s neighbors has been a positive one—as exemplified by the Bangladesh land deal. Hence, as Jabin Jacob argues, “it is equally important to remember that not just problems, but solutions too, can be sub-national in origin and application. National governments will, therefore, need to pay attention to such opportunities in order to have additional options in their foreign policies.”
The States Division and Cooperative Federalism in Practice

Even though the Modi government has not adequately emphasized existing broad-based institutional structures for foreign policy coordination, it has been working toward creating a certain amount of functional synergy between the MEA and states on foreign affairs. The best example is the creation of the States Division within the MEA in October 2014 to serve as the ministry’s single avenue for outreach to states and to bring a sharper focus on states within the MEA. Modi’s government envisions it as a way to closely work with other divisions and departments to connect the states and union territories (UTs) better with the outside world, through Indian embassies and consulates in foreign countries and through the embassies and trade missions of foreign countries in India. For example, on investment promotion and commercial matters, the States Division works in tandem with the Investment Promotion Division of the MEA.

The mandate of the States Division indicates the importance and variety of the work it is entrusted to do. Its duties include:

- Helping state and UT governments conduct outreach, communicate, and coordinate with Indian missions and posts abroad as well as foreign diplomatic and economic missions in India and the MEA to spur economic activity including trade, investment, and tourism and to encourage cultural and academic exchanges
- Consulting with other MEA divisions to facilitate trips by visiting foreign dignitaries to Indian states and UTs, including their visits with senior state-level leaders
- Representing the MEA in interactions with foreign countries about smart-city initiatives, and also helping Indian cities, states, and UTs to formalize, implement, and promote partnerships with their foreign counterparts, in conjunction with other relevant government offices
- Overseeing how institutions such as the MEA Branch Secretariats are managed and administrated
- Coordinating MEA efforts to help foreign service officers develop regional specializations

The States Division has managed to bring about a great deal of enthusiasm in engaging and partnering with states to reach out to foreign countries by promoting trade and investment. Prior to its establishment, state governments
would directly deal with the target country, while the embassy was involved in merely organizing the necessary meetings. The initiative would primarily come from the state government. Today, things are beginning to change: there is prior consultation between the state concerned, the States Division, and the Indian embassy in the target country to identify objectives (at the level of the division’s joint secretary and the state secretaries of various industries), to use input from the embassy during the planning process and to advise on the specifics of the state’s outreach. In short, state outreach today is a result of three-way communication.

Moreover, the States Division gives state chief ministers direct briefings on investment opportunities and international collaboration, and it also sometimes organizes meetings with the target state’s ambassador.

Managing the emigration of laborers is also something that seems to be a major focus today, especially in terms of addressing the concerns of Indian workers going abroad, who often face exploitation at the hands of overseas employers. The MEA has also been working with state governments to create awareness about what Indian workers should do and not do when traveling abroad. Today, some states also have diaspora cells functioning out of their state capitals that the MEA actively advises and assists on these issues.

Another new idea has been to get senior MEA officials to specialize in various Indian states, namely their home state and another state of choice. According to a New Indian Express report, in preparation for their annual conference in February 2015, the heads of Indian missions were asked to specify “which states and administrations they wanted to get familiarised with and work intimately with.” Prime Minister Modi, according to the New Indian Express report, also addressed this in his speech at the Heads of Mission Conference in February 2015. The same article reports that this new policy has “already started to get implemented.” The long-term idea is to allocate one state to each MEA officer from the very beginning of his or her career.

Clearly, the thinking within the government regarding cooperative federalism on the foreign policy front is persuaded by economic development and investment promotion rather than strategic or hard security concerns. For instance, the States Division is not empowered to deal with “policy disagreements of the kind seen between the Centre and Tamil Nadu over Sri Lanka and with West Bengal over the Teesta accord with Bangladesh,” in the words of Suhasini Haidar, deputy resident editor at the Hindu.

**Policy Recommendations**

There are several measures that the Modi government can pursue to help institutionalize the role that states play in shaping India’s foreign policy. First, to encourage states to play a creative role in foreign policy making, the central government should begin by taking steps to strengthen existing
mechanisms such as the ISC and NDC. The center, for instance, could boost these bodies’ standing by making their recommendations mandatory and ensuring that they meet more frequently, considering that these are perhaps the only national institutions in the country where states can bring their concerns to the attention of the central government. The past record of these venues has shown that neither do they meet regularly nor are their recommendations taken seriously.

Second, the MEA should revive the practice, started by then foreign secretary Sujatha Singh in 2014, of holding regular meetings of state chief secretaries to discuss foreign policy matters that concern state interests. Such meetings could also help coordinate the activities of the state and central governments on issues such as attracting foreign investment, addressing diaspora concerns, promoting tourism, and cutting bureaucratic red tape while processing projects involving international collaboration, among others.

Third, as former Indian diplomat Kishan Rana has argued, New Delhi should think about establishing external affairs offices manned by state-level officials in various state capitals. Indeed, the MEA already has branch secretariats in key state capitals such as Chennai, Guwahati, Hyderabad, and Kolkata. The one in Chennai, for instance, acts on behalf of a range of individuals and organizations, including Indian nationals incarcerated overseas, uncompensated workers in the Persian Gulf, and families that are not receiving remittances from family members working abroad, as well as foreign consulates and offices of international organizations such as the World Bank and United Nations. Such secretariats could be established in every Indian state with state government officials staffing most of the posts. Indeed, these offices could be housed within the already existing regional passport offices that are operating out of most Indian states.

Fourth, it may not be out of place to let interested state governments station their representatives abroad to promote their state’s interests, perhaps within Indian embassies overseas. Indian missions already have trade representatives. The MEA should consider encouraging interested states to send their representatives to these missions as well. Given that states are increasingly becoming key sites of India’s international relations, it is important that they are encouraged and empowered to have more than occasional interactions with national, subnational, and nonstate actors in the wider world. Stationing its officers in India’s key missions abroad would immensely help in this direction.

Fifth, state governments could also consider creating an international cell headed by a senior Indian Administrative Service officer with support from the MEA’s States Division. A number of Indian states already have cells dealing with international affairs such as diaspora and labor matters. For instance, the state government of Kerala has a Department of Non-Resident Keralites Affairs headed by a secretary-level officer. The mandate of such offices could be enhanced to actively involve state governments in the country’s foreign policy
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making process. The newly created Indian state Telangana is currently in the process of creating an external affairs ministry to promote its interests abroad. This new trend is indicative of an emergent recognition in state capitals that they need to do more on their own to promote their interests.

Sixth, the central government should seriously consider Sanjoy Hazarika’s suggestion about establishing a “foreign policy unit” for the minister of external affairs and the chief ministers of the country’s northeastern states to meet and weigh in on foreign policy issues including “trade and security” as well as “migration and navigation.” This unit, as Hazarika argues, could be developed as part of the North Eastern Council, which falls under the Ministry for the Development of the North Eastern Region. Such an arrangement might include states such as Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, and Sikkim.

There are a host of reasons underscoring the importance of such an initiative. The northeastern states have traditionally felt that they have been left out of the national mainstream, both in foreign policy and developmental terms. In addition, the northeastern region is India’s geopolitical and economic gateway to East Asia. Furthermore—given the rise of China and the many insurgencies that northeastern India is rife with—there is also a hard strategic and security-based rationale for engaging the region as a single unit to discuss foreign policy matters.

Conclusion

Both theoretically and empirically, traditional approaches to foreign policy making have not factored in domestic political forces and influences. However, today there is a new recognition, both among practitioners and theorists, that national-level foreign policy behavior can be more fully explained by examining the domestic politics within a country. Moreover, such a paradigm suggests that engaging constituents in diplomacy enriches and strengthens a country’s diplomatic capability and foreign policy pursuits.

From a different perspective, it is logical to argue that while the foreign policy and national security realms belong to the center, it is actually states that are directly impacted by the political, economic, security, and other consequences of the center’s policies. After all, the center does not exist as a geographic entity—the states do. Hence, it is important that the center consult the states on foreign policy matters going forward.

There is now a compelling reason to focus on the role states play in the country’s foreign policy making and to channel their energies in the right direction. Given the fact that most of India’s states are border states, it would be impossible to exclude them from raising their voices on matters that the

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**National-level foreign policy behavior can be more fully explained by examining the domestic politics within a country.**
center traditionally considered to be outside their legitimate purview. More importantly, the role of states should be based on mutual interest rather than confrontation. As Sanjoy Hazarika correctly points out, “leaders like (Neiphiu) Rio [former Nagaland Chief Minister], Mizoram’s Lalthanhawla, Assam’s Tarun Gogoi, Sikkim’s Pawan Chamling, Tripura’s Manik Sarkar and Arunachal Pradesh’s Nabum Tuki are far better equipped and knowledgeable to drive foreign policy that benefit the Northeast and India than mandarins in Delhi.” There is an element of truth to this: local leaders are likely to have a greater grasp of how certain central foreign policy decisions would affect them.

Facilitating greater connection between New Delhi and state capitals by institutionalizing the role of states remains a major challenge. Unfortunately, the performance of the Modi government on this front has not been entirely satisfactory, either institutionally or politically. Not only has the present government not tried to bring about a broad-based institutional framework to accommodate states’ legitimate foreign policy interests, it has weakened existing institutions such as the ISC and NDC. Taking states and their legitimate interests into account also requires a great deal of consensus building by the central government. The Modi government’s outreach to states is more for the purposes of economic policy facilitation rather than foreign policy consultation.

Modi and the current NDA government has taken some bold steps toward consulting states in the country’s foreign policy making process especially in terms of linking the country’s diplomacy and the development needs of Indian states. Some of these steps will prove to be very useful in the long term. And yet, even as the Modi government has taken some out-of-the-box steps in consulting and coordinating with states on foreign policy matters, there is a need to institutionalize these initiatives and strengthen existing institutions. Moreover, the ambit of this initiative needs to be enhanced to include strategic and security matters as well.
Notes

1 In the central government’s bureaucratic structure, a joint secretary is a senior officer who heads a particular department. The newly set up States Division is such a department.


3 For the purposes of this paper, “foreign policy” implies foreign policy, foreign economic engagement, and national security and strategic policy.


8 A chief minister heads the government of a state.


10 Technically speaking, Modi’s NDA government is a coalition government. However, it is a coalition of choice rather than one of necessity since the BJP has a majority of seats in the Lok Sabha on its own.

11 Mattoo and Jacob, Foreign Relations, 176.

12 For instance, Article 370 of the Indian Constitution gives certain special rights to Jammu and Kashmir state. Although these special rights do not include an ability to make independent foreign policy, this state has historically has played a role in India’s Pakistan policy as a result thanks primarily to its special constitutional status.


15 For instance, the ISC met just twice during the decade of UPA rule from 2004 to 2014.


29 Arvind Gupta, “Role of States in India’s Foreign Policy” (speech delivered at the National Seminar on “Federalism, Foreign Policy and Border States: Dynamics From
30 Ibid.
31 Ibid.
36 Ibid.
44 Jacob, “China’s Provinces and Foreign Policy.”
45 The mandate of the States Division was discussed with the author during conversations with officials at the Ministry of External Affairs in New Delhi.
47 Ibid.
India’s foreign secretary is the head of the country’s diplomatic corps.


Hazarika, “Give Northeast a Voice.”

Ibid.

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