





# Deliberations of a Working Group on Military and Diplomacy



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# Composition of the Working Group

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# Introduction

The Indian defence establishment is confronted today with what is probably its greatest challenge since Independence. Besides being prepared to wage conventional war on possibly two fronts simultaneously, our Armed Forces need to be geared to undertake this under a nuclear overhang and within a technological environment that encompasses cyber- and space-based threats. At the same time, our forces will continue to be committed in dealing with the proxy war imposed on us, insurgencies and separatist movements, and possibly in due course, with the growing phenomenon of left wing extremism.

There is therefore an imperative requirement for change that would enable us to adapt to the emerging situation. The archaic organisations and processes put in place on achieving Independence must undergo radical overhaul. But changing a huge organisation like the defence establishment is not going to be easy. To design and successfully implement change it is essential to understand the nature of the problem, the processes that need to be addressed and the consequences of such change.

Before embarking on the process, it is important to recognize that warfare in the 21st

century will require the application of all elements of national power in addition to the conduct of overt and covert military operations, namely economic, diplomatic, industrial, society, the media, the intelligence apparatus, and the like. In so far as the military is concerned, the junior leadership and rank and file of the Indian Armed Forces are assets that the nation is blessed with. They have been outstanding in their performance on every occasion that they have been called upon to defend the country against aggression, or in dealing with insurgency and externally sponsored terrorism; notwithstanding the fact that they have not always been provided with 'state-of-the-art' weapons and equipment. Even so, technology by itself cannot be considered a panacea for successful prosecution of military operations. All the high technology weapons and equipment in the world cannot ensure the effective performance of the Armed Forces unless the higher direction of war, to include clear political direction, a sound organizational structure and visionary strategic thought, are in place. It is therefore time to carry out a detailed assessment and analysis, and evolve an appropriate mechanism to synergise the political, diplomatic and military dimensions of India's foreign policy. It is also felt that an attempt at increasing synergy will also help improve the existing civil-military

relationship, which has come under strain in the recent past.

To that end, a working group was constituted at the Institute for Defence Studies and Analyses (IDSA) under the chairmanship of Lt Gen. Satish Nambiar (Retd) to discuss the desirability of and methodology for the use of the military, which is one of the constituents of comprehensive national power, in pursuit of foreign policy objectives. An approach paper (copy attached at Annexure 1) was sent to all members of the group for perusal and comments prior to convening two meetings at which the subject was deliberated upon in considerable detail. There was unanimous agreement on the need to forge synergy between the military establishment and the foreign policy apparatus to ensure optimum results in India's national interests.

## Scope

It was agreed that the subject be discussed under the following four heads, as covered in detail in separate sections, and followed by recommendations for consideration by the establishment. Members of the group were cognizant that the subject was already under consideration by the Naresh Chandra Committee. To that extent, the recommendations made would supplement or complement those of that Committee.

## Restructuring of the Ministry of Defence

There was unanimity in the opinion that restructuring of the Ministry of Defence (MoD) is a necessary imperative to ensure greater integration of the civilian bureaucracy with the Armed Forces Headquarters. The existing cosmetic arrangements apparently put in place after the post-Kargil Group of Ministers (GoM) report were considered totally inadequate. Such restructuring should encompass not only integration of the Armed Forces Headquarters with MoD, but also more meaningful integration between the three Services and also within each Service. To that end, staffing of MoD needs to be modified to enable the induction of selected personnel from the civil services other than the Indian Administrative Service (IAS), like the Indian Foreign Service (IFS), as also selected Armed Forces officers on deputation from their respective services for specified durations.

## Deputation of Armed Forces Personnel to the Ministry of External Affairs

The induction of Armed Forces officers to man selected positions within the foreign policy establishment must be institutionalised not only to provide Armed Forces expertise to territorial divisions within the Ministry of External Affairs (MEA) in the normal course of decision making, but to also enable Armed Forces personnel to develop expertise and experience in the conduct of foreign policy.

## **Evolution and Enunciation of a Clear and Sustainable Defence Industrial Policy**

There is a compelling need to review the existing defence industrial policy to enable leveraging the purchase of defence equipment to extend not only to off-sets in investments and technology, but also in the furtherance of foreign policy objectives. This should be extended to pursue an aggressive defence exports policy, as also a clear policy with regard to military assistance for provision of military equipment to friendly developing countries.

## **Defence Cooperation**

Defence cooperation is emerging as a critical tool to complement foreign policy goals. India's growing stature and recognised military professionalism, including the high standards of its military training institutions and capacities in the field of international peacekeeping, need to be harnessed in furtherance of its foreign policy objectives particularly, but not only, within the developing world.



# Section I

## Restructuring the Ministry of Defence

It is probably appropriate to commence the discussion on this aspect by quoting some relevant paragraphs on the Management of Defence as set out in the February 2001 Report of the Group of Ministers (GoM) that was tasked with a review of the National Security System in the wake of the recommendations of the Kargil Review Committee; which state:

*“In view of our dynamic and rapidly changing security environment, the Ministry of Defence (MoD) needs to be suitably restructured and strengthened. Far reaching changes in the structures, processes, and procedures in Defence Management would be required to make the system more efficient, resilient and responsive. This would also ensure the maximisation of our resources, potential, and establishment of synergy among the Armed Forces” (Para 6.2 of the GoM Report),*

and

*“There is a marked difference in the perception of civil and military officials regarding their respective roles and functions. There has also been on occasions, a visible lack of synchronisation among and between the three departments in the MoD, including the relevant*

*elements of Defence Finance. The concept of ‘attached offices’ as applied to Services Headquarters; problems of inter-se relativities; multiple duplicated and complex procedures governing the exercise of administrative and financial powers; and the concept of ‘advice’ to the Minister, have all contributed to problems in the management of Defence. This situation requires to be rectified, to promote improved understanding and efficient functioning of the Ministry” (Para 6.4 of the GoM Report).*

One of the major shortcomings of the existing arrangement that separates the Armed Forces Headquarters from the civilian bureaucracy of the Ministry of Defence (MoD) in so far as inter-action between the military and the foreign policy establishments is concerned, is that MoD is interposed between the two almost to the extent of being an adjudicator of the process of consultation and discussion. This is, of course, part of the larger problem of lack of integration. But in terms of optimising foreign policy options by leveraging military capacity, this arrangement imposes serious limitations. A joint formulation and expression of military capacity evolved through a truly integrated, synergised arrangement that factors in the

views and opinions of the military hierarchy and the civilian bureaucracy as well as the political leadership in MoD, would enable more effective interaction and discussion with the Ministry of External Affairs (MEA) in the determination of foreign policy goals and objectives.

## Nature of Interaction

The best way of achieving synergy is through an interactive mechanism. Presently, MoD and MEA have calcified the Indian Administrative Service (IAS) and Indian Foreign Service (IFS) identities. Therefore, there is difficulty in interacting with each other. Synergy can best be achieved in the system by combining professional skills, which can thereafter be leveraged by both sides. The issue of these two identities is highlighted since the IAS and IFS are the structural backbone of the decision support system.

The principal interface of MoD remains with MEA. In all endeavours, from fighting wars to maintaining secure borders, peacekeeping and disaster relief, the involvement of MEA is almost always inevitable. The MEA is also one of the very few organs of the state apparatus that have uniformed officers sitting alongside their civilian counterparts. There is little doubt that since it is the essential component of the foreign policy delivery mechanism, MEA should be the lead agency for military diplomacy. This implies that MoD should not conduct any form of military diplomacy without coordination with MEA. This joint effort can obviously further improve with

the integration of the Ministry of Finance (MoF) as part of the planning and execution process.

An example of the existing problems of calcified structures is the Planning and International Cooperation cell (PIC) in MoD. It functions under an Additional Secretary in MoD and is headed by a Joint Secretary (JS) from the IAS, even though an IFS officer is mandated to hold it. In another instance, in its existence of 7–8 years, the Headquarters of the Integrated Defence Staff (IDS), though authorised a JS (International Cooperation), has had an IFS officer holding that post briefly in the initial stages, after which it has been lying vacant.

Taking forward the same example, PIC is presently staffed by four directors. The incumbents belong to services other than those directly related with international cooperation, thereby adversely impacting the effectiveness of the organisation. As a result of this structural deficiency of the system, there have been delays in the planning and execution of projects in friendly foreign countries in the past.

There are three primary reasons for the existing limitations. First, policy guidelines remain ambiguous and do not facilitate decentralised decision-making. Second, there is a shortage of IFS officers. And third, unwillingness on the part of IFS officers to hold such appointments (the reasons and some suggestions for the same will be assessed under cadre management). These limitations need to be addressed if the larger question of integration and, more importantly, effectiveness is to be addressed.

## Cadre Management

Some of the limitations discussed can be overcome through greater cohesiveness. One way of achieving this involves establishing a national security cadre in which officers would be co-opted at a certain level of seniority from MEA, MOD and the Ministry of Home Affairs (MHA) to include intelligence and other ministries. These officers could hold key positions in these ministries. This will achieve critical mass through joint training of MEA and MoD officers at the inception and thereafter at the induction stage. Thereafter, top posts could be opened up in different ministries for this cadre to provide them a suitable career path.

There is also a requirement for making the cross-movement of officers more viable. The provision of promotional prospects for officers of MEA within MoD is among the options that should be exercised. Any officer who has served as JS (PIC) gains the requisite experience to rise to the very highest levels within MoD. This will not only provide continuity, but also motivation to officers from the IFS to serve in ministries other than MEA.

The need for changing some of these posts from deputation to cadre or open cadre, further needs to be considered. The existing structure of MEA and, more specifically its missions, is a suitable example of integration. The financial adviser, controller of accounts and security chief in foreign missions are, more often than not, officers from different ministries. Just as the IFS cannot claim to be representative of

MEA by itself, MoD cannot be epitomized by the IAS alone. It is only then that there can be movement towards a better interface between the Armed Forces, MoD and MEA.

Simultaneously, with this integration at the higher level, there is a need for restructuring MoD. Before this is addressed, the role of MoD needs to be examined. This could possibly be identified at three different levels. These are policy making, policy recommending and as an intermediary between the Armed Forces and the Government. While in the past there has been some evolution in MoD's functioning, there is considerable scope for improvement on all three functional aspects. If the Armed Forces have to contribute to foreign policy formulation, foreign policy execution and foreign policy deliberation, they must first integrate with MoD and that set-up can coordinate with MEA. As part of such an initiative, the Services Headquarters should integrate with MoD, with the present CISC and permanent Chairman Chief of Staff becoming the military department. This integration can address the limitations which afflict the system by removing an additional layer of decision-making.

## Training for Designated Appointments

Despite having some of the best talent, it is evident from experience that officers, both civilian and military, are inadequately trained prior to their employment. Similarly, on return to their parent cadre, the rich experience of

these officers is often wasted as a result of placement in appointments which do not leverage the acquired skills. This applies at all levels, ministries and the Armed Forces. In comparison, training of officers of some of the modern armed forces is tailored to their job profile and they know and understand the requirements of the appointment. On the other hand, our officers tend to learn on the job. This approach does not always work in an increasingly complex environment. The fast pace of technological advances in general and in their specific relevance to fields like acquisitions in particular, makes expertise an essential pre-requisite. As an example, the need to write the qualitative requirements for an aircraft requires a degree of specialisation and expertise which cannot be acquired on the job. Therefore, keeping in view the requirements of an appointment, some of these can be earmarked for specialists while others, which need a wider exposure, can remain with officers who have a broad-based experience.

The training of Foreign Service officers after the basic component at Mussoorie is oriented towards specialisation in diplomacy, which is the field they have to operate in. However, IAS officers deputed to MoD arrive from different backgrounds, services and ministries and they do not have the advantage of specialisation that Foreign Service officers have while dealing with issues of foreign affairs. In view of this obvious disadvantage, there is a case for establishing a training and orientation programme for IAS officers who are deputed to MoD, especially

if they come from backgrounds as diverse as animal husbandry, textiles or panchayati raj. This will help them achieve better orientation, training and grounding into the Armed Forces' way of working, culture and ethos, before they get posted to MoD.

## Follow-up Facilitation

The existing system discourages follow-up with counter-parts from foreign countries after interactions during courses of instruction, both in India and abroad. This structural limitation hinders the exploitation of professional and personal networks created during the course of formal and informal interactions. There have been instances of institutions leveraging and benefitting from these contacts to foster better relations. There is a need for institutionalising these interactions both at the personal and organisational levels, rather than through an ad hoc system of engagement.



# Section II

## Deputation of Armed Forces Officers to MEA

The issue of deputation of Armed Forces officers to the Ministry of External Affairs (MEA) has come up for discussion a number of times. However, it needs to be assessed whether this suggestion emanates from the perspective of filling existing voids or addressing functional requirements. The analysis in this section aims at exploring the possibility of meeting both the objectives, essentially as suggested pointers, which will further assist in drawing a detailed road map.

A historical perspective of the Indian Foreign Service (IFS) provides useful pointers. The first mission in Tehran was opened by the Malcolm Brothers of the Indian Army. Tibet was opened up by the Indian Army and Central Asia was serviced by them. The division of MEA looking after affairs in North-East India is yet another example of the contribution of officers of the Indian Armed Forces.

The experiment of employing Armed Forces officers in the recent past commenced with the Disarmament and International Security Affairs (DISA) Division. The feedback received from MEA suggests that the presence of Armed Forces personnel in MEA, particularly the DISA

Division, was an excellent experience. This was primarily because of the nature of military-strategic issues that the Division dealt with. However, the applicability of the same on a wider scale needs further analysis.

### Problems of Management

In the recent past, Armed Forces officers have been employed for managing peacekeeping operations, a function that was until then handled by civilians. This was also manifest in the Organisation for the Prohibition of Chemical Weapons (OPCW), where MEA was reluctant to send its officers. However, even when MEA was keen, the Armed Forces Headquarters quoted service condition constraints to pull their officers back. In the process, a number of good posts in the heart of the OPCW verification programme were lost. Therefore, the onus of greater contribution from the Armed Forces does not merely rest with MEA, which was not against additional appointments for the Armed Forces in the past, but more as a result of problems related to cadre management. It is evident that there are structural problems which

are required to be addressed, if contribution of the Armed Forces has to be increased in MEA.

## Deputation of Armed Forces Officers to MEA

The MEA has an existing strength of about 850 or 860 officers against a requirement of approximately 2,700; almost thrice the number available. Suggestions have been made by the Union Public Service Commission (UPSC) thrice in the last 10 years for MEA to consider lateral inductions. The UPSC also suggested diverse fields to include trade, business, science and technology, academia, media and art and culture for deputation of eminent experts to fill existing voids. While there is a policy of doubling the intake into the Foreign Service in the next 10 years, given the pace at which matters are moving, existing and future requirements are unlikely to be met.

These realities indicate the continuing shortage of officers in MEA. On the other hand, with some modifications in manning policies, it should be possible for military officers of Colonel (and equivalent) rank, to be made available for lateral movement. There is a strong case because of both demand and supply; an ideal situation that allows for a complementary process.

Given past experience and existing voids, the case for seeking additional officers from the Armed Forces for MEA is considered justified; however, an assessment of specific assignments and appointments, which can best benefit from posting of officers of the

Armed Forces, needs to be carried out. While it is not possible to provide a detailed assessment of all departments and appointments, certain cases merit attention.

The United Nations (UN) Political Division provides an option for posting officers from the Armed Forces, given the heavy content on peacekeeping and deployment for peacekeeping courses.

The issue of embedded offices within different territorial areas can also be considered. However, if a Colonel is posted in the Southern Division and deals with all matters military and strategic, it would possibly affect the training of Foreign Service officers who are required to learn these aspects while tenancing these appointments. Therefore, there is a case for exchange of officers to enable a mutual learning process. The feasibility of desk attachment could also be explored in this context. Links established during the course of these postings will also go a long way in improving inter-services understanding.

There is also the scope for posting an Armed Forces officer to each territorial division. However, there are structural issues which need to be addressed prior to this decision being taken. There has been the instance of a Foreign Service officer being appointed as Joint Secretary (Navy). If a similar experiment is undertaken with an officer from the Armed Forces in MEA, his decision-making authority will have to be appropriately calibrated to ensure that he does not have to fall back to MoD for every decision taken. It is important to

address some of these structural and functional issues to ensure the success of the model.

India's influence and role has expanded in recent years. However, this has not reflected in the number of Defence Attache (DA) postings in Indian embassies abroad. There is a need to reassess the responsibility of all embassies to ensure that India's expanding vision and presence is suitably reflected through this deployment.

The Indian Armed Forces have had excellent relations with countries where they play a significant role in domestic and external affairs. This is more pronounced in Africa and South-East Asia. The presence of DAs in these countries could open an additional channel of diplomacy and information. It would be useful to examine the presence of DAs in some of the important countries in these regions and reinforce the numbers suitably.

## Training

The training of DAs requires greater emphasis. The present system does not facilitate a detailed orientation of the officer about the country of posting. Besides limited language skills and a customary interaction with the Joint Secretary (JS) concerned, there is not enough interaction of DAs with MEA to enable them to get a holistic sense of country- and region-specific issues. More often than not, an officer ends up learning on the job over a period of three years and this is at the cost of productivity and professionalism. Therefore, some level of

training and orientation of DAs needs to be done before they go for their assignments. This is not only an educational process, but also an important functional preparation.

Just as there is a critical need for mid-level training for officers from the Armed Forces, a similar need arises for Foreign Service officers as well. Their training has to be holistic, with a wide scope, rather than merely an assessment of the strategic and military situation worldwide. This should follow the principle of reciprocity in training and would need a military component within the Foreign Service Institute or within MEA. As an example, this could include subjects like weapons technology to assist in the arms negotiation process as a specialised activity, which can best be imparted by officers of the Armed Forces. Foreign Service officers also need greater knowledge of the nature of arms negotiations, military doctrines in different countries and various facets of Revolution in Military Affairs (RMA). This will enable better integration of defence issues in foreign policy. The training of a very large number of officers may not be possible, given the existing shortages within MEA; however, short-duration interactions for officers can be planned to commence the process of integration.

## Process Development

The issue of inadequate cohesion in decision-making could be addressed by setting up a politico-military department headed by a Joint Secretary (JS). The department could look after

policy planning, which focuses on the larger issues of military diplomacy, to include planning, laying down clear objectives; deputation and course management, among others. With specific reference to military diplomacy, it could assess the objectives, seek inputs from all territorial divisions, back-end support to the JS (Planning and International Cooperation), establish linkages, put together the inputs and, thereafter, feed into the MEA decision-making structures. It could also become the designated organisation for dealing with national security issues.

Disarmament of nuclear weapons is both a political and a military tool. Expertise in this field can be enhanced through induction of more officers from the Armed Forces and IAS in the concerned division in the foreign office which deals with military issues. The PIC has one JS undertaking multiple tasks – both servicing of and coordination with a number of countries. Therefore, there is a need for a politico-military Division within MoD. These two can be mirror groups which can be serviced by different sets of officers coordinating among themselves. Therefore, cross appointments are a distinct requirement. The DISA model, if expanded substantially, could address some of these issues. The other option is to have a Politico-Military Division to coordinate these issues and provide the necessary interlinking.

# Section III

## Pursuance of a Sound Defence Industrial Policy

### Clear Political Direction

The foundation for a defence industrial policy has to be firm political direction based on a clear perception of the role India wishes to play in the future and how it is intended to be achieved. There is also a need to take into consideration a much broader linkage between diplomacy and other critical aspects like commerce, trade and defence.

The issue of enhancing the defence industrial base needs a fresh look, particularly the current government policy that places a limit on foreign investment in production capabilities in India. The conscious policy of the government limits foreign direct investment (FDI) to 26 per cent. This implies that while India is willing to procure from a country, investment to produce similar products in the country is not permitted. There is a need to examine the scope of enhancing this limit to 49 per cent so as to ensure a larger role for developed industries in defence production.

India has been ambivalent on the subject of defence exports. As a first step, there is a

need to frame a more realistic defence exports policy, which factors in India's broad foreign policy objectives and commercial interests. As a prelude, there is a need to outline the aims and objectives of India's defence strategy, which will manifest in various forms, including a defence exports policy, given that defence exports are an instrument of a country's defence and foreign policy.

There are existing limitations with regard to certain policies which will have to be tailored to changing needs. There are ambiguities in the FDI, offsets, taxation and customs and duty policies which will have to be addressed. At present, these policies function in isolation. However, given the nature of the multifaceted needs of the defence production industry, these will have to go beyond their stove piped domains and relate to each other to provide a holistic production and export environment. Unless some of these anomalies are removed, even if offsets are available, neither the public nor private sectors will be able to absorb them.

## Offsets

Defence offsets envisage a quid pro quo for a domestic industry from a government or company which enters into a defence contract. This is based on orders and procurement from the domestic industry, as a percentage of the main order.

The pursuance of a defence exports policy does not merely extend to offsets and investments but also to the furtherance of foreign policy. This approach is being followed by many countries, like Brazil and Turkey, and despite India being the largest importer of weapons, these have not been leveraged as a foreign policy option that it provides. While offsets have provided an opening, the concept needs to be fine tuned to maximise its benefits. There is a tendency to place a value to offsets. However, offsets have to be seen not only as an arrangement that benefits domestic industry, but also as a tool for furtherance of foreign policy objectives, in which case the accrual becomes a matter of judgement in terms of strategic rather than monetary gains. The existing system, and especially the Finance Division, tends to fix a value in terms of the nature of a deal. It needs to be understood that strategic gains cannot be quantified in terms of money. Therefore, a political decision with regard to adjustments in procurements and offsets will have to be taken.

The offset policy must also aim at developing the domestic defence industry rather than manufacturing only low technology products which might meet the offset percentages

laid down but will not help upgrade India's defence manufacturing capabilities. As a case in point, the offsets from a recent project like the medium multi-role combat aircraft (MMRCA) deal will have to be addressed not merely by the MoD and public sector industries but the private sector as well, from the perspective of managerial as well as production capabilities. Given the large spinoff likely to be generated by the deal, unless the offsets are planned to be absorbed judiciously, they will end up merely achieving laid down percentages in terms of low technology production, which will not benefit the defence production industry.

## Export to Friendly Countries

The framing of India's defence exports policy should follow a pragmatic approach. However, supply of equipment to friendly developing countries must also factor in certain moral issues. India should not sell weapons and other equipment to a country if such exports aggravate humanitarian issues. Therefore, economics will have to be linked with geopolitical realities and humanitarian concerns. This can only happen if a clear policy is prepared on the subject, which will act as a suitable guideline. This must bridge the country's economic interests and foreign policy objectives.

Exports to friendly countries at very low or no costs must be planned jointly by the Ministry of External Affairs (MEA) and the Ministry of Defence (MoD) in conjunction with the respective Armed Forces Headquarters. It will

enable the creation and setting aside of both assets and finances for the supply, which often faces embarrassing delays in the absence of such a policy.

## Public-Private Partnership

Technological advancement has given the fast-evolving private sector the capabilities and capacities which can be harnessed into India's defence industry. There is a need to leverage the defence industry in partnership with the private sector. The existing limitation has been highlighted by a number of studies and reports in the past, with the Kelkar study suggesting that synergy between the private and the public sectors needs to be developed. Therefore, the limitation does not stem from a lack of ideas; it emanates from the inability to lay down clear policy guidelines at the highest level with regard to leveraging this partnership.

Public-private partnership must also take into account foreign companies which have the technical capability and knowhow to assist in the establishment of domestic exports capability. While India has the capability of constructing warships, a large percentage of weaponry for the same is imported. This can be rectified by entering into partnerships with countries with established expertise. It will not only improve domestic capability but also enhance the marketability of such joint ventures in the foreign market.

Any foreign company that enters India in partnership must also be allowed to export the weapons it manufactures since India by itself cannot provide the required economies of scale. This is likely to improve the possibility of serious players entering the Indian market, thereby bringing cutting edge technology which, in itself, will improve the threshold level of the country's defence industrial base.

## Development of Indigenous Industry

While issues of defence exports remain an important constituent of defence policy, this can only be achieved if the defence industrial capabilities of the country go beyond the existing levels. While transfer of technology was aimed at enhancing our technological threshold, most defence public sector units (PSUs) have become assembly plants for imported equipment and there has been little effort to go beyond this capability. Second, there is a need to remove the difference in classification between defence and non-defence industry because the knowhow used for manufacturing much of the equipment remains the same. The inability to pursue this cohesive and combined approach has led to under-utilisation of capacities, watertight technology development and a resultant loss of revenue. Third, a political decision to produce weapons systems has to be supported not only by the public-private combine but also by the Armed Forces through the procurement

and product improvement cycle. In the past, lack of support has adversely impacted the indigenisation of weapons systems. Fourth, autonomy in defence needs can be achieved only through the encouragement and adoption of indigenous technology. The present bias towards imported weapons and technology will have to shift towards greater indigenisation if the country has to develop a world-class defence production and export infrastructure. Fifth, the inability to leverage technological advancement and capability demonstrated by space research (which is most fault intolerant) and the Indian IT industry indicates the inadequate harnessing of existing resources within the country. This capability has to be employed for defence production and export in a more focused manner to achieve indigenisation.



# Section IV

## Defence Cooperation

From the early 1990s, India has signed close to 50 defence cooperation Memoranda of Understanding (MoUs) with other countries. These range from major powers like the United States of America (USA) to smaller countries like Oman, UAE and Qatar. Operationally, the demand for defence cooperation both from bigger countries as well as smaller ones has grown dramatically. While India has signed a number of MoUs at the operational level, the ability to carry forward this statement of intent to a satisfactory conclusion in all these cases is debatable.

### Capacity Building

The issue of capacities needs to be appropriately addressed. Most defence cooperation currently takes place at the training facilities in the country. In this context, the existing infrastructure needs to be upgraded significantly. If requests from countries like Afghanistan for training of larger numbers of personnel are to be met, the existing facilities would not only have to be improved but also substantially increased to provide greater capacity. Staffing within MoD and MEA to deal with such increasing demands from friendly foreign countries through speedy

assessments and prompt decision-making is an aspect that needs to be addressed.

### Effective Management

In keeping with the increasing demands of defence cooperation, procurement of equipment and training commitments including the conduct of joint exercises, the deployment of defence attaches abroad needs to be reassessed. It is not only a question of numbers; it is as much about posting the right man at the right place. This includes re-examination of the current structure to include selection, the desirability for specialisation – both regional and technical, scope for maintaining continuity, and so on.

A system has to be put in place wherein MoD will periodically update MEA regarding availability of weapons systems, platforms, and the like, that are being phased out by the Indian Armed Forces. This information can also be shared with interested friendly countries. An example is that of the Indian Army's intended acquisition of artillery guns that provides scope for the replaced guns being made available to friendly countries that are interested; MEA

should be made fully aware of details of the type of guns, numbers that would become available, ammunition and spares back-up, and so on.

### **Long-term Perspective for Deployment of Indian Armed Forces in Operations beyond Land Borders and Maritime Boundaries**

In the past, the deployment of Indian Armed Forces personnel and equipment had largely been for UN Security Council-mandated peace operations, or operations undertaken under bilateral understandings, and more recently for disaster relief. Given the increasing role India may be called upon to play in the region—including the extended region, and possibly in due course at the broader global level—it is possibly the right time to re-examine our policy in this regard. This is all the more relevant in the context of the increased training and joint exercises being conducted with the armed forces of other friendly countries, either on bilateral or multi-lateral bases. It is possibly appropriate to evolve a more pragmatic long-term policy that envisages the deployment of Indian Armed Forces units and personnel not only in UN-mandated peace operations, but also in multinational expeditionary operations undertaken under the aegis of internationally mandated resolutions to deal with situations that call for intervention in support of governments and people under threat of genocide. Evolving such a policy is important to enable the formulation of doctrines,

concepts and standard operating procedures for conducting joint training, exercises and operations with forces of other countries within a bilateral or multi-lateral framework.

### **Multifaceted Defence Cooperation**

Defence cooperation must extend beyond training, even though it is a major component of defence diplomacy, especially in a region where countries are not keen to maintain large standing armed forces and prefer to seek support from countries which are neither threatening nor overbearing for their security needs; for example, security threats like piracy. In this context, India's relationship of professionalism and non-interference while providing such assistance should be highlighted.

This reiterates the fact that India is increasingly being seen as a benign security provider. This expectation raises the question of not only military capacities but also structural issues which enable response in a manner and time frame that defines India's stature and capability.

# Recommendations

## Restructuring of Ministry of Defence

- This should start with the enunciation of a policy on provision of foreign assistance that clearly sets out the purpose, target countries and instruments to be employed. As part of the foreign assistance plan, there should be a year-on-year outline with specific projects planned, nature of commitment and priorities for the same.
- A mechanism should be established between the Ministry of Defence (MoD) and the Ministry of External Affairs (MEA) for taking these decisions, with necessary inputs from the Ministry of Finance (MoF).
- MEA should be the lead agency for military diplomacy.
- The desirability and scope for setting up a national security cadre must be examined, with officers selected from all ministries designated to hold key appointments dealing with the planning and execution of national security objectives.
- Service rules must be changed to allow officers from MEA to be posted to MoD, with suitable promotional prospects to facilitate acceptance of such an arrangement.
- The criteria for appointments should be changed from cadre to open cadre.
- There must be genuine integration of the three Service Headquarters and the Headquarters Integrated Defence Staff within MoD. An arrangement for single point military advice to the political establishment by the nomination of a Chief of Defence Staff or by appointing a Chairman Chiefs of Staff Committee as a 'five-star' selection post in addition to the three Service Chiefs must be institutionalised.
- The posting of officers to MoD should be preceded by training that enables better understanding of the environment, job profile and requirements.
- Officers interacting with their foreign counterparts during tenures as defence attaches or while attending courses of instruction abroad, as also selected officers (both instructors as also students) at our own training institutions, should be encouraged (and to the extent desirable and feasible facilitated) to retain contact.

## Deputation of Armed Forces Officers to Ministry of External Affairs

- Service rules for officers from the Armed Forces should be modified, if required in the national interest, to enable longer tenures in foreign missions and appointments in the United Nations (UN) to derive benefit from the expertise developed in their respective fields and in follow-up appointments thereafter.
- Appointments and departments within MEA should be identified where officers of the rank of Colonel and equivalent can be employed on deputation.
- Selected officers moving to different ministries should be provided structured training for holding specialist appointments. These postings can be augmented through cross attachment of officers from the Armed Forces and MEA to enhance exposure.
- Reciprocal training capsules should be conducted for officers of the Armed Forces and the Foreign Service on subjects like arms control, weapons technology and terrorism.
- The number of Defence Attaches (DAs) posted in missions abroad should be increased keeping in view India's role and influence in different regions of the world.
- A structured training schedule and programme should be created for DAs to include country- and region-specific specialisation.

- Financial plans and outlays should have rollover flexibility to cater for projects overlapping over different financial years.

## Defence Industrial Policy

- A clear political direction should be issued outlining the defence strategy, industrial and exports policies.
- Foreign investment in defence production should be increased to an appropriate extent to enable enhancement of the technological threshold level of the Indian defence industry.
- Offsets should be leveraged as a sub set of foreign policy.
- Offsets should enhance domestic technological levels rather than achieve percentage accruals.
- Defence exports will need to follow a pragmatic commercial approach in consonance with the foreign policy objectives of the country.
- Exports at low or no cost to friendly countries should be factored in future plans, including the financial outlay for the same.
- Participation of private industries should leverage the technological advances made by them. Foreign companies should also

be allowed to partner with Indian firms to help enhance their technological threshold.

- Export of weapons by foreign companies which set up manufacturing bases in India should be allowed to help achieve economies of scale.
- Differences between the defence and non-defence sectors should be removed to achieve critical mass and economies of scale.

for India in the emerging international environment.

- India should proactively engage in multinational environments based on its national interest.
- India is seen as a benign security provider. This outlook of a number of smaller military powers should be reinforced and services provided for security and humanitarian concerns.

## Defence Cooperation

- The quality and capacity of training infrastructure should be enhanced to enable defence cooperation at the desirable levels.
- A clear policy needs to be laid down for defence cooperation, which will enable a more decentralised and efficient decision-making process.
- A decentralised process should be put in place to enable faster and systematic decision-making based on laid down procedures.
- A policy on multilateral engagement should be put in place to provide a long-term perspective of defence cooperation.
- There is a need to revisit decisions like operating only under the UN mandate, given the expectations and role envisaged



# Annexure I

## The Military and Diplomacy

### A Preamble

One is not too sure what French President Nicolas Sarkozy had in mind when he invited a contingent of Indian troops (from my Regiment, The Maratha Light Infantry) to march down the Champs-Élysées for the Bastille Day parade in 2009. But the French may well have been on to something that the United States of America (USA) has missed, in spite of the latter's more intensive military engagement with India in recent years. Although Paris does not have the power to engineer international structural changes in New Delhi's favour, it has often been ahead of Washington in strategising about India. In its effort to build a partnership with India, ongoing since the mid-1990s, France has helped India renegotiate its position in the global nuclear order; it provided diplomatic cover when India defied the world with nuclear tests in May 1998; promoted the idea of changing the global non-proliferation rules to facilitate civilian nuclear cooperation with India; and worked with the Bush Administration to get the international community to endorse India's nuclear status.

Of course, Sarkozy's motives may well be purely tactical: a move to cosy up to Prime Minister Manmohan Singh, who was among the honoured guests at the parade, or to stake out its share of India's rapidly expanding market for advanced weaponry. But Paris is capable of more than just tactics. It may have sensed the prospects of a fundamental change in India's defence orientation and its potential to contribute significantly to international security politics in the 21st century. It may be seeing that a rising India, which is becoming one of the world's major economies and fields a large and highly professional Armed Force, could eventually bear some of the military burdens of maintaining regional and, maybe in time to come, global order.

### Historical Contribution of the Indian Armed Forces

If that does in fact come to pass, it would not be the first time that India has done so. Most Western analysts, with some British exceptions, do not always appear to appreciate two

historical facts: that the Indian Armed Forces contributed very significantly to Allied efforts in the 20th century's two World Wars; and that the British Indian Army was the main peacekeeper in the Indian Ocean littoral and beyond. The irony, of course, is that it is not just the West which is ignorant of the security legacy of the days of the Raj. India's own postcolonial political class, prodded by a self-serving civilian bureaucracy, seems to have deliberately induced a collective national amnesia about the country's rich pre-Independence military traditions. It is indeed unfortunate that sections of our foreign policy establishment still pretend that India's engagement with the world began on 15 August 1947.

The image of Indian troops marching in Paris should remind the world that India's military past could be a useful guide to its strategic future. If the international community of democratic regimes and India can together rediscover and revive the Indian military's expeditionary tradition, not for conquest but for maintenance of peace and security, they will have a solid basis for strategic cooperation. While the US debate on military burden-sharing has traditionally taken place in the context of Washington's alliances with Western Europe and Japan, a rising India may well be an equally credible and sustainable partner—as these two—in coping with new international security challenges.

The Indian Army under colonial rule initially focused on domestic security functions and the defence of ever-shifting frontiers. But beginning in the late 18th century, the Raj also

put it to expeditionary use. Through the 19th century, Indian troops saw action in theatres ranging from Egypt to Japan, from southern Africa to the Mediterranean. Despite growing nationalist opposition, British use of the Indian Army surged in the early decades of the 20th century. During World War I, nearly 1.2 million Indians were recruited for service in the Army. When it ended, about 950,000 Indian troops were serving overseas. According to official count, between 62,000 and 65,000 Indian soldiers were killed in that war. In World War II, the Indian Army saw action on fronts ranging from Italy and North Africa to East Africa, West Asia and East Asia. In South East Asia alone, 700,000 Indian troops joined the effort to oust the Japanese Army from Burma, Malaya and Indo-China. By the time the war ended, the Indian Army numbered a massive 2.5 million men; the largest all-volunteer force the world had ever seen.

Yet, as mentioned earlier, modern India's political leadership has been reluctant to recognise the contributions of its military to the making of the modern world and today's India. The Indian national movement was deeply divided in its attitudes toward the Indian Army under British rule. These divisions became sharper as the movement confronted the meaning of World War II and the political choices it offered. While the Indian National Congress, speaking as the principal vehicle of the national movement, condemned the "imperialist war", individual leaders like Jawaharlal Nehru backed the Allied war effort against the fascists. Further



accentuating the ambivalence within India's political leadership of the time, an "Indian National Army", led by Subhash Chandra Bose, used Japanese assistance in an effort to forcibly liberate India from the British. It was no surprise, then, that the divided national movement could not leverage the Indian Army's extraordinary contribution to the Allied victory, in negotiations with the British on the terms of independence, the distribution of the spoils of the war and the construction of the post-war international order.

## The Potential

Well before the notion of India's rise was even debated, former US Secretary of State Henry Kissinger had apparently argued that India had the potential to emerge as one of six major powers of the post-Cold War international system. He recognised that independent India had internalised the strategic logic that had driven policies in the Indian Ocean, arguing that India's goals are analogous to those of Britain east of the Suez in the 19th century—a policy essentially shaped by the Viceroy's office in Delhi. Such an India will seek to be the strongest country in the subcontinent and will attempt to prevent the emergence of a major power in the Indian Ocean or South East Asia.

Whatever the periodic irritations between New Delhi and Washington after the end of the Cold War, Kissinger became convinced that India's "geopolitical interests will impel it over the next decade to share some of the security

burdens now borne by the United States in the region between Aden and Malacca". While most American analysts considered such an outcome a remote prospect at the time, Kissinger's two basic propositions—that India will behave like the British Raj and that there will be room for burden-sharing between Delhi and Washington in the Indian Ocean arena—are probably being borne out to some extent. When India modified its economic orientation in the early 1990s and embarked on a liberalised and high-growth path, it put paid to its post-World War II marginalisation in Asia and the Indian Ocean. Given its size, geo-strategic location straddling the Indian Ocean, a population of over a billion people (and growing) with a demographic dividend in its favour, established democratic credentials, a significant capability in information technology, a large reservoir of scientific talent including in space technology, acknowledged management expertise, proven military capability and the large market for consumer goods and services, an India that could produce an annual economic growth rate of 7–8 per cent was bound to acquire the credentials for engaging in vigorous regional diplomacy. Such rapid economic growth would easily provide for annual defence expenditures of 2–3 per cent of GDP, which would be large enough in aggregate terms to modernise India's military capabilities.

When the tsunami disaster hit the eastern Indian Ocean in December 2004, India—even while tackling its own commitments in the disaster-affected areas of the Andaman and Nicobar

islands and the coastal regions of Tamil Nadu and Kerala—was the first to respond in terms of assistance to Sri Lanka and the Maldives, and in due course to Indonesia. India also quickly decided to join forces with the navies of the United States, Japan and Australia to provide relief and rehabilitation. This effort was very favourably commented on by the international community and of course drew praise and gratitude from the countries affected.

In June 2005, India signed a ten-year defence framework agreement with the US that involved broad-ranging bilateral cooperation as well as participation in multinational military operations. Although the left-liberal Indian opposition attacked Delhi's departure from the previous policy of participating only in UN-sponsored operations, the government held on to its agreement with the US. The agreement was also significant for another reason: it was the first time India had identified a broad range of cooperative military missions that it could undertake with a major power. Throughout the Cold War, India had deliberately limited its military engagement with Russia to weapons acquisition and had refrained from any service-to-service exchanges, joint exercises or joint missions. That India was now willing to engage in this manner not only with the US but with other groupings and countries (including China) also signalled New Delhi's transition from non-alignment and military isolationism to cooperative security engagement.

## Realising the Potential

To that extent, notwithstanding the internal challenges India faces and the imperative need to focus on economic growth, it would be prudent for the governing establishment and the strategic community in the country to dwell on the fact that within the international setting in the first half of the 21st century and probably beyond, India will have a role to play both regionally and globally. We cannot and must not shy away from this serious responsibility.

If India is to play its destined role in regional affairs and be taken seriously at the global level, Indian diplomacy will need to move into high gear, taking into account the fact that in the conduct of foreign policy, there is no place for righteousness and moral posturing; it is to be guided solely by sovereign national interests. And in that context it is imperative that the military dimension of comprehensive national power be factored into the formulation of our foreign policy objectives. In the immediate region, it would be useful to get off the high pedestal we have placed ourselves on, shed the patronising approach we seem to have mastered over the years, and evolve mutually acceptable working relationships with our neighbours. There is no gainsaying the fact that India has a vital stake in the developments in the immediate turbulent neighbourhood. Instability and social upheaval will have inevitable adverse “spill-over” effects that will cause us security concerns and generate greater stress within our

society, which is already somewhat traumatised by the terrorist attacks that are repeatedly taking place, orchestrated as they seem to be, by inimical groups in the neighbourhood. While there is little doubt that we need to factor in the sensitivities of our neighbours into whatever capabilities we develop, it should be made clear that India would be willing to use its economic and military pre-eminence in the pursuance of its supreme national interests and for the maintenance of peace and security in the region. Conveying such a message will take some effort because we have to first undo the current lack of credibility regarding our determination to act decisively in pursuit of national security interests. Not too many countries take us seriously as in the recent past we have invariably indulged more in rhetoric than in action. To that extent, it is probably useful to draw attention to, and take appropriate lessons from, the military actions we have taken since Independence in furtherance of our supreme national interests: the operations in Jammu and Kashmir commencing in October 1947; the Hyderabad and Junagadh actions; liberation of the Portuguese held territories of Goa, Daman and Diu in 1960; taking the war across the international border in Punjab and Rajasthan during the 1965 conflict with Pakistan; the liberation of Bangladesh in 1971; the IPKF operations in Sri Lanka from 1987 to 1990 at the request of the Government of Sri Lanka; and the airborne operations against the rebels in the Maldives in 1988.

## Established Competence

The professionalism and competence of the Indian Armed Forces is recognised the world over. Some of our training institutions like the National Defence College in Delhi, the Defence Services Staff College in Wellington, the National Defence Academy in Khadakvasla, the Indian Military Academy in Dehra Dun, the Army, Navy and Air Force War Colleges, and so on, are outstanding by any standards. Most countries, including the developed ones, vie with each other to secure placements on the courses we run at these institutions. Our own officers deputed to attend courses of instruction at various levels at similar institutions abroad, particularly in the developed world, have invariably been outstanding in their performance and drawn respect and praise, and developed long-lasting relationships.

We have, over the years, provided advice and expertise for setting up training institutions, particularly in Africa—in Ethiopia, Nigeria, Botswana, Uganda and other countries. Many others, like Rwanda, are looking to us for such assistance. We have also had similar interaction with countries in the Gulf, like Oman.

The contributions and performance of personnel and contingents of the Indian Armed Forces and civilian police in United Nations peacekeeping operations are the subject of praise and admiration by all, including by successive Secretary Generals and the UN Secretariat.

Closer home, we have had a strong Armed Forces relationship with the Bhutanese Army and with the Nepal Army; whether we have been able to capitalise on the latter relationship in difficult times is another matter.

## The Way Ahead

Given this established professionalism, expertise and competence, there can be little doubt that we will, in the years to come, be called upon by the international community (represented by the UN, or by regional organisations, or by our neighbours on a bilateral or multilateral basis), to deploy our military, possibly together with others in a multinational force, and maybe take a lead role in dealing with what are perceived as threats to regional or international peace and security. This is an aspect we need to start deliberating and focusing on. It is time we carried out a detailed assessment and analysis, and evolve an appropriate mechanism to synergise the political, diplomatic and military dimensions of India's foreign policy.

Together with such initial moves, it is important that we work on a number of other measures in cooperation with regional and global players. It would be useful for joint working groups comprising diplomats and selected military personnel, to interact at the international level at multilateral forums like the United Nations and with organisations like NATO, to share perceptions about coordination and training, exchange of data on trouble spots on a regular basis, mechanisms for consultation, and so

on. At the regional level, similar moves should be initiated to secure understanding and cooperation from organisations like the ASEAN Regional Forum, Gulf Cooperation Council and Shanghai Cooperation Organisation. Needless to say, it would be good if similar moves could be initiated within the South Asian Association for Regional Cooperation; but that may pose some difficulty at present due to the stand-off with Pakistan. It would be most useful to organise events like the symposium conducted by the Indian Navy a few years ago for Naval Chiefs of the Indian Ocean littoral states. Similar meetings, seminars, symposia and conferences could be held to discuss the scope and extent of cooperation with like-minded countries including the USA, Japan, Australia, Singapore, Indonesia, Gulf countries like Qatar and Oman, Russia and the Central Asian republics.

In doing all this, not only would we be preparing ourselves for assuming a greater role in regional and global affairs but also conveying a seriousness of purpose.

## Aspects for Consideration and Discussion

Having dwelt at some length on the military dimension of comprehensive national power, a few aspects for detailed examination and discussion by the Working Group are set out in the following paragraphs to enable us to make recommendations that would promote synergy between the foreign policy establishment and the military.

The first aspect that probably needs to be addressed is that of 'turf battles' as it were. It is time we overcome the distrust, suspicion, envy and the 'I know it all' attitude that pervades the establishment. It is indeed sad that these non-issues are allowed to take precedence over national interests. How do we manage this? To add to the problem is the perennial suspicion of a possible military coup. Without any merit, I may add.

Each agency has developed its own approach for addressing problems. The Armed Forces are, without doubt and with good reason, dedicated to systematic planning – but remain rigid. The foreign policy establishment tries to be more flexible but is disinclined to take risks. So, how do we achieve synergy?

The culture of 'jointness' has not developed at all. We do not have it within the Armed Forces; each Service believes it can win a war on its own. Between the Services and the Ministry of Defence, integration is a myth. It is no surprise that there is no culture of a joint national approach that is shared by the different agencies of the Government. Part of the blame lies in the lack of application of the political class towards diplomacy as also matters military. (It is no consolation that a similar situation prevails within the US establishment between the State Department and the Pentagon). How do we overcome this serious flaw?

It goes without saying that in the conduct of military operations, the civilian establishment must not try to exercise operational control. However, the military cannot be allowed to craft

foreign policy; that is for the political authority and the diplomats to decide. To that extent, the elements of civilian control over the military and the limitations thereof must be understood. What measures do we need to put in place to institutionalise this?

It would appear that if synergy between the military and diplomacy is to be achieved, there must be a method by which exchange of positions within the respective agencies is institutionally provided for. Better use of military attaches for tasks beyond the purely military in our missions abroad is a case in point. Is there merit in this suggestion and, if so, how can this be achieved?

Going a step further, it is probably time that military representation is provided for in all diplomatic delegations and diplomatic representation provided for in defence delegations. Is there merit in this? And, if so, how can this best be effected?

Senior military commanders have little or no experience of working with diplomats and vice versa. How can this be remedied?

Finally, there is little doubt that we need to integrate the military itself for 'jointness' within, and at the same time effect inter-agency integration, that is, between the military and the diplomat. What many other countries did sequentially we will have to implement simultaneously.

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