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The Growing Influence of Business and Media on Indian Foreign Policy¹

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“I sincerely believe that, in the modern world, the relationship between governments is increasingly mediated through and influenced by the relationship between civil society and the business community. It is on the foundation of people-to-people and business-to-business relations that we in government try to build state-to-state relations.”

Prime Minister Manmohan Singh
Sixth India-European Union Business Summit, New Delhi
7 September 2005

Introduction

Dr Manmohan Singh was perhaps the first Indian Prime Minister to so clearly articulate the rising influence of civil society and business in the making of Indian foreign policy. Turning a 19th Century aphorism on its head, the Prime Minister seemed to suggest that it is no longer trade that ‘follows the flag’, but ‘the flag’ that follows trade.

It is of course clear that this view of international relations is intimately related to the nature of society we are talking about. It is only in democratic societies that civil society has any significant influence on the foreign policy. Business interests could still influence foreign policy in non-democratic societies, if the regime in question has commercial, business and wider economic interests to pursue through its foreign policy. However, public opinion can shape foreign policy only by influencing domestic politics. Needless to add, business and media have for long been instruments of diplomacy. However, this paper is not about diplomacy. Its purpose is to examine the influence of business and media on foreign policy.

The interaction between people in the form of migration, and between businessmen and merchants through trade, has always been at the centre of the relations between nations. As

¹ An earlier version of this paper was presented at the Conference on “The Future of India’s Foreign Policy”, Centre for the Advanced Study of India, University of Pennsylvania, United States, 18 and 19 April 2008. I am grateful to Devesh Kapur for comments on the earlier draft

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the Nobel Prize economist and the guru of strategic economics, T. C. Schelling claimed, “Aside from war and preparations for war, and occasionally aside from migration, trade is the most important relationship that most countries have with each other.”³ In an influential essay entitled ‘Trade Policy is Foreign Policy’,⁴ Richard Cooper took the view that while traditionally trade policy had dominated ‘high foreign policy’, the Cold War had brought political issues to the fore and reduced the salience of business interests in shaping foreign policy. The end of the Cold War, the economic transformation of China, and the processes of globalisation, accelerated by the Uruguay Round of multilateral trade negotiations and the spread of regional trade blocs, have raised the profile of business and economic factors in the foreign and strategic policy considerations of most nations.

The past decade has also witnessed increased global migration and the globalisation of media, with new satellite technologies and the internet making McLuhan’s ‘global village’ truly global. These trends have impacted on the choices available to governments in dealing with national and international issues and bilateral, regional and multilateral relations. This has had its inevitable impact on India, which has been transformed this past decade by its increased economic openness. This in turn has shaped India’s relations with the world economy and global communities.

I The Influence of Business on Foreign Policy

Indian foreign policy in the post-independence period was shaped essentially by geo-political considerations and the priorities of nation-building. The requirements of economic development did have a direct bearing on foreign policy, as India’s first Prime Minister Jawaharlal Nehru clarified in his very first speech on foreign policy in the Constituent Assembly in December 1947.⁵ However, the Nehruvian era in economic policy was one of central planning and the public sector occupying the ‘commanding heights’ of the Indian economy. Hence, business-to-business relations willy-nilly became state-to-state relations. It was only in the 1980s that Indian business, especially the private corporate sector, came into its own and began to influence political thinking on foreign policy issues. Prime Minister Rajiv Gandhi was the first Indian Prime Minister to invite business leaders to join him on official visits abroad. This practice received further boost during the tenure of Prime Minister Narasimha Rao.

The liberalisation of economic policy in 1991 opened a new chapter in government-business interaction in India. Not only did business leaders accompany the Prime Minister, External Affairs Minister and Union Finance and Commerce Ministers on their visits abroad, but their views began to be better articulated through the two principle chambers of business, the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Confederation of Indian Industry (CII). The CII’s Partnership Summit, in fact, became a major diplomatic event with foreign leaders invited to it. FICCI’s initiatives through the South Asian Business

³ Thomas C Schelling, Report of the US Congress Commission on National Security Considerations Affecting Trade Policy, Washington DC, 1971.

⁴ R. N. Cooper, ‘Trade Policy is Foreign Policy’, *Foreign Policy*, No.9, Winter, 1972-73.

⁵ See Sanjaya Baru, *Strategic Consequences of India’s Economic Performance*, Academic Foundation, Delhi, 2006/ Routledge (London, 2007) & Francis & Taylor (New York, 2007), Citic Press (Beijing, 2008). (Chapter 2: ‘The economic dimension of India’s foreign policy’). Nehru said, “Talking about foreign policies, the House must remember that these are not just empty struggles on a chessboard. Behind them lie all manner of things. Ultimately, foreign policy is the outcome of economic policy, and until India has properly evolved her economic policy, her foreign policy will be rather vague, rather inchoate, and will be groping.”

Forum were another such effort in the South Asian Association for Regional Cooperation (SAARC) region.

In the immediate post-independence period, Indian business had little influence in shaping political thinking on foreign policy issues. Nehru's dominating personality, India's immediate concerns with its geo-political neighbourhood and the larger dynamics of decolonisation, post-colonial development and cold war shaped India's foreign policy options. To be sure, national economic interests did play an important role in shaping foreign policy, as already mentioned.

Contrary to more recent thinking, Nehru did not adopt a hostile view either towards the West or towards western business. On his first visit to the United States as Prime Minister in 1945, Nehru sought out United States business and sought greater United States economic engagement with India. It was the United States that spurned Nehru largely because the United States was focused on post-war reconstruction in East Asia and Western Europe and also because it was not enthusiastic about Nehru's plan for public sector-led industrialisation in India.

In subsequent years, India's inward-oriented industrialisation strategy meant that even Indian business was more focused on the domestic market and was satisfied with protectionist policies. This ensured that the normal synergy one expects between the interests of business and foreign policy choices democratic governments make was weak. India's non-alignment policy did not yield any significant economic benefits for Indian business, perhaps also because Indian business was not outward-oriented and did not seek markets and investment opportunities in developing countries. India's friendship with the Soviet Union had spin-offs in defence and strategic industries which were all in the public sector. The only important private sector beneficiaries of India's relations with the Soviet Union were tobacco growers in Andhra Pradesh (many of whom liberally funded the local communist parties!) and a few traders who dipped into the rupee based trading opportunities.

It was only in the 1980s, when Indian business began to look at market opportunities abroad, especially during the term of Prime Minister Rajiv Gandhi, that the external economic and business interests of Indian business began to shape official thinking on foreign policy. The CII became actively involved in projecting Indian interests abroad and in pursuing Track-II Diplomacy at home and abroad.⁶

The real turning point, however, was 1991. Several factors contributed to increased business engagement in Indian diplomacy:

- i) First, the economic crisis of 1990-91 and the end of the Cold War;
- ii) Second, the change in India's negotiating stance at the World Trade Organization (WTO);
- iii) Third, though only towards the end of the 90s, the outward orientation of large Indian companies; and

⁶ For a discussion of trends in economic diplomacy and the role of economics in bilateral diplomacy see I.P. Khosla (Ed.), *Economic Diplomacy*, Konark Publishers Pvt Ltd., Delhi, 2006. and Kishan S. Rana, *Bilateral Diplomacy*, Manas Publications, Delhi, 2002.

- iv) Fourth, India's success in software and the globalisation of Indian information technology (IT) and software business.

The Economic Crisis of 1990-91 and the End of the Cold War

The timing of India's external payments crisis in 1990-91 was significant. It occurred almost in parallel with the collapse of the Soviet Union. Facing for the first time the prospect of external debt rescheduling, the Indian government tried hard to secure multilateral and bilateral support. It found great difficulty in securing such support without adopting policies that would open up the Indian economy to greater play of market forces. It also found it had very few friends in G-7 capitals. Hence, the policy of economic liberalisation was launched in part to address the problem of India's economic isolation in the context of the post-Cold War world.

The factors driving external economic liberalisation were independent of the felt and expressed need of domestic enterprise. Domestic enterprise was keen on internal liberalisation but was not very enthusiastic about external liberalisation. In fact, as tariffs came down and quantitative restrictions on imports were removed, domestic business enterprise became restive. While the Chambers of Commerce officially welcomed these initiatives, some leading business groups mobilised themselves to campaign against what they called the wrong sequencing of reform. The 'Bombay Club', a group of businessmen who met in Bombay to draw a charter of demands laced with protest against the government's external liberalisation policies, argued that the latter should wait till internal liberalisation had been completed and Indian business had secured 'a level playing field' vis-à-vis global multinationals.

The negative middle class reaction to such 'trade unionism of business elites' forced Indian business to rethink its strategy and encouraged it to back off. Such middle class reaction was increasingly shaped in the 1990s by the global success of Indian professionals, especially in the field of information technology.⁷ Consequently, the three Chambers of Commerce – CII, FICCI and the Associated Chambers of Commerce – began to offer compromise formulas that would combine the interests of domestic business with the imperatives of economic liberalisation. They understood the imperatives of balance of payments management, where mollified by a liberalised exchange rate mechanism, easing of foreign exchange controls, greater access to external finance and the trade-offs secured on internal economic policies. They also understood the imperatives of the post- Cold War world and India's need to seek new external relationships.

In fact, CII embraced enthusiastically India's new 'Look East' policy, inviting Singapore's Prime Minister Goh Chok Tong as the Chief Guest to its Centenary Celebrations in Calcutta in January 1995. India's 'Look East' policy, of engaging the Association of Southeast Asian Nations' (ASEAN) economies and also Japan and South Korea was a direct outcome of the end of the Cold War and India's outward-economic orientation. As the key architect of the reforms of 1991, the then Finance Minister Dr Manmohan Singh openly acknowledged the experience of South Korea and ASEAN in re-orienting Indian economic policies. This gained

⁷ See Baru (2007), Ch. 20: 'Sizing up the competition', Ch. 37: 'IT and the e-economy: The ballast for India-US Relations'; and Ch. 63: 'An India of Narayana Murthy or Sudarshan?'

for India new access to Asian capitals. India got on to the fast-track in being invited to be a partner country of ASEAN by the late 1990s.⁸

Change in India's Negotiating Stance at the World Trade Organization

Almost on a parallel track with these policy changes was the change in India's negotiating stance at the WTO. Till 1990 India firmly opposed a new round of multilateral trade negotiations under the General Agreement on Trade and Tariffs. Even after the Uruguay Round was launched, India opposed new areas like trade in services and trade-related intellectual property rights from being brought into trade negotiations. Indian industry played an important role in campaigning against the new agenda being promoted by the developed economies. Sector specific lobby groups were set up by Indian businessmen to campaign against trade liberalisation through the multilateral route.

After 1991, India changed course. Interestingly, Indian industry changed course too! Rather than block the Uruguay Round, both the Indian government and industry opted to negotiate and secure an outcome favourable to India. This marked a new phase in Indian business's diplomatic engagement. CII and FICCI actively canvassed support for the Indian point of view in various world capitals. They invited foreign dignitaries to well-organised and well-attended gala events of Indian business organisations in New Delhi and Bombay and sought to win them over to their point of view. The message was clear – don't destroy the Indian private sector, we can be your allies in the spread of market capitalism in this part of the world. By projecting private Indian business as an ally in the onward march of market economies in the post-Cold War world, Indian business established new relationships for India in developed industrial economies.

India was not wholly satisfied with the outcome of the Uruguay Round, but the process marked a fundamental shift in India's trade diplomacy. Not only did India emerge as an active participant in the WTO process, it was also able to establish itself simultaneously as a champion of the interests of developing economies and as a willing negotiator with developed economies. This 'bridge power' status in multilateral negotiations was new for India, having been a long time leader of the non-aligned and on the wrong side of the Cold War divide. Indian industry played a crucial role in facilitating this transition. The experience gathered in the Uruguay Round negotiations helped Indian business to take a more pro-active role in the Doha Development Round process. Indian business chambers took the initiative, for the first time, and played a pro-active role in trade diplomacy. Rather than wait for the government to take the lead, business chambers began crafting their own strategy for the Doha Round. FICCI constituted a trade policy group in 1999, drafting the services of an officer of the Indian Administrative Services (on secondment from the government to FICCI), that outlined broad parameters for the Doha Round negotiating strategy.

The investment CII and FICCI made in trade diplomacy was of great use for Indian business and for the Indian government. Indian business also emerged as an important participant in 'Track-II' diplomacy on the trade front. CII set up an office in Geneva and representatives of Indian business accompanied the Indian commerce minister on important travels abroad

⁸ See Sanjaya Baru, *India and the World – Economics and Politics of the Manmohan Singh Doctrine in Foreign Policy*, ISAS Working Paper No. 53, November 2008. http://www.isasnus.org/events/working_papers/52.pdf

related to trade diplomacy. Abandoning the ‘protectionist’ rhetoric of the ‘Bombay Club’ of the early 1990s, both CII and FICCI adopted a pro-active negotiating stance.

Trade liberalisation in the 1990s and the increased exposure of Indian business to external competition forced Indian business to adopt a pro-active role in Indian trade diplomacy. This then became an important route through which business associations began to influence Indian foreign policy options. Since ‘trade policy is foreign policy’, and since in the era of globalisation trade policy has strategic consequences, the growing involvement of Indian business in crafting Indian trade policy options gave them a new profile in influencing foreign policy outcomes.

Another important factor that contributed to a greater engagement of business with foreign policy was the rise of China, as a business rival. China’s entry into the WTO opened a new chapter in India-China trade relations. By year 2000, Indian business became worried about dumping of cheaper Chinese goods.⁹ While China has emerged as India’s biggest bilateral trade partner overtaking the United States (though still lagging behind the European Union), fear of China grips Indian business. It has begun to shape business thinking on relations with other Asian economies, including the strategic importance of the India-ASEAN Free Trade Agreement. Like in so many other countries, business pro-activism in foreign policy has been greatly influenced by the rise of China as a trading power.

The Outward Orientation of Large Indian Companies

A third factor, a more recent one, that has contributed to the increased involvement of business in foreign policy, has been the growing interest of Indian business groups in overseas investment. Major Indian business groups began investing abroad in the 1980s. However, it is only in the past five years that there has been a quantum increase in foreign investment.¹⁰ The main stimulus for this was the policy of the National Democratic Alliance government to increase capital outflows as part of its strategy to manage a surge in capital inflows since the early 2000s. Outward investment by Indian entities increased sharply from around US\$2 billion in 2003-04 to US\$14.4 billion in 2006-07.¹¹

Outward investment by Indian firms has a wide geographical spread, including the United Kingdom (where Indian investors top the charts on inward investment into United Kingdom), the United States, China, Russia, Southeast Asia, South Asia and Africa. In each of these bilateral equations, the role of prominent business leaders, in particular, and of business interests, in general, has increased considerably. Business leaders increasingly ‘facilitate’ meetings between officials and politicians of countries, they influence the bilateral agenda, and they contribute funds to political parties or leaders when asked to.

The rising interest of Indian firms, both in the services and manufacturing sector, in foreign trade and foreign investment has increased their interest in shaping India’s diplomatic

⁹ At The Financial Express, where I was Chief Editor at the time, we were constantly bombarded by information from Indian business about ‘unfair’ trade competition from China. The FE ran a series of news reports under the banner ‘Enter The Dragon’, drawing attention to the ‘China threat’ in the Indian market. Soon China began increasing its imports from India. This created a business lobby in India that saw a ‘China opportunity’. At The Financial Express, we began a new series, in 2002, called ‘Beyond The Great Wall’.

¹⁰ A forthcoming book discusses in some detail the phenomenon of Indian multinational enterprise - Ravi Ramamurti & Jitendra V. Singh, (Ed.) *Emerging Multinationals from Emerging Economies*, Cambridge University Press, *forthcoming* 2009.

¹¹ *Economic Survey*, 2007-08, Ministry of Finance, Government of India, 2008.

initiatives with respect to various regional forums and specific countries. Indian business delegations now routinely accompany the Prime Minister when he travels abroad. The Prime Minister meets accompanying business leaders before he goes in for a bilateral meeting with the host head of government to understand their concerns with respect to the country being visited. Regional forums like SAARC, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, ASEAN and the European Union invite Indian business leaders to participate in parallel meetings along with the Prime Minister.

It would be incorrect to dismiss such travel as mere diplomatic and business tourism. The views of business leaders are discussed even within closed door meetings between high officials, and issues like market access, investment opportunities, visa regimes, are increasingly focused on business perspectives. High profile global acquisitions by business leaders like Lakshmi Mittal (steel) and Ratan Tata (steel and auto), high profile global contracting out by major Indian companies like Reliance and India's energy diplomacy have given such business leaders great influence in bilateral relations.

Perhaps one must make a distinction between the diplomatic influence and interest of non-resident and largely globalised business leaders of Indian origin, like the Hinduja and Mittals, and the more nascent business diplomacy of increasingly globalising Indian business leaders like the Tatas and the Ambani Brothers.

The Hinduja Brothers, for example, have been known to be influential in various capitals of the world for many years. The legendary 'continuity' in their influence in Iran, from the days of the Shah to those of the Ayatollahs, has earned them a special place in the business lobbyists hall of fame. However, they are no longer unique. Several other businessmen have emerged with similar 'bipartisan' influence in the corridors of power in various capitals. They lubricate the system and help Indian diplomats and politicians secure access and strike deals. The Hinduja have been 'diplomatically active' in a wide range of countries including the United States and the United Kingdom. They played a helpful role in the political lobbying associated with India's civil nuclear cooperation agreement with various member countries of the Nuclear Suppliers Group.

Similarly, Lakshmi Mittal has been diplomatically active in Central Asia and Europe. The lower profile of business leaders of Indian origin in South-east Asia, as compared to their Chinese-origin counterparts, may have meant that Indian business played a less important role in shaping India's relations with the region, though even here wider business interests have without doubt shaped India's strategic relations.¹²

'Track-II' Diplomacy

An important consequence of this is the willingness of Indian business groups to invest in 'Track-II' diplomacy and in shaping foreign policy perspectives. One of India's largest business houses has funded a think tank focused on strategic policy and foreign affairs, with several former diplomats hired as faculty. This is the Observer Research Foundation, funded by Mukesh Ambani's Reliance Industries. While Mukesh Ambani has directly funded a foreign policy research institute, other Indian companies have funded 'Track-II' diplomatic initiatives through CII and FICCI.

¹² See Baru, ISAS Working Paper No. 58 (2008).

CII runs several 'Track-II' dialogues funded by various member companies. The countries covered so far include the United States, Japan, Singapore and Malaysia. Business leaders with country specific interests invest in these dialogues and also participate in them. Thus, Ratan Tata has consistently funded, and often participated in, the CII-Aspen Strategy Group dialogue on India-United States relations. Launched in 1999, partly to contain the diplomatic damage of the Pokhran II nuclear tests and build bridges between Indian and United States opinion makers, business leaders and legislators, the India-United States Dialogue has been sustained over eight years, with two meetings every year, one in the United States and another in India.

Other business leaders like Sunil Mittal, Sunil Munjal, Harpal Singh and Gautam Thapar have invested and participated in these and other such dialogues. FICCI has also initiated a similar effort with the Woodrow Wilson Center and the Heritage Foundation. An important initiative of FICCI has been the Forum of Parliamentarians set up to engage elected representatives from India and their counterparts in the United States, the United Kingdom, Germany, the European Union, Singapore, Japan and Pakistan.

According to FICCI's Secretary-General, Dr Amit Mitra, "The IUFP (India-United States Forum of Parliamentarians), constituted six years ago along the lines of the 'India Caucus' and 'Senate Friends of India' Group in the United States Congress, provides an important platform to the Indian Parliamentarians to develop and strengthen India-United States relations through Track-II initiatives. Encompassing all aspects of bilateral relations, the forum makes an earnest effort to facilitate wider exchange of views, dialogue and discussions on bilateral and global issues between Indian parliamentarians and their counterparts in the United States, senior Administration officials, business leaders, opinion-makers and the Indian-American community, thereby adding an important parliamentary dimension to bilateral ties."¹³

FICCI has also recently launched similar forums with Commonwealth of Independent States, Russia, China and Italy. The India-United States Forum played an important role in shaping the thinking of young Parliamentarians on the issue of India-United States civil nuclear cooperation agreement, and in providing a forum for newly elected Parliamentarians from Pakistan to interact with their Indian counterparts.

The Forums of Parliamentarians is a multiparty body of seven Forums with 130 members belonging to various political shades of India with many of its members serving on important parliamentary committees. The forums with the United States, the United Kingdom Germany, the European Union, Singapore, Japan and Pakistan launched consecutively since the formation of the IUFP in March 2002, have played a significant role in promoting inter-parliamentary exchange and dialogue with its counterparts in these countries. The Forums have gone beyond and facilitated dialogue with senior government officials, leading think tanks experts, business leaders and civil society at large, in these countries on several issues of bilateral and global concerns.¹⁴

In 2007, FICCI's India-United States Forum of Parliamentarians took the initiative to launch 'The India-Yale Parliamentary Leadership Programme', a first of its kind for Indian parliamentarians. This programme gives parliamentarians an opportunity to spend time at

¹³ Interview to author, September 2008.

¹⁴ This information was provided by Dr Amit Mitra, Secretary-General, FICCI and Mr. Ramesh Chandran, FICCI.

Yale University to reflect on a wide range of issue they deal with as members of parliament. The Second India-Yale Parliamentary Leadership Programme, conducted in June 2008, covered topics like ‘The Economics of Mitigating Climate Change and Sustainable Development’; ‘Global Economic Risks and the New Financial Order’; ‘Three Decades of Reform, Rule of Law and Governance Challenges in China’; ‘Poverty and Economic Development’; ‘Religion and Politics’; ‘Reform of Higher Education in India’; ‘2008 US Presidential Election – Predictions and Realities’; ‘India and Globalisation’; ‘Effective and Strategic Political Communications’; and so on.

There has always also been a ‘below the radar’ role for business in diplomacy. This is normally confined to a few influential business leaders who may provide ‘facilitation’ for unofficial contacts between diplomats and political leaders. A business leader could act as a ‘conduit’ for ‘backroom’ and unofficial discussion and pre-meeting negotiation between heads of government. As Indian businessmen globalise and become part of the global ‘cocktail and golf circuits’, and fund politicians and political parties in other countries they are also able to shape relations between India and other countries. This ‘below the radar’ role of business leaders is on the rise and can be seen in South Asia, in rest of Asia, in Africa, in large parts of Europe and in India’s relations with major powers like the United States, Russia and China.

Another form of ‘below the radar’ influence for business is their funding of politicians, lobbies and interest groups in foreign countries. While some of this activity would normally be regarded as ‘illegal gratification’ of policy makers, some countries permit public funding of lobbying efforts, ranging from payment to advertisements in the media to sponsoring interest and focus groups, supporting ‘Track-II’ diplomacy and other public diplomacy efforts, including support for university chairs and research centers.

India’s Success in Software and the Globalisation of Indian IT and Software Business

The Indian IT, software and business process outsourcing industry has without doubt changed India’s global profile. Its impact on Brand India is well known. Visiting Heads of State and Government now routinely add Bangalore and Hyderabad to their itinerary. A visit to the Infosys or Wipro campus or to Cyberabad is a high profile part of India’s economic diplomacy. India’s success in these areas, as well as in the entertainment sector, has contributed to enhancing India’s ‘soft power’. Indian IT and software capabilities now open doors for Indian diplomats abroad in the corridors of power.

This has given business leaders in these sectors high level access both within India and in other world capitals. More importantly, the economic importance of software business and business processing outsource for the Indian economy has ensured that such business interests can no longer be ignored by Indian foreign policymakers. In fact, the promotion of Indian capabilities and business interests in these areas is intrinsic to the projection of Indian ‘soft power’, both in developed and developing countries.

All this cannot be dismissed as mere diplomacy. It is having a palpable influence on foreign policy as well. Today India can not ignore the business interests of its burgeoning IT, knowledge and data processing sectors in crafting its foreign policy options. Indeed, India’s relations with the United States, in particular, and with the ‘English-speaking’ world, in general, has increasingly been influenced by the enormous pull of business and professional interests involved in this sector. Billions of dollars are now at stake for Indian software, data

and business processing companies in western markets. The sharp decline in India-Russia economic relations in the 1990s, as compared to a similarly dramatic increase in India-China trade and the importance of United States and Asian markets for Indian business have become important determinants of India's foreign policy options.

II The Influence of Media on Foreign Policy

The media has an obvious role in shaping public opinion on foreign policy issues in a democracy. However, the influence of media on foreign policy is shaped by two important factors, first, the extent of domestic political disagreement or consensus on foreign policy issues; and second, the relationship between the government of the day and the media.

Indian foreign policy was marked by a high degree of domestic political consensus in the initial years after Independence. Few in the national press questioned Jawaharlal Nehru's overall foreign policy orientation. During the Cold War there was a weakening of this consensus in the press, with some favouring a closer relationship with the West and the others favouring a stronger 'anti-imperialist' stance. The mainstream public and political opinion in India favoured Nehru's path of 'non-alignment' in the Cold War. Contrary to popular western, especially United States, view of 'non-alignment' as an 'ideological anti-West and pro-Soviet' stance, Nehru's non-alignment was essentially a pragmatic and nationalist assertion of India's independent and autonomous stance in international affairs. Nehru was in favour of good relations with the West as well as with Soviet Union, but sought for India an 'independent' voice in world affairs. This stance had broad national support and the media of the time went along with this stance.

Given the political dominance of the Congress Party and a high degree of consensus among mainstream political parties the media had at best a marginal role to play. There is no doubt, however, that the Cold War played itself out through the columns of the Indian media but the moot point is that this did not influence official thinking in any significant way.¹⁵

Given the high degree of freedom that Indian media enjoys, foreign governments have, from time to time, tried to win friends and influence opinion in the media. The Indian government also seeks to do this. However, its approach is to 'win' over the media to its point of view, rather than be influenced by any independent thinking within the media. The media is viewed as an instrument for promoting the government's view point, not as the 'Fourth Estate' whose 'independent' voice must be heard. During the Cold War period, the governments of the day were fairly successful in securing broad media support for their foreign policy.

The Indian Ministry of External Affairs has traditionally maintained a close connection with influential editors and columnists to ensure, what a high ranking Indian diplomat has dubbed, a 'cozy relationship'.¹⁶ While some journalists view this with deep suspicion and may even

¹⁵ There is continuing controversy in the Indian media and on the internet about allegations made in the papers of the 'Mitrokhin Archives' regarding KGB funding of Indian journalists. Similar allegations have been made about CIA funding of media personalities. More recently there have been allegations that countries like China, Iran and Pakistan have been active in winning friends and influencing people in the Indian media. But all these remain unsubstantiated charges and rumours. <http://www.southasiaanalysis.org/%5Cpapers16%5Cpaper1549.html>

¹⁶ The cozy relationship at the time between the foreign policy establishment and the media was best summed up by the current Spokesperson of the Ministry of External Affairs, "In the comfortable old days – again, we need to look no further than 15 years ago – the world of diplomacy in India was covered by a set of about 20 erudite, polite gentlemen of the press and the dutiful Doordarshan and All India Radio. Briefings were

refuse to accept the government's hospitality as a way of defending media freedom, one must not exaggerate the success that the governments have in winning over the media to their viewpoint.¹⁷ In India's increasingly fractious political environment and given rising budgets of private media organisations, government freebies and junkets have declining influence in shaping media thinking on major policy issues.

Ironically, a substantial part of the work of the External Publicity Division of the Ministry of External Affairs has in fact been in dealing with domestic media rather than international media. The Division is more often engaged in seeking internal publicity for external policy rather than external publicity for internal policy.¹⁸ It is difficult to point to any important example where the Indian government shaped thinking on Indian policies in any significant way in any foreign media.

Equally, it is difficult to offer any example where the government of the day has altered its policy in foreign affairs or bilateral relations due to pressure from the media. In fact, Indian diplomats often take pride in claiming that they can 'get the media they want'. This is, without doubt, changing with the breakdown of the domestic political consensus on foreign policy issues, and the pervasive influence of 24x7 television news channels.

The electronic media, like Parliament, has become an arena in which party political differences on foreign policy do get articulated more forcefully because of the nature of the medium. In fact, television news channels may have contributed to increased public discord on foreign policy by deliberately strait-jacketing all 'discussions' into binary, conflictual 'for-and-against' debates. Rather than facilitate a consensus such 'argumentative' debates foster divergence. While television resorts to this practice to increase viewer attention and make news more 'entertaining', this has increased the role of the media in shaping political thinking on foreign policy issues.¹⁹

The last decade, therefore, marks a turning point in the role of the media in shaping foreign policy. This is on account of three very different factors:

comfortable, friendly and somewhat leisurely affairs, full of intellectual wit and repartee. The media persons would gather what they could before turning to the *chai, samosa and gulab jamun* and thereafter find, their way back to their offices to type out the stories for the rest of the evening. Today, we have to deal with not only a hugely expanded print media but also more than 30 24-hour TV news channels, several news agencies and even on-line journals." Navtej Sarna, 'Media and Diplomacy' in Atish Sinha (Ed.), *Indian Foreign Policy, Challenges and Opportunities*, Academic Foundation & Foreign Service Institute, New Delhi, 2007.

¹⁷ See for example, Rajdeep Sardesai's comment, "The other ministry which equally effectively manipulates the media is the Ministry of External Affairs. When they take you on a summit being attended by Atal Behari Vajpayee, they ply you with the choicest whisky and caviar on the flight and in turn it is expected that you will follow, hook, line and sinker what the ministry is saying. For instance, if the prime minister's recent visit to China is a success or if the Ministry of External Affairs feels it is a success, then you have to say that it is one. If you choose then to interpret that somewhere down the line there has been a compromise on Tibet, you are not supposed to use the word, 'compromise' because the overarching philosophy is that since they paid for you to come to China, how can you now write that the prime minister has sold out on Tibet? ...because the media does not have the means of resisting the pressures from them (the reason being that sources of information will be completely cut off) it often toes the line." Rajdeep Sardesai, "Manipulations and Bias in News," in Uday Sahay (ed.), *Making News: Handbook of the Media in Contemporary India* Oxford University Press, 2006, p. 166-171.

¹⁸ Sarna's essay on "media and diplomacy", published in a major official publication of the ministry of external affairs and proclaimed as an authoritative and comprehensive survey of Indian foreign policy is almost entirely focused on the domestic media, with only a passing reference to foreign media!

¹⁹ The pro-active role of Indian media on human rights abuses in Tibet is a good recent example of media activism exerting pressure on the government.

- i) the gradual erosion of the domestic political consensus on foreign policy, giving the media the role of an arbiter and an independent analyst of contending political views;
- ii) The media revolution and expansion, with the rise of television and business journalism and the growing importance of private corporate advertisement revenues, as opposed to government support for media, in influencing media economics; and
- iii) Finally, the increasing influence of the middle class and the business class in the media has also influenced media thinking on foreign policy.

i) An early example of the media playing an important role in shaping public opinion and government policy with respect to a foreign and strategic policy issue, in the context of domestic political discord, was the role played by *The Times of India* in 1996 on the issue of India signing up on the Comprehensive Test Ban Treaty (CTBT) agreement.²⁰ Indian political parties were divided on the issue of India's stance on the CTBT since India had for a long time advocated such a test ban and had, in fact, sponsored the CTBT. However, when CTBT got linked to Nuclear Proliferation Treaty renewal and India felt it was being discriminated against on the question of its nuclear status, the view gained ground that India should not sign CTBT. A major debate took place in the columns of Indian newspapers in which the *Times of India* editorially called for India rejecting CTBT in the form in which it was then being proposed. India can be a signatory only as an acknowledged nuclear weapons power and not as a non-weapon state. This finally became the official Indian position.

The entire mainstream media has been a strong and consistent supporter of the India-United States agreement on cooperation in civil nuclear energy. Overwhelming media support for the civil nuclear agreement, with the exception of *The Hindu*, under the pro-Communist Party of India editorship of N. Ram, and *The Asian Age*, during the editorship of M. J. Akbar, strengthened the government's hand in politically defending its case at home, against political criticism from Left and Right opposition. More than print, television played an extremely influential role in generating public support for the nuclear accord. No major television news channel campaigned against the agreement, while many of them took a strong supportive stance.

Some critics of the media may dismiss its role as peripheral given the limited reach of media in an educationally backward society. To be sure, foreign policy always engages the elite much more than the masses. Hence, it is rarely a subject for mass politics, except perhaps in the case of India- Pakistan relations, and that too in northern India.²¹ However, the fact remains that with the decline of large pan-Indian national political parties and the emergence of fractured coalitions, difference between political parties on national policy issues, including foreign policy, is bound to grow. With such diversity of opinion in the political arena, the national media can secure for itself an influential autonomous role provided it is

²⁰ See C. Uday Bhaskar, 'KS: Vamana of Indian Nuclear Theology?' in C. Uday Bhaskar (Ed.) '*A Bouquet of Tributes to K Subrahmanyam at 75*', New Delhi, 2004. Bhaskar observes, "Through seminars, workshops, lectures and his steady stream of newspaper articles, K Subrahmanyam(KS) shaped the Indian response to the nettlesome nuclear issue and the media became a contested domain. The TOI's op-ed page became a veritable battle-field. Sanjaya Baru, the editorial page editor, played a central role in shaping the Indian debate and from my modest perch at the time, I would aver that KS through his searing columns helped steer the debate over the CTBT so that the government of the day could take a firm decision in the matter." (p.55)

²¹ Smruti S. Pattanaik, *Elite Perceptions in Foreign Policy: Role of Print Media in Influencing India-Pakistan Relations, 1989-1999*. New Delhi, Manohar, 2004.

able to articulate a national policy that will find wide public acceptability and will stand the test of professional scrutiny.

ii) The objective basis for such independent and informed view on foreign policy options within the media exists, even if in actual fact nothing is done to tap into that potential. Large media groups no longer look to the government alone for their survival. The phenomenal growth in the advertisement budgets of private corporates has increased the autonomy of the media with respect to the government, even if this has resulted in growing corporate influence on the media. In the context of our discussion what this means is that media can adopt a stance independent of the government, perhaps reflecting the interests of business and the professional classes, on foreign policy issues. News coverage of countries in the Indian media is increasingly influenced by revenue considerations.²² However, this, in turn, does not have any significant impact on government policy, as yet.

iii) This increased relevance of business and middle class preferences for media policy implies that their world view will count for more in shaping media thinking on foreign policy. This is demonstrated by the near-unanimous support for the India-United States nuclear agreement in the business and English-language media. The policy preferences of these two segments of the media in the foreign policy arena do tend to influence Indian language media also. However, perceptions on foreign policy in Indian language media vary, due to local political, social and cultural factors. For example, the national media is less interested in India's policy towards Sri Lanka than the Tamil language media. Similarly, there is much less coverage on developments in the Islamic world in the national media as compared to the Urdu language media, that caters largely to a Muslim readership.

The thinking of these categories of readers, who may be politically influential in specific regions and constituencies, do not always get reflected in the national media, including television. It is the views of the more articulate middle classes that gets a greater play in national and mass media. What this means, of course, is that any news about the United States or Pakistan is almost always front page and headline stuff, while news about most other developing countries makes no waves. The visit of the United States President, for example, secures saturation coverage in the Indian media, but the India-Africa Summit meeting in 2008 was not even reported on the front pages of most papers.

Such preferential bias in the media's treatment of different regions, countries and international issues may influence public opinion and even the thinking of politicians. However, in the corridors of decision-making, especially when it comes to the permanent civil service, contrarian thinking in the media and disagreeable media coverage is at best a nuisance to be tolerated, not a viewpoint to be taken account of in formulating policy.

Finally, we do believe that Indian media does not as yet view itself as an active player in foreign policy, even if some newspapers give more coverage to foreign affairs than others. One important reason for this is that Indian media has not found a business plan to justify greater foreign coverage and the posting of foreign correspondents. Among the world's 'major powers' Indian media has the least number of foreign correspondents. Only a handful of print and television organisations have correspondents posted in major world capitals and

²² One must not exaggerate the significance of this factor. Despite high business interest in Africa, Indian media's coverage of Africa is abysmal. On the other hand, the large presence of Indians in the Middle East and Persian Gulf has contributed to high media coverage of the region, including in the regional media in States like Kerala, which is home of a large proportion of migrant labour to that region.

in neighbouring countries. There has, in fact, been a scaling down of foreign correspondents, with most Indian media drawing on news put out by foreign news agencies and foreign media partners. While China has emerged as India's largest trade partner and is India's biggest neighbour, only three media organisations (one subsidised by the government) have correspondents stationed in China.

Conclusion

In this paper, we have defined 'media' in its normal limited sense of news media. However, if we were to examine the role of the entertainment media, especially Indian cinema, and its 'soft power' dimension, one could argue that in a wider sense Indian media is helping project India globally. But there's little proof as yet of Indian 'soft power' shaping 'foreign policy' of other countries towards India, or India's policy towards others. The 'soft power' of Indian media is at best an adjunct to foreign and strategic policy, if that, and not an active component of such policy.

India's economic globalisation and the rise of the globalised professional middle class have raised the profile of business and media in Indian foreign policy making. International trade and capital flows, as well as the economic importance of Indian migrants abroad have increased the importance of people-to-people and business-to-business relations in India's state-to-state relations with other countries. In turn, these factors are beginning to shape Indian foreign policy thinking and will perhaps count for more in years to come.

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