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Prospects for Cooperation between the V4 States and India

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The visits by Indian Minister for External Affairs Subrahmanyam Jaishankar to Hungary (26 August) and Poland (28-29 August) are a sign of increased interest in Central Europe (CE). The revival of political dialogue creates conditions for deepening economic cooperation between the countries of the region and India. Launching cooperation in the Visegrad Group (V4)+India format would give an opportunity to intensify contacts. This would increase the attractiveness of the Visegrad countries, make them more recognisable in India and reduce the asymmetry of these relations.

V4 Interests. Members of the Visegrad Group (the Czech Republic, Hungary, Poland and Slovakia) have been striving for nearly a decade to diversify economic cooperation and rebuild relations with non-European states. This began after the global financial crisis of 2008, which particularly affected developed countries. India has been identified in government documents of all four countries as one of the most important partners, partly due to its large consumer market, business opportunities and rapid economic growth (currently over 7% per year). This emerging global power, the sixth-largest economy in the world and the most populous democratic state, also offers opportunities to participate in multi-billion government modernisation programs. Hungary, for example, has expressed an interest in building water and sanitation installations and developing cooperation in the pharmaceutical industry. Poland, the Czech Republic and Slovakia have the potential to participate in the development of transport infrastructure, and modernisation of the energy, agricultural and defence industries. The cooperation in the mining sector, food processing and biotechnology industries is also promising for Poland.

In the political dimension, it is in the V4's interests to balance relations with China and those with other Asian powers. Joint activities in defence and security policy with India (including the fight against terrorism) are gaining importance for the CE in the face of strengthening strategic cooperation between India and the United States. India, just like the V4, supports an international, rules-based order and a multilateral trading system. The development of bilateral relations between the V4 states and India is also facilitated by greater EU involvement in deepening the partnership with the Asian partner, expressed through the adoption of the first EU Strategy on India in December 2018.

To date, one of the most important barriers to the intensification of relations has been India's limited interest in the CE region. The country has long underestimated the importance of states in this region, partly due to different foreign policy priorities and established partners in Western Europe. No Indian prime minister has visited any of the V4 members since the end of the Cold War, and the foreign minister's visit to Poland was the first in 32 years. Narendra Modi, India's current prime minister and a politician known for his great diplomatic activity, bypassed the Visegrad states during his first term of office (2014–2019), even though he had already visited most of Western Europe. A regional approach might be a way of raising India's interest in the CE, for example, through launching cooperation in a V4+India format that could be complementary to bilateral relations. This would also be in line with the content of a joint statement by the Polish and Indian foreign ministers, issued in August this year during their meeting in

Warsaw, in which the Indian representative expressed a willingness to cooperate with Poland, including within the V4 format.

The Added Value of V4+India Cooperation. The significant asymmetry between the Indian and CE states' economic potential limits bilateral cooperation. The V4, as a well-functioning regional platform in the EU, distinguishes its members in contacts with external partners. Cooperation with some non-European states has been developed for many years, including via summits of V4 leaders with Japan (since 2013) and South Korea (since 2015), and meetings at ministerial level with other countries (such as Australia and Brazil). A new, promising example is the V4+Israel format, which has been active since 2017. This focuses on sectoral cooperation mechanisms, such as research and innovation training programmes for startups from V4 countries, and joint research and development projects. The V4+India format could also be beneficial for large business ventures. Due to India's size, cooperation between and the creation of consortia of companies from the V4 may increase opportunities to obtain contracts, for example, in defence and/or infrastructure.

India's Point of View. India shows increasing interest in cooperating with Central Europe. Since Modi came to power in 2014, India has been pursuing a more active foreign policy and has used multilateral meetings to pursue its interests. For example, Modi invited the leaders of all countries of the South Asian Association of Regional Cooperation (SAARC) to his swearing-in ceremony in May 2014, and in January 2018 representatives of 10 ASEAN countries participated in India's Republic Day in New Delhi. In April 2018, Modi visited Sweden to meet five regional leaders at the first summit of India and Nordic states. The latter example shows that a regional approach is a good way for smaller European countries to attract Indian interest.

In recent years, India has also been increasing its involvement in Europe. Modi has revived the dialogue with the European Union in the hope of attracting more European investments and technologies. Indian business organisations, experts and officials also show growing interest in the CE. An example is the India-Europe Business Forum, organised since 2014 with the participation of the Indian Ministry of External Affairs, to which representatives of 29 countries from Central and Eastern Europe are invited. The fact that around 95% of trade between India and the EU is with Western European countries that were part of the EU before 2004 shows the untapped potential of the "newer" Member States. In addition to the economic dimension, China's growing presence in the CE (in the "17+1" format) has not gone un-noticed, for China is a regional rival for India. Furthermore, the UK's exit from the EU will cause India to lose its main EU partner and reduce its access to the EU's single market. It may want to compensate by strengthening cooperation with the Central European EU Member States.

Finally, India and the CE share historical ties, and there is an ideological affinity between governments in India and the V4 states, including a more traditional understanding of national sovereignty. V4 states are also unwilling to criticise the internal affairs of third countries, which is appreciated in India. The V4 states share with India the experience of closer cooperation during the Cold War, and subsequent economic transformation and liberalisation. This makes both the new main beneficiaries of globalisation and opponents of protectionist tendencies in trade. It would be important for India to get the support the entire V4 group in their fight against cross-border terrorism, or in order to meet aspirations of a permanent seat at the UN Security Council.

Recommendations. Inviting the Indian prime minister to the V4 summit next year would make up for lost time in relations, and give an opportunity to discuss the most important international challenges and indicate the foci of economic cooperation in selected sectors (such as food processing, green technologies, water management, and smart cities). Poland, which will take over the presidency of the V4 in July 2020, may consider including this point in its presidency programme. This high-level meeting combined with the V4-India Business Forum (in a format similar to the Nordic states summit) would serve to promote companies, products and technologies from both sides, and to discuss the possibility of involving V4 countries in Indian modernisation projects.

Cooperation in the framework of a V4+India format should complement rather than replace bilateral relations with India. It is also critical to create conditions for equal consideration of the interests and participation of all Visegrad countries, so as to avoid competition between them. Tapping the potential of the region in cooperation with India will strengthen the strategic partnership between India and the EU as a whole, in line with the 2018 EU's strategy towards India. The establishment of a V4+India format and the long-overdue visit of the Indian prime minister to next year's summit may also confirm Poland's position as an important partner for India in Europe. This would be another instrument of Polish foreign policy and a platform for cooperation with other non-European powers.