

## **India's Policy towards Latin America: Development Stages and Future Possibilities**

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### **Abstract**

Latin America has witnessed radical transformations for the first time since the collapse of the Soviet Union in the early 1990s. The most important features of the transformations revolve around the orientations of India's policies. The most important of these differences is the abandonment by most of these countries of the centrality of the ideology of hostility to Western imperialism, and the adoption of an approach based on reforming the global system to serve their interests, and a pragmatism supporting multilateralism (as opposed to non-alignment) to confront multidimensional threats, through multilateralism and building coalitions across ideology, in addition to strategic hedging and resistance to joining alliances under the umbrella of the great powers. This new global environment, and the rise of the influence of the major powers in the global south and their efforts to promote their national interests as a strategic priority, created geopolitical, economic and value complexities for India, which produced an approach to its orientations to compete towards the Latin continent.

**Keywords:** India, Latin America, Leading World, USA.

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## **1. Introduction**

since its independence, India's foreign policy has focused on its regional environment, with a modest foreign policy towards other global regions. This trend did not come out of nowhere, but was governed by internal challenges and variables, a long colonial legacy, and the data of the international arena that were controlled and influenced by the determinants of the Cold War between the United States of America and its Western camp on the one hand, and the Soviet Union and its Eastern camp on the other hand. When tracing India's policy towards Latin America, starting from its first roots at the founding of the modern state of India, it becomes clear that this policy was weak and simple, and the Latin American region and its countries did not enter the circles of external Indian interest despite the mutual recognition between India and a number of countries in this region in the post-independence period. However, this recognition did not lead to significant interaction between the two parties until after the end of the Cold War period, during which India's foreign policy witnessed a kind of movement towards countries and regions outside its regional environment (S. Adhikari, 2007:16).

However, the third millennium in 2003 witnessed a shift in India's foreign policy in general and towards the Latin American region in particular. This shift included activating India's policy towards the region and its countries by strengthening political interests and exchanging visits between Indian officials and many Latin American countries, increasing the number of Indian diplomatic missions there, and developing economic interests, including economic partnerships, trade exchange, and importing part of India's energy needs from oil-exporting countries in Latin America.

In this research, we try to answer a set of questions related to the subject of India and its launch towards the geostrategic transformation towards Latin America and its political and strategic developments and the launch of geopolitical control by representing a bridge between India and Latin America. There are a set of questions that the research topic raises or that we try to answer, which are:

- 1 . What is the nature of India's policy towards Latin America?
2. What are Transformations in India's policy towards Latin America?
3. What are the impacts that affecting India's policy towards Latin America
- 3 .What are the Future possibilities for India's policy towards Latin America?

## **2. Methodology**

The research is based on the hypothesis that India has tried to use its historical suffering to join the ranks of the Global South. This identity presented to India as one of the countries of the South, and one of the leaders of the Non-Aligned Movement in the past, represents the starting point for India's efforts to push towards its leadership of the Global South in terms of its strategic goals in reforming the global system. According to India's vision, but in a way that does not lead to changing the status quo or ending or undermining American leadership, but rather includes giving India a central role in the reform process, and then playing the role of supporter to make the voice of the countries of the Global South heard, and taking their interests into account. As for the Global South, India can also build its ties with the Global North.

## **3. Transformations in India's Policy towards Latin America**

After India's independence in 1947, its foreign policy turned towards a number of countries and regions and established relations with the United States of America, European countries, the Soviet Union, a number of Middle Eastern countries, and even a number of African countries, although this policy and the establishment of relations differed from one country to another in strength and effectiveness (Desai,2015). India's foreign policy in the post-independence period is described as having limited diplomatic and economic influence, which forced India to give priority to relations and effective foreign policy with its neighbors and the influential Western powers at that time. With regard to its policy towards the Latin American region and countries, the Indian Ministry of External Affairs stated in its first annual report in 1948 that its focus on the Latin American region was limited, and the reason for this was due to the internal challenges that both India and the Latin American countries were going through, which constituted an obstacle to adopting an effective Indian policy towards these countries or building strong international relations between the two parties (Akram,2023). In addition, India's foreign policy was based on three concentric circles in its interaction with the external environment (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:10):

- The first circle is the immediate neighborhood, and is concerned with protecting India's national security interests from neighboring countries.
- The second circle includes what is called the "extended neighborhood", which includes West Asia, Southeast Asia, and the Indian Ocean region.
- The third circle includes the world in general, and at its center are strategic partners such as the United States of America and the Soviet Union (and later the Russian Federation). Latin America was rarely mentioned in India's policy calculations in this circle.

Despite the existence of roots in India's relations with a number of Latin American countries such as Mexico, which is the first Latin American country to directly recognize India after its independence in 1947, and India's recognition of Fidel Castro's regime in Cuba, which overthrew the Batista regime in 1959, India was among the first countries to recognize this regime and established an embassy in Havana and established diplomatic relations with it (IAS,2019).

However, India's historical relations with Latin America were characterized by weakness, and what is surprising about that is that there are many political and economic similarities between the two parties, as both were colonies of European powers, and then faced serious development challenges in the post-independence period that followed World War II (Haji-Yousefi,2021:63), and both adopted socialist policies before being forced under the pressure of severe economic crises to adopt liberal reforms that were the reason for changing the economies of both parties (Desai, 2015), in addition to India and many Latin American countries joining the Non-Aligned Movement since its establishment in 1961, and India's support for a number of Latin American countries against US interventions in the United Nations and other multilateral international gatherings. India's policy and relations with Latin American countries remained weak (IAS,2019). This was followed by India opening an embassy in Colombia in 1973, followed by the opening of seven other Indian embassies in Latin America, in the countries: Brazil, Argentina, Chile, Mexico, Peru, and Venezuela (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:18). The reason for the ineffectiveness or weakness of India's foreign policy towards the Latin American region is due to several reasons, which are (Desai,2015):

- The great geographical distance between the two regions, with thousands of miles separating them.
- Competing local and international priorities, as Latin America has taken a small place in India's strategic and geopolitical considerations.
- India and Latin America lack cultural and linguistic ties that could contribute to the two parties' orientation towards each other.

From here it becomes clear that there are a number of factors that affect India's policy towards the Latin American region, and these factors differ in their impact from one factor to another, some of which help in the effectiveness of this policy and some of which constitute a brake on it and have a negative impact on it (Rabiee,2016:69).

### **3-1. Stages of Relationship**

R. Viswanathan described the development of India's relationship with Latin America as having gone through three stages, which were (Viswanathan, India's impact in Latin America beyond exports,2019):

#### **3-1-1. the First Stage**

was during the fifties, sixties and seventies of the last century and is considered a stage of "mutual ignorance and indifference". India was working for its survival and continuity as an independent state by laying the foundations of democracy and establishing India as a democratic state with many languages, religions, ethnic groups and diverse cultures (Farajirad, 2015:72). At the same time, many Latin American countries were ruled by military dictatorships and suffered from political and economic instability. Thus, there was no incentive for both sides to establish contact with each other (Tawfeeq,2021:341).

#### **3-1-2. the Second Stage**

Which was during the eighties and nineties, witnessed a kind of orientation or harmony between India and a number of Latin American countries, when the two parties were temporarily searching for each other. In the eighties, a number of Latin American countries witnessed important transformations through which they were able to emerge from dictatorships and transform into democracies, and these democratic systems headed towards strengthening relations with the United States of America. Around this stage, India was going through a transitional phase that the Rajiv Gandhi government was working on. As for the nineties, India witnessed economic reforms in 1991 and the adoption of the principle of the "open market".

During this stage, a number of interactions and transient transactions took place between India and Latin America (Abdullah,2014:123). Indeed, since 1990, radical changes have occurred in the global arena, and India has departed from the non-alignment policy it had adhered to during the Cold War, and India has begun to enter a new phase of its foreign policy after 1991, by engaging in partnerships with several countries in the world, so that India becomes more effective in its policy and relations with neighboring countries, major Western countries, and other different regions of the world (Gharawi,2023) and Many countries opened their markets, and India found in Latin American countries a promising market for software, textiles, medicines, cars, etc. On the other hand, Latin American countries such as Argentina, Brazil, etc. had many gold, coal, hydrocarbon mines, and large arable lands, so India and Latin American countries signed a number of different agreements and memoranda of understanding and established many different cooperative projects (Relations, n.d.). This was an opportunity to strengthen relations between India and many Latin American countries, especially in the economic field. India had a penchant for essential commodities such as oil and minerals that Latin American countries exported in large quantities. This region became a means of diversifying opportunities for Indian companies seeking to explore new markets. Indeed, Latin America provided India with the resources it urgently needed, which were vital to support industrialization and economic growth in India. At the same time, this was an opportunity for Latin American countries, which were witnessing a decline in demand for resources from Europe and the United States, and an important area to open the door to new partners from India and China (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:10).

### **3-1-3.the Third Stage**

Began in 2000, and witnessed a kind of mutual orientation between India and Latin American countries. At this stage, Latin America enjoyed unprecedented political stability and economic prosperity, especially in the first decade of this century, and a number of Latin American governments were able to raise the standard of living of millions of poor people and raise them to the middle class in light of the economic prosperity (Khalil,2022:33). At the same time, India has become an emerging power with increasing economic growth, and seeks to make itself an influential global power. Thus, India and Latin America have agreed on the views of

both parties, and the need for mutual integration and synergy has come to represent an impetus to start building a long-term partnership (Bahrami Moghadam,2024:144).

In twenty-first century, India has moved to reshape its foreign policy at the global level and adopted a pragmatic policy while continuing the language of the Non-Aligned Movement's discourse, which included its preference for the principles of non-interference and sovereignty. However, at the same time, India has systematically sought to diversify its international partnerships with various active international powers and with important regions of the world. The main goal of India's diverse and realistic foreign policy is focused on obtaining international recognition of India's status as a major and influential power in the global arena (Küssner,2013:2). India sought to build strategic understandings at the regional and global levels in order to clarify and strengthen India's political position at the international level. In 2000, Indian Defense Minister George Fernandes announced that India's area of interests extends from the coasts of Australia to the coasts of the Arabian Gulf region and that the Indian fleet is working to secure India's interests in these regions (Hameed,2016:160). India worked to build basic lines to achieve strategic understandings manifested in the strategic rapprochement with the United States of America, the European Union and Russia, as well as the strategic understanding with Japan and the countries of East Asia, in addition to the rapprochement with China in an effort to overcome the problems and differences between them and seek to strengthen the bonds of bilateral cooperative dimensions (Aziz,2018:108). Indian companies became increasingly active in the Latin American region and its countries due to the region's wealth, resources and potential and as a market for Indian products and an important location for investment. Indian policy began to pursue the economy and economic interests in the Latin American region during this stage (Küssner,2013:1).

With new opportunities for India and Latin America, such as the rapid growth of GDP in both India and Latin America during the period 2003-2008, several developments were prompted, including: the signing of a preferential trade agreement with India by the Mercosur group\* of countries,

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\* **Mercosur**: is the name of a group of southern countries in Latin America, within the framework of an economic bloc or economic bloc that represents those countries, and the group consists of the countries: Argentina, Brazil, Uruguay and Paraguay, and was established in 1991.

which includes Brazil, Argentina, Uruguay and Paraguay, in 2004; the signing of a preferential trade agreement between Chile and India in 2006, which allowed these countries to obtain preferential tariffs on thousands of goods from India; and Venezuela began exporting large quantities of crude oil to India in 2006, followed by other countries establishing cooperative relations with India. The first two decades of the twenty-first century witnessed many high-level visits by heads of government between India and Latin American countries, more than the number of visits exchanged between the two parties in the entire twentieth century (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:11). In 2006, India worked to raise the level of its relations with Brazil to the level of strategic partnership, and in 2007, India and Mexico officially called their relationship a “distinguished partnership,” which indicates a major change in the relationship between India and the countries of Latin America, represented by the increase in Indian interest and political will in this region (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:12).

Although India's foreign policy towards Latin America has been largely focused on economic and trade aspects, it has begun to shift towards political engagement with the countries of this region on many global issues raised in international forums such as the reform of the Security Council and the United Nations. India has also participated with a number of Latin American countries in international economic and political blocs and groups, as India participated in the BRICS group along with "Brazil, Russia, China and South Africa", as well as in the IBSA Forum, which includes "India, Brazil and South Africa" (Maharaj,n.d:36). As well as global governance institutions such as the G20. These participations have recently culminated in a much deeper dialogue in the areas of global governance and sustainable and equitable development (Shidore,2013:6).

India's policy towards Latin America has evolved since 2014, after the Narendra Modi government came to power in India. His first step was to visit Brazil to attend the annual BRICS summit hosted by India at the time. During this visit, Modi met with several Latin American heads of state and announced that India would have greater engagement with the countries of the region and that India would have more cooperation with Latin America, based on the main objectives of India's new diplomacy, which aims to strengthen the Indian economy. India sees the region as a dynamic, growing

and resource-rich part of the world, witnessing increasing democracy and rising economic growth that helps the region attract more foreign investment, including Indian investment. Indeed, India's trade with Latin America increased from less than \$2 billion by the end of the 1990s to \$46 billion between 2013 and 2014. Latin America has also emerged during this period as a major contributor to India's energy security, and India has become dependent on it to import 20% of its crude oil, especially from Brazil, Colombia, Mexico and Venezuela, according to estimates during 2012, so that India has surpassed China as the largest Asian buyer of Venezuelan oil. In addition, the Indian private sector has invested billions of dollars in Latin America, and leading Indian companies have become present in various Latin American countries, and more than 100 Indian companies have invested more than 12 billion dollars in the region across a wide range of industries such as: mining, metals, agriculture, petrochemicals, pharmaceuticals, plastics and aircraft parts, and India has become one of the largest suppliers of information technology services to Latin America (Desai,2015).

In the political field, the number of Indian missions in the Latin American region increased from 7 to 14 missions in 2011, in contrast to the increase in the number of missions of the Latin American and Caribbean region in India from 12 missions in 2002 to 18 missions in 2011, accompanied by a significant increase in mutual visits between heads of state or their equivalents between the two parties (Shidore,2013:27). In another context different from India's foreign policy in general towards the Latin American region, India had its policy towards a number of Latin American countries individually, which can be defined as follows: - Brazil, India believes that the individual approach is sometimes more important than its general approach towards the countries of the Latin American region as a whole, and Brazil comes at the forefront of these countries, which India sees as by far the largest country in the region and the largest economy, and enjoys a dynamic foreign policy with a global orientation. India built its approach towards Brazil based on a number of growing areas such as energy, minerals, various commercial businesses, emerging defense relations, and health security, in addition to their agreement on many global issues (Shidore,2013:29). In addition, the two countries participate in the BRICS group and the IBSA forum.

- **Mexico**, India and Indian companies see Mexico as a "stepping stone" to access the US market, which is much larger than others, making Mexico India's second largest trading partner in Latin America, and India considered it one of the most important sources of crude oil and related investments, especially after Mexico started its oil sector for foreign participation in 2014.

-**Argentina**, India has strengthened its orientations towards Argentina, especially in areas such as defense, nuclear energy and space, and India signed a memorandum of understanding with Argentina on defense cooperation in light of the advanced military cooperation with China.

-**Chile**, which represents India's sixth largest trading partner in Latin America, and its distinguished geographical location encourages exploration of broader economic cooperation with Santiago.

-**Peru**, India's foreign policy towards Peru has been based on the economic field, and it has signed a free trade agreement with it.

-**Other Countries in Latin America**, and India seeks to achieve multiple interests and goals with other Latin American countries, especially in the economic, political and other fields to a lesser extent (America?,2023).

India's foreign policy towards the Latin American region and its countries has not been normal and smooth without facing any obstacles or challenges, but there are a number of challenges facing this policy that can be summarized as follows (Arise,2023).

- The lack of a unified approach, India has an effective policy and good relations with countries such as Brazil, Mexico and Chile, but the matter is different with the rest of the Latin American countries) (Arise,2023).
- Disagreements occurred between members of the Mercosur group that led to the obstruction of free trade agreement talks between them (Aziz Adnan Ali,2022:75).
- The continued growth of trade exchange between India and Latin American countries, which reached \$46 billion in 2012-2013, and \$50 billion later, does not compare to China's trade with the countries of the region, which reached nearly \$500 billion (Arise,2023).
- Regional competition policy of Latin American countries, as the policies of competition between countries such as Brazil and Argentina for regional hegemony affect the policies of international powers towards the region, including India's policy. For example, India and Brazil are

part of the Group of Four (G4)\* seeking membership in the Security Council, while Argentina is part of the Coffee Club (Coffee Club)\*, and each group has a different point of view for demanding membership in the Security Council (Arise,2023).

- Weak communication, imposed by long geographical distances (Marie, 2023:200), in the absence of direct shipping service from India to Latin America, and the difficulty of shipping heavy goods and perishable materials between the two parties (Arise,2023).
- There is a negative perception among the peoples and countries of Latin America about the brand of Indian products in America, which is not comparable to their perception of European, American, Chinese, Japanese or other industries. It is evident from the above that India's policy towards the countries of the Latin American region began after India's independence and was at a simple level and did not rise to the level of effective policy despite the existence of diplomatic exchange and simple relations between the two parties during the Cold War, and the focus was on the economic aspect of this policy. Then Indian policy after the Cold War, especially since the beginning of the twenty-first century, shifted to a greater level of effectiveness in political relations and exchange of official visits and an increase in trade exchange and an increase in foreign investment for India, and the Latin American region became an influential part in the issue of Indian energy security.

#### **4. Factors Influencing India's Policy Towards Latin America**

India's foreign policy in general and towards Latin America in particular is affected by a set of factors that vary in their impact from one issue or case to another, just as these factors vary in their impact from one stage to another. The factors affecting India's policy towards Latin America are many,

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\* G4 :consists of countries: Germany, Brazil, India and Japan, seeking permanent representation in the Security Council.

\* "**Coffee Club**" or the "United for Consensus" group is an international group that includes: "Italy, Spain, Egypt, Argentina, Canada, Mexico, South Korea and Pakistan", founded in 1995. The group opposed proposals to increase permanent seats in the Security Council and called for consensus before reaching any decision on the form and size of the Security Council. The number of members of the group became more than 50 countries, and it submitted many proposals for reforming the Security Council, including that the election of members be on a regional basis, in a manner that achieves balance within the Council, and the group's focus was mainly on non-permanent seats in the Council.

including geographical, political, economic and cultural factors, including internal factors specific to India or Latin American countries and others related to the international arena. A number of them can be summarized as follows:

#### **4-1. Geographical Distance**

India is more than 15 thousand km away from Latin America, and the two parties are separated by large regions, countries and water areas , This has led to the Latin America region not gaining importance in India's strategic and geopolitical considerations - and relations between India and Latin America have not gained the appropriate momentum to activate them due to the great geographical distance between the two regions, and this was a reason for the weakness of cultural and linguistic ties and diaspora between the two regions in the past (IAS,2019). The geographical distance results in relatively weak personal interaction between the people of India and the Latin American region. The distance and the lack of feasibility of direct flights between India and this region mean that the number of Indian visitors to Latin America will not be high. At the same time, information about Latin America, in the absence of direct interaction, will be obtained through Western channels (Maharaj,n.d:24). In the absence of direct shipping routes between India and Latin America, commercial shipments can take between 35 and 75 days to arrive (to and from India), depending on the route and the country (Seshasayee, Re-examining India – Latin America ties in an Asian and global context , Asia Power Watch,2020) Moreover, due to the geographical distance between India and Latin America, Latin American countries considered India to be far from impressive spiritual and cultural traditions, while India focused on the regions of Asia, Africa and the Non-Aligned Movement, and interaction with Latin American countries remained relatively limited (Arora,2020).

#### **4-2. Internal Variables**

India's internal political variables affect its foreign policy, including its policy towards the Latin American region, as the leadership and its beliefs play an important role in directing India's foreign compass. Under the leadership of Jawaharlal Nehru, India was moving in two paths: the first was pragmatic and rational, and the second was international, represented by an attempt to spread "ideal values" in the world while rejecting the use of violence in international politics and preferring diplomacy. However, under

the era of Narendra Modi, who has assumed the position of Prime Minister of India since 2014, he was more keen to move towards occupying a position among the major powers at the global level in line with India's civilizational history. Modi sought to build interconnected relations with various countries, including Latin America (Al-Diwani,2016). In addition, internal challenges and the orientations of governments, whether right-wing or left-wing, also affect the effectiveness of India's policy towards the countries of the Latin American region.

#### **4-3. the Importance of the Latin American Region**

The importance of the Latin American region in India's foreign policy comes from the fact that this region contributes to achieving India's global ambitions such as pursuing its membership in the Security Council and the Nuclear Suppliers Group and various negotiations related to climate change, terrorism and trade. The importance of the Latin American region also comes from the fact that India imports nearly 20% of its crude oil needs (Relations,2022). The flourishing relationship between India and Latin American countries represents a crucial element in India's foreign policy, and the main objectives of the relationship include: enhancing India's energy security, expanding economic opportunities, strengthening relations between expatriates, strengthening regional cooperation, and deepening communication between the two parties. Latin America is also home to many oil-rich countries, as India seeks to invest in the renewable energy sector in the region and benefit from the enormous potential for growth in the field of energy security (Times,2023). Given this importance, Indian Foreign Minister Subrahmanyam Jaishankar described his expectations at a conference in February 2023 that Latin America is part of India's larger goal of becoming a "leading global power," and that India must leave a mark in the region by establishing truly significant relationships with substantial investments and noteworthy cooperation (Seshasayee, Redrawing India-Latin America Relations in the 21st Century , Observer Research Foundation,2023).

#### **4-4. Weak Mutual Marketing**

India lacks an approved strategy to market itself to Latin American countries, and in return Latin America has not been able to market itself effectively in India. This is accompanied by a weak level of communication between the two parties. While both India and Latin America have programs

that provide news and information about developments in different regions of the world, they do not have programs that target marketing each other to the media or cultural and media programs. The lack of such means in India in the matter of showcasing itself to Latin American countries and their peoples leads to the continued level of ignorance about it, and the continued lack of awareness by people and decision-makers in Latin America of the importance of India and the potential for establishing and strengthening important relations with it (Maharaj,n.d:24). This was the reason that in many Latin American capitals, India enters into foreign policy dialogues by linking it to the Asian continent as a whole, and India is often classified within the circle of Asia, Africa and other regions, which reduces the focus on it in the foreign ministries of Latin American countries, and makes attention go to other Asian countries such as China, Japan, Pakistan and South Korea (Seshasayee, *The Ebb and Flow of India-Latin America Ties : Exploring Opportunities with Colombia*,2020:10). All this is at the expense of India, which has not marketed itself properly to the countries in this region with which it deals.

#### **4-5. Economic Factors**

many important facts that led to clear-cut changes in the structure of energy security issues, the most prominent of which was the global strategic oil reserve (Hammed,2024) ,Economic interests and factors are the most influential on the directions of India's policy towards the Latin American region and its various countries. At the various stages of the development of this policy, the most influential factor in directing its compass towards this region was achieving economic interests and what they include in terms of trade exchange, investment and securing India's needs for energy sources. India has concluded several trade agreements with Latin American countries, as well as many preferential trade agreements between the two parties (Viswanathan, *Latin America and India add value to each other in business and beyond...*,2023).

**Table (1): India's Imports from Latin America during the Period 2021-2022**

Type of Imported Material	Amount in US Dollars
Crude Oil	\$9.18 billion
Gold	\$6.91 billion
Vegetable Oil	\$4.34 billion
Copper	995
Machinery	545
Wood	480
Chemicals	419
Iron and Steel	321
Fruits and Vegetables	285

(Source: R. Viswanathan, Latin America and India add value to each other in business and beyond..., Financial Express, April 19, 2023, at <https://bit.ly/3JyR5Sk>)

India's exports to several Latin American countries during the Indian fiscal year 2021-22 were \$552 million to Guatemala, \$318 million to Honduras, and \$6.48 billion to Brazil, higher than India's exports to its traditional trading partners such as Japan and Thailand. India's exports to Mexico were \$4.43 billion. Latin America accounts for nearly a third of India's global exports of automobiles and motorcycles. India also supplies Latin American countries with generic drugs worth \$1.5 billion (Viswanathan, Latin America and India add value to each other in business and beyond...,2023). Trade between India and Latin America can be classified into three main categories, namely: (Seshasayee, India-Latin America relations are being powered by economic diplomacy,2020).

#### **4-6.Commodity-Based Trade**

Commodities represent a large proportion of Latin American exports to India, including copper, gold, soybean oil and sugar, and India is the largest market for soybean oil imports from Argentina, Brazil and Paraguay. In 2019, India imported about 70% of its copper ore from the region, and India started importing gold directly from Latin America only in 2012, until India's gold imports from this region amounted to about 15% of its total gold imports in terms of quantity.

#### **4-7.Value-added Trade**

Most of India's exports to Latin America are value-added goods or manufactured goods, such as cars, machinery, organic chemicals and pharmaceuticals. Latin America accounts for about 30% of India's global car exports, and about 20% of India's motorcycle exports. Since the beginning of the twenty-first century, India has exported more medicines and

pharmaceuticals to Latin America than China exports. In return, Latin American countries also export value-added goods to India. Mexico exports more than \$500 million worth of mobile phones to India.

#### **4-8.Strategic Trade**

Crude oil is the most strategic commodity between India and Latin America, which in turn is an important import for India's energy security, as about 85% of India's crude oil demand is met through imports. Latin America has accounted for 14%-20% of India's oil imports in terms of quantity since 2012. India is among the largest oil export destinations on a regular basis for Venezuela, Brazil and Mexico, while Colombia and Ecuador are intermittent suppliers to India.

The sequence of India's imports from Latin America in terms of importance is as follows (Viswanathan, *India and Latin America: a new perception and a new partnership*:6):

- Crude oil, which represents India's largest imports from Latin America, as its total imports amounted to about 22 billion US dollars in 2013, including 14 billion US dollars from Venezuela, 3 billion US dollars from Mexico, 2.8 billion US dollars from Colombia, and 1.85 billion US dollars from Brazil. The countries exporting US crude oil to India are interested in maintaining these supplies, due to the decline in their oil exports to their traditional markets, especially the United States of America, which sought to reduce its oil imports from Latin America due to the increase in its local production of shale fuel.
- Minerals, which represent India's second largest imports from Latin America, which is rich in minerals and has large reserves of them, such as copper, which is the main metal that India imports from Latin America and its main source is Chile.
- Vegetable oil (soybean oil, sunflower oil), which represents India's third largest import from Latin America, most of which comes from Argentina.

As for Indian investment in Latin America, Indian companies have invested about \$18 billion in the region, contributing to providing job opportunities for thousands of Latin Americans. This investment was in various sectors such as: pharmaceuticals, agricultural chemicals, auto parts, tires, aluminum, etc. India has also invested in oil exploration and production in Venezuela, Brazil, and Colombia. In addition, there are about 30 Indian IT companies that have software development and service centers in Latin

America, employing about 40,000 young people from Latin America, which represents India's contribution to developing human resources in the region and developing skills thanks to Indian IT companies (Viswanathan, Latin America and India add value to each other in business and beyond...,2023). An indication of the economic relations between India and Latin American countries is the increase in trade between the two parties from \$2 billion in 2000 to more than \$50 billion in 2023, and this increase is largely driven by close economic relations with major countries such as Mexico, Brazil and Argentina (Mishra,2023). This means that the economic factor will greatly influence India's policy and effectiveness towards Latin American countries, and India will take economic interests into account greatly due to the great benefits it has on the domestic level on the one hand and its global position on the other.

#### **4-9.The American Impact**

The American factor affects India's policy towards Latin America from several aspects: On the one hand, the United States of America trusts the Indian role in this region, which represents an area of American neighborhood and influence, given India's positive relations with the United States of America, and wants India to play a global role. The West views India as a potential bridge to the developing world, as US President "John Biden" alluded to in one of his speeches, and also when "Ajay Banga" was nominated to head the World Bank (he is an American citizen born in India). Western countries, including the United States of America, also see India as a democratic weight parallel to China (Halim,2023), and thus its policy towards Latin America will not be isolated from the approval and satisfaction of the United States of America. On the other hand, the protectionist policies adopted by the previous Donald Trump administration, the attempt to review free trade agreements with Latin American countries, and the announcement of the imposition of customs duties on trade with Latin American countries, were favorable for India to get closer to Latin American countries. Latin Americans began to look at India more seriously, attracted by its huge and growing market, in addition to its democratic system, and the growing rate of economic growth. They see Indian IT and pharmaceutical companies as having contributed positively to the region. Indeed, India has become the second largest market for crude oil exported by Latin American countries after the United States of America (Viswanathan, trump Triggers Greater Latin American Interest in India,

2017). This provides more scope for India to strengthen its policy towards Latin American countries.

#### **4-10. the Chinese Impact**

In light of China's global orientations and its attempt to consolidate its influence and presence in various regions of the world, China has shown interest in the Latin American region in terms of trade, investment, loans and diplomacy. China has become the main source of imports for various countries in the region, and many criticisms have been raised regarding the growing trade deficit and competitive dynamics arising from the decline in prices of products manufactured in China, which harms local producers. Some even describe Chinese trade and investment in Latin America as a pattern of "neo-colonial behavior." In contrast, Latin America is a source of securing agricultural and natural resources that are in increasing demand in China. At a time when the importance of Latin America is increasing in the Chinese foreign agenda, Chinese loans to the region are increasing. China's direct investment in Latin America has increased, especially after the global financial crisis in 2008, after which Chinese investments moved from extractive sectors to manufacturing companies and information and communications technologies. New avenues for economic cooperation have emerged, including public-private partnerships between Chinese companies and national governments in Latin America, as a number of Latin American countries, such as Venezuela and Argentina, default on their debts to China. All of this strengthens China's influence and diplomatic relations with countries in the region. China has been able to influence a number of countries in the region to take positions in support of its foreign policy, with a number of Latin American countries, such as Panama in 2017, El Salvador and the Dominican Republic in 2018, and Nicaragua in 2021, recognizing China's sovereignty over Taiwan (Pardo,n.d.). China's influence on India's policy towards Latin America is in several areas, some of which are restrictive, and some of which give India the opportunity to increase the effectiveness of its policy towards this region. On the one hand, although India has expanded its presence in Latin American countries during the last two decades, its policy and influence are still simple and incomparable to the presence and influence of China in this region. While trade exchange between India and Latin America reached \$50 billion, trade exchange between China and this region reached nearly \$500 billion, and this is a huge gap that India may not be able to bridge. On the other hand, there are

governments in Latin America that have shown signs of resentment and annoyance with Chinese imports that have flooded the markets at the expense of local goods and products, in addition to the poor quality of Chinese goods and products and the lack of satisfaction of consumers in Latin America with their quality, in contrast to the welcome of Indian trade and investments in Latin America despite their modesty, which gives India a suitable competitive advantage at the expense of China in this region (IAS, 2019).

Hence, it becomes clear that there are a number of factors that influence India's policy towards the Latin American region, and these factors differ in their impact from one factor to another. Some of them help in the effectiveness of this policy, and some of them constitute a brake on it and have a negative impact on it.

## **5. Conclusion**

When trying to research the future of a topic in political science, including the topics of foreign policy of a particular country, it is necessary to put several future scenes to which the state of this policy could lead in the coming days and years, and each scene has a number of data that are supposed to occur or be achieved in order for this scene to be achieved based on them, and the matter applies to India's policy towards Latin American countries in terms of the possibility of putting a number of future scenes of what this policy could be in the future, and three future scenes can be put for India's policy towards Latin America:

### **5-1. the Scenario of the Continuation of India's Policy towards Latin America**

This scenario is based on an assumption or future expectation that India will continue its policy towards the Latin American region and its various countries in the future as it is now, assuming that the data that led to the Indian policy towards this region in its current form will remain without major change in the future that will lead to its change, whether in decline or development. If India is still suffering from problems of internal instability due to the return of internal conflicts between societal components, especially in light of the racist tendencies of the ruling Bharatiya Janata Party that incite Muslims and others and practice persecution against them, in addition to the many economic, health, pollution and other crises that India suffers from internally. This is accompanied by India's regional conflicts with many active and influential powers in its regional

environment. Not to mention the international conflicts and wars that force various powerful countries to seek to preserve their interests and relations without change, including India, which works to maintain balance in its international relations and foreign policy as much as possible.

In addition to this, the perception among decision-makers and politicians in India continues that the ruling systems in Latin American countries are fragile and suffer from instability, that the economies of the region are weak, and that the region has many drug smuggling networks. In contrast, Latin Americans imagine that India is a land of spirituality and its teachers, not a land of innovation, education, and development (Other,2023). The persistence of this perception leads to India's policy towards Latin America remaining as it is in the near future, at least.

#### **5-2. the Scenario of the Decline of India's Policy towards Latin America**

This scenario assumes that India's policy towards the Latin American region will witness a decline in the future, and that India will not be able to maintain the continuity of its policy towards this region, and its interest in it will decline in the future as was the case after India's independence, and in light of the atmosphere of the Cold War, and this scene was based on a number of data that are expected to occur in the future, and they can be briefly defined as follows:

- The lack of a comprehensive guiding policy in India regarding the Latin American region, as this policy did not give great priority to the region and Latin America fell to the far end of India's concentric foreign policy circles, so that the innermost circle refers to India's immediate neighborhood, followed by other Asian countries and strategic partners, then the rest of the world within the third circle, which includes the Latin American region (Viswanathan, Latin America and India add value to each other in business and beyond..., 2023).
- India's lack of free trade agreements with many economically important Latin American countries such as Mexico, Colombia and Peru puts Indian exporters at a disadvantage in reducing tariffs, while competitors with free trade agreements with these countries will be able to compete with India or take its commercial role in the region , The interest of competing countries such as China is limiting or perhaps causing a decline in India's role in Latin America, given that India has not kept pace with competing countries in its interest in the region. China has

more than 60 study centers in Latin America, compared to India, which has only one center. There are about 80 universities in China with Spanish departments, compared to 6 Indian universities that offer courses in Spanish only. While the Chinese hold an annual meeting of the Academic Forum and the Think Tank Forum, in addition to several meetings with Latin Americans, India has completely lacked such channels. In the business field, China and Latin America hold joint forums and a business summit annually, while India's forum with Latin America and the business summit are dormant and ineffective (Viswanathan, *Latin America and India add value to each other in business and beyond...*,2023). This may cause a decline in India's policy towards Latin America in the future unless India reviews its policy and tries to overcome its competitors in the region.

- The lack of direct air connectivity between India and Latin American countries may lead to a decline in trade exchange between the two parties, as Indian airlines, as well as their counterparts in Latin American countries, do not have direct lines or aircraft, and thus shipping between the two regions is expensive and takes a long time, which makes both parties focus their attention on nearby countries with which the cost of transporting trade is cheaper than others.
- In the US economic sanctions on some Latin American countries, including Venezuela, as has happened since 2019, and the possibility of re-tightening these sanctions on it, it will lead to a decline in its oil production, which will be reflected in its relationship with India and India's policy towards it, especially since Venezuela is the first country in Latin America from which India imports oil (Tawfeeq,2022:131).
- There is a huge information gap that does not serve the cause of strengthening relations between India and Latin America, and perhaps the reason for this is that there is no clear policy on the direction in which bilateral relations should go, neither in India nor in Latin America.
- The Indian bureaucracy in the field of foreign policy is characterized by intransigence and inflexibility, and Indian bureaucrats show little enthusiasm for strengthening relations with Latin American countries outside the scope of trade, and tend to treat the relationship as a transactional one without any consideration for long-term potential (Viswanathan, *trump Triggers Greater Latin American Interest in India,*

2017). - China represents a challenge and competitor to India's policy towards the Latin American region, and India's presence is greatly diminished by China's massive presence in the region and thus the Chinese factor is a challenge that affects the effectiveness of India's policy towards the region in the future.

### **5-3. Scenario of the Development of India's Policy towards Latin America**

This scenario is based on the assumption that India, in light of its path of rise as a global power and its attempt to highlight itself at the international level, and enhance its position in international issues, and different regions of the world, will try to develop its policy towards the Latin American region in the future. This assumption is based on a number of data that can be expected to occur in the future, perhaps the most important of which are:

- In light of the real potential of the relationship between Latin America and India - which has not yet been achieved - and is based on the combined gross domestic product that approached 8.4 trillion US dollars in 2018, and the cumulative population of nearly 2 billion people, this represents enormous opportunities for trade, investment and cooperation that have not yet been discovered, which can contribute to strengthening the relationship between the two parties and activating and developing India's policy towards Latin America (Other, 2019:15-17).
- India is expected to increase its imports of crude oil, vegetable oil and other materials from Latin America in order to meet its growing demand from the growth of industries and consumption as a large and growing market. It is expected that India will become more important in the future for Latin American exports in light of the expected rise in the standard of living of millions of Indians and their transition from the circle of poverty to the middle class, which will make the Indian market the largest in the future.
- India's presence in Latin America is expected to grow in the coming decades as part of the larger relationship between Asia and Latin America, which gained momentum in the 21st century. A report by the Carnegie Endowment for International Peace on "The World Order in 2050" indicates that the weight of global economic activity is already shifting significantly from the G7 countries to emerging economies in Asia and Latin America (Viswanathan, trump Triggers Greater Latin American Interest in India,2017). This indicates the possibility of

strengthening and developing India's policy towards Latin America within this framework.

- India and Latin American countries have the ability to penetrate each other's markets, and the observer finds that trade between India and these countries is on the rise in light of the increasing need and demand from each other, especially India, which has an increasing demand for oil found in a number of Latin American countries (IAS,2019), which means the possibility of developing India's policy towards this region in the future.
- Latin American countries provide an opportunity for India to reduce its dependence on traditional partners and diversify into relatively new markets for its goods and trade. In return, Indian investment in Latin America is an area for providing greater job opportunities, in addition to capital flows Money: Various Indian IT companies have provided employment opportunities for about 25,000 people in Latin America, most of whom are locals (Seshasayee, India-Latin America relations are being powered by economic diplomacy,2020). This makes the work of these companies acceptable to the countries of the region, which motivates them to continue working and developing.
- There are many common interests and issues between India and Latin America, such as climate cooperation, sustainable green transportation, pandemic preparedness, and digital communication. This may be an opportunity for India to adopt a coherent foreign policy towards Latin America and thus encourage and enhance cooperation in a greater and more fundamental way (Seshasayee, India's Rising Presence in Latin America,2016).
- India has adopted in its foreign policy an effort to enhance its international position based on its awareness of the components of its role at the global level, and is based on effective and influential sources of power in the economic, human, technological, and military fields that can be employed, and which can serve its growing role in the international arena. India is trying to weave its relations with major powers according to international balances to achieve its global goals, just as India is trying to strengthen its partnership with the United States of America and a number of other international powers. It joined the Quad Alliance or the Quadrilateral Security Dialogue, which was reactivated by US President Joe Biden in September 2021, and includes India, the United States of

America, Japan and Australia. This alliance aims to confront Chinese expansion in the Indian and Pacific Oceans region (Ahmed,2023), and through this matter, India will try to activate its policy towards the Latin American region to enhance its influence there on the one hand, and to confront the Chinese competitor in this region according to this alliance on the other hand. Despite the fact that these future scenes of India's policy towards Latin America and what it could lead to are being set, the future scene that is most likely to be realized is the scene of India's policy continuing in its current state with a relative increase in India's interest in the Latin American region and a number of its countries, based on the data of India's internal arenas and the ethnic-religious conflict and various crises it is witnessing, and the data of the international arena and the regional and international wars and conflicts it is witnessing that are reflected in the policies of various countries, including India.

It can be said that India's policy since its independence in the 1940s has been modest in its international sphere, especially towards the Latin American region, then it developed little by little, especially after the end of the Cold War and the decline of the conflict between the international poles, so the opportunity was ripe for India to begin activating its foreign policy towards distant regions, and indeed there was a development in India's policy and interest in the Latin American region after the year 2000, but most of its focus was on economic fields and interests and what they include in terms of trade exchange and foreign investment. India's policy towards Latin America was not immune to the influence of many factors, some of which relate to its internal situation, some of which are linked to political and economic variables and factors, especially those that achieve commercial interests with the region and provide it with its energy needs, some of which relate to the nature of its foreign policy, and others related to the international situation, especially the presence of American influence and the great Chinese competition that is trying to monopolize everything at the expense of other competitors. As for the future of India's policy towards Latin America, according to many data, it may not witness a noticeable change, but rather it will remain as it is, with the possibility of increasing interest and development relatively and slowly.

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**7. Declaration for NO Conflict of Interest**

I hereby certify that there is not any actual or potential conflict of interest or unfair advantage at this time, in us providing the Offer Submission or performing the Services required.

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