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## The evolution of India-Central Europe relations after the Cold War

**Keywords:** *Central Europe, India, developing countries, cooperation*

**Abstract:** *The primary purpose of the article is to present the long term ties between India and Central Europe, and examine the transformation of their relationship after the end of the Cold War. Using J.A. Braveboy-Wagner's liberal approach to diplomacy and foreign policy-making of developing countries as a tool of analysis, the article shows how the executive preferences of political leaders, historical narratives, and the strength of local values such as soft power, have influenced the political and economic cooperation between India and the Visegrad Group of countries that constitute the core of Central Europe – the Czech Republic, Hungary, Poland, and Slovakia. This method helps to show that contrary to the widely held opinion<sup>1</sup> that the bonds between the Indian subcontinent and Central Europe were an artificial creation of the Soviet Union, they were instead created much earlier by contacts of Mahatma Gandhi, Jawaharlal Nehru, and Rabindranath Tagore in the first half of the 20<sup>th</sup> century. Indeed, a mutual interest and fascination between the two parties, combined with the complementary of needs of both sides after*

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<sup>1</sup> N. Mathur, *East meets east: foreign relations between India and Poland during the Cold War*, «South Asian History and Culture» 2014, Vol. 5, Issue 3, p. 320.

*the end of WWII resulted in the development of a promising relationship in the 1960's and 1970's. Unfortunately, despite a lot of effort this promising partnership has failed to deliver since the end of the Cold War, and this paper is an attempt to find an explanation for this situation. The European's focus on integrating with European institutions on one hand, and India's new foreign policy priorities that were driven by modernization and regional, and then global power aspirations, on the other hand, weakened the intensity of this cooperation for two decades. The completing of the European Union enlargement process in 2004, and the increasing influence of China in Central Europe since 2012, has triggered a reaction by India in the form of the creation of India-Central Europe Business Forum in 2014, which until now has not yet met expectations. The article points to the potential of the Visegrad Group+ (V4+) formula of cooperation, which still possesses many untapped opportunities.*

## Introduction

For centuries, both Central Europe (Poland, Slovakia, the Czech Republic, and Hungary) and the Indian subcontinent have served as vibrant centres of trade, politics, and cultural affairs in their particular parts of the world. The territories of Poland, Slovakia, the Czech Republic and Hungary have always been the focus of their neighbours' interests, which was not only due to their political, intellectual and economic strength and cohesion, but also their pivotal location from a geopolitical perspective, as they stand at the crossroads of Europe: linking Germany and France with Russia, and the Mediterranean region with the Scandinavian peninsula. They also served as strongholds of Christianity, and they spread the faith through peaceful means to many corners of Europe. The numerous conflicts and wars that Central Europe experienced, especially in the 20<sup>th</sup> century, are clear proof of their importance to the region's great powers, and the European continent as a whole. India is the centre of one of the oldest civilizations in the world, with its location essential for East-West and South-North trade through the spacious heights and valleys of Tibet, Kashmir and the Deccan Plateau on land and the Indian Ocean by sea. The long period of British colonization and the well-deserved title of, 'the Crown of the Empire' are the most prominent arguments for India's importance to global affairs.

Nowadays, India is the biggest democracy in the world, and Central Europe belongs to the most significant and most influential supranational organization in the democratic world – the European Union. India is the 6<sup>th</sup> largest economy in the world<sup>2</sup>. Poland, Slovakia, the Czech Republic, and Hungary have a combined

<sup>2</sup> *India becomes world's sixth largest economy, muscles past France in World Bank ranking*, 11.07.2018, The Economic Times.

population of 64 million people, and their combined GDP would make them the thirteenth largest economy in the world<sup>3</sup>.

This article analyses the relations between India and Central Europe after the Cold War. To explain the dynamics and mechanisms of this relationship, the theory developed by Jaqueline Anne Braveboy-Wagner, which is based on the liberal approach towards the foreign policymaking and diplomacy of developing countries, will be applied<sup>4</sup>.

Another essential aim of the article is to explain why Poland, Hungary, the Czech Republic and Slovakia should be termed as Central rather than Eastern European countries. The image of these four countries as being Eastern Europe, and thus a zone of Russia's influence continues to exist in the academic and journalistic world today. Central European countries have worked hard to finally remove the last remnants of the Cold War.

Furthermore, the roots of the friendly bonds between Central Europe and India will be examined, and in particular how the relations between these two important actors of international relations developed before and after the Second World War.

The article also seeks to examine why relations between India and Central Europe flourished in the 1960's, 1970's and the 1980's, but declined considerably in the post-Cold War era. Various reasons for this change have been proposed, and in various studies on Central European foreign policy, the bonds with Asia were described as 'artificial', as well as a, "triangle between Soviet Union-Central Europe-Asia"<sup>5</sup>. Thus, the relationship between India and Central Europe is portrayed as being an artificial creation of the Soviet Union. This article rejects such an approach. In contrast, some authors have argued that a, "lack of glue"<sup>6</sup> and self-reliance in creating their own concepts of foreign policy towards India after the end of the Cold War were the cause of the decrease in trade between Central Europe and India.

The centuries-long process of weaving the multi-layered fabrics of relations between Central Europe and India will be described. Various factors, both global and local, that influenced contacts between Central Europe and India will be explored, which indicate the long-lasting reciprocal fascination and interest in different areas of political, social and economic life, which were rooted in medieval trade routes, as well as contacts in the second half of the 19<sup>th</sup> and the first half

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<sup>3</sup> P. Borys, *Statement by Chairman of Polish Development Fund, at Informacje*, Polska, Radio Maryja, 28 March 2017.

<sup>4</sup> J.A. Braveboy-Wagner (ed.), *Diplomatic Strategies of Nations in the Global South. The Search for Leadership*, Palgrave Macmillan 2016.

<sup>5</sup> J. Rowinski, *Wahadło, czyli stosunki polityczne PRL–ChRL*, [in:] B. Goralczyk (ed.) *Polska–Chiny. Wczoraj, dziś, jutro*, Wydawnictwo Adam Marszałek 2009, p. 11.

<sup>6</sup> N. Mathur, *East meets east: foreign relations between India...*, p. 320.

of the 20<sup>th</sup> centuries. The article will suggest the reasons for the decline in the relations were linked to the dynamic changes that were the economic and social reforms introduced in India and Central Europe in the 1990's. The efforts made at the beginning of the 21<sup>st</sup> century by both sides to deepen the political dialogue will be presented, together with an analysis of the endeavours aimed at reviving old economic links in order to make them more effective.

## **Foreign Policy formation in Developing Countries**

Jaqueline Anne Braveboy-Wagner's method of analyzing the formation of diplomacy and foreign policy by developing countries is utilized to analyse the foreign policies of India and Central Europe.

Both India and Central Europe used to belong to a group termed as developing countries and emerging markets<sup>7</sup>. According to the World Bank classification by income, Central Europe belonged to lower-middle or upper-middle -income countries until 2006 (which means they were developing countries). However in 2006, two years after joining the European Union, the Czech Republic reached the level of a high-income country, Slovakia and Hungary achieved that in 2007, and Poland in 2009. By the World Bank income classification, since that moment they are considered as developed countries. India moved from low-income to lower-middle- income zone in 2007, and so is still considered as a developing country.

Central Europe and India started the transformation of their economies in the early 1990's, and have significantly developed over the last 30 years. Despite this success, the Czech Republic, Hungary, Poland, and Slovakia still have to bridge the gap between them and other developed countries in terms of GNI per capita. Central Europe has not reached the 25 thousand USD level per capita. In comparison to the wealthiest countries of the European Union, they are 56% of the level of Germany (44.470 USD) and 24% of the level of Luxembourg (104.103 USD).

Braveboy-Wagner and her co-authors formulated a comparative analysis of the post-Cold War foreign policies, and diplomacy of developing countries by using a liberal approach towards the process of foreign policymaking and its execution. According to Braveboy-Wagner, after an analysis of the policies of major developing countries, their most common methods of diplomacy are soft power and institutionalism. Developing countries with a tradition of an ancient

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<sup>7</sup> *MSCI GLOBAL MARKET ACCESSIBILITY REVIEW*, June 2018, MSCI Website: [www.msci.com](http://www.msci.com) (10.06.2019).

civilization such as China, Egypt, India, and Iran, use their cultural and spiritual heritage as an instrument to attract foreign investors and allies in regional organizations. Central European countries with centuries-old cultural traditions also consider these methods as an important part of their diplomacy. Institutionalism as 'the most shared strategy' among developing countries has always been a natural choice for a platform to achieve 'a voice and bargaining power.' During the Cold War, it was mainly the United Nations, which served as the principal institutional instrument. In the last decade of the 20th century and the first of the 21st century, the end of the bipolar world and the diffusion of power has lent momentum to regional organizations to become, "the channels through which states have exercised ideational, economic and political influence"<sup>8</sup>. India as the leader of Non-Aligned Movement used this platform to express its views and aspirations until the 1990's. By the end of the 20th century India had succeeded in building a network of regional organizations such as the South Asian Association for Regional Cooperation (SAARC), the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC, now IORA), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and to open new channels of cooperation with the Association of Southeast Asia Nations (ASEAN). Central European countries focused on integration with European and Trans-Atlantic democratic organizations after having successfully regained independence at the end of the 1980's. The process of their integration ended in 2004, when they became members of the European Union.

Braveboy-Wagner argues that the major factors that influence foreign policymaking and diplomacy that developing countries have in common, are the executive preferences of presidents and prime ministers, local ideas, and historical narratives, unique national ethnic/racial/religious identities, national value systems and domestic policies<sup>9</sup>.

In another comparative study of the post-Cold War foreign policymaking in developing countries by Justin Robertson and Maurice A. East<sup>10</sup>, the focus is not only on states, but also on how non-state actors are having an increasing impact on foreign policymaking in developing countries.

Changes at the international level redefine the importance of foreign policy and can lead to renegotiation of power relationships among state institutions and with non-state actors.<sup>11</sup>

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<sup>8</sup> J.A. Braveboy-Wagner (ed.), *Diplomatic Strategies of Nations in the Global South...*, p. 427.

<sup>9</sup> Ibidem.

<sup>10</sup> J. Robertson, A. East Maurice (eds.), *Diplomacy and the Developing Nations. Post-Cold War Foreign Policy Making Structures and Processes*, Routledge 2005.

<sup>11</sup> Ibidem, p. 2.

East challenge James Rosenau's classical approach towards the influence of political leaders on foreign policy and diplomacy<sup>12</sup>, as presented in an updated form by Braveboy-Wagner, who emphasizes the role of bureaucracy on which prime ministers or presidents have to rely on in modern times. In Maurice East's opinion another vital factor in that context is,

the increased involvement of non-state actors – inter-governmental organizations (IGOs), international non-governmental organizations (NGOs), multinational corporations (MNCs) and international financial institutions (IFIs).<sup>13</sup>

In defence of Braveboy-Wagner's method, it is worth stating that despite the influence of non-state actors in foreign policymaking, it is still the state's, especially the prime minister's, role to coordinate the activities and allocate the responsibilities among all the actors within the process. This viewpoint is the most suitable to analyse foreign policy making in India and Central Europe. Charismatic leaders in both cases had a decisive impact on the successful implementation of the political, economic, and social reforms in the 1990's, and even now their ideas still have a significant influence on the major strategies of those countries. In Central European countries in the 1990's the charismatic leaders of the opposition such as Lech Walesa, Tadeusz Mazowiecki (Poland), Vaclav Havel (Czechoslovakia and then the Czech Republic), Arpad Goncz (Hungary) became the first presidents and prime ministers of the newly free countries. Among India's charismatic leaders were at that time: Rajiv Gandhi, Narasimha Rao, and Atal Bihari Vajpayee.

In the case of modern India, the Prime Minister and his chancery in cooperation with the Ministry of External Affairs play a decisive role in shaping foreign policy<sup>14</sup>. The President and Vice President are actively involved in Indian diplomacy, but the Prime Minister's executive preferences are decisive. Within the constitutional systems of Central Europe prime ministers and their executive preferences also constitute the most critical element of the democratic process of creation of priorities of foreign policy. In the Czech Republic and Poland, their presidents, elected through direct elections, play essential roles in their countries, and they share some of the executive duties with the prime ministers, especially in foreign policymaking. In Hungary (elected by the National Assembly) and Slovakia (elected through a direct vote) although the presidents represent their

<sup>12</sup> J.N. Rosenau, *Pre-Theories and Theories of Foreign Policy, The Scientific Study of Foreign Policy*, Nichols Publishing Company 1980, pp. 115–169.

<sup>13</sup> J. Robertson, A. East Maurice (eds.), *Diplomacy and the Developing Nations...*, p. 249.

<sup>14</sup> A. Ganguly, V. Chauthiwale, K. Sinha Uttam, *The Modi Doctrine. New Paradigms in India's Foreign Policy*, Wisdom Tree 2016, p. XVIII.

countries abroad, these presidential posts are mostly ceremonial, and so have a limited impact on foreign policy.

Local ideas and historical narratives are significant factors for India and Central Europe in the context of their struggle for independence and the tradition of statehood. In the case of Indian civilization, it goes back more than a thousand years ago.

The theoretical roots of India's strategic thinking and orientation can be traced back in history to the end of fourth century BCE, when the Indian treatise "Arthashastra" (meaning the Science of Material Gain), delineating theories of statecraft, diplomacy, strategy, and prerequisites of politics and power, penned by Kautilya.<sup>15</sup>

Unique national identities have always played important roles in Central European foreign policymaking, and this will be elaborated on more extensively in the next part. India's unique religious identity has been its strength for centuries, when Indian monks, thinkers, and traders spread Buddhism, Hinduism and an Indian syncretic version of Islam to all the regions of Asia. The modern continuation of that tradition was Mahatma Gandhi's philosophy of non-violence and Jawaharlal Nehru's non-alignment movement, which had an impact on countries, which had either regained their independence or were created after WWII. This included states in Europe.

The foreign policies of developing countries are much more dependent on domestic policies than in developed countries, since they serve as a tool to achieve domestic modernization goals. Developing countries focus on foreign direct investment and foreign capital to finance and speed up endeavours taken by the governments to introduce economic and social reforms aiming at quicker development. This focus on economic development and the pressure on its effectiveness puts a limit on developing countries diplomatic activities, by narrowing the number of countries that are prioritized.

## **Central Europe**

According to the classical definition of Central Europe Austria, the Czech Republic, Germany, Poland, Romania, Slovakia, Slovenia, Switzerland, constitute the region of Central Europe, these are connected through mountain chains (Carpathian, Alps), the Great European Plain, river systems the Rhine-Main-Danube

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<sup>15</sup> M. Chansoria, *From Reluctance to Readiness: India's Foreign Policy and Diplomatic Strategies in the Twenty First Century*, [in:] J.A. Braveboy-Wagner (ed.), *Diplomatic Strategies of Nations in the Global South. The Search for Leadership*, Palgrave Macmillan 2016, p. 94.

and the Vistula-Odra<sup>16</sup>. The scope of the analysis of Central European countries relations with India is narrowed in this article to Poland, Slovakia, the Czech Republic, and Hungary, also known as members of the Visegrad Group (V4). Using Thompson's criteria of regionality these four countries fulfil, "the necessary and sufficient conditions for the regional subsystem":

- 1) their pattern of relations exhibits a particular degree of intensity to the extent that a change at one point in the subsystem affects other points,
- 2) they are proximate,
- 3) internal and external actors recognize the subsystem,
- 4) their subsystem consists of at least two actors<sup>17</sup>.

The focus on these particular states is not only due to them fulfilling the above criteria, but is also due to their core geographical location in the region with the geographic centre of Europe placed in Poland. Their strategic location has resulted in their trade and cultural links with India since the middle ages as a part of the Silk and Amber Roads<sup>18</sup>.

The historical linkages and statehood of Central European countries go back to 935 A.D. in the Czech Republic, 966 A.D. in Poland, 1001 A.D. in Hungary and 833 A.D. in Slovakia. Throughout history, they shared their statehood, kings and queens, education and culture. Being a part of the Western Slavic and Roman Catholic world, they inherited common values from both the Greek and Roman civilizations. An awareness of their common interests and the sense of belonging to one cohesive region was expressed through alliances uniting them against threats coming from eastern or western neighbours. The two congresses of Visegrad (1335 and 1339) of Polish King Casimir III, Charles I of Hungary and John I of Bohemia became the manifestation of their unity and a message for future generations. A few years after the congresses, universities in Prague (1348), Cracow (1364) and Pecs (1367) were established to contribute to the process of strengthening the region as an important part of Europe's educational and cultural revival. This period also saw the beginning of the foundations of national parliamentary systems, although these were limited from the 16<sup>th</sup> century to the beginning of the 20<sup>th</sup> century to noblemen. In the 19<sup>th</sup> century vast parts of their territories were united under the rule of the Austro-Hungarian Empire. The onset of the process of industrialization also strengthened the links between the nations. In 1918, after WWI, Poland regained its independence, although with much less territory and a smaller population as compared to the Polish kingdom of the 18<sup>th</sup> century, The Czechs and the Slovaks also regained their independence as

<sup>16</sup> *Where is Central Europe*, «The Economist» 06.07.2000.

<sup>17</sup> W.R. Thompson, *The Regional Subsystem: A Conceptual Explication and a Propositional Inventory*, «International Studies Quarterly» 1973, Vol. 17, № 1 (March), p. 101.

<sup>18</sup> P. Frankopan, *The Silk Roads. A New History of the World*, Bloomsbury 2016, p. 111.



one country, and this continued to build up the strength of their industrial and educational sectors. Hungary, as a part of the Austro-Hungarian Empire, was one of the defeated states of WWI, and as a result lost more than 60% of its territory.

## **India and Central Europe during the Interwar Period**

During the Interwar period, the Central European countries initialized their relations with Indian political leaders such as Jawaharlal Nehru (visit to Budapest and Prague 1938 with his daughter Indira, he condemned the Munich Pact)<sup>19</sup>, Netaji Subhash Chandra Bose (several visits to Prague and Poland 1933–38)<sup>20</sup> and Gandhi (Wanda Dynowska and Maurycy Frydman from Poland)<sup>21</sup>. The creation of diplomatic posts in India in the 1920's and 1930's by Czechoslovakia (Mumbai and Kolkata), and Poland (Mumbai) were symbols of their support for India's struggle for independence. Central European companies like Bata from Czechoslovakia invested in India, building factories in Bhatnagar near Kolkata and Bhaktapur and created a countrywide sales network. Centres for the study of Sanskrit and the Indian culture were established at some of the oldest Central European universities: Prague, Cracow, Warsaw, Budapest and Pecs, and they were visited by Rabindranath Tagore and other eminent Indian intellectuals. The mutual fascination with each other's cultures and people-to-people contacts started to develop rapidly.

The painful experience of the Second World War brought them into a new political reality, but during the war, Indian people offered shelter to thousands of refugees that came from Central Europe, for example the Maharaja Digvijaysinhji Ranjitsinhji, who in 1942 established a Polish children's camp in Jamnagar-Balachadi<sup>22</sup>. After WWII, the Central European countries became Soviet Union satellites against their will. This was one of the results of the Yalta agreement (1945) between Roosevelt, Stalin, and Churchill, which shared out zones of influence between the US, the UK, and the Soviet Union. During the 44 years of Soviet domination, Hungary, Poland and Czechoslovakia were the only countries in the Communist Block that openly protested against Soviet rule by initiating demonstrations, opposition organizations, uprisings and finally

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<sup>19</sup> M. Krasa, *Jawaharlal Nehru and Czechoslovakia at the Time of the 1938 European Crisis*, «India Quarterly» 1989, Vol. 45, p. 348.

<sup>20</sup> M. Moron, *Visit of Subhas Chandra Bose to Poland in July 1933. New documents. New conclusions*, IFPS Occasional Papers No. 5, K W Publishers Pvt Ltd 2015.

<sup>21</sup> *Wanda Dynowska i Maurycy Frydman: twórcy biblioteki polsko-indyjskiej*, <https://www.salon24.pl/u/prognozy2030/51965> (20.05.2019).

<sup>22</sup> K. Iwanek, A. Burakowski, *Indie. Od kolonii do mocarstwa 1857–2013*, Wydawnictwo Naukowe PWN, Warsaw 2014, p. 440.

the velvet revolutions, which by 1991 had ended the Yalta order in Central Europe.

## Relations during the Cold War

India and Central Europe cooperated closely with the Soviet Union during the Cold War, but under different conditions. India from the very beginning of the Republic, became the leader of the non-aligned movement, seeking at the same time good relations with the Soviet Union and with the United States. India chose,

a non-aligned foreign policy which was seen to be an extension of its freedom struggle, as it did not want to surrogate its foreign policy to a particular power bloc. Mahatma Gandhi's adage, India should be like a house with open windows to all winds, but it should refuse to be blown by any of them.<sup>23</sup>

Gandhi's concept of non-violence and peaceful coexistence was welcomed by Central European intellectuals, whose countries had experienced the most significant human losses (proportionally) in the world during WWII. Being the European part of the communist bloc, the foreign policies of Poland, Hungary, and Czechoslovakia were dependent on the Soviet Union, against their will for 44 years after WWII. However, this dependence went through a number of different stages: starting with the Stalinist terror (1945–1953); to the slow process of destalinization (1953–1956) under the collective leadership of Beria, Malenkov, Khrushchev in Moscow, which included bloodshed during the uprising in Budapest/Hungary and demonstrations in Poznan/Poland (1956); through to the thaw of the 1960's (1956–1968); the military intervention in Czechoslovakia (1968) and the first wave of strikes and demonstrations in the shipyard's of Gdansk (December 1970); the controlled autonomy of the 1970's (1970–1980); Solidarity movement and martial law in Poland (1981–1983); the period of 'perestroika'/'glasnost' with the growing weakening of the Soviet Union, and strengthening of the opposition in Central Europe, that ending with the Solidarity led democratic government in Poland on June 1989, and then the Velvet Revolution in Czechoslovakia and Hungary, and the final dissolution of the Soviet Union in 1991.

1955 was an important year in India's relation with Central Europe – Prime Minister Jawaharlal Nehru paid an official visit to Poland, a year after the diplomatic recognition of India by Poland, like all other Central European countries. In the joint statement during Nehru's official visit to Warsaw, Poland accepted

<sup>23</sup> S.M. Kumar, *Indian Diplomacy through Ages*, «Indian Journal of Diplomacy» November–December 2014.

Panca Sila – the five principles of peaceful coexistence<sup>24</sup>, proving again the continued fascination of Central European elites with the Indian concept of foreign affairs and human life in general, despite oppression and communist propaganda. Just a year after Nehru's visit anti-Communist uprisings took place in Budapest (Hungary) and Poznan (Poland).

## **India and the Hungarian Crisis**

The uprising in Hungary in 1956 became the first real test for India in the context of the non-aligned movement and its relations with Central Europe that it had initiated in the 1930's. In 1955 Nehru attended the Bandung conference and reassured the leaders of other newly liberated countries about his concept of shaping relations with the two competing superpowers in a new, distant and balanced approach to both major global players. The same year the rapprochement between Delhi and Moscow started after the temperate relationship under Stalin. Soviet diplomats were surprised by the statement of the Prime Ministers of India, Burma, Indonesia, and Ceylon, who made an analogy between the English-French-Israeli aggression in Egypt and the participation of Soviet forces in the suppression of the revolt in Hungary<sup>25</sup>. In the memorandum of the Indian Government handed to the Soviet foreign minister Andrey Gromyko on 17 December 1956, the Soviet Union it was asserted that,

the events in Hungary shatter the belief of millions of people, who had begun to view the USSR as the defender of peace and rights of the weakest people.

India's intervention with the Soviet Union saved the life of Dr. Arpad Goncz, one of the leaders of Budapest uprising.

In those months (in 1956) the Indian Embassy in Budapest became the Embassy of the Revolution.<sup>26</sup>

India also supported Hungary in the United Nations, when the US, France, and the United Kingdom were focused on the Suez crisis in the Middle East<sup>27</sup>.

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<sup>24</sup> J. Zając, R. Zięba, *Polska w stosunkach międzynarodowych 1945–1989*, Wydawnictwo Adam Marszałek 2005, p. 108.

<sup>25</sup> *Third World Reaction to Hungary and Suez, 1956: A Soviet Foreign Ministry Analysis, December 28, 1956*, History and Public Policy Program Digital Archive, TsKhSD. CWIHP Bulletin 4, pp. 61–64. <http://digitalarchive.wilsoncenter.org/document/111097> (10.07.2019).

<sup>26</sup> M. Chadha, *1956 – A Real Life Story*, «Hindustan Times» 21.04.2007.

<sup>27</sup> J. Żołądz, *Polityka zagraniczna współczesnych Węgier a kwestia mniejszości węgierskich w krajach Europy Środkowo-Wschodniej*, «Wschodnioznawstwo» 2009, No. 3, p. 217.

A year after the Budapest uprising and two years after Nehru's visit to Poland, the Polish Minister of Foreign Affairs Adam Rapacki, presented a program for the demilitarization and denuclearization of Central Europe, which later served as an example to many regions in the world who wanted to introduce nuclear weapon-free zones. Having previously been the theatre of wars between superpowers, and more recently having witnessed the bloodshed in Poznan and Budapest, Central Europe did not want to become a battlefield of nuclear or any other kind of war between the Soviet Union and the United States. Rapacki was later nominated for the Nobel Peace Prize.

## Central Europe and India's Modernization

After 1956, "the Communist bloc together was no longer Soviet power over the lives and careers of the highest party officials of the people's democracies, but a more or less loosely woven web of ideological, economic and political threads"<sup>28</sup>. As the consequence of that process, as well as the place of Central Europe in Nehru's executive preferences when he, "was the initiator of policies and actions in all aspects of external affairs"<sup>29</sup>, the thaw of the 1960's was a period of flourishing relations between Central Europe and India. Poland, Hungary, and Czechoslovakia significantly contributed to the industrial development of India. Compatibility between the Central European search for markets, and India's demand for technologies and investments without a neo-colonial scent also played a significant role in the dynamic development of the cooperation. In 1960, a bilateral agreement on shipping was signed between Poland and India. In 1966, India and Czechoslovakia signed an agreement on the use of nuclear energy for peaceful purposes<sup>30</sup>.

The agreements and cooperation initiated in the 1960's formed the basis for the further development of economic and political cooperation in the 1970's and 1980's, when the volume of trade between Central Europe and India grew by six times and India became the most important economic partner for the Council for Mutual Economic Assistance from non-European countries<sup>31</sup>. Czechoslovakia participated in the construction of more than sixty industrial enterprises in total, and a separate chapter is represented by large orders of military supplies from Czechoslovakia to the Indian Army, which accounted for a substantial proportion

<sup>28</sup> J.M. Montias, *Communist Rule in Eastern Europe*, «Foreign Affairs» 1965 January.

<sup>29</sup> S.M. Kumar, *Indian Diplomacy through Ages*, «Indian Journal of Diplomacy» November–December 2014.

<sup>30</sup> [www.czechindia.com/en/history-of-relations](http://www.czechindia.com/en/history-of-relations), (20.05.2019).

<sup>31</sup> P. Kugiel, D.K. Upadhyay, *India and Central and Eastern Europe: Post-Cold War Engagement*, «International Studies» 2018, № 54 (1–4), SAGE Publications, p. 129.

of its total exports<sup>32</sup>. Poland provided India with assistance in the construction of the cornerstones of industry – steel plants, optical glass polishing, the fireproof materials industry, electrometers industry, coal mining, thermal-electric power, ship- building, the manufacturing of tractors and motorcycles. India also acknowledged the assistance of the Polish economist Oskar Lange in the country's economic and industrial planning<sup>33</sup>. Hungary transferred to India technology for the manufacturing of vacuum-engineering machines, telecommunications, railway equipment, textile and leather clothing machinery, and for the aluminium industry. An Indo-Hungarian pharmaceutical joint venture was set up, based on Hungarian know-how. Over 25 joint ventures were created by Hungarian companies in India in other sectors<sup>34</sup>. Direct sea lines to Mumbai, and direct flights to New Delhi were established from Central Europe and so boosting the development of direct contacts.

Direct, personal contacts rooted in the executive preferences of the leaders and historical narratives played an essential role in the development of an intensive political dialogue. Among the visits worth mentioning are: in the 1950's, 1960's and 1970's to Poland – Presidents – V.V. Giri (1970), Zail Singh (1986) and Prime Ministers – Cyrankiewicz (1957), Indira Gandhi (1967), Jaroszewicz (1973) and Morarji Desai (1979); and 1960's to 1980's to Czechoslovakia – Presidents – Dr. S. Radhakrishnan (1965), Giani Zail Singh (1983) and R. Venkataraman (1988) and Prime Ministers – Indira Gandhi (1972) and Rajiv Gandhi (1986); 1970's and 1980's to Hungary – Presidents – V.V. Giri (1970), Fakhruddin Ali Ahmed (1976) and Prime Ministers – Indira Gandhi (1972) and Rajiv Gandhi (1988).

Another positive contribution to the mood of the political dialogue was the support extended by Central Europe to India in the crucial moments of the Indo-Pakistani conflict, especially in 1971<sup>35</sup>.

## **The Post-Cold War Era**

The last decade of the 20<sup>th</sup> century was one of the most challenging experiences for Indian politicians, who faced multi-layered challenges in different parts of the world, including India's immediate and more distant neighbourhood. The fall of the Soviet Union forced the Indian elites to change their foreign policy and attitude towards the concept of global politics with the recognition of the

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<sup>32</sup> [www.czechindia.com/en/history-of-relations](http://www.czechindia.com/en/history-of-relations), (20.05.2019).

<sup>33</sup> J. Zając, R. Zięba, *Polska w stosunkach...*, p. 108.

<sup>34</sup> T. Somjen, *Hungary's Economic Relations with Some Countries of Asia and Far East*, «Foreign Trade Review» 1981, Vol. 16, Issue 1, pp. 89–99.

<sup>35</sup> J. Zajączkowski, *Evolution of EU-India Relations at the Beginning of the 21st Century. The Polish Perspective*, «Yearbook of Polish European Studies» 2006, Vol. 10, p. 129.

hegemonic position of the United States. The Soviet Union was an important ally in the context of India's relations with China and Pakistan, but,

first reactions in both capitals amounted to the downgrading each other's importance. By the time of Yeltsin's visit to New Delhi in January 1993, the two sides had succeeded in imparting a sense of order to the chaos that Indo-Russian relations had witnessed in the immediate aftermath of the Soviet Union demise.<sup>36</sup>

The decade of 1990's was also a time of foreign policy recalibration towards their immediate neighbours (the Gujral doctrine was based on the concept of friendly relations with all South Asian countries except Pakistan), the Middle East/West Asia (the establishment of diplomatic relations with Israel), the Gulf states (war in Kuwait, oil supplies crisis and the evacuation of Indian workers), the East and Southeast Asia (the 'Look East' policy and the endeavouring to stabilize relations with China).

The process of restructuring India's foreign policy also applied to Europe as a part of, "improving relations with Western countries"<sup>37</sup>. By signing the 1994 agreement on political dialogue India's relations with the European Union were elevated from purely economic and development cooperation to a new level, which led to a strategic partnership. After the Cold War, the bipolar world order became a unipolar one with the United States taking a leading role. Then it evolved into a multipolar one, when the emerging economies of Asian countries started to harness the positive effects of globalization; combined with the superpower ambitions of China and India. The European Community (EC), also changed its role after the Autumn of Nations in Central Europe and afterward the fall of the Berlin Wall and the reunification of Germany. The EC, then the EU, started the process of slow, but significant enlargement, playing the role of normative power<sup>38</sup> for the majority of countries in Europe. For both India and the European Union, the biggest democratic entities on the global scale, closer political cooperation became imperative with the additional challenges of political stability and security that were caused by non-traditional kinds of threats, including those caused by non-state actors<sup>39</sup>. Economic cooperation remained essential to India's contacts with Europe in the context of investment and the transfer of modern technology, as these served the internal policy strategy of transforming India into a free-market.

<sup>36</sup> R.C. Mohan, *Crossing the Rubicon. Shaping of India's New Foreign Policy*, Viking-Penguin Books 2003, p. 124, 125.

<sup>37</sup> *Ibidem*, p. 58.

<sup>38</sup> I. Manners, *Normative Power Europe: A Contradiction in Terms?*, «JCMS» 2002, Vol. 40, No. 2, pp. 236.

<sup>39</sup> A.N. Ram, *India, the European Union and South Asia*, [in:] R.K. Jain (ed.), *The European Union and South Asia*, KW Publishers Pvt Ltd 2015, p. 1.

The first task of Central European foreign policymakers in the 1990's was to reassure their partners from abroad about the irreversibility of the quick economic changes and the integrity of their democratic systems. This constituted a significant challenge with these countries enduring almost annual changes of governments, and weak economies with unstable currencies. This phenomena the made major economic players from the London and Paris Clubs hesitant to support the young democracies by partly cancelling their debt or converting it into development funds. The presence of Soviet troops on their territories contributed significantly to these doubts. The dissolution of Czechoslovakia in 1992 was another factor in the process of the transformation and rebuilding of democratic systems and free-market economies in Central Europe. Another critical task for Polish, Hungarian, Czech, and Slovak diplomacies was integrating with the democratic political, economic, and security institutions of Europe. All of them started accession negotiations with the EU and NATO even before the final withdrawal of Soviet troops (1991–1993). Before the integration with European institutions, Central European countries decided to establish the Visegrad group (Poland, the Czech Republic, Slovakia, Hungary – V4) which directly referred to the tradition of their cooperation started in the middle ages. V4 countries decided to act together in their endeavours to become members of NATO and the EU. The principal requirements of membership of the European institutions were not only the transforming of their political systems and their judiciaries, but also included economic reforms that formed the pillars of the free-market economy. Foreign policy became an important function of the domestic agenda, as countries sort to attract foreign investors despite the weakness of their respective national business communities, and their financial markets shifting from the transferable Ruble to freely convertible international currencies of Western Europe and the US dollar. The process of closing down and privatizing large state-owned companies had a negative impact on competitiveness and resulted in the losing of many traditional markets. Mistakes, made the situation worse, such as in the infrastructure sector, where direct flights and sea links with Asian ports were closed, precisely at the same time when the containerization of world trade was accomplished. In their relations with Asia, V4 countries focused on Japan and Korea – the two strongest economies and the most likely providers of direct investment.

The relations of India and Central Europe in the last decade of the 20<sup>th</sup> century was characterized by a diminishing intensity in the economic area compared to previous decades. Trade and investment cooperation were reduced to minimal amounts due to several factors. The most important one was the process of economic reforms in India and Central Europe, when both partners focused on reliable and attractive partners in Europe, Asia, and North America. The supply from Central Europe did not meet demand from India, who were seeking new technolo-

gies and investments, mainly in the sectors of IT and services, which were the essential elements of the rapid economic growth in India. V4 countries' traditional industrial products could not compete with the state-of-the-art IT appliances and services from developed countries. The shift from a labour-intensive to a capital and knowledge-intensive model, created the circumstances where India and Central Europe became competitors, rather than being compatible partners such as in the 1970's and 1980's. Companies from Central Europe did not follow in the 1990's the changes in the global processes of the diversification of markets. They limited their marketing efforts to neighbouring countries in Central and Eastern Europe, as India introduced its Look East strategy to extend cooperation with Southeast and East Asia. The Asian financial crisis of 1997–99 also played, to some extent, a role in the decrease of interest in Asian markets among European investors.

Another factor to be mentioned was a lack of a conceptualized approach and joint strategy based on an analysis of the current economic development of both partners (India-Central Europe) with a consideration of globalization and the resultant changes in the global supply chain. Political dialogue remained regular at the highest level, but with a focus on general issues of security and the exchange of information on developments in their particular regions. The Hungarian president Arpad Goncz (1991), the Czech President Vaclav Havel (1994), the Slovak Prime Minister Vladimir Meciar (1994), and Polish Presidents Lech Walesa (1994) and Aleksander Kwasniewski (1998) visited India to reassure counterparts about the continuity of good relations between their countries under the new conditions. The two countries created after the dissolution of Czechoslovakia – the Czech Republic and Slovakia, concentrated their activities on building a new architecture of agreements and treaties in principle areas of relations with India. Several documents were signed in the 1990's: Trade Agreement (1993), Bilateral Investment Promotion and Protection Agreement (BIPPA) (1998), the Double Taxation Avoidance Agreement (DTAA) (1999), a Protocol on Scientific cooperation between the Slovak Academy of Sciences and the Council for Scientific and Industrial Research (1995), An agreement for the formation of the Indo-Slovak Joint Business Council (1995), MOU on Defence Cooperation (1995), Air Services Agreement (1996), Agreement on Cooperation in Science & Technology (1996)<sup>40</sup>.

## Central Europe and Asia after EU Membership

The EU's 2004 enlargement changed the perspectives and priorities of Central European countries. Having achieved their foreign policy goals of reinte-

<sup>40</sup> [www.mea.gov.in/Portal/ForeignRelation/India\\_Slovakia\\_december\\_2018](http://www.mea.gov.in/Portal/ForeignRelation/India_Slovakia_december_2018) (20.05.2019).



tion into democratic Europe, they shifted their policies towards Asia. The Czech Republic, Hungary, Poland, and Slovakia put more emphasis in their foreign policy strategies on gaining momentum and re-establishing traditional intensive bilateral relations with partners from the East, the South, and Southeast Asia. Membership of the EU did not influence Central Europe's views on India, which remained one of the non-European vital partners in all areas of foreign policy. Without the burden of colonial or neo-colonial connotations, Central European countries made endeavours to contribute to EU-India relations in a most positive way.

Hungary pointed out in its strategy that, "we are sailing under a Western flag, though an Eastern wind is blowing in the world economy"<sup>41</sup>.

The Czech Republic underlined in its foreign policy concept that,

the change in global power relations and the shift towards a multipolar world order (...) is reflected on an economic, strategic-policy and demographic level. The economic growth of emerging economies, especially in East, South-eastern, and South Asia, has bolstered the global South's claims to rule-setting regarding the global economy and international trade. The Asia-Pacific area represents primarily a region of significant economic opportunities for the Czech Republic.<sup>42</sup>

The Polish strategy for, "non-European Developing countries"<sup>43</sup> covered all together 160 countries, including the Asia and the Pacific area, and introduced a ranking of countries, grouping them into, "priority" and "important", with India among prioritized partners.

In its foreign policy reports, Slovakia stressed that,

Asia maintains its economic growth and is gaining an ever more important position in international relations, making visible efforts at achieving closer cooperation and convergence in the political and economic spheres through supranational cooperation. The foreign policy activities of Slovakia in Asia will be oriented toward strengthening economic and political dialogue with the most important countries of the region.<sup>44</sup>

India constituted one of the most important targets of Central Europe's new and active economic policies in Asia and the Pacific region. All the countries introduced various mechanisms to provide financial and institutional support for small and medium companies to focus their attention on the Indian market. Agreements on economic cooperation were signed together with the establish-

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<sup>41</sup> [www.kormany.hu/en/ministry-of-foreign-affairs-and-trade/news](http://www.kormany.hu/en/ministry-of-foreign-affairs-and-trade/news) (20.05.2019).

<sup>42</sup> *The concept of Czech Republic Foreign Policy*, Ministry of Foreign Affairs of the Czech Republic 2015.

<sup>43</sup> *Strategia RP w odniesieniu do pozaeuropejskich krajów rozwijających się*, Ministerstwo Spraw Zagranicznych 2004.

<sup>44</sup> *Orientation of the Foreign Policy of the Slovak Republic 2010*, Ministry of Foreign and European Affairs of the Slovak Republic 2018.

ment of joint economic committees and joint business councils. The visits of heads of governments from Central European countries, accompanied by business missions were organized: Czech Prime Ministers Jiri Paroubek (2006) and Andrej Babis (2019), Hungarian Prime Ministers Ferenc Gyurcsany (2008) and Victor Orban (2013), Polish Prime Minister Donald Tusk (2010) and Deputy Prime Ministers Janusz Piechocinski (2015)/Piotr Glinski (2016, 2017), Slovak Prime Minister Ivan Gasparovic (2004) and Deputy Prime Minister and Foreign and European Affairs Minister Miroslav Lajcak (2013, 2017). Indian Presidents Pratibha D. Patil and Ram Nath Kovind, vice-presidents Hamid Ansari paid visits to Poland (2009, 2017), Hungary (2016), and the Czech Republic (2010, 2018). However, there had been no prime ministerial visits from India to Central Europe since 1980's. This was reflected in the visible imbalance between the number of visits of ministers from Central Europe to India in comparison to the members of Indian cabinet.

## Trade

The change of executive preferences of prime ministers of Central European countries and their visits to India, as well as the programs of support for companies planning to cooperate with India, introduced by the governments of Central European countries, brought results. The growing competitive advantage and technological development of companies from Central Europe constituted another important factor. A significant increase in trade was observed at the beginning of the second decade of the 21<sup>st</sup> century.

The Czech Republic's trade with India surpassed 1 billion USD annually in 2012, reaching 1,47 billion USD in 2017 (Table 1). Hungary's trade reached a level of 666 million USD in 2017 (Table 1).

**Table 1.** The Trade of Central European Countries with India (in millions of US dollars)

	2012	2013	2014	2015	2016	2017	2018
The Czech Republic	1099,52	1252,3	1319	1221	1356	1465	1570
Hungary	642,6	582,5	596	578,3	568,1	666,2	736,7
Poland	1905	1961	2430	2211,7	2764,27	3180,10	2943,6
Slovakia	298,4	321,3	350,1	358,3	346,7	376,5	344,2

Source: *The Czech Republic: Embassy of the Czech Republic, New Delhi; Hungary: www.eoibudapest.gov.in accessed 29.08.2019; Poland: Central Statistical Office of Poland (GUS); Slovakia: Ministry of Economy of the Slovak Republic.*

Poland's trade with India soared in the second decade of the 21<sup>st</sup> century with an increase from 1 billion in 2009 up to 2,95 billion USD in 2018 (Table 1). Slovakia's trade with India reached 344,2 million USD in 2018 (Table 1).

## **Investments**

The growing interest in the Indian market, which benefited significantly from globalization in the 21<sup>st</sup> century, as well as traditions of cooperation in the 20<sup>th</sup> century, has resulted in investment from Central European companies. Indian companies' interest also stemmed from historical narratives of its biggest companies like Reliance, which had built its strength in Central Europe in the 1970's. Central Europe regained its position as one of the most significant industrial hubs in Europe, with it having a highly skilled and cheap labour force. Automotive companies – Ashok Leyland, SMR Automotive, Apollo Tires, and Jaguar – invested in the Czech Republic, Hungary, and Slovakia<sup>45</sup>. The Indian agriculture machinery company Escorts invested in Poland using its contacts and knowledge of the sector that dated back to the 1970's. The Czech Republic's most well known car producers: Skoda Auto, Skoda Power, and Tatra, remained active in India and extended their previous investments. The biggest Polish bus manufacturer – SOLARIS – established a joint venture company to produce hybrid and electric busses. Jindal Stainless and Arcelor Mittal made substantial acquisitions in Poland by making investments of more than 1 billion USD in steel mills. Heavy industry companies from Czech Republic and Poland – Zetro, ZKL, Rafako, Famur, Vitkovice – made substantial investments in India. Representatives of the Indian textile industry – Sharda Group and Alok Industries – invested in Poland and the Czech Republic, using both existing infrastructure and labour market. The biggest Indian companies – Reliance, Tata, Mahindra, HCL, Wipro and Infosys diversified their activities in Central Europe into call centres and consultancy services<sup>46</sup>.

V4 countries investments in India are still bigger than in China, and Indian investments in those countries are bigger than Chinese investment, despite lack of a institutional framework like Chinese 1+16 and BRI.

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<sup>45</sup> [www.mea.gov.in/Portal/ForeignRelation/Hungary\\_18\\_02\\_2016](http://www.mea.gov.in/Portal/ForeignRelation/Hungary_18_02_2016) (20.05.2019).

<sup>46</sup> [www.czechindia.com/en/history-of-relations](http://www.czechindia.com/en/history-of-relations) (10.05.2019).

## India-Central Europe Business Forum

Having acknowledged the efforts made by the governments of the members of the European Union which is a strategic partner of India<sup>47</sup> (including the Czech Republic, Hungary, Poland and Slovakia), the Indian Ministry of External Affairs (MEA) in cooperation with the Federation of Indian Chambers of Commerce and Industry (FICCI) initiated the India-Central Europe Business Forum (India-Europe29 or IE29BF)<sup>48</sup>. An important factor was at the same time, the rise of China in Europe and two Beijing initiatives – the China-Central Europe Forum 1+16 (2012) and the Belt and Road Initiative (2013). As was highlighted in the FICCI report in 2015, “India’s bilateral trade with the Central European economies has not grown to expected levels”<sup>49</sup>. Only 15 out of 29 countries considered Central Europe by MEA figured among the top 100 trade partners of India (among them the Czech Republic, Hungary, and Poland)<sup>50</sup>.

The Forum constituted an effort to boost trade and investment cooperation through its institutionalization. Despite being organized three times in Delhi (2014, 2016, 2018) and once in Bangalore (2015), the IE29BF has attracted limited attention from the business circles from 29 countries that had been invited. The number of countries participating varied from 18 to 25, and of participants from Europe and India did not exceed 400. The representatives of the Visegrad Group – the Czech Republic (2014, 2018) and Poland (2015) – volunteered to be a partner or focus countries, organizing missions with members of government and the business community.

The topics that were discussed at the Forum were adjusted to the proposals of the EU 29 countries as well as to some flagship programs of Prime Minister Narendra Modi’s government – Smart Cities, Digital India, Skill India, Start-up India and Made in India. Sandip Somany, the Senior Vice President of FICCI, in his address in 2018, stated that,

there remained a significant scope for increasing the India-Europe 29 bilateral trade flows that stood at \$38 billion in 2016–17. Cumulative bi-directional India-E29 investments of \$16 billion in 13 years were ‘minuscule’ when viewed against the unexplored opportunities for expanding the bilateral trade flows.<sup>51</sup>

<sup>47</sup> A.N. Ram, *India, the European Union and South Asia*, [in:] R.K. Jain (ed.), *The European Union and South Asia*, KW Publishers Pvt Ltd 2015, p. 2.

<sup>48</sup> [www.ficci-indiace-businessforum.com](http://www.ficci-indiace-businessforum.com). (10.05.2019).

<sup>49</sup> *India and Central Europe: Harnessing Business Complementarities. A Report*, FICCI, New Delhi 2015.

<sup>50</sup> *Ibidem*.

<sup>51</sup> [www.ie29bf.in/2018](http://www.ie29bf.in/2018) (25.05.2019).

The majority of participants agreed that a real breakthrough in efforts was needed to unlock the true potential of cooperation. At the round tables organized by the FICCI to find the correct formula for the Forum to meet the expectations of the partners in the EU, and make the Forum an efficient instrument of extended business cooperation, the idea of focusing on a limited number of sectors was presented. Those suggested were accepted and IT, Pharmaceutical, Clean Technologies, together with the Agri & Food Processing sectors were included on the agenda. Analysing the formula of the Forum, as a former participant and co-organizer, the author can state that the first challenge for the IE29BF is competition among EU countries.

The expectations of the majority of the participants who came from small and medium-sized countries focused on attracting investment from India and other countries, this was contrary to the assumptions of Indian organizers. Competing with each other, they preferred bilateral visits and missions. Another reason was that they had limited funds for promotion and, with the number of sectoral exhibitions in India taking place almost every week, they decided to choose those sectoral ones. The Indian government policy of ‘competitive federalism’ created the conditions when, “India’s 29 states collectively have a much larger impact on India’s business competitiveness than the federal government”<sup>52</sup>. Due to, “the Modi government’s moves to encourage states to strengthen their business environment”<sup>53</sup>, companies from different states chose as usual promotional events in their home states rather than in Delhi.

Another major factor was the new dimension of EU: regionalism – the EU consists of regions like Central Europe, Scandinavia, Western Europe, South Europe. Each of these regions has its priorities and these interests combined into one organization – the European Union. The Nordic countries or the Visegrad Group activities are considered as complementary to the European Union institutional framework. Probably in a newly conceptualized formula of the IE29BF it might be better to create a separate forum for each region and ask countries to present their strengths and expectations.

## **India-Visegrad 4 Meetings – A Model for the Future?**

The meeting of Narendra Modi with the Nordic countries (Sweden, Norway, Finland, Denmark, Iceland) in Stockholm (2018) was the first visit of an Indian

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<sup>52</sup> R.M. Rossow, *Competitive federalism is working. Progress by states will have a much greater impact on India’s economic future than what happens in Delhi*, «Hindustan Times» 09.08.2016.

<sup>53</sup> Ibidem.

Prime Minister to Sweden for 30 years<sup>54</sup>. It showed that the regional approach was successful, and it also demonstrated the essential role of executive preferences of heads of governments in foreign policymaking of developing countries. Understanding the role of high-level visits and the executive preferences of heads of governments, the Slovak Presidency in the Visegrad Group proposed in 2014 a new formula for India relations with Central Europe – V4+India meetings. The case of the successful cooperation of the V4+ formula with Japan and Korea served as a good example. Both countries became strategic partners of all Central European countries. More than 1000 companies from Japan and Korea have contributed significant investment in the process of building modernized economies. The meetings of the prime ministers and the foreign ministers, which were organized on the side-lines of an Asia Europe Meetings (ASEM) or United Nations General Assembly sessions, were mutually beneficial within the political dialogue. Unfortunately, the V4+India dialogue that was initiated in 2015 at the level of joint secretaries of Foreign Ministries and limited to deputy ministers of foreign affairs level, has not brought any substantial contribution to the relations of both sides so far. The invitations to visit V4 countries extended to the Prime Minister of India on several occasions have not yet meet with an affirmative response.

## Conclusion

The Czech Republic, Hungary, Poland, and Slovakia constitute the core part of the Central Europe region and a substantial element of the European Union. They have had a relationship with the Indian civilization since the Middle Ages. The development of the cooperation with an independent and democratic India after WWII was the continuation of the policies initiated by Central European countries and charismatic Indian political and cultural leaders. The executive preferences of the heads of governments together with historical narratives and national value systems have played an important role. Interest in the Indian ethical model of state-building and international relations combined with the compatibility of Central Europe supply and Indian demand had resulted in effective cooperation in all areas.

The end of the Cold War and the advent of globalization forced both sides to change their priorities in foreign policies and limit their contacts with several traditional partners. Foreign policies became, to a large extent, subsumed to the domestic strategies of economic and social reforms. Both India and Central

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<sup>54</sup> *Why PM Modi's Visit to Sweden is Crucial for the Global Economy*, [www.timesofindia.com](http://www.timesofindia.com), 18.04.2018 (02.06.2019).

Europe focused on their integration processes in their particular regions, and on adjusting to new global relations. From the very first moment of starting economic and social reforms in the last decade of the 20th century, India and Central Europe were forced to use foreign policy as an instrument of their domestic programs to introduce liberal free-market rules into their economies. In the context of global power shifts and technological revolution, they both focused on their biggest partners abroad with an attractive portfolio of financial instruments and a high level of efficiency in fulfilling declarations on direct investment. For the Central European countries, relations with all members of the European Union and NATO were prioritized with emphasis on not only trade and investments, but also accession negotiations to both organizations. While, India chose Japan, Korea, and Singapore in East Asia and the UK, Germany, and France in Europe as strategic partners, and limited its relations with other countries to the minimum necessary level. A rapprochement with the US as the biggest economy in the world, closer cooperation with Japan, Korea, and the European Union, and sidelining the economic dimension of Non-Aligned Movement were the apparent imperatives.

Their foreign policymaking was similar and fulfilled the requirements of Jaqueline Anne Braveboy-Wagner model of policy and diplomacy of developing countries after the end of the Cold War. The executive preferences of the heads of states and governments, historical narratives and local values systems played a crucial role in the process of forming their foreign policies and their bilateral and multilateral relations. The successful enlargement of the EU has caused a shift in Central European countries' foreign strategies, and has triggered a renewal of interest in the Indian market. Various efforts have been made by the Czech Republic, Hungary, Poland, and Slovakia, but they have not deliver the hoped for effects. The IE29 Forum as a move to facilitate these endeavours from the Indian side was not entirely successful either. The proposed V4+ format has not been fully utilized yet, but it could provide the breakthrough, given the successful experience of the cooperation of the V4 countries with Japan and Korea.

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