

Impact of Foreign Policy on Indian Industry

¹Dr. Sagar Sanwariya and ²Vikram Meena

¹Assistant Professor, EAFM, Govt. Girls College, Nathdwara, Rajasthan, India.

²Assistant Professor, Department of Commerce, Shaheed Bhagat Singh College, University of Delhi, New Delhi, India.

Abstract

The Indian Foreign Service (IFS) and the Ministry of External Affairs (MEA) are examined in this research for their strengths and shortcomings in assessing the Indian foreign policy system's policy competence. India, as a developing country, aims to protect and expand its worldwide sphere of influence. Will India's foreign policy be able to help it accomplish its lofty goals? Examining one's current strengths and weaknesses is the first step towards deciding the answer to that question. This article examines the analytical, operational, and political capacities of the Indian Foreign Service on three levels: individual, organisational, and systemic. Xun Wu, M. Ramesh, and Michael Howlett established the paradigm for this study. The nine characteristics of policy capability are among the many critical variables used to assess India's foreign policy framework. Despite having a highly qualified and skilled workforce, the institution, according to the assessment, has serious organisational weaknesses. The quality of communication with governance partners and citizens, as well as weaknesses in IFS officers, infrastructure, MEA's worldwide structure, and the organization's global structure are just a few things to keep in mind as the organisation goes ahead. As a country, India must take a more active part in the world community if it wants to get to the top, it will need to modify its organisational structure. The reforms are difficult, but they are more controllable than the larger political and more complex structural changes that are required. The policy capability of a country is seen to be linked to the success or failure of public policy. The definition of policy capacity, according to Wu *et al*, is "the collection of skills and resources-or competences and capabilities-necessary to undertake policy obligations". Academic research on public policy that attempts to determine what makes a policy work or fail must also take into account a policy's capability. For practitioners who wish to increase their odds of success while decreasing their possibilities of failure, this key issue must be taken into consideration.

Keywords: Policy capacity, Indian foreign policy, organizational reforms, Indian foreign service, ministry of external affairs

Introduction

According to many observers, India is a new superpower with game-changing skills. India's potential has only recently been assessed in this way; only since economic reforms began in 1991 have such analyses appeared. These changes fostered significant economic development by liberalising government policies and reviving India's private sector. The shift from slower to quicker growth rates is essential not just for India, but also for the developing world, global institutions, and the great power relationships. India still confronts significant hurdles in this seismic shift. This article examines how India's economics has influenced its foreign policy since its independence in 1947.

Although it is not unexpected, the three eras investigated correlate to three different stages in Indian foreign policy's fundamental drivers and ideology. Indian leadership in the Non-Aligned Movement in the first phase was characterized by Nehruvian idealism tempered by prudence and a knowledge of the economic fragility of the country's infrastructure and resources. Domestic economic weakness and escalating tensions with the West characterized the second, perhaps more than the first. As a result, a hard-nosed realism emerged, marked by a close adherence to Moscow's interests. As a final point, India's foreign policy since 1990 has been driven mostly by the country's remarkable economic recovery. When it comes to foreign policy, many Indians

think that a growing country should have loftier goals and a more appealing framework.

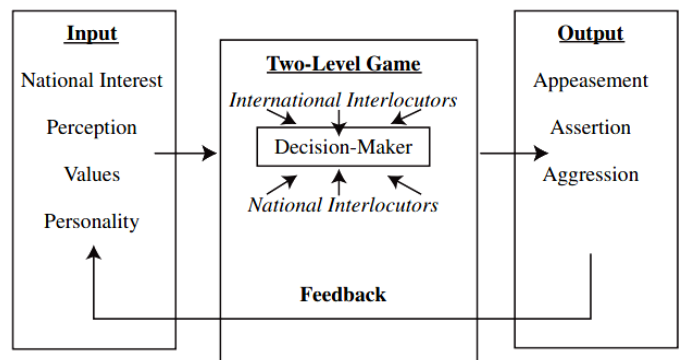


Fig 1: Domestic and international constraints on foreign policy

The second part of the article examines how India's foreign policy and ties with significant allies have been affected by shifting economic patterns and linkages. According to this study, India's foreign policy is affected by a variety of economic factors, including nation and region-specific problems like aid programmes, and more general ones like economic growth. The essay concludes that in Indian foreign policy, political and geostrategic issues have given way to a new focus on commercial interests and connections, despite

the fact that economic concerns have always influenced Indian leaders' foreign policy decisions since Nehru.

Litreture Review

Kanti Bajpai (2019) ^[1] this study assesses India's foreign policy system's policy competence by looking at the strengths and shortcomings of the Indian Foreign Service (IFS) and the Ministry of External Affairs (MEA). International issues are becoming more important to India as a growing power. The question is whether India's foreign policy is capable of accomplishing its loftier goals. First and foremost, an assessment of current strengths and shortcomings is required to answer that issue. The research evaluates the analytical, operational, and political competencies of India's Foreign Service at three levels: person, organisation, and systemic, using the policy capacity framework created by Xun Wu, M. Ramesh, and Michael Howlett. An evaluation of India's ability to implement its foreign policy strategy is made using the nine policy capacity dimensions that have been identified. Despite the fact that the institution is staffed by skilled and highly gifted personnel, the investigation finds that the institution has significant organisational problems. Weaknesses in these areas include a lack of skilled officers, MEA's lack of global organisation and the volume of contact with governance partners and the general public are all contributing factors. A more substantial role in international affairs must be played by India, it has to improve its internal structure. Change is challenging, but it is more doable than systemic change, which needs much more political will and far more onerous adjustments.

Ganguly, Šumit. (2022) ^[2]. During Obama and Trump's time in power, this paper evaluates the changes in Indian foreign policy. A argument is made that even if there has been a change of administration in the United States, there has been a significant degree of policy continuity.

Muthusamy (2020) ^[4]. According to a recent poll, India's foreign policy has gradually improved since the beginning of the Make in India initiative. ODI inflows into the manufacturing sector surged by 40% from October 2014 to June 2019. India's industrial sector is one of the most important contributors to the country's GDP (GDP). India was ranked 14th in terms of global manufacturing production. This has occurred as a result of a new initiative targeted at strengthening manufacturing and attracting Foreign policy. More than 56 companies from all across the world have benefited. A rise in productivity and a desire to attract new workers to varied industries drove a 3.1 percent increase in industrial output from 2014 to 2019. This article discusses the government's recent measures to stimulate ODI in a variety of fields. The importance of foreign policy on India's economy has grown significantly during the previous decade. It's worth noting, though, that India's administration has paved a path for foreign policy in a variety of areas. The study was conducted over a five-year period in this study. The data was analysed using Karl Pearson's Coefficient Correlation and One-Way ANOVA. ODI and IIP are analysed using data mining techniques.

Kapoor, Vishal (2019). The impact of foreign policy on Indian industry on India's service industry is the focus of this study. This study's primary focus is on the impact on India's service sector, with the goal of examining the many elements that influence the Indian service industry. The main material for this study was gathered through interviews with ten Indian economists. Thematic data analysis of interview data has given valuable results that are compatible with the study's

principal objectives. The findings of this study suggest that India's service industry benefits from foreign policy. Foreign policy is crucial to the development of the country's capital, productivity, and employment, according to the findings of this study. Furthermore, data from interviews indicates that foreign policy promotes total employment by creating jobs in a range of businesses. According to the conclusions of the research study, expanded infrastructure and financial services, notably banking, have seen great expansion as a result of foreign policy, which has accelerated economic growth in India, particularly in the service sector.

Areej Aftab Siddiqui, Shahid Ahmed (2017) ^[6]. In the context of emerging countries and the battle to attract larger investments and boost exports, it is vital to investigate the link between ODI and economic output growth. The goal of this essay is to look at the relationship between and sector growth. The influence is examined using panel cointegration tests and random effects models. To determine the causality of each of these elements, the Granger causality test is utilised. According to these findings, growth has an impact on ODI, despite the fact that it has an impact on growth at the sectoral level.

A Framework for Assessing Policy Capacity

With the help of Wu, Howlett, and Ramesh 2015's methodology for measuring policy competence, we undertake an audit of India's foreign policy apparatus (p 165-171). Foreign policy has benefited greatly from a policy-making methodology. John Steinbruner, to see into the shadowy world of foreign policymaking, scholars like Graham Allison, Irving Janis, Richard Snyder *et al.*, and Irving Janis' well-known books did just that. This work on American foreign policy deterrence by Alexander George and Richard Smoke supplied us with thorough insights into deterrent effectiveness and failure via the use of organised focused comparison and process tracing. As a result, these publications demonstrated foreign policy expertise by providing heuristics and examples on how to make foreign policy decisions. There is a problem, however, with their approach to foreign policy capability evaluation and analysis.

It is difficult to find systematic and comprehensive studies of Indian foreign policy that address the topic of policy capacity in detail. These studies also have the drawback of failing to explicitly address the criteria by which we may define ability. In the early 1970s, Jayantanuja Bandyopadhyaya, a former IFS employee turned academic, employed a policy-making framework to investigate India's foreign policy and the causes, institutions, and processes as well as the system's personalities (Bandyopadhyaya 1970). One of the most important studies of Indian foreign policy under Indira Gandhi is *Reasons of State: Political Development and India's Foreign Policy, 1966-1977* by Shashi Tharoor. As Tharoor put it, India's potential for international policymaking was poor because of the country's underdeveloped system of institutions, including the Ministry of External Affairs (MEA), the press, and interest groups (Tharoor 1982). Policy capacity is a topic that both studies touch on, although neither study goes into detail about it. As well as being old, both of these analyses derive from a far earlier time period.

Prior to Daniel Markey's widely-known 2009 "Developing India's Foreign Policy Software," attention has been paid to the Indian government's capability for foreign policy, as well as the business sector and civil society's ability to influence foreign policy. It was too small; mid-career training was "inadequate;" outside expertise was rarely consulted; India's

think tanks and universities lacked information, access to government or funding; the media and private businesses were not positioned to "undertake sustained foreign policy research or training" because of the IFS's highly selective recruitment policy. As he puts it, "This paper exposes key weaknesses in India's foreign policy institutions that weaken the country's potential for aggressive international engagement..." Foreign policy ineffectiveness is a source of worry for Indian analysts as well. Foreign policy competency has increased, but there are still significant inadequacies, according to Kishan S. Rana, a former Indian diplomat and expert on the IFS/MEA who wrote extensively on the subject in 2014. Overworked and overburdened executive level staff, a dearth of specialized knowledge, a highly hierarchical organisational structure, some of the organization's faults were a dependence on outdated methods of administration and human resource management, as well as a lack of collaboration with other public and commercial entities. Highly selective recruiting, more socioeconomic diversity among officers, strong morale, room for policy innovation at the senior level, and advances in training were among its assets (Rana 2014) In all, there are six. As India continues to develop as a global economic and political force, this report provides an updated evaluation of its foreign policy capabilities. It's done by using Wu *et al* systems of layered skills and capabilities that conceptualizes capacity as a "system."

Knowledge of Foreign Policy and International Relations in Society At Large

The foreign policy and international relations skills and specialization of India has been argued by Markey and others to be severely restricted. The media is one of the most effective means of disseminating ideas and information. However, it seems that the quality of the information being disseminated has declined as the media's reach has grown. News stories are plagued not just by false news, but also by subpar analysis and a lack of objectivity in the reporting and interpretation process. Many reasons have contributed to the erosion of high-quality reporting and analysis, including media owners' increasing fear of government action and journalists' desire to identify themselves with the political parties now in power. These factors are all intertwined (Joshi 2015, p 262). Another problem is that the media lacks competence in international affairs. Indian journalists, from columnists to editors to reporters covering foreign issues, had high esteem in the country's press until the 1980s. Over time, as the media business has evolved and become more profit-driven, it has become shallower in its coverage of current events and global affairs. In the same time, there aren't many IR programmes offered at Indian colleges. Jawaharlal Nehru Universities' School of International Studies has the biggest programme (JNU). A handful of other specialized IR applications can offer any depth at all. International studies are considered to be of poor quality. It seems that the Indian government has little desire to support research in IR in Indian universities, preferring instead to provide subsidies for research in the fundamental and applied sciences.

The Institute of Chinese Studies (ICS), which is financed in part by the MEA, is also a notable institution. However, India's think tanks in this (and other) policy disciplines are not widely recognised or known outside of the small group of journalists, government servants, former diplomats and retired military personnel, academics and foreign diplomats in Delhi's foreign affairs community. India's ability to influence

government policies and its role in public education is significantly more limited, according to Mattoo and Medcalf (2015, p. 276-276).

Continuity and Change in Indian Foreign Policy

India and Pakistan have fought three wars and been on the verge of war multiple times in the West. Due to Kashmir's competing claims, tensions have been exacerbated. All three wars between India and Pakistan have been fought in or around Kashmir. When India lost the 1962 war with China over a long-disputed boundary in the north, New Delhi felt a feeling of unease about its ties with Beijing. Insecurity in India was compounded by China's nuclear tests and the transfer of armaments to Pakistan by China. Southeast Asia's most intimate relationship between India and the rest of Southeast Asia was with Vietnam. Non-alignment is India's foreign policy commitment. Support for developing countries and non-interference in the Cold War blocs were emphasized in the document. As a perceived counterweight to China, India began forging a special connection with the USSR in the 1970s, diluting its non-alignment position. With regard to sensitive situations like Kashmir, the USSR gave India with diplomatic cover while also providing it with advanced weaponry on fair payment conditions.

Self-reliance and socialism in India shifted emphasis to the country. Only a few hundred million dollars were invested in foreign direct investment (FDI) in 1990, for example. Foreign efforts to destabilize India and make it more reliant on the West were seen as predatory by many Indians, who saw multinational corporations as part of this endeavour. During the late 1970s, the Indian government saw IBM and Coca-Cola being kicked out as a constructive step toward the country being self-sufficient economically. Dread of a commercial business, like the East India Company, may have contributed to this fear in a colonial society. Significant developments have taken place in both India's foreign and internal contexts during the last ten years in the last half-century, the United States has relied on two fundamental assumptions about foreign policy to guide its actions. Initial efforts focused on developing an economy with a strong emphasis on industrialization and technical advancement in order to meet national security and development objectives while requiring as little dependence on outside capital as possible. When it came to foreign policy, there had been an effort to retain a nonaligned approach but this grew into a strong friendship with the Soviet Union. The role of economics in foreign policy is growing in importance. Whether or if economics' increased role is a long-term trend is the most important issue. Because of its international and local contexts-as well as other factors-the argument is made here that it does.

As the Cold War came to an end and the Soviet Union fell apart, India's national security was greatly affected. As a result of the cumulative effect, India has become more confident in its foreign policy and hence more eager to try new things. For the first four decades following independence, India's foreign policy was based on a fear of Pakistan and China as potential security threats. When Indian authorities, including the defence minister, used supposed Chinese threats to legitimise their 1998 nuclear tests, relations with China cooled for a short period in 1998. After the conclusion of the Cold War, China's relations with Russia improved, removing a key obstacle to stronger Sino-Indian relations.

After decades of supporting the Pakistani side in the Kashmir dispute, China adopted a neutral stance in 1993, emphasizing that India and Pakistan needed to resolve the issue peacefully-and bilaterally-to avoid a recurrence of the conflict. Leo Rose argues strongly that Indian and Chinese ties have been improving consistently since the early 1990s, with a relatively brief setback in 1998 because of the Indian assertion that the danger from China was a motivating factor for the tests. In addition, India and China placed their own border problems on a backburner and adopted confidence-building initiatives aimed at easing tensions along their lengthy border. During his nine-day trip to India in January 2001, China's National People's Congress chairman, Li Peng, painted a picture of ties as if the thawing that followed China's nuclear test had never occurred. Moreover, Indian authorities relished being referred to be one of the poles of a multipolar world. The Sino-Indian relationship, despite its friendly air, has little substance. Indians are still wary of China's long-term geopolitical goals, at least for the time being. Each country has a distinct foreign policy focus: China to the east and India to the south, toward the Indian Ocean. China's foreign policy focus: While Southeast Asia is a major source of energy and a strategic entryway to the Indian Ocean, the two major countries are potentially rivals for influence there. Both India and China require oil and gas resources to support their economies, hence there is a possibility for economic struggle over Indian Ocean littoral nations. Their border issues, although being put on hold, are far from done.

Despite the ongoing tensions along the Line of Control (LOC) in Kashmir with a nuclear-capable Pakistan, post-Cold War changes have rendered Pakistan less of a danger in certain major respects. Because it is smaller, poorer, and has fewer people than India, Pakistan poses a serious danger only when it can depend on relationships with other countries to multiply its power. Now that Pakistan is no longer seen as a front-line state against Soviet invasion in Afghanistan, it no longer has the unique weapons and military relationship with the U.S. and other states. With the dissolution of the Soviet Union and Beijing's better ties with Russia, China's strategic importance to the country has decreased. Many Indians, as well as Pakistanis, feel that nuclear weapons serve as a deterrent in the event of a full-scale confrontation with Pakistan. An increased sense of security in India's environment has allowed the government to shift its foreign policy toward economic interests, particularly, enhancing its access to foreign capital, high technology, and global markets. This tendency will be bolstered by India's increasing ties to the global economy. Countries along the Indian Ocean's coast, including India and South Africa, have made it a priority to join economic organisations like the Association of Southeast Asian Nations and the Asia-Pacific Economic Cooperation (APEC).

Impact on the Foreign Policy Indian Industry or Economic

Economic Imperatives Guiding Indian Foreign Policy

In the early years of independence, independent India was unable to harness its own potential or influence global circumstances favourable to its growth and economic success because of economic hardship and inward-looking development plans. Nonetheless, given India's pre-colonial prominence on a global scale, Indians from Nehru on down were certain that India could and could once again become a great force. With an eye on establishing India's strategic autonomy of choice and paving the way for its eventual emergence as a significant global player, independent Indian

foreign policy had a short-term goal of helping the country's society and economy undergo change.

The nation's foreign policy was heavily influenced by economic factors. "It is well for us to claim that we stand for peace and freedom, but that does not express much to anyone, except a pious hope," Nehru said in an address to the Constituent Assembly assembly in December 1947. At the time he first outlined his idea of Indian foreign policy. There you have it: Our guiding principles. You'll have to elaborate on this from an economic standpoint. According to him, when it comes to foreign policy, India is known for its dedication to the development of all rapidly developing economies, both idealistically and altruistically. He envisioned pursuing an autonomous foreign policy that would maximize the country's overall flexibility. He saw that the fast rise of India's internal economic potential will have a greater impact on the country's global position than conventional balance of power politics or strategic alliances.

India's Aid Imperative

Early in India's economic growth, the country's demand for resources and technology influenced its foreign policy stance. Industrialization, particularly heavy equipment manufacture for India's steel, power, fertiliser, and chemical industries was a major focus of Nehru's. Mr. Nehru wanted to have excellent relations with the US and the Soviet Union, but he didn't want to appease any country excessively. The United States and the West provided finance and technology to the Indian commercial sector, whilst the Soviet Union mostly assisted the public sector. Indeed, it was competition with the Soviet Union that prompted the World Bank and Western aid programmes to invest in India's public sector enterprises to some extent. Both Moscow and Washington were actively courted by Indian diplomacy. Non-alignment policy in the 1950s helped Delhi accomplish this aim, enabling Delhi to maintain friendly ties with the two opposing bloc leaders from the outset of the conflict.

Nehru, on the other hand, may have underestimated how irritated certain Western capitals were by his asymmetrical conception of non-alignment. In reality, he forged closer connections with the Soviet Union based on what he considered as a wide confluence of interests. An alliance with India fell well into the Soviet ideology of impeding both the United States and China's geopolitical aspirations, especially in South Asia, which must have made Moscow happy. Indian heavy industry and cutting-edge technological development relied solely on the Soviet Union. Indian-Soviet military co-operation began in 1960, and the Soviet Union soon overtook the United States as India's second biggest bilateral contributor. The Treaty of Friendship, Peace, and Cooperation was signed in August 1971. Throughout most of the Cold War, the Soviet Union's might and resources provided crucial economic, political, military, and diplomatic assistance to India. And this crucial bilateral relationship aided India's rise to prominence as a major industrial power.

Long-term, government-to-government projects were established to offer generations of Indians with technical training, raw material supply, and, Indian components and other inputs, and markets for final goods, should be integrated as much as possible. Non-convertible currencies were used in these bilateral agreements, allowing India to maintain its limited foreign currency reserves. As a consequence, Indians saw the Soviet contribution to India's economic growth as beneficial. India's largest trading partner by the late 1970s was the Soviet Union. Despite apparent ideological

difficulties between the Soviet model and Indian desires, Criticism from Indians and Western observers of India's political scene arose from the effective demise of the country's non-aligned position.

Meanwhile, India attempted to retain amicable relations with the United States, but the increasing de facto convergence between New Delhi and Moscow has had a long-term impact on ties. The United States made a considerable contribution to the economic growth of India, primarily through food aid (the PL 480 programme). By 1964, India was highly reliant on US help. During Nehru's first official visit to the United States in 1949, Americans were taken by his magnetism and remained enthralled by India. Those early years were distinguished by the Kennedy Administration's overall friendly relations with India, with Jackie Kennedy paying a surprise visit to New Delhi just after John Kenneth Galbraith's nomination as US Ambassador to India became public knowledge. During the 1962 China-India border conflict, India's psychological fortitude was greatly bolstered by the relationship's positive features.

U.S. assistance was limited to a two-month supply and specifically linked to foreign currency availability in order to compensate for a shortage of exports after the 1965 war with Pakistan and a bad wet season, which resulted in an abundance of food aid. Devaluation of the Indian rupee took place on June 16, 1966 in spite of strong opposition from inside both Cabinet and Congress Party. 10 days after the original statement, Washington resumed its aid operations. New Delhi's condemnation of the United States' actions in the Vietnam War had a significant impact on Washington's tough love toward India, but India's economic policies also had a significant impact-something that is generally overlooked in India.

India's Own Foreign Aid Program Today

In India, economic diplomacy has been a key tool in achieving the country's foreign policy goals. The Indian Technical and Economic Cooperation Program (ITEC), which started in 1964, is India's longest-running overseas aid programme. The Economic Division of the Ministry of External Affairs is in charge of ITEC and SCAAP, two programmes having a combined membership of 156 countries (MEA). The Technical Cooperation Program has grown to be an essential aspect of India's outreach to developing nations because of its focus on capacity building, technology transfer, and the sharing of India's own development experience. The MEA's Investment and Technology Promotion (ITP) Division also promotes India as an established economic power with compelling investment and commercial potential. A new Energy Security Unit was set up by the Ministry of External Affairs in September 2007 in order to aid India's diplomatic efforts throughout the world. Indian commercial and state-owned corporations may benefit from the Unit's assistance in purchasing energy assets outside of India, bringing cutting-edge and developing technologies to India, and creating international strategic partnerships. The Indian Council of Cultural Relations, under the direction of the MEA, provides assistance and initiatives to develop cultural links, such as exchange programmes for students and teachers.

Since independence, South Asia has received substantial military and economic assistance from India. Almost half of India's assistance and loan budget goes to Bhutan, according to the MEA annual report. Afghanistan gets 25.47 percent, Nepal gets 5.87 percent, Bangladesh gets 3.52 percent, African countries get 2.93 percent, Sri Lanka gets 1.64

percent, Myanmar gets 1.17 percent, Maldives gets 1.14 percent, and others get 14.09 percent." It is believed that between half a billion and one billion dollars is spent by India on development aid. Table 1 shows that the total amount spent in 2008-2009 was lower than expected; nonetheless, the actual amount spent is very ambiguous.

Africa is India's greatest recipient of foreign aid and allied business enterprises outside of its near neighborhood. There have been bilateral credit lines extended to Sudan and other African states in the amount of \$200 million, \$500 million to the Techno-Economic Approach for Africa-India Movement (TEAM-9), and \$500 million to the New Economic Partnership for Africa's Development (NEPAD). In addition, India has provided a number of African regional banks with Lines of Credit. "Exim Bank grants Lines of Credit to governments, parastatal organisations, commercial banks, financial institutions, and regional development banks in general to assist the export of qualifying goods on delayed payment terms." As of June 30, 2008, Exim Bank has 93 operating lines of credit in developing nations totaling US\$ 3,108 million."

Table 1: Principal Destination of India's Aid and Loan Program

Aid to Countries	2017-18	2018-19
Bhutan	731.00	1205.92
Bangladesh	60.00	6.00
Nepal	100.00	30.00
Sri Lanka	28.00	113.00
Maldives	19.50	504.70
Myanmar	20.00	35.00
Afghanistan	434.00	418.50
African Countries	50.00	95.00
Central Asia	20.00	18.82
Latin American Countries	1.53	2.00
Others	240.08	215.75

Source: Government of India, Ministry of External Affairs, Annual Report 2017-2018, p. 158 and Annual Report 2018-2019, p. 185.

Assessment of Indian Foreign Policy Capacity at the Organizational Level

There is a high level of analytical ability, good management abilities, and political awareness among IFS personnel. This has been debated. The IFS assesses an organization's ability to function effectively. According to Wu *et al.*, a policymaking organization's ability to make decisions is influenced by a variety of organisational factors such as the presence of a sufficient number of capable officials and an adequate information infrastructure, as well as the internal cohesion of public agencies and the relationship between the policymaking organisation and political institutions. According to our assessment, India's foreign policymaking has substantial organisational flaws in contrast to individual level competency and talent.

A Large Number of Competent Authorities and a Well-Developed Information System

IFS staff have strong analytical skills and are well-versed in management and politics. We've had a discussion about it. The IFS is used to determine how well a company is performing. Various organisational factors, such as the presence of a sufficient number of capable officials and a sufficient information infrastructure, as well as the internal cohesion of public agencies and the relationship between the

policymaking organization and political institutions, influence a policymaking organization's ability to make decisions. For example, Wu *et al.* state that India's foreign policymaking suffers from considerable organizational inadequacies when contrasted to individual levels of competence and expertise.

The Impact of Nuclear Proliferation

After the Cold War, India's foreign policy had a chance to be rethought because of a perceived increase in security. The country's economic outlook has changed despite its seemingly contradictory decision to carry out nuclear testing. Why did the Indian government authorize the nuclear testing if the fear of a terrorist attack appeared to be receding? Despite the fact that India's ties with China had been improving for some years, the Indian rationale had a Cold War ring to it. In my opinion, there are alternative possibilities for why India tested. There had been a test in 1974, but it was obvious that this was not enough to build the database required for a sophisticated weapons programme. Because India had not signed and approved the 1996 Comprehensive Test Ban Pact, a review conference had to be held in September 1999 in order for the treaty to be considered effective, which may have affected the scheduling of the tests. As a result of concerns about international pressure, some Indians have suggested that India should test before this option is eliminated. India may have realized that time was running out to test its new weapons design. One further possible contributing reason is that Pakistan's Ghauri missile test on April 6, 1998, alarmed India.

Because the BJP has pushed for a worldwide recognition strategy known as "Great India," India may have performed the exams as a way to show that it is serious about achieving that goal. India, like the other great nations, must acquire nuclear weapons. The great power drive is part of the Indian campaign to become a permanent member of the United Nations Security Council. Using this reasoning, India has supported economic globalization since it is vital for fast economic expansion, and major countries must be affluent enough to function as magnets of influence to attract other nations. How big a nuclear capacity is essential to create a deterrence is the subject being argued in India since the nuclear tests. Only that a "minimal" number of nuclear weapons would be sufficient in the event of a nuclear strike on India has so far been stated officially by the administration. In reality, Indian Prime Minister Vajpayee coined the term "minimum credible deterrence" in late 1998 to explain what nuclear weapons India needs.

While maintaining a nuclear weapons capability, India faces an increasing foreign policy dilemma: how to retain good ties with the developed world while yet maintaining access to markets and resources vital for continuing economic growth. In order to avoid alienating the nations India is attempting to build a relationship with, New Delhi has chosen for a more conciliatory approach. Further nuclear testing has been halted until implementation of the Comprehensive Test Ban Treaty (CTBT), which Prime Minister Vajpayee has reaffirmed several times. "According to its ultimate national interests, India would maintain its voluntary moratorium until the CTBT comes into force," the Joint Statement released at the conclusion of his September 2000 visit to the United States said. As far, neither India nor any other country has formally ratified the agreement.

Conclusion

This article uses statistical methods to look at foreign policy

in India's industrial development from 2013-2014 to 2018-2019. The post-recession period in which the research is conducted is essential since it is clear that India has received significantly more ODI inflows into the manufacturing sector. According to Karl Pearson's correlation, the relationship between foreign policy on industry and industrial growth has shown a positive tendency in recent years. Due to India's competitive investment climate, which provides the framework for ODI to enter the economy and enhance industrial potential, there has been a growth in ODI entering the country. Several key policy initiatives will be implemented to improve industrial infrastructure and increase internal absorption capacity. By attracting more foreign policy on industry, we may accomplish economic growth, stable macroeconomic conditions, and a better development process. Capacity of Indian foreign policy Executives at IFS have a high degree of competence and a high sense of self-worth, as shown by their talents and attitudes. The systems and structures at these tiers are more susceptible to flaws and weaknesses, making them more vulnerable. Since there are so many different stakeholders involved, systemic change will take time and effort. From raising public awareness of India's foreign policy to reforming educational and research programmes in international affairs, building public trust in government is a difficult but necessary task at the core of the political system, one that is intimately tied to the country's political culture. At the organisational level, there are a lot of problems and deficiencies. Because it is more controllable, this is where improvements should begin. The top management structure at headquarters is excessively hierarchical, and it needs to be modified. The Foreign Secretary's position should be reduced, and the role of the Secretaries below him should be expanded. Another way to reduce hierarchy is to provide more power to the dormant policy planning unit. A specialist policy planning branch under MEA would serve as a check on "short-termism" and a counterpoint to the Foreign Secretary's daily authority over long-term strategic thinking.

References

1. Kanti Bajpai, Byron Chong. India's Foreign Policy Capacity, Policy Design and Practice. 2019; 2:2:137-162, DOI: 10.1080/25741292.2019.1615164
2. Ganguly Sumit. Obama, Trump and Indian foreign policy under Modi. International Politics, 2022, 59. 10.1057/s41311-021-00294-4.
3. Kubilay Arin, Yado Think Tanks: The Brain Trusts of US Foreign Policy Posted, 2014.
4. Muthusamy A. Impact of Foreign Direct Investment on Industrial Growth of India, 2020. 10.35940/ijrte.B1027.0982S1019.
5. Kapoor Vishal. Impact of foreign direct investment on Indian economy-service sector" URI, 2019. <https://esource.dbs.ie/handle/10788/3948>
6. Areej Aftab Siddiqui, Shahid Ahmed (2017), "Impact of Foreign Direct Investment on Sectoral Growth of Indian Economy" *International Journal of Economics and Financial Issues*. 2017; 7(3):477-488.
7. Patil, Ameya, Impact of ODI on Indian Economy (January 30, 2015). National Conference on Impact of ODI on Indian Economy, 2017, Available at SSRN: <https://ssrn.com/abstract=3000756>
8. Narayana. Foreign policy and Indian Economy (Ed), Manglam Publishers & Distributors, Delhi, 2013, 26-27.

9. Singh Gupta. "Foreign Direct Investment and Industrial Development in India", Thesis submitted to Maharshi Dayanand University Rohtak for the degree of doctor of philosophy in Department of Commerce, 2013.
10. Lakshmana Rao Ravikanth. Make in India and Foreign policy-synergetic effect on *Economic Growth*, *SSRN Journal*, September 2015, 2016, 1-8.
11. Mahendran Sinha, Arindam Partha. Foreign Direct Investment and Indian Industries: A Dynamic Panel Study, *International Journal of Pure and Applied Mathematics*. 2018; 118(18). 2018, 1279-1294, 1279-81
12. Bai R. Competition-driven, government intervention and capacity expansion: Discussion on the micro-mechanism of "wave movement phenomenon." *Economic Research Journal*. 2016; 11:56-69.
13. Chang HJ, Andreoni A, Kuan ML. International industrial policy experiences and the lessons for the UK. In *The future of manufacturing*. London: UK Government Office of Science, BIS, 2013.
14. Criscuolo C, Martin R, Overman H, Van Reenen J. The causal effects of an industrial policy (no. w17842). National Bureau of Economic Research, 2012.
15. Haeri A, Arab Mazar A. Designing an industrial policy for developing countries: A new approach (no. 89048). Munich Personal RePEc Archive, 2018.