

# THE EVOLVING RELATIONS BETWEEN INDIA AND THE BALTIC STATES

**Kottookunnel Bhaskaran Usha\***

## *Abstract*

This article seeks to reflect upon two decades of India's evolving relations with the Baltic States. It is argued that, indeed, the Indians and the Balts have similarities in culture, language, customs, and ancestry. Revitalising the civilisational ties of the past seems to be relevant, as reflected in speeches of Indian and Baltic political leadership, in order to further strengthen current relations. India's relations with the Baltic States are evolving on the basis of foreign policy priorities, mutual respect and benefits, common interests and challenges. Since the re-establishment of diplomatic relations in 1992, India's cooperation with the Baltic States has been growing in a cordial and friendly way. At present there is a high potential for developing a prospective relation between India and the Baltic States that will bring more progress, prosperity, stability, and well-being to both entities.

## **Introduction**

Pandit Jawaharlal Nehru, the first Prime Minister of independent India, who observed new changes on the map of Europe after World War I, said the following with regard to the Baltic States:

North of Poland are the Baltic States of Lithuania, Latvia, Estonia, and Finland, all successors of Tsarist Empire. They are small states, but each is a distinct cultural entity with a separate language. You will be interested to know that the Lithuanians are Aryans (like many others in Europe) and their language bears quite a close resemblance of Sanskrit. This is a remarkable fact, which probably many people in India do not realise, and which brings home to us the bonds of which unite distant people.<sup>1</sup>

At present, the world is witnessing another reconfiguration in the map of Europe as a result of the disintegration of the erstwhile Soviet Union in 1991

---

\* **Dr. K.B. Usha** is Assistant Professor at the Centre for Russian and Central Asian Studies, School of International Studies, Jawaharlal Nehru University, New Delhi, India. Email: ushakkb@gmail.com

<sup>1</sup> Nehru, Jawaharlal, *Glimpses of World History*, New York: John Day Company, 1942, p. 679.

and consequently, the emergence of new independent nations forming a new Europe in the 21<sup>st</sup> century. As Jawaharlal Nehru stated, now the rebirth of the Baltic States once again brings home to the Indians a distant cultural and linguistic bond that can unite the peoples of the Baltic States and India. The present paper is a reflection on the two decades of India's evolving relations with the Baltic States, which are marching towards progress, prosperity, stability, and success in the 21<sup>st</sup> century.

### **1. The Baltic States and India in the Post-Cold War International System**

The year 2012 signifies the completion of twenty years of diplomatic relations between India and the Baltic States in the post-Soviet era. This is an occasion to assess the achievements and challenges on the way ahead for further strengthening the relations between India and the Baltic States in various spheres. Throughout 2012, Embassy of the Republic of Lithuania in India is engaged in a year-long programme commemorating twenty years of India-Lithuania diplomatic relations.

After rejoining the international community as independent states in 1991, the Baltic States felt vulnerable within the international system for various reasons. The representation of their history had led them to “return to Europe” and join the European Union as soon as possible in order to save their countries from potential threats from Russia. By joining NATO and the European Union in 2004, the Baltic States took their place on the map of Europe.

In the early years of Soviet disintegration, these countries experienced a severe economic decline, political instability and a social crisis. Achieving economic growth was also an immediate priority in the immediate years following independence, as it was one of the important conditions for joining the European Union. The Baltic States have embarked on a route toward democracy and market economy and have gained considerable achievements. They have established a democratic political system, independent media, the judiciary, a multiparty system and democratic elections to elect representatives to parliament. Compared to other post-Soviet states, the Baltic States stand out as “shining stars”.

Within a short span of time, each of the Baltic States has made stupendous economic progress on a par with the developed European economies of Denmark, Sweden, Netherlands, etc. By 2007, the three Baltic States had achieved the growth rate of up to 10-11%, which prompted some commentators to term them as “Baltic Tigers”. However, now these states are facing a severe systemic crisis, as they are hit hard by the global economic and the eurozone crises. Consequently, their growth rates have fallen considerably. Latvia has been hit by the global financial and the eurozone crises the hardest. Its unemployment rate is currently very high. Labour migration to other EU countries has increased considerably. Hence, at present, ensuring its territorial and national security, development, and well-being of the people have become Latvia’s immediate priorities.

India has always been known for its diverse culture and traditions. Colonised for 200 years, India now harbours various diversities and complexities. Over the past six decades, India has maintained a strong and stable parliamentary democracy and civil liberties.<sup>2</sup> Moreover, India has earned the reputation of the world’s largest democracy. At the same time, it may be the only country in the world that has such a great diversity in terms of culture, religion, language, nationality, customs, etc. Every major religion of the world is represented in India. A large number of gods are worshipped here. More than 2000 ethnic/caste groups reside in India. In addition, India owns a large number of languages corresponding to various language families, such as Indo-European, Dravidian, Astro-Asiatic, Tibeto-Burman, Nihali, Burushaki, among many others. It is very difficult to comprehend the diversity of India. It has been reported that more than 1600 spoken languages and dialects with regional variations are used by the people of India. The Constitution of India recognises twenty-two languages as official languages. Despite its vast diversity and striking differences, India has been successful in establishing a strong federal state that cherishes the principle of ‘unity in diversity’. This is largely due to the values of Indian culture, which are tightly associated with spiritualism rather than materialism, compassion, simplicity, tolerance, peace, and harmony, and which the people of India abide by. As regards the Baltic States, where the state

---

<sup>2</sup> Shenoy, Megha, et al., “Indian Energy Policy and Strategy: Pre- and Post-Copenhagen 2009”, in Gilles Garbinnier, ed., *Energy and Development*, New York: Palgrave Macmillan, 2011, p. 99.

language has become the subject of a big controversy in nation-building, it seems that India can offer a lot to learn from its linguistic and cultural diversity management.

India's political objective is to achieve social democracy by providing equal economic and political opportunities for its people. Since 1991, India has also been undergoing neo-liberal transformation. Today India is globally accepted as an emerging economic power. A brief look at the political history behind this achievement will give the reader a better understanding of present-day India.

In 1947, on the eve of India's independence, Winston Churchill, the then British Prime Minister, expressed his opinion that "Power will go to the hands of rascals, rogues and freebooters. All Indian leaders will be of low caliber and men of straw."<sup>3</sup> On 15 August 1947, on the occasion of India's Independence Day, Jawaharlal Nehru called upon the members of the Constituent Assembly through his now famous *Tryst with Destiny* speech to take a solemn pledge to serve India and its people, an emotional moment which Indian citizens cherish even today. Nehru began his speech as follows:

Long years ago we made a tryst with destiny, and now the time comes when we shall redeem our pledge, not wholly or in full measure, but very substantially. At the stroke of the midnight hour, when the world sleeps, India will awake to life and freedom. A moment comes, which comes but rarely in history, when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance. It is fitting that at this solemn moment, we take the pledge of dedication to the service of India and her people and to the still larger cause of humanity.

At the dawn of history, India started on her unending quest, and trackless centuries are filled with her striving and grandeur of her success and failures. Through good and ill fortune alike, she has never lost sight of that quest, forgotten the ideals which gave her strength. We end today a period of misfortunes and India discovers herself again. The achievement we celebrate today is but a step, an opening of opportunity to the greater triumphs and achievements that await us. Are we brave enough and wise enough to grasp this opportunity and accept the challenge of the future?

Freedom and power bring responsibility. The responsibility rests upon this Assembly, a sovereign body representing the sovereign people of India. Before the birth of freedom,

---

<sup>3</sup> Winston Churchill Quoted in quoted in Kamal Nath, *India's Century*, New Delhi: Tata McGraw Hill Publishing Company Limited, 2008, p. 149.

we have endured all the pains of labour and our hearts are heavy with the memory of this sorrow. Some of those pains continue even now. Nevertheless, the past is over and it is the future that beckons us now.

That future is not one of ease or resting but of incessant striving so that we may fulfill the pledges we have so often taken and the one we shall take today. The service of India means, the service of the millions who suffer. It means the ending of poverty and ignorance and disease and inequality of opportunity. The ambition of the greatest man of our generation has been to wipe every tear from every eye. That may be beyond us, but as long as there are tears and suffering, so long our work will not be over.<sup>4</sup>

Taking on the vision of Jawaharlal Nehru, present-day India has grown as a global power. According to *Time Magazine*<sup>5</sup>, after six decades of independence, India has grown dramatically “as the nation retakes the place it held as a global trade giant long before colonial powers ever arrived here.” Currently India is well integrated with the global economy and is undergoing socio-economic transformation. Thus, during the period from 2003 to 2012, India achieved an average growth rate of 7-8%. GDP growth in 2003-2004 was recorded at 8.5 per cent, which made India one of the fastest growing economies among major emerging market economies.<sup>6</sup> India continued its growth and, in 2009-2010, it was recorded at 8.0 per cent. In 2010-11, GDP growth was estimated at 8.6 per cent.<sup>7</sup> In his speech made at Old Fort during his three-day visit to Delhi in March 2006, former US President George W. Bush appreciated the achievements of India made over the past six decades of independence. Bush remarked:

---

<sup>4</sup> Nehru, Jawaharlal, “Tryst with Destiny”, 14-15 August 1947, Constituent Assembly Debates, <http://www.svc.ac.in/files/TRYST%20WITH%20DESTINY.pdf>. This speech by Nehru is an inspiration to any nation and people in the world who have undergone the bitter experience of unpleasant destiny of colonisation and occupation and who carry the memory of the sorrow of the past. It was an inspiring call to decolonisation and dedicated service in pursuit of freedom, harmony, equality, fraternity, development, and well-being of people.

<sup>5</sup> Robinson, Simon, “A young giant awakes” *Time Magazine*, 2 August 2007, [www.time.com/time/specials/2007/article/0,28804,1649060\\_1649046\\_1649036,00.html](http://www.time.com/time/specials/2007/article/0,28804,1649060_1649046_1649036,00.html)

<sup>6</sup> Ministry of Finance, Government of India, Annual Report 2004-2005, New Delhi: 2005, <http://finmin.nic.in/reports/areng2004-05.pdf>

<sup>7</sup> Ministry of Finance, Government of India, Annual Report 2010-2011, New Delhi: 2011, <http://finmin.nic.in/reports/AnnualReport2010-11.pdf>

We stand on the ruins of an ancient city that was the capital of an Indian kingdom thousands of years ago. Today it is part of a modern Asian city that is the capital of one of the world's great nations. At the heart of a civilisation that helped give the world mathematics, cutting-edge businesses, now give us the technology of tomorrow. In the birthplace of great religions, a billion souls of varied faiths now live side-by-side in freedom and peace. When you come to India in the 21<sup>st</sup> century you are inspired by the past, and you can see the future.<sup>8</sup>

Evidently, there is change in international public opinion towards India as well as there is change in India's leadership from rascals to dignified personalities.

However, as Nehru expected, despite promising growth, India could not fulfil its ambition "to wipe every tear from every eye." Despite a high growth rate of approximately 8%, large sections of people in the country still experience poverty, hunger, and malnutrition and earn an income below subsistence level. While on the one hand, India is a growing power, on the other hand, it is a very poor country with multiple social issues remaining as development challenges. Today India has to address these economic inequalities in today's even more complicated, crisis-ridden, situation. The country has to support and work toward improving the standard of living of the poor. This situation urges India to have an external environment conducive to and supportive of domestic socio-economic transformation as well as to bring more opportunities.

Similarly to India, in late 1991, the Baltic States enjoyed the moment of their newly regained independence and freedom from over fifty years of Soviet occupation/colonisation. To borrow Nehru's words, this is an "opening of opportunity" for these young nations "to the greater triumphs and achievements that await" them in the 21<sup>st</sup> century and beyond. In this connection, what India can offer these nations for their achievements is an opportunity to foster international relations and to develop significant bilateral engagements and economic cooperation.

Although adversely affected, India has largely managed to survive the global financial crisis of 2008. According to Pranab Mukherjee, India managed to

---

<sup>8</sup> Bush, George W., quoted in Kamal Nath, *India's Century*, New Delhi: Tata McGraw Hill Publishing Company Limited, 2008, p. 150.

record 8.4 per cent economic growth in 2009-10 and 2010-11.<sup>9</sup> The estimated growth rate of GDP for 2011-12 is recorded at 6.9%. Mukherjee believes that India's investment rate amounting to 35.1% in 2010-11 should help in the consolidation of growth.<sup>10</sup> While investment growth was reported at 35.8% of GDP in 2005-06, the same is estimated at 37.6% of GDP in 2011-12.<sup>11</sup> These figures suggest that, despite external shocks, India has achieved a moderately stable growth pattern.

India's demographic dividend is a positive factor in regard to the country's economic development. India has a population of 1.21 billion, according to the 2011 census.<sup>12</sup> India accounts for nearly 17.5% of the world's population, while 50% of the people fall under the age of 25. The population under the age of 35 constitutes over 65%. Population projections for India suggest that the country will become the world's most populous country by 2025, surpassing China. Thus it has been projected that India's population will reach 1.6 billion by 2050.<sup>13</sup> A growing middle class and urbanisation are other important features.<sup>14</sup> This means that the domestic market is becoming strong in India.

A high growth potential unleashed by the transformation and liberalisation in India since 1991 offers more investment opportunities for foreign firms. Some of the important sectors include automobile, bio-technology, cement,

---

<sup>9</sup> "India needs to be ever ready to deal with any economic crisis", Press Trust of India's News Report on Finance Minister Pranab Mukherjee's speech at Confederation of Indian Industry's Annual General Meeting and National Conference, 17 April 2012, [http://articles.economicstimes.indiatimes.com/2012-04-17/news/31355477\\_1\\_global-recovery-pranab-mukherjee-gdp](http://articles.economicstimes.indiatimes.com/2012-04-17/news/31355477_1_global-recovery-pranab-mukherjee-gdp)

<sup>10</sup> India infoline news service, "Pranab Mukherjee's speech at Confederation of Indian Industry's Annual General Meeting and National Conference, 17 April 2012, <http://www.indiainfoline.com/Markets/News/Pranab-Mukherjees-speech-at-CII-AGM-National-Conference/5397844606>

<sup>11</sup> Department of Economic Affairs, India Incredible Investment Destination: Fact Book, New Delhi: Ministry of Finance, Government of India, 2012, [http://finmin.nic.in/the\\_ministry/dept\\_eco\\_affairs/capital\\_market\\_div/India\\_Factbook.pdf](http://finmin.nic.in/the_ministry/dept_eco_affairs/capital_market_div/India_Factbook.pdf)

<sup>12</sup> Census of India, "Provisional Population Totals", 2011, <http://www.censusindia.gov.in/2011census/censusinfodashboard/index.html>

<sup>13</sup> "India to become world's most populous nation by 2050", Economic Times, 18 August 2004, [http://articles.economicstimes.indiatimes.com/2004-08-18/news/27378941\\_1\\_world-population-pace-of-population-growth-population-reference-bureau](http://articles.economicstimes.indiatimes.com/2004-08-18/news/27378941_1_world-population-pace-of-population-growth-population-reference-bureau)

<sup>14</sup> For details about demographic change, see James, K.S., "India's demographic change: opportunities and challenges", *Science*, Vol. 333, no. 6042, pp. 576-580, 29 July 2011, <http://www.sciencemag.org/content/333/6042/576.full>

chemicals, civil aviation, defence, education, food processing, gems and jewellery, healthcare, heavy industry, IT and IT enabled services, media and entertainment, mining, oil and gas, pharmaceuticals, ports, power, retailing, roads and highways, special economic zones, steel, telecommunications, textiles and tourism and hospitality.<sup>15</sup> According to *Invest India*, a joint venture of the Department of Industrial Policy and Promotion, the Government of India, and the Federation of Indian Chambers of Commerce and Industry, India has emerged as one of the most important attractions for foreign investment and businesses. As *Invest India* suggests, there are several factors and reasons for this: the large and fast growing middle class and advancement of the poor to middle class status; growing domestic consumption; the constantly evolving investor-friendly policy pursued by the Indian Government; lower cost of production due to lower labour rates; availability of skilled manpower and abundant natural resources; English as one of the major business languages; the Government's emphasis on infrastructure improvement; and India's geographic location close to the markets of South East Asia, Middle East, and Europe.<sup>16</sup>

Apart from economic opportunities, international relations could also be developed on the basis of certain common concerns, challenges, and mutually agreed-upon issues. The global economic crisis, global economic management, sustainable development, climate change, maritime piracy, terrorism, the reconstruction of Afghanistan after 2014, are just a few common issues that are relevant for both the Baltic States and India.

Fighting terrorism and combating piracy as well as other extremist activities are in the interest of both entities. This is reflected in the ministerial level meetings held between India and Estonia in 2008, for instance. In the context of ships with Estonian and Indian citizens on board hijacked by pirates in Somalia's coastal waters, Estonian Foreign Minister Urmas Paet and Indian Foreign Minister Pranab Mukherjee discussed combating piracy in Somali waters. To increase security for ship traffic, India dispatched its battleships

---

<sup>15</sup> Department of Industrial Policy and Promotion, Government of India and Federation of Indian Chambers of Commerce and Industry, *Invest India: Guiding Your Investments*, 2012, [www.investindia.gov.in/?q=investmentopportunities](http://www.investindia.gov.in/?q=investmentopportunities)

<sup>16</sup> Department of Industrial Policy and Promotion, Government of India and Federation of Indian Chambers of Commerce and Industry, *Invest India: Guiding Your Investments*, 2012, <http://www.investindia.gov.in/?q=introduction>



near the Somali coast. Paet pointed out that “only through well co-ordinated international actions will it be possible to reduce piracy”.<sup>17</sup> During the Foreign Ministers’ Meeting in 2008, Estonia expressed its perception of India as a serious partner. Foreign Minister Urmas Paet explained that Estonia is interested in intensifying relations with India, one of the greatest nations and a powerful player in global politics. According to Paet, “India’s political and economic importance in the world is rapidly increasing. Estonia is interested in closer communication with India” and “wants to promote business contacts as much as possible.”<sup>18</sup>

Energy efficiency is another important common-ground issue inviting cooperation in terms of research, development, innovation, renewable energy, clean energy, etc. The Baltic States are keen to diversify their energy imports in order to avoid the danger of depending on one source alone. Both the Baltic States and India have developed energy relations with Central Asian countries like Kazakhstan. However, Central Asia remains an area of both dangers and vital resources, and lack of external connectivity is a concern for both India and the Baltic States in establishing meaningful relations with the Central Asian region. The involvement of India and the Baltic States in the prospects for commercialisation of the Northern Distribution Network (NDN) and New Silk Route are useful for handling logistic challenges confronting both entities. Stability in South Asian region is a significant aspect for peace, security, and development in South Asia and Central Asia in the coming years as well as for international development and engagement in this part of the world. The Baltic States recognise India’s role in the stability of the South Asian region, particularly in Pakistan and Afghanistan as well as in relations with Russia and the European Union. In today’s turbulent world order, as both the Baltic States and India seek to strengthen their position and legitimacy in the international system, fostering functional bilateral cooperation and relations will be beneficial in addressing many global and regional challenges. This effort is reflected in the foreign policy priorities of the countries in question.

<sup>17</sup> Spokesperson’s Office, “Estonia and India consider combating pirates in Somalia’s coastal waters to be crucial”, 24.11.2008, <http://www.vm.ee/?q=en/node/5246>

<sup>18</sup> Ibid.

## **2. Foreign policy goals, principles, and priorities for India and the Baltic States**

Foreign policy priorities are also the reflection of national issues and development priorities for any country. Some of the important priorities defined by Estonia are as follows: ensuring national security, stability, and predictability of international relations; enlarging of the security space; development of partnerships; prevention of international crises as well as crisis management and participation in crisis solving operations; countering of new threats (terrorism, proliferation of weapons of mass destruction, threats from cyberspace, etc.); ensuring premises for the functioning of Estonian economy; liberal economic relations and a liberal economic space; promotion of the norms of international law that seek to further the principles of democracy and the rule of law; promotion of the norms of international law that safeguard human rights; upholding freedom of press; development of cooperation, with partners acknowledging and appreciating common values for the promotion of foreign policy objectives; provision of humanitarian aid; participation in peacekeeping operations, civilian reconstruction, etc.<sup>19</sup>

Latvia's foreign policy objectives are as follows: contribution to safeguarding the stability in the world, a predictable international system where the interests of all members are respected; national security and development; promotion of external economic and bilateral relations beyond EU and Baltic Sea region states; arms control; enhanced dialogue with Central Asian states; continuing involvement in Afghanistan, enhancement of energy security; efficiency and transportation; promotion of tourism, and identification of new markets in countries like India.<sup>20</sup>

Meanwhile Lithuania is getting ready to assume EU presidency in 2013. Consequently, in addition to the EU, NATO and Baltic Sea region priorities and similarly to Latvia and Estonia, Lithuania has defined the following foreign policy objectives: ensuring national security, protection of Lithuania's interests abroad; expansion of trade relations and identification of new market and

---

<sup>19</sup> Estonian Ministry of Foreign Affairs, "Estonia's foreign policy goals and sub-goals", 2012, <http://www.vm.ee/?q=en/node/8565>

<sup>20</sup> Ministry of Foreign Affairs, Government of Latvia, "Annual Report by the Minister of Foreign Affairs on activities performed and planned in national foreign policy and on activities performed and planned in European Union matters", March 2012, [http://www.am.gov.lv/annual%20report\\_2401\\_en.pdf](http://www.am.gov.lv/annual%20report_2401_en.pdf)

investment opportunities; fostering energy security, cultural diplomacy, and cultural exchange; preservation of cultural heritage of the Great Grand Duchy of Lithuania; bilateral free trade agreements between EU and third countries, and so on.<sup>21</sup>

India's foreign policy priorities could be seen as the reflection of its basic motifs, ethos and philosophy. Foreign policy is geared toward pursuing national interests in the global environment, domestic priorities as well as development objectives and challenges faced by the country. Since independence, India has posited the goals of achieving global acceptance and increasing economic growth. "Strategic autonomy"<sup>22</sup> is another important aspect of India's foreign policy, according to which India makes decisions regarding its external engagement and global issues based on its national interests. In its external relations, India advocates democratic and mutually beneficial engagement.

India has become one of the emerging economic powers in the international system. In order to sustain its growth level, the country is experiencing a growing demand for energy. Hence energy security has become a crucial factor for sustainable development in India. Currently India is dependent on energy imports from West Asia, Russia, and Central Asia. It is also searching for new sources of energy and is developing renewable energy resources as well as solar and wind energy systems in order to boost its energy efficiency.

Climate and global warming are other challenges that harm the development, human and ecological well-being. Consequently, low carbon energy use is one of India's goals in addressing climate change. Food security, terrorism, Islamic militancy and extremism are also found among policy priorities in India.

---

<sup>21</sup> Seimas of Republic of Lithuania, Resolution No. XI-52, "Programme of the Government of the Republic of Lithuania", 9 December 2008, [http://www.urm.lt/popup2.php?nr=1&item\\_id=256&m\\_e\\_id=4&\\_menu\\_i\\_id=162;164&no\\_cache=1](http://www.urm.lt/popup2.php?nr=1&item_id=256&m_e_id=4&_menu_i_id=162;164&no_cache=1)

<sup>22</sup> "Strategic autonomy" is the capacity to follow foreign policy without aligning with or against any state or bloc. This policy is generally called non-alignment, as propounded by Jawaharlal Nehru. This strategy is subject to debate both in the West and in India: during the cold war, India felt a greater affinity with the Soviet Union, while after the cold war, India's relations with the US emerged as controversial. In the context of emerging complex and multipolar global order, India has to develop relations with multiple countries following strategic autonomy. Scholars are skeptical about whether India can retain its decision-making autonomy in the present day world while enlarging and deepening relations with the US, Europe, China, Russia, and other countries. Dutt, V.P., *Foreign Policy in Twenty First Century: An Overview*, in V.D. Copra, ed., *India's Foreign Policy in the Twenty First Century*, New Delhi: Kalpaz Publications, 2006, pp. 19-30.

India's engagement aims to develop a peaceful, prosperous and stable neighbourhood. However, there are several challenges in the region which India has to address in order to achieve this goal. The situation in Afghanistan poses a threat to India's national security. Although India has civilisational and historical ties with Afghanistan, when the Taliban, a fundamentalist force, came to power, India's relations with Afghanistan became strained. In particular, the Taliban's connections with Pakistani cross-border terrorist forces engaged in a proxy war in Kashmir have become a concern for India. The Taliban was seen as the creation of a Pakistani intelligence agency, Inter Services Intelligence (ISI). Pakistan has set the objective to control access to Central Asia by gaining "strategic depth" in Afghanistan. India opposed the Taliban; along with Russia and Iran, it supported the moderate Northern Alliance, comprised of different ethnic groups such as Tajiks, Uzbeks, Hazaras, and other minorities.<sup>23</sup>

India had had good relations with the EU even before the Baltic States joined the organisation. To be more precise, the EU is one of the leading economic partners of India. In the context of presently evolving ties between India and the Baltic States, India's long-standing ties with Europe offer some understanding. Europe has taken keen interest in Indian thought and philosophy since the days of classical antiquity. This fascination with India has been an inspirational force among the Baltic States, too.

### **3. The Balts and the Indians: common linguistic and cultural roots**

The Baltic States,<sup>24</sup> which were independent during the interwar period (1918-1940) and were made part of Soviet Union during WW II, have now

---

<sup>23</sup> Muni, S. D., *India's Foreign Policy: The Democracy Dimension*, New Delhi: Cambridge University Press India Pvt. Ltd, 2009. p.102

<sup>24</sup> Among the three Baltic States - Estonia, Latvia and Lithuania - linguistically speaking, Estonians are Baltic Finns and Latvians and Lithuanians are Balts. Latvians and Lithuanians speak Baltic languages while Estonians speak the Finno-Ugric language. It was after the World War I that the term the "Baltic States" came into use to denote these three states as a single geopolitical unit. In the Soviet period, these states were known as Pribaltika. In the post-cold war period a common Baltic Sea regional identity including these states has been evolving. Andres Kasekamp, *A History of Baltic States*, London: Palgrave Macmillan, 2010, p. ix.

become famous worldwide. They are in the process of discovering, inventing, or reinventing, and preserving their civilisational, cultural, historical, and political past so as to reconstruct their identity in the new modern/postmodern/post-colonial circumstances, thereby attaining their rightful position in Europe, and to build a legitimate and dignified status in the international system. Consequently, the Baltic States are focused on strengthening international relations, history, culture, language, civilisational values, thoughts, ideas, and ideals which are cherished and pursued in each country.

It seems that the Baltic States have great respect for and genuine interest in Indian thought and ideas. In their independence movement known as “The Singing Revolution” and “The Baltic Way”, the main ideology adopted was that of non-violence. The Baltic States have partly borrowed this idea from the political philosophy of Mahatma Gandhi, the main ideologue, strategist and visionary of India’s independence movement. In the last years of the existence of the Soviet Union, as the Baltic States were planning their own struggle for independence, Baltic intellectuals studied and discussed the ideology and strategy of India’s freedom struggle led by Gandhi.<sup>25</sup> This inspiration seems to have derived from the social belief of the common ancestral origin of the Indians and the Balts.<sup>26</sup> Many authors have touched upon this theme in pursuit of the truth. These facts suggest that there is plenty of room for mutual understanding, learning and benefits. Revitalising Indo-Baltic civilisational and historical ties of the past has its relevance at present, as it is conducive to more stable and prosperous cooperation, which is beneficial for both the Baltic States and India.

Meanwhile the ancient connection between the Balts and the Indians is almost an unknown subject in India. However, historical sources that are available testify that the Baltic States have a strong fascination towards India and a long tradition of Oriental/Indology studies. The Indo-European linguistic and cultural background is depicted as the basis of this common origin hypothesis. Indian author Suniti Kumar Chatterji, who studied the Indo-European background of the Balts and the Aryans, wrote in the 1960s:

---

<sup>25</sup> Personal communication with Prof. Zaneta Ozolina (Department of Political Science, University of Latvia), who was an active participant of the freedom movement in Latvia, and with Prof. Vytis Ciubrinskas, (Center for Oriental Studies, Vilnius University, Lithuania).

<sup>26</sup> This is a controversial subject that requires further investigation. Several hypotheses and theses exist which either reject or support the common ancestral origin of the Balts and the Indians.

It may be mentioned in passing that during the nineteenth century, when the Baltic peoples, the Latvians and the Lithuanians, began to study their national literature of the *Dainas* and became conscious of their Indo-European heritage, through their study of it from the German Sanskritists who took a leading part in establishing the “Aryan” or Indo-Germanic or Indo-European bases of culture of the European peoples, they developed an uncritical and a rather emotional idea that the Baltic peoples came from the East—from Asia— and as they thought, from India too. ... Baltic writers and poets like Andrejs Pumpurs, the Latvian poet who composed the Latvian national epic of *Lacplesis* (based on Latvian ballads and myths and legends) in 1888, and Janis Rainis, (1865-1929), the national poet of Latvia, and writers also from Lithuania, described in glowing terms how the culture and wisdom and even the origin of the Balts was from far-away Asia in the East, from India itself. The Latvian writer, Fr. Malbergis, actually wrote in 1856 that the Latvians like the Russians and Germans came from the Banks of Ganga. ... A wise people, the *Burtnieks*, according to the Latvian tradition, brought all science and knowledge to Latvia from India. ... The old Lithuanian priestesses, the *Vaidilutes*, used to tend the sacred fire as part of the old Indo-European Balt religious rite, and this fire, as a modern Lithuanian poet suggested, ‘arrived in Lithuania from the banks of Ind’<sup>27</sup>.

Chatterji further analyses:

All this yearning among a section of the cultivated Balts in the nineteenth-twentieth centuries can be easily understood as a kind of nostalgia for the golden land of their ancestors in far-away mystic India, the home of Sanskrit and the Vedas which echoed the Baltic speeches and the *Dainas-a* nostalgia which was partly the result of a sense of a national frustration from which the Balts had to suffer from the fourteenth century onwards through the aggression of the Germans, the Poles and the Tsaristic Russians<sup>28</sup>. However, he mentioned modern science and linguistics were establishing it the other way also. “It is the land of the Balts and Slavs of the present day which was the *Urheimat* of the Indo-Europeans, and the Vedic Aryans went to India ultimately from the Balto-Slav areas<sup>29</sup>.”

In whatever way, this narrative illustrates that the Balts and the Indians had some historical links indeed.

---

<sup>27</sup> Chatterji, Suniti Kumar, *Balts and Aryans: In their Indo-European Background*, Simla: Indian Institute of Advanced Study, 1968, pp. 23-24.

<sup>28</sup> Chatterji, p. 24.

<sup>29</sup> *Ibid.*

Jirgens observes that the cultural matrix of the Baltic languages embeds diverse pre-Christian myths. Indo-European influences found in Latvia and Lithuania reach back to myths and belief structures of ancient India. Philologist and historian Tadeuſs Puisāns also points out the direct connection of the Latvian and the Lithuanian languages to ancient Sanskrit, one of the classical languages in India. The Anglo-German ethnologist Max Müller (1833-1900) has also identified links between the Sanskrit “Deva” (deity: bright or shining one) and the Lithuanian “Dievas” or the Latvian “Dievs” (both signifying God). Therefore, scholarly research suggests that linguistic and mythic roots exert a profound influence on all the three Baltic nations.<sup>30</sup>

A comparative study of Indo-European languages traces the pedigrees of Latvian and Lithuanian religions to the hypothetical time of the ancient Indo-European unity some 4,000 years ago and compares Baltic gods, myths and rituals to those of the ancient Greeks and Indians. The Indo-European connections with ancient pagan traditions remain important to the modern Latvian and Lithuanian pagans. The myths of pre-Christian Latvian *dainas* and Lithuanian *dainos*, for example, have often been compared to the Vedic hymns of ancient India.<sup>31</sup>

Archeological research and historical evidence seem to have established a similarity between Indian and Baltic customs and traditions. Marija Gimbutas observed that the beginnings of many Indo-European groups were almost simultaneous. The scholar believes that the forefathers of the Balts and old Indians lived in the Eurasian steppes over 4000 years ago.<sup>32</sup> A ritual similar to *Sati* in India was prevalent in Lithuanian society. According to Gimbutas,

<sup>30</sup> Jirgens, Karl E., “Fusions of discourse: postcolonial/postmodern horizons in Baltic culture”, in Violeta Kelertas, ed., *Baltic Post colonialism*, Amsterdam: Radopi, 2006, pp. 64-65.

<sup>31</sup> Strmiska, Michael, “The music of the past in modern Baltic paganism”, *Nova Religio: The Journal of Alternative and Emergent Religions*, Vol. 8, No. 3 (March 2005), pp. 39-58, p. 41. The author has come across a citation from a work published in the 1960s that states: “Our religious ideas show a surprising closeness to those of the Indian Vedas. Such a similarity attests that the source of the religion of both peoples lies in the [religion] of the proto-Aryans to whom the Latvians (the Balts), Indians and the Iranians have the closest relationship.” Michael’s end note no. 9, cited from Janis Dardedzis, *Latvian Religion: An Outline*, New York: NujorkasDievturuKopa, 1968, pp. 32-35.

<sup>32</sup> Gimbutas, Marija, *The Balts*, London: Thames and Hudson, 1963, p. 43.

The frequent double graves of a man and a woman indicate the custom of self-immolation by the widow. The wife must follow to death her deceased husband — a custom which continued among Hindus in India (suttee) into the present century, and in Lithuania is recorded in the thirteenth and fourteenth centuries AD.<sup>33</sup>

Likewise, similarities in marriage and wedding ceremonies have been reported. As Oskar Loorists puts it, “The wedding ceremony stabilises itself according to the Aryan pattern and even today surprisingly similar to what it is in India”.<sup>34</sup>

India’s ancient connections with the Baltic States derive predominantly from missionary activities. Thanks to missionary work, Lithuania discovered India as early as the 16<sup>th</sup> century. The knowledge obtained was predominantly related to the Evangelical missionary work in India, but also comprised descriptions of the caste system, religions, yoga teachings, and Indian classical literature. For instance, A. Nerling (1861-1872) and J. Hesse (1869-1873) were the first Estonian missionaries to come to India in the mid-19<sup>th</sup> century. Later, several others followed. E. Eckhold was reported to be the first person of Estonian origin to visit India, at the end of the 17<sup>th</sup> century. The famous seafarer A.J. von Krusenstern was in Madras and Calcutta in 1797. Through missionary expeditions, a lot of information about India reached Estonia, too, and several articles and books were published. The “Puhhapaiwa Wahheluggemissed” (“Sunday Intermediary Readings”) of Otto W. Masing (1818) was the first written work in Estonian to touch upon India.<sup>35</sup> In 1912, writer Andres Saal made a significant contribution by publishing longer articles about the Indian epic “Mahabharata”, drama and folk wisdom in “Olevik” (“The Present”).<sup>36</sup>

The University of Tartu, established in 1632 AD, had several publications on the Sanskrit language and literature. In 1837, the university started to offer

---

<sup>33</sup> Ibid, p. 42.

<sup>34</sup> Loorists, Oskar, “The stratification of Estonian folk-religion”, *Slavonic and East European Review*, vol. 45, no. 85, June 1957, pp. 360-378, p. 370.

<sup>35</sup> Ibid.

<sup>36</sup> Estonian Ministry of Foreign Affairs, “Estonia and India”, **25.11.2011**, <http://www.vm.ee/?q=en/node/95>



Sanskrit courses. It is a notable fact that Tartu University was home to many world famous Orientalists of Estonian Baltic-German origin. Among them, the renowned scholar of Indian studies Leopold von Schroeder and Buddhologist and philosopher Hermann Graf Keyserling deserve special mention.<sup>37</sup> Estonian Buddhists played an important role in spreading Buddhism in Europe. The first person who disseminated Buddhism in Estonia was Karlis August M. Tennisons (1873-1962), also known as the Sangharaja of Estonia, Lithuania and Latvia, the Buddhist Archbishop and the Baltic Mahatma. Thanks to his activities, Buddhism spread in all the Baltic States.<sup>38</sup>

Another possible ancient connection between the Indians and the Balts has to do with economic relations and trade, maritime trade in particular. The Silk Route and the Amber Road, two ancient trade routes, help assume the existence of Indo-Baltic trade connections. Historical evidence suggests that, since pre-historic times, amber was found, used, and exported by tribes inhabiting the shores of the Baltic Sea.<sup>39</sup> Thus it may be maintained that amber might have come to India through ancient traders. The Balts traded amber to the Roman Empire, while the latter traded directly with South India. Amber beads have been available in Indian market since ancient times. In particular, amber has been imported to India by the Oxus-Taxila route since the sixth century BC.<sup>40</sup>

Revived after independence, Indology and Oriental Studies in the Baltic States show that there has been a deep and long-standing interest in the ideas and culture of India. Keen interest in India's religions, philosophy, culture, customs, myths, spirituality, etc. has contributed to the formation of a strong tradition of Oriental Studies in the Baltic States. Today Indology remains one of the important branches of the Baltic Oriental Studies.

---

<sup>37</sup> Mall, Linnart, *Studies in the Astasahasrika Prajnaparamita and other Essays*, Delhi: Motilal Banarsidass, 2005, p. 194.

<sup>38</sup> Belka, Lubos, "Buddhism in Estonia", *Religion, State and Society*, vol. 27, no. 2, 1999, pp. 245-248, p. 245.

<sup>39</sup> Charpentier, Jarl, "The original home of the Indo-Europeans: Two Lectures Delivered at the School of Oriental Studies, London, on 10th and 17th June 1925", *Bulletin of the School of Oriental Studies, University of London*, vol. 4, no. 1, 1926, pp. 147-170, p. 162.

<sup>40</sup> Prasad, Prakash Charan, *Foreign Trade and Commerce in Ancient India*, New Delhi: Abhinav Publications, 1977, p. 215.

#### 4. India in Oriental Studies of the Baltic States

Baltic Indologists have demonstrated great interest in Rabindranath Tagore and his philosophy. In this respect, Karlis Egle of Latvia is a great source. His translations from English have introduced the works by Rabindranath Tagore to Latvian people. Latvian translators of Indian prose and poetry were the first who, as early as the beginning of the 20<sup>th</sup> century, initiated studies of India, which was already perceived as a country with an ancient and diverse culture. The Latvian poet Rainis, alongside other Latvian litterateurs of the time mentioned earlier in this paper, explored Indian philosophy.

Since the 19<sup>th</sup> century, many Baltic intellectuals have been interested in studies about India. Linnart Mall is an eminent personality who has significantly contributed to Buddhist studies and, more generally, to the development of Oriental Studies in Tartu University in Estonia. Mall studied Indian languages of Hindi and Sanskrit and translated many religious and ancient literary texts. During his “academic exile” in the 1970s, Mall published his translations on a yearly basis thereby braving the strict Soviet ban on religious studies. *Dhammapada*, *Diamond Sutra*, *Bhagavadgita*, etc. are but a few of his works published in Estonian during this period. Mall also translated into Estonian “Twenty-Five Tales of the Vetala”, a famous collection of ancient tales, and *Sukasaptati*, (“the Parrot Book”).<sup>41</sup>

Latvian interest in Indology was observable even in the Soviet period. Translations of Indian texts by Rabindranath Tagore and others into Latvian were available to Latvian readers. In post-Soviet Latvia, Viktors Ivbulis, Professor in Oriental Studies at the University of Latvia, has become the leading scholar in Indology. In 2002, the Indian government recognised the significant contribution made by Ivbulis, the first Latvian scholar to translate the works of Tagore from the Bengali originals, by awarding him the prize of the West Bengal State. According to Ivbulis, the interest in Tagore could be traced back to the times of William Jones. A nine-volume translation of Tagore’s works was published between 1925 and 1939 in Latvia. Works by Tagore inspired Ivbulis to start his own research. As a result, Ivbulis wrote articles and books devoted to Tagore for over three decades. He said:

---

<sup>41</sup> Mall, p. 196.

Sir William Jones's translation of *Sakuntala* appeared in 1789. Europe, which was then trying to develop romanticism, saw in it a culmination of their aspirations. The translation profoundly influenced the Oriental scholars in Germany and Latvia was long under the dominance of Germany. Love for Sanskrit plays came through German Imperialism in the 19th century. Tagore became popular in the 1920s after the Nobel award and he was thought of as a mystic. But we saw him as one among ourselves. We always see India close with brotherly attachment. Our freedom struggle is also not different from that of India.<sup>42</sup>

In Lithuania, academics got interested in Indian studies, too, especially because of the affinity between the Lithuanian language and Sanskrit. Vydunas (Vilhelmas Storost, 1868-1953) could be referred to as one of the most prominent Indology scholars during the Soviet era. In Lithuania, he is placed on a par with such Indian leaders as Mahatma Gandhi, Rabindranath Tagore, and Sri Aurobindo. Vydunas was interested in Indian philosophy, in particular, Hindu religious philosophy and spirituality to such an extent that he created a system of philosophy school based on Vedanta.<sup>43</sup> In her lecture delivered at the Indian Council of World Affairs on 11 November 2011, Ms. Asta Skaisgiryte Liauškienė, Vice-Minister of Foreign Affairs of the Republic of Lithuania, acknowledged that Indian philosophy has been popular in Lithuania since as far back as the 19<sup>th</sup> century. In the 20<sup>th</sup> century, intellectuals involved in the Lithuanian national movement relied on the Gandhian way of gaining independence. Gandhi, Vivekananda and Tagore were translated into Lithuanian so as to be accessible to the broad masses of the population of Lithuania. Ms Liauškienė also mentioned the fact that Hermann Kallenbach, Gandhi's close friend, was a Lithuanian. Sonja Schlesin, Gandhi's private secretary in South Africa, was Lithuanian, too. All this suggests that, through personal relations, Lithuania was connected to Indian leadership during Gandhi's period.<sup>44</sup>

<sup>42</sup> Kumar, Amshan, "Lapping up Indian literature", *The Hindu*, 8 March 2002, <http://www.hindu.com/thehindu/fr/2002/03/08/stories/2002030801490600.htm>

<sup>43</sup> Ministry of External affairs, Government of India, "India-Lithuania relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044494>

<sup>44</sup> Liauškiene, Asta Skaisgiryte, Vice-Minister, Ministry of Foreign Affairs of the Republic of Lithuania, "Lithuania: A hub in the centre of Europe", Lecture delivered to commemorate the 20th anniversary of Indo-Lithuanian diplomatic relations, 11 November, 2011, [http://icwadelhi.info/index.php?option=com\\_seyret&Itemid=0&task=videodirectlink&cid=16](http://icwadelhi.info/index.php?option=com_seyret&Itemid=0&task=videodirectlink&cid=16)

In 1996, a separate centre for Indian studies, under the Department of Oriental Studies, was established at Vilnius University, Lithuania. Among other valuable contributions, special mention should be made of Professor Audrius Beinorius' monograph, *Imagining Otherness: Postcolonial Perspective to Indian Religious Culture*.<sup>45</sup> In his critically acclaimed book, Beinorius sought to develop a new perspective on the religions of India in the 21<sup>st</sup> century.<sup>46</sup>

In this way, Indian culture, philosophy, literature, history and Hindi are widely taught at university level across the Baltic States. For its part, the Government of India encourages research and donates books to Baltic universities. In January 2011, the Indian Council of Cultural Relations and Mykolas Romeris University (Vilnius) signed a Memorandum of Understanding in order to establish the first ever Chair of Indian Studies in the Baltic States. The Memorandum came into effect on 1 September 2011.

Academic collaboration and educational opportunities are two important factors that can promote bilateral relations. Jawaharlal Nehru University (JNU), one of the premier centres of academic excellence in social sciences in India, is the most important institution that currently promotes comprehensive studies on the Baltic States in India. An area of research and teaching devoted to the Baltic States has been developed under the auspices of the Centre for Russian and Central Asian Studies of the School of International Studies, JNU. In particular, the course "Politics and Society in the Baltic States" has been offered by the author of the present article to students of M. Phil programme. Since 2009, JNU students have submitted several dissertations on various subjects pertaining to Estonia, Latvia and Lithuania realities. Topics explored include political change, EU integration, political parties, labour market, globalisation, economic transition, democracy, civil society, energy security, Russia's relations with the Baltic States, and so on. Research on the Baltic States is still in its earliest stages, and publications on the subject are forthcoming. JNU has developed closer academic collaboration with prominent educational institutions in the Baltic States, such as the University of Latvia and Vilnius University, Lithuania.

---

<sup>45</sup> Beinorius, Audrius, *Imagining Otherness: Postcolonial Perspective to Indian Religious Culture*, *Bibliotheca Orientalia et Comparativa*, 7, Vilnius: Kronta, 2006.

<sup>46</sup> Beinorius, Audrius, "Buddhism in the early European imagination: a historical perspective", *Acta Orientalia Vilnensia*, vol. 6, no. 2, 2005, pp. 7-22.

## **5. Bilateral relations between India and the Baltic States since 1991**

India first recognised the Baltic States on 22 September 1921, when the nations became members of the League of Nations<sup>47</sup> and then in 1991. By 1992, India had established diplomatic relations with all the three Baltic States. Since 1993, many high-level mutual visits have taken place and several agreements have been signed between India and Latvia, Lithuania, and Estonia. Most recently, visits from Estonia to India have been paid by Urmas Paet, Foreign Minister (November 2008), Ene Ergma, Speaker of Estonian Parliament (April 2010), Artis Kampars, Latvian Economics Minister, accompanied by a business delegation (February 2010), and Marko Mihkelson, Chairman of Foreign Affairs Committee of Riigikogu (March 2012). Prominent Indian figures visited Estonia, viz., Preneet Kaur, Minister of State for External Affairs, (May 2011), P.K. Bansal, Minister of Parliamentary Affairs and Science & Technology (June 2011), and Kapil Sibal, Minister of Human Resource Development and Communications and Information Technology (September 2011).<sup>48</sup> From India, the recent high-level visits to Latvia were paid by Anand Sharma, Minister of State for External Affairs, (March 2007) and Preneet Kaur, Minister of State for External Affairs, (March 31-April 2, 2011).<sup>49</sup> From

---

<sup>47</sup> It has been reported that the three Baltic States were admitted to the League of Nations on 22 September 1921, and since India recognised Estonia on 22 September 1921, it could be assumed that India recognised Latvia and Lithuania on this date, too. See Estonian Ministry of Foreign Affairs, "Estonia-India bilateral relations", April 2012, [www.vm.ee/?q=en/node/95](http://www.vm.ee/?q=en/node/95). India was one of the founding members of the League of Nations. Though India was under British rule, in response to Indian people's committed and selfless contribution to British Raj during WWI, British government decided to pursue some reforms granting India a sort of autonomy for self-rule. Government of India Act (Montague-Chelmsford Reforms) of 1919 granted provincial autonomy and allowed elected representatives of India in the provincial administration. The idea of national self-determination was supported by leaders like Woodrow Wilson, who believed that India should have dominion status. However, this proposal was rejected by Gandhi as he was not ready to compromise the idea of full independence for India. India's membership in the League was the result of several Imperial conferences held from 1907. For details see V.P. Menon, *Transfer of Power in India*, Princeton: Princeton University Press, 1957; Dina Nath Verma, *India and League of Nations*, Patna: Bharati Bhavan, 1968.

<sup>48</sup> Ministry of External Affairs, Government of India, "India-Estonia relations", February 2012, <http://meaindia.nic.in/mystart.php?id=50042458>

<sup>49</sup> Ministry of External Affairs, Government of India, "India-Latvia relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044490>

Lithuania, Vygaudas Usackas, Lithuanian Foreign Minister (December 2009) and a three-member Lithuanian parliamentary delegation headed by Deputy Speaker Algis Kaseta (November 2010) visited India. From India, Preneet Kaur, Minister of State for External Affairs, paid a visit to Lithuania in March 2011 and in June 2011.<sup>50</sup>

Since the beginning of the reestablishment of diplomatic relations, India has signed several important bilateral agreements with all the three Baltic States. Important agreements signed between India and Estonia include Agreement on Principles of Cooperation (October 1993), Agreement on Trade and Economic Cooperation (October 1993), Agreement on Economic and Technical Cooperation (October 1993), Agreement on Cooperation in the Spheres of Culture, Education, Science, Sports, Arts, Mass-Media, Tourism and Youth Affairs (October 1993), Protocol on Bilateral Foreign Office Consultations (August 1995), Agreement on Cooperation in the Fields of Science and Technology (February 1999), Joint Business Council Agreement (FICCI & Estonian Chamber of Commerce) and Double Taxation Avoidance Agreement (September 2011). An Agreement on Promotion and Protection of Investments is currently under negotiation.

India has signed a number of agreements with Latvia with regard to strengthening bilateral relations and promoting trade and investment and cultural relations. Among these are Declaration of Principles and Directions of Co-operation (September, 1995), Protocol on Foreign Office Consultations (September 1995), Air Services Agreement (October 1997), Agreement on the Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (27 June 2001), Cultural Exchange Programme (May 2006), and Bilateral Investment Protection Agreement (February 2010).<sup>51</sup>

The important agreements signed between India and Lithuania include Agreement on Trade and Economic Cooperation (July 1993), Protocol on Bilateral Consultations between the two Foreign Offices (August 1995), Agreement on Air Services (February 2001), Agreement on Cooperation in

---

<sup>50</sup> Ministry of External Affairs, Government of India, "India-Lithuania relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044494>

<sup>51</sup> Ministry of External Affairs, Government of India, "India-Latvia relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044490>

Spheres of Culture, Science and Education (February 2001), Agreement on Economic and Technical Cooperation in February 2001, Bilateral Investment Promotion and Protection Agreement (March 2011), and Double Taxation Avoidance Agreement (July 2011).<sup>52</sup>

In addition, other institutional instruments have been set up to promote bilateral relations. The Centre for Latvian-Indian Culture in Riga (1994), Latvian-Indian Friendship Society (1998)<sup>53</sup> and India-Lithuania Forum (2010) are but a few examples. In December 2010, an India-Latvia Parliamentary Friendship Group in Latvian Saeima was set up. The Baltic States experience a great wave of interest in Indian tradition and culture, in particular dance, music, yoga, Ayurvedic medicine, etc. For example, there is a number of Ayurveda and yoga centres across the region. In addition, the ISKCON movement enjoys popularity in all the three Baltic States.

The Baltic States are beneficiaries of the Indian Technical and Economic Cooperation Programme (ITEC). The ITEC offers a broad range of courses in various subjects, notably banking, mass communications, English, financial management, urban development management, human resource development, foreign trade, auditing, and so on. As regards Baltic specialists, a large number of professionals including medical doctors, environmental protection experts, economists, linguists, and Foreign Ministry staff have undergone training in India. In their turn, the Baltic States provide training to Indian nationals in a wide range of subjects, medicine in particular, through various educational institutions.

## **6. Economic relations between India and the Baltic States**

Baltic media have reported that India's economy is estimated to become the fifth largest in the world by 2025. If this is to happen, Indian economy will probably be larger than German economy. Citibank forecasts state that India might even grow into the world's largest economy by 2050. Taking the

---

<sup>52</sup> Ministry of External Affairs, Government of India, "India-Lithuania relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044494>

<sup>53</sup> Ministry of Foreign Affairs, Republic of Latvia, "Relations between Latvia and India", 15 October 2007, <http://www.am.gov.lv/en/security/news/4457/?pg=7955>

forecasts of Baltic media into account, this is the right time to see how the Baltic States can establish closer relations with India.<sup>54</sup>

Concerning the development of economic relations with India, two important cooperation frameworks remain significant: the European Union and the Baltic Sea Region (BSR). India has good relations with the EU and many countries in the BSR. Currently the EU is one of the main sources of investment in India. Bilateral economic data on India's trade with the Baltic States shows an increasing trend. As per Indian trade data, in 2009-10, bilateral trade between India and Latvia stood at \$202 million.<sup>55</sup> According to Lithuanian trade data, bilateral trade was \$117.9 million in 2009 and \$184 million in 2010. In January-November 2011, India-Lithuania bilateral trade stood at \$200 million.<sup>56</sup> India's trade with Estonia is also modest. In 2011, Estonia's trade with India constituted 0.5% of Estonia's total trade.<sup>57</sup> Major items of import from India include pharmaceuticals, cosmetics, textiles, cotton, leather products, tea, and metals. Imports from Estonia include copper, iron and steel, paper products, and machinery. In Lithuania, major items of import from India include pharmaceuticals, cosmetics, textiles and consumer goods. Major items of export to India include machinery and mechanical appliances, high-tech optical instruments, base metals and articles of base metal, chemicals, sulphur, lime and cement. Logistics and information technology are two important areas of joint projects between India and Lithuania. Thus Indian Automatic Teller Machines (ATMs) are secured by Lithuanian software.<sup>58</sup> Indian exports to Latvia include tea, coffee, tools, pharmaceuticals, chemicals, garments, iron & steel, etc. Indian imports include chemicals, fertilisers, iron

---

<sup>54</sup> Tere, Juhan, "Estonian companies looking towards India", 19 January 2012, [http://www.baltic-course.com/eng/good\\_for\\_business/?doc=51860](http://www.baltic-course.com/eng/good_for_business/?doc=51860)

<sup>55</sup> Ministry of External Affairs, Government of India, "India-Latvia relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044490>

<sup>56</sup> Ministry of External Affairs, Government of India, "India-Lithuania relations", January 2012, <http://meaindia.nic.in/mystart.php?id=50044494>

<sup>57</sup> Ministry of External Affairs, Government of India, "India-Estonia relations", February 2012, <http://meaindia.nic.in/mystart.php?id=50042458>

<sup>58</sup> Liauškiene, Asta Skaisgiryte, Vice-Minister, Ministry of Foreign Affairs of the Republic of Lithuania, "Lithuania: A hub in the centre of Europe", Lecture delivered to commemorate the 20th anniversary of Indo-Lithuanian diplomatic relations, 11 November, 2011, [http://icwadelhi.info/index.php?option=com\\_seyret&Itemid=0&task=videodirectlink&id=16](http://icwadelhi.info/index.php?option=com_seyret&Itemid=0&task=videodirectlink&id=16)



& steel, machinery, etc. There are around 42 registered Indian ventures in Latvia, which range from production to marketing to software development. Indian investment in Latvia constitutes about \$1.7 million.

The processes of Europeanisation and globalisation pushed the Baltic States into global economy. Today, Baltic economy remains as a transit hub between East and West, including goods from China and Russia to reach western markets. For increased trade, the Baltic States have extended their diplomatic links to other parts of the world, including China, India, and Latin America. For example, former Latvian foreign minister Artis Pabriks has keenly encouraged commercial relationships with China and India.<sup>59</sup> For India, the friendly Baltic States act not only as a gateway to the EU and Russia, but also as unsaturated new markets that offer high potential of investment opportunities. Availability of high quality human resources is an added advantage for the Baltic States. Many Indian companies have started viewing the BSR as a region advantageous for India to enter into European market, while the BSR market itself is perceived as an added incentive to Indian investment.<sup>60</sup>

The BSR is in search of Indian investment in several sectors, notably life sciences, engineering, and IT & telecom. Meanwhile Indian companies like Indorama, Wipro, Tata Consultancy Services, Larsen & Toubro and Bharat Forge have started investing in the region.<sup>61</sup> The Indian government has also developed interest in the Baltic States. Tourism, construction of infrastructure and engineering technologies, pharmacy and financial services are potential areas of economic cooperation, including trade, between India and the Baltic States.

As EU members, the Baltic States could exploit several areas of India-EU “strategic partnership” in order to expand their relations with India by. Adopted in 2005 and revised in 2008, the Joint Action Plan is a comprehensive mechanism for strengthening political and economic policy dialogue and

---

<sup>59</sup> David J. Galbreath, Ainius Lašas, and Jeremy W. Lamoreaux, *Continuity and Change in the Baltic Sea Region: Comparing Foreign Policies*, Amsterdam: Radopi, 2006, pp. 144-145

<sup>60</sup> Rajan, Nandagopal, “Indian investment can ride the Baltic tigers to destination Europe”, *Indian Express*, 10 September 2007, <http://www.indianexpress.com/news/indian-investment-can-ride-the-baltic-tigers-to-destination-europe/215411/3>

<sup>61</sup> Mishra, Gaurie, “Baltic region wants Indian investments”, 10 September 2007, [http://articles.economicstimes.indiatimes.com/2007-09-10/news/27687770\\_1\\_indian-companies-investments-baltic-sea-region](http://articles.economicstimes.indiatimes.com/2007-09-10/news/27687770_1_indian-companies-investments-baltic-sea-region)

cooperation, bringing together peoples and cultures and developing trade and investment.<sup>62</sup> As a bloc of 27 states, the EU is India's largest trading partner. In 2010, India remained EU's eighth largest trading partner. In addition, the EU is one of the largest sources of FDI inflows to India. The most important EU countries that invest in India are the UK, Germany, France, the Netherlands, and Italy. It is believed that the Baltic States benefit from India-EU business links. The India-EU Broad Based Trade and Investment Agreement (BTIA) negotiations are another instrument where the Baltic States can pursue their interest as EU members.

Since 2007, twelve rounds of negotiations have taken place. The last round of negotiation was held in New Delhi on 10 February 2012. The joint statement from India and the EU declares that both sides are committed to working together with a balanced and result-oriented approach, considering the respective development priorities based on common shared values of democracy, rule of law, civil liberties, fundamental freedoms, and respect for human rights.<sup>63</sup> During the summit, both sides welcomed the Joint Declaration on Enhanced Cooperation in Energy and reaffirmed their commitment to strengthening cooperation in energy, clean development, and climate change. In addition, the parties discussed various global and regional issues in pursuit of joint action and cooperation. Both the EU and India condemned terrorism. The summit called for peaceful uses of nuclear energy. Substantial discussions were held on cooperative engagement in energy cooperation, science and technology, culture, counter-terrorism, piracy and cyber-security.<sup>64</sup>

## **Conclusions**

India's political leadership views the Baltic States as distinct cultural entities with linguistic and cultural traditions similar to those of India, which could be relevant in developing meaningful relations. For their part, the Baltic States

---

<sup>62</sup> Ministry of External Affairs, Government of India, India-EU Relations, January 2012, <http://meaindia.nic.in/staticfile/EUJan2012.pdf>

<sup>63</sup> Ministry of External Affairs, Government of India, Joint Statement from India and the European Union on the 12th India-EU Summit, February 10, 2012 <http://meaindia.nic.in/mystart.php?id=530519010>

<sup>64</sup> *Ibid.*

have a respectable and friendly perception towards India. The author's personal interactions with Baltic (Latvian and Lithuanian) scholars and his recent visit to Latvia have formed the impression that people in these countries feel a genuine and somewhat nostalgic affinity with India, its culture, religions, philosophy, and spirituality. Thus, for example, Baltic people believe that their ancestral connections are similar to those of Indians. They believe that the Indians and the Balts have common cultural roots. For instance, certain fabric designs in Latvia are similar to Indian designs. To summarise, in the minds of people of the Baltic States, India evokes notions of a distinct culture.

Since the re-establishment of diplomatic relations in 1992, India's cooperation with the Baltic States has evolved in a friendly way based on mutual understanding in various spheres, including diplomatic relations, economy, trade, science, education, culture, and parliamentary affairs. The Baltic States are looking for expanding the horizon of their international relations beyond Europe and towards Asia. They have also begun to perceive India as a serious partner. However, the relations between India and Baltic states are still in their early stages. In comparison to China's involvement in the region, India's presence in the Baltic States seems to be minimal even though India projects itself as an emerging global power and an attractive destination for foreign investment. Geographic distance and high costs may be two major challenges that affect the speed and time of enhancing relations. As regards opportunities, the existing framework of "strategic partnership" between India and the EU could be exploited by the Baltic States in order to strengthen the region's relations with India. There are remarkable prospects and a potential for further developing and strengthening the cordial and friendly relations between India and the Baltic States. Regrettably, to date India does not have embassies in any of the Baltic States. It is suggested that India's political establishment should take more interest in enhancing the mutually beneficial cooperation with the Baltic States, three of the 27 EU members, by establishing embassies, and especially in Lithuania, the hub of Europe, which takes up the EU presidency in 2013, in order to expand India's presence in this part of the EU.