



## South Asia Strategy Monitor No. 6

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**Related Categories:** Democracy and Governance; Islamic Extremism; Resource Security; Afghanistan; Australia; Central Asia; India

### AFGHANISTAN'S NEIGHBORS ORGANIZE

Representatives from seven nations recently gathered in Tashkent, Uzbekistan to hold the first meeting of special representatives from Afghanistan's neighbors to discuss the increasingly dire situation in the Southwest Asian state. These seven countries plan to meet regularly to discuss potential solutions and how to build lasting peace in Afghanistan. The participants include Turkmenistan, Iran, Pakistan, China, Uzbekistan, Russia, and Tajikistan. Notably, however, no Afghan representatives were invited to attend, given that the country's ruling Taliban regime has not been formally recognized by any nation.

The meeting represented an inflection point. While in the past the Taliban has been urged to govern moderately with respect to human rights, women's rights, and education, the Taliban has only tightened their grip - creating a major humanitarian crisis. Nearly 25 million Afghans are now facing starvation, and this group of neighboring countries urged Western nations to unfreeze Afghan Central Bank assets to improve the situation - with some conditions. "The representatives of these countries emphasized that the return of the money of the Central Bank of Afghanistan should be used primarily to pay the salaries of... school teachers and doctors, and at the same time to support the part of the population which is in a difficult situation," an Uzbek official told reporters. The meeting reflects an effort by Afghanistan's neighbors to adopt a more pragmatic approach to dealing with the regime in Kabul, which appears destined to remain in power at least for the foreseeable future. (Reuters, March 7, 2023; AKIPress, March 8, 2023)

### INDIA INVESTS IN ARUNACHAL PRADESH

Last month, New Delhi approved the construction of a \$3.9 billion hydropower project in the lower valley of the Dibang River in Arunachal Pradesh. With its growing energy demand, India is keen to transition away from coal to renewable energy sources, and views hydropower as a more stable option than solar and wind power. The project is expected to take nine years, and will be built over more than 12 thousand acres of land, resulting in a 912 ft tall dam. The project is not without controversy, however. In recent years, India's hydropower projects have faced pushback from local Indian communities, with citizens protesting the ecological and infrastructure damage caused by these colossal projects. Those protests, in turn, have caused construction delays and complications that have hindered the Indian government's development timeline. In addition, the location of Delhi's newest hydropower project poses a threat to regional stability, given that the dam is set to be built in the disputed territory of Arunachal Pradesh - territory which is also claimed by China. This dam is likely to exacerbate the already tense relations between India and China, which have resulted in repeated border clashes in recent months. (*Hindustan Times*, February 28, 2023; *Bloomberg*, February 28, 2023)

### AMID COALITION CRISIS, NEPAL ELECTS THIRD PRESIDENT

Last week, Nepal elected its third president since the country's centuries-old monarchy was abolished in 2008. Ram Chandra Poudel, a social democrat, was elected democratically in Nepal's 4th presidential election, but his victory was largely overshadowed by the political turmoil that consumed the election process. Poudel, an opposition candidate, was aided by the decision of Prime Minister Pushpa Kamal Dahal, who belongs to the ruling Maoist Centre party, to endorse him - a move that caused chaos and division among the country's political factions. While the position of the president is largely ceremonial, it "has effectively become a permanent, untouchable veto-wielding power." Poudel's election is beneficial for the U.S. and India, both of whom dislike the ruling communist coalition. However, it puts Nepal in an even more delicate position regionally in its attempts to balance between India and China as the two Asian powers compete for influence. (*The Diplomat*, March 6, 2023; *Indian Express*, March 10, 2023)

### INDIA, AUSTRALIA AIM TO BOOST TIES

Meeting in New Delhi in early March, Indian Prime Minister Narendra Modi and his Australian counterpart, Anthony Albanese, inaugurated the first India-Australia Annual Summit. The two countries discussed strengthening their economic and defense relationship, as well as the potential for a new and broader Comprehensive Economic Cooperation Agreement. This trip follows on the heels of a free trade agreement signed between the two nations last year. A key focus will be expanding trade in critical minerals, such as those used in electric vehicle batteries, which India lacks but Australia holds in large quantities. The two nations also hope to engage more deeply on space technology, as well as in the digital sector, education, maritime security in the Indo-Pacific and mutual defense. As two large powers in the Indo-Pacific region, a stronger Australia-India partnership could go a long way in balancing Chinese influence in the region. (Reuters, March 8, 2023; Reuters, March 11, 2023)

