

INDIA'S FOREIGN AID: SOCIAL RESPONSIBILITY OR HEGEMONIC STRATEGY?

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Abstract— The South–South Cooperation (SSC) is a word used to represent an expansive outline for association among countries of the global South in their economic, socio-cultural, technical and environmental aspects by the exchanging resources, technology, and knowledge. In past, Indian economy had to rely heavily on the official development assistance provided to it by other countries, but even then, it had a characteristic feature of providing the development assistance to the less developed economies. Over time, it has transformed itself into a country which provides substantial aid for the growth and development, especially under SSC. The aid has been beneficial not only for the growth of recipient countries, but also for the reputation of India in global South. This study analyses the aims of the help provided by India under SSC and evaluates the objectives behind it. The paper examines the purpose of the aid provided by India over last decade and scrutinises the basis behind each objective. Though from a bird's eye view, it seems that India provides a lot of aid to the other countries, a technical investigation into the pattern of the aid, specially that provided in recent years, reveals a focus on development of the regional economies of Indian subcontinent and suggests that it may be a result of desire to increase India's economic clout in the region.

Index Terms— India's Foreign Aid, South South Cooperation, Development Economics, India's Development Aid

I. INTRODUCTION

It is a well-recognized fact that India has been an age-old aid recipient from the developed countries of the world, but not many know of its significant role as a donor of development aid among less developed economies. The country has not only been a regional power but in last decade, has emerged as a global economic player, so much so that according to IMF forecast, it will become the world's fastest growing economy in 2016. Therefore, it becomes obvious that South-South cooperation is gaining impetus among the policy makers in the country.

While strong emergence of India has been a reason of development to many a low income economies, analysts often also criticize its aid program on the basis of internal development being compromised due to aid providence to others. In fact there exists a paradoxical situation wherein India is a receiver of aid on side and on the other, it is a

development aid donor in its own right. Such an inherent dichotomy raises doubt about India's foreign aid as being distributed primarily according to the country's personal benefits. These doubts in turn raise questions such as, "if the objectives of Indian aid are deliberate, are they planned under a strategy to fetch the country some political or economic influence?"

Despite aforementioned doubts, it is widely accepted that India has a significant role to play in the formation of the new development cooperation environment, especially because it has many convincing experiences to share. After all, it has succeeded to bring millions of its citizens above poverty line during past 5 decades, has grown its per capita gross national income more than four times over past twenty years, and has become potentially fastest growing economy in the world. Indigenous Indian initiatives have made substantial successes in attaining food security; bringing IT revolution; providing Right to Information to its people; all of which make India a country that can make unique contribution to development cooperation, focusing on practical solutions fashioned by its own development experience. Apart from this, Indian government has always cleared the air regarding the doubts about the motive behind its development aid emphasizing that its cooperation programmes are founded on ideologies of Jawaharlal Nehru fostering non-interference, robustness ensured via shared experiences, and partnerships which provide mutual welfare.

Investigating the aims of India's development aid, this paper structured as follows. Section 2 discusses the program of foreign aid as provided by India over the years and analyses its progress. Based on the previous aid literature, Section 3 presents the review of literature and develops background for understanding motives behind India's aid program. Section 4, presents the data analysis of the development assistance provided by India to various regions and causes over the period of time. Section 5 examines the motives behind India's aid program and finally, Section 6 summarizes the results, of the study, and provides policy implications.

II. OVERVIEW OF INDIAN AID PROGRAM

India owes its adapting the concept of development cooperation to its first Prime Minister, Pandit Jawaharlal Nehru. Soon after the country's independence Nehru put forward the view that despite India being a poor country, with limited resources, it had an internationalist responsibility to share its modest resources and capabilities with other developing countries which were then emerging from the yoke of colonial rule.

India began providing its development assistance after Colombo Plan articulated in Sri Lanka in 1950. This plan was developed by some Commonwealth economies, including India, with the goal of making financial assistance available to developing countries so as to uplift their standards of living. Since then, the magnitude of India's foreign assistance has grown close to three-fold in just five years from 2010 and 2015. As the growth can be seen in Fig. 1, Indian development assistance stands at about \$1.6 billion in 2015-2016.

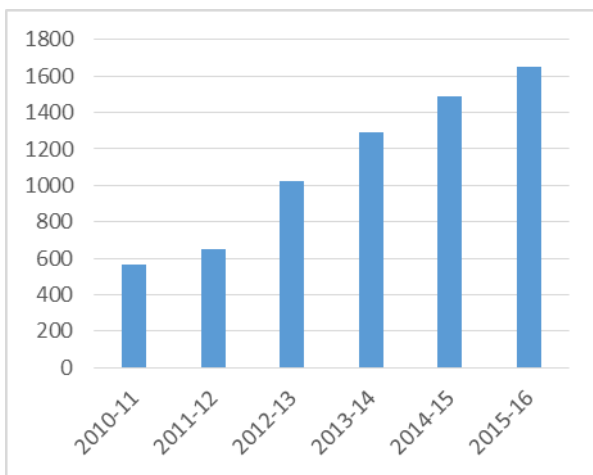


Figure 1. Indian Development Assistance (in USD billions)
Source: World Bank data, OECD data, MEA data

India's initial aid comprised of grants and loans, especially to its support neighboring countries, particularly Bhutan, Myanmar, and Nepal. Nevertheless, in spite of its active participation, India's development aid was generally confined to the domains of technical assistance, primarily because the country itself was faced with a lack of resources and huge demand for developmental finance. During due course of time, the programme of India's development assistance was strengthened due to its being a founding member of Non-Aligned Movement and the Group of 77 at the United Nations.

Following the fall of USSR and a deep crisis of national balance-of-payments, India adopted a fiscal policy which initiated pro-market economic reforms in 1991 and enhanced liberalization, privatization and globalization in the economy. The economic policy reforms resulted in making Indian economy stronger than ever before, as a consequence of

which, India expanded its co-operation with developing economies by extending its aid program.

Despite being an aid donor, India was still receiving comprehensive development funds. But Indian government knew that in order to grow and also to be perceived among strong nations, the country needed to emerge as an aid donor instead of being thought of as an aid receiver. Consequently, 2003-04 budget speech announced sharp breaks in India's aid program giving an impetus to numerous important variations in the aid it was providing. Fig.2 shows aid received and donated by India through years 2004 to 2015.

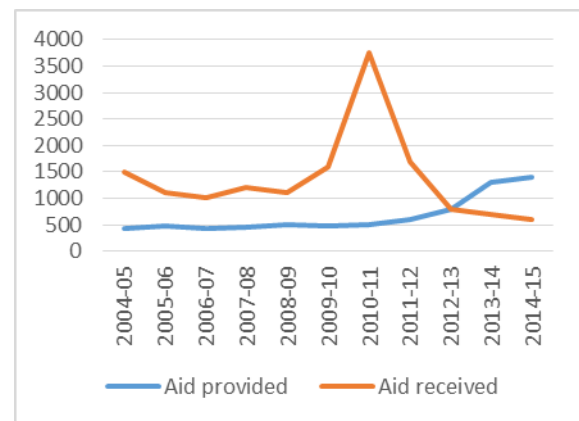


Figure 2. Aid Received and Donated by India.
Source: World Bank data, OECD data, MEA data

It was decided that India was going to implement three fold policy changes in its development program. Firstly, the economy would now only accept government-to-government aid, that too if it was untied and provided by five selected countries or the European Union. Secondly, the country would be repaying its outstanding loans majority of its bilateral donors and multilateral institutions. Thirdly, the country would be extending its aid assistance to other developing economies via debt cancellations for certain highly indebted low income countries, and intensifying its grant and project assistance under the banner of India Development Initiative. Despite the actual policy changes weaker in the beginning than implied in the speech, it was still evident that India was determined to move ahead on a path where it would rather play a formidable role in the field of international development cooperation.

During past decade, India has organized its foreign aid appropriations process under which funding for foreign assistance programs is channeled through various ministries of the Indian government. The Ministry of External Affairs plays the role of the main coordinator whereas the other individual ministries, as per their objectives, develop respective budgets for financing bilateral programmes as well as for funding the international organisations. The overall budget allocations for development assistance are finally channeled through the Ministry of Finance.

Over the past few years, India's aid program started covering larger number of countries and consequently, the projects being implemented by the Ministry of External Affairs increased substantially. Recognizing this, the Development Administration Partnership (DPA) was created in the Ministry of External Affairs in January 2012 to effectively handle India's aid projects through the stages of concept, launch, execution and completion. Development Partnership Administration functions under three divisions, namely, DPA –I, DPA – II and DPA – III. Table I shows the various domains handled by each division of DPA.

TABLE I. DOMAINS HANDLED BY EACH DIVISION OF DEVELOPMENT PARTNERSHIP ADMINISTRATION

Name of DPA Division	Domains Handled
DPA – I	<ul style="list-style-type: none"> • Lines of Credit (LoC) • Grant projects in the East, South and West African regions • Grant assistance projects in Bangladesh and the Sri Lanka Housing project
DPA – II	<ul style="list-style-type: none"> • over 8500 civilian and 1500 defence training slots allocated under ITEC (Indian Technical and Economic Cooperation Programme)/SCAAP (Special Commonwealth Assistance for Africa Programme)/TCS of Colombo Plan during 2012-13 to 161 partner countries. • 47 empanelled institutions conducting around 280 courses annually. • Grant assistance projects in Southeast Asia, Central Asia, West Asia and in Latin American countries. • Humanitarian and disaster relief.
DPA – III	<ul style="list-style-type: none"> • implementation of grant assistance projects in Afghanistan, Maldives, Myanmar, Nepal and Sri Lanka

According to Ministry of External Affairs, India's current development partnerships are founded on the needs identified by the partner countries and the effort of the Ministry is geared towards accommodating as many of the requests received from partner countries as is technically and financially possible.

III. LITERATURE REVIEW

The widespread literature on the distribution of development aid highlights that assistance from Western donors and multilateral institutions is steered by tactical objectives, as well as to economic needs of developing countries (Alesina and Dollar 2000; Kuziemko and Werker 2006; Dreher et al. 2009; Kilby 2009a). But the literature available on the assistance provided by non-DAC aid is still in its nascent stage. The studies made by Manning (2006), ECOSOC (2008) and Kragelund (2008, 2010) present decent synopses of the aid activities of these emerging new donors.

The literature generally groups the contributing factors of a donor's aid disbursement into three categories, namely,

- Recipient Needs - Countries with philanthropic ideologies allocate higher aid budget to poor countries in order to facilitate poverty reduction.
- Effective Policies - Following the idea of merit, economies with sound policies and robust institutions are supported through escalated aid flows.
- Political and commercial self-interests - Countries also keep in mind the self-interests while allocating loans as to how much their political and economic clout is going to increase.

Let us now see if and how the above mentioned motives are reflected through India's assistance program.

Meier and Murphy (2011: 7) made a study wherein they suggested the role that Indian ideologies may have in determining India's aid program. Quite similarly to the suggestions, Indian government states that its assistance program addresses the economic needs of developing countries. The study made by Banerjee (1982: 27) states that India grants aid to neighboring countries "with the sole objective of restoring the local citizens to a place of primacy." If this is the case, India's development assistance should be aimed at poor countries. In this context, Banerjee (1982: 55) finds that India's aid is especially need-oriented because it gives the "appropriate technology and managerial experience" to other developing economies. He also proves that India's aid is more need-oriented than that disbursed by "rich" donors because it has an economic and political structure similar to that of other developing economies.

Further, the Indian Ministry of External Affairs states that it "possess[es] skills of manpower and technology more appropriate to the geographical and ecological conditions and the stage of technological development of several developing countries." This suggests that India should provide more assistance to economies which are either at a similar stage of development or a little below it in comparison to allocate aid to those countries which have a big difference from the Indian level of development.

MEA also claims its assistance serves "mutual benefit" (ITEC 2011), which hints at the satisfaction of Indian interests which may not be directly associated to the development of its partners in the developing world. This can be further understood by the statement of the MEA (2004: 133) that "[t]he Government has been using development aid, including grants and Lines of Credit (LOCs) on concessional terms as tools for promotion of India's political, economic and commercial interests." The studies made by Price 2004; Agrawal 2007; Kragelund 2008 suggest that Indian aid is more of an instrument y to gain easy access to foreign markets for its products and provides help to its own businessmen in making overseas investments abroad.

Chanana (2009) analyses that India's development assistance seems to be aimed more at developing countries having oil and other natural resources important for India's economy. MEA (2009: xiii) also states that its assistance was "helping Indian companies get project contracts and orders for supply of goods." It also says that "LoCs have helped in

infrastructure development in these regions thereby creating considerable goodwill for the country.” Kragelund (2008) notices an overlap with the business activities of Indian oil companies while analyzing TEAM-913 program.

Study made by Agrawal (2007) suggests that India’s development assistance program is reflective of a foreign policy instrument to expand its geopolitical and economic influence beyond South Asia, and to develop military alliances abroad. Lafargue (2006) noticed that Zambia, an aid recipient of India, was not critical of nuclear tests made by India in 1998 and it also recognized that the Jammu and Kashmir are integral part of India.

Kragelund (2008) evaluates Indian aid practices as a step to strengthen its chances of becoming a permanent member at United Nations Security Council (e.g.). Likewise, MEA states that the ITEC program “has generated immense goodwill and substantive cooperation among the developing countries,” and that it “constitutes an integral part of India’s South-South Cooperation effort which has been a traditional pillar of the country’s foreign policy and diplomacy” (ITEC 2011). This shows that India does see its aid program at least as an instrument to improve its reputation at the international economic arena.

Dutt (1980) made an important study in which he focused on ways by which India can use aid provided by it as a foreign policy tool and suggests elements:

- to improve bilateral relations,
- to improve India’s image,
- to gain leverage and influence over recipient countries,
- to reward recipients’ policy position,
- to maintain the stability and status quo in recipient countries.

Thus it can also be perceived that whatever the claims of Indian government over the years might have been, but there is a near consensus in the aid literature that India’s aid allocation is guided not only by altruistic motives, but also by its political and commercial self-interests.

IV. DATA ANALYSIS

India prefers bilateral government-to-government aid to other assistance procedures. The aid allocation made by it makes it quite influential among its aid recipients. It provides development assistance to developing economies Asia, Africa and Latin America. A big proportion of its aid is allocated to neighbors in South and Central Asia. It also provides assistance to less developed economies in Africa and South America. Fig.3 shows the proportion of purposes behind India’s development assistance.

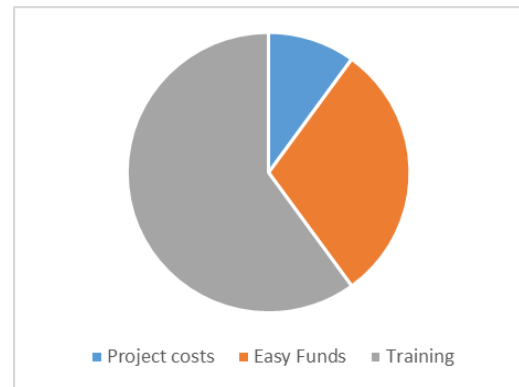


Figure 3: Purposes behind India’s Development Assistance.

Source: MEA Data.

Most of India’s foreign assistance is granted to neighboring economies of Bhutan, Afghanistan and Nepal, whereas an important and growing proportion is allocated to African countries. Approximately 60 percent of Indian development assistance is disbursed in training the civil servants, engineers and public-sector executives of recipient countries; approximately 30 percent is allocated to providing easy funds to overseas governments to help them to buy Indian equipment or services, for example ground-water pumps, medicines, health care infrastructure, railway equipment; and the rest 10 percent is disbursed on costs incurred in projects abroad, such as feasibility studies or technical expertise from India on government-run institutions such as hospitals, railway services and universities. Thus it can be noticed that India doesn’t provide much aid as outright cash grants. Following is region-wise analysis of Indian Aid.

A. South Asia

India’s most noticeable philanthropic economic commitment was its reaction to the Indian Ocean Tsunami that destroyed the coastal regions of India and its neighbors in December 2004. Though severely hit itself, India rejected peripheral aid and instantly forwarded aid of \$2.2 million to Sri Lanka and \$1.1 million to the Maldives. The Indian army directed aircrafts and ships to transport relief supplies – inclusive of around 200 tons of relief supplies from international organizations – and ran field hospitals in Sri Lanka. Nevertheless, the Tsunami was not the only instance where India provided assistance to the distress in the region. Five contexts – Afghanistan, Bhutan, Nepal, Pakistan and Sri Lanka – require a deeper discussion since these countries have been the main recipients of Indian altruistic assistance in the past decade.

1) *Afghanistan*: Apart from providing high protein biscuits since 2003 to local school children there via World Food Programme’s school-feeding program, India made a direct donation of 1 million tons of wheat in 2008. In 2009, Afghanistan was the second biggest recipient of India’s development assistance and aid programs. It received twice as

much development aid as all African countries joined together, and two hundred times the Indian aid allocated for Latin America (MEA Report 2009-10). India has set up 5 medical missions, all run by Indian doctors.

2) *Bhutan*: In 2012-13, India made a financial contribution worth \$600 million to Bhutan and the contribution has been only rising since then. In 2015-16 Indian budget allocated \$985 million to Bhutan making it the largest beneficiary of India's foreign aid.

3) *Nepal*: When Nepal got hit by the massive earthquake, India emerged as the highest aid provider. There was immediate dispatch of relief and rescue teams, including medical teams, to the affected regions. Apart from providing aid worth \$1 billion, India provided ten teams from its National Disaster Response Force, totalling 450 personnel and including several search and rescue dogs; ten additional Indian Air Force planes; 43 tons of relief material, including tents and food, deployed 18 medical teams and three field hospitals

4) *Pakistan*: Though people don't expect India to help to its arch rival's Pakistan, yet it provided significant development assistance to Pakistan during the 2005 earthquake and the 2010 floods. After the earthquake, the India disbursed \$25 million in cash assistance to the Pakistan, along with \$15 million in in-kind contributions.

5) *Sri Lanka*: Over the last decade, India has supplied Sri Lanka with development assistance thrice. After 2004 Tsunami, India provided a big segment of the instant aid to Sri Lanka and also made financial contributions worth \$23 million for long-term reconstruction. India has also provided \$2.5 million to the United Nations High Commissioner for Tamil civilians stranded in North, along with making relief supplies worth \$5 million to the International Committee of the Red Cross. After the defeat of the Liberation Tigers of Tamil Eelam in 2009, India provided Sri Lanka with \$50 million in form of medicine and family relief packs to internally displaced people, and still supports housing construction for the displaced.

B. South-East, Central and West Asia

The 1991 India Look East policy under which the economic and strategic relationships were developed with various South-East and East Asian countries, such as Singapore, Malaysia, Indonesia and Vietnam.

Over last 10 years, India has provided development assistance to all main philanthropic tragedies in South East, Central and West Asia. The Indian army gave \$5 million in in-kind relief after 2008 Sichuan earthquake in China. It managed a field hospital in the crisis of the 2005 Bam earthquake in Iran. India provides North Korea with 2,000 tons of rice and wheat every year.

Over the Middle East region, the Indian army provided lodging supplies of \$2.3 million during the 2006 Lebanon-Israel conflict. This was apart from providing direct cash assistance of \$10 million to the Lebanese government for relief and reconstruction. It also contributed in-kind to the

World Feeding Programme's school-feeding program in Iraq during 2004-07, apart from an assistance of \$30 million to the UN's Iraq-reconstruction fund.

Till 2007, India usually provided direct assistance to the Palestinian authorities, though after that year, the more preferred method is ensuring on multilateral relief. India has increased its development aid to the United Nations Relief and Works Agency for Palestine from \$20,000 to \$1 million.

C. Africa

India has strongly cooperated in apartheid and anti-colonial struggles in Africa. In 1985, India supplied 100,000 tons of wheat to famine affected African countries. Indian peacekeepers made it to most of the peacekeeping operations launched by the UN in the region. In Nigeria India provided medical assistance after a food crisis in 2005. Similarly, in 2007, medical assistance for flood victims was extended to Burkina Faso and Togo. In 2008, India gave \$547 million of assistance but cleared \$2.96 billion in credit for various African countries. Recent years have seen increased defence cooperation with South Africa, Tanzania, Mozambique, Seychelles, and Madagascar. It has also set up a common trust fund for development and humanitarian projects in Brazil and South Africa as part of the India-Brazil-South Africa trilateral initiative.

D. Other Assistance

India participates in many forums for exchange between donor and recipient countries. India has been helpful in establishing the UN Development Cooperation Forum as an alternative to coordination within the OECD Development Assistance Committee.

In response to the 2004 Indian Ocean Tsunami, India coordinated assistance efforts on a daily basis at the foreign secretary level with Japan, the United States and Australia under Tsunami Core Group.

India has been a strong promoter of institutionalized regional cooperation on matters such as in the ASEAN Regional Forum and the South Asian Association for Regional Cooperation (SAARC). It also supported the idea to establish the SAARC Relief Fund.

V. ALTRUISTIC MOTIVES VS SELF-INTEREST

India has rich culture of being a seat to many widespread religions of the world and also housing cultural diversity with a constitutional as well inherent characteristic of secularism. Thus humanitarian assistance goes only hand in hand with the ideologies on which very soul of India, as a country rests. In this perspective, India realizes no paradox in being a main recipient of ODA for its own development effort, and at the same time, sharing its resources and experiences with other developing countries in a spirit of South-South Cooperation.

Indian authorities on development assistance such as Ministry of External Affairs have been often declaring that its economic assistance programmes are usually mutually beneficial partnerships, and can be viewed as expanding their

own prospects by creating bigger trade and investment opportunities.

MEA also states that India's development cooperation is founded on the priorities set by the partner country, with projects determined on the basis of friendly consultations. There is no conditionality attached to its economic assistance, and it does not bypasses the governmental machinery in the partner country in implementing projects. This also can be seen as one of the reasons why India generally prefers government to government assistance.

The objective of Indian assistance is stated to aim at raising the economic and human capacity in a partner country, thus its ability to generate growth. Capacity building and skills development have been the main activities of India's development cooperation programmes over the past several decades, even though the nature and scope of such cooperation has undergone important changes.

From 2008, India has increased its contributions to the United Nations Relief and Works Agency (UNRWA), the International Committee of the Red Cross (ICRC) and the United Nations High Commissioner for Refugees (UNHCR), and changed its assistance paradigm from earlier representative core contributions to operational support.

The biggest criticism that India faces is that its development assistances is focused on its neighbors. This can also be noticed from Table II which shows India's grants and loans in 2014-15 fiscal.

TABLE II. INDIA'S AID IN GRANTS AND LOANS

Aid and loans: recipient countries	Budget estimates: 2014-2015 (in Rs. crores)
Bhutan	6074
Afghanistan	676
Nepal	450
Sri Lanka	500
Myanmar	330
Bangladesh	350
African countries	350
Mongolia	3
Eurasian countries	40
Maldives	183
Latin American countries	30
Others	449
Total	Rs. 9435 crores (approximately \$1.57 billion)

Source: Ministry of External Affairs, Outcome Budget 2014-2015

While providing the medical relief in Afghanistan by setting up hospitals, India does not discriminate between areas with traditionally closer ties to itself and areas with Pashtu majorities, with whom India has fewer contacts. Similarly, India's mammoth presence on the ground in Nepal within hours after Nepal's earthquake was a clear sign of its humanitarian approach in helping a neighbour in need.

Though at the surface, all looks altruistic but a detailed analysis shows disaster assistance as a tool used to build and strengthen India's bilateral relations. The cases of Central America and West Africa stand testimony to it witnessing an rise in development assistance activities simultaneously with improving diplomatic relations and increasing investments.

Development assistance is an essential part of India's aspiration to lead by the "power of example" (Tharoor 2009). It uses a combination of foreign policy instruments, and addresses two target groups, namely,

- the individual recipient countries
- the international community.

Some of the assistance such as that provided in peacekeeping missions also hint to support the country's goal to have a permanent seat in the UN Security Council.

India's dynamic economic development as demonstrated in progressively growing figures of growth and its growing political reputation at international level and its consequential bigger claim to status "as a South Asian hegemonic power and global spokesperson for the group of developing countries" clearly define its role as a development partner.

All of this can be attributed to the economics of South Asia more than at a global level. The power disparity in South Asia essentially mounts India's philanthropic assistance to regional nations. India commands a dominant spot towards its neighbors, sustained by robust trade relationships and economic aid. Competition with its only regional contender China is an additional reason inducing India's philanthropic and development assistance program in the region.

In Afghanistan, India's development assistance is an essential fragment of its soft power tactic. The policy's principal objective is to reduce Pakistani influence and increase access to Afghan natural resources in competition with China. The five medical missions that India manages in Afghanistan are all located in the same cities as the Indian consulates and are probably a part of a vision to mark a presence in the country.

Assistance to Sri Lanka can also be viewed as a strategic move to ensure benefits of India. Both the countries have been doubtful of each other's intentions in past with Sri Lanka accusing India of trying to inflict itself as a hegemonic power, and India complaining about the second-class treatment meted out to Tamils in Sri Lanka.

India's commercial support for its development assistance program in Bhutan focus on developing the hydropower sector and the Indian government openly recognizes the fact that it plans to buy back much of the electricity generated through its hydropower assistance to the country.

Indian Cooperation with rest of the world, such as the World Bank Global Facility on Disaster Risk Reduction and the International Strategy for Disaster Reduction, is in those domains that India perceives as essential and beneficial for its own internal disaster management. For example, India used aid as a foreign policy instrument when it reduced aid to the Maldives over a political and investment dispute. Similarly there have been questions regarding motives behind Indian

assistance to Ethiopia in the wake of former's business leaders acquiring land in Ethiopia at very cheap prices marginalising the indigenous communities that bear the pain of the resulting social, economic and environmental devastation.

VI. CONCLUSION

India's assistance programs have become more aspiring in recent times and are getting extended to regions, such as Central and Southeast Asia, where India wants to have more influence. Its development assistance is usually not in the form of cash but is in fields such as those of infrastructure, training, education and health. India also has a tradition using the money to pay for services and expertise coming from its own territories.

Although India's own interests dominate its aid allocation, it may however be the case that Indian development assistance is effective in poverty reduction and various other developmental goals. But what puzzles is that in spite of having a big proportion of its own people suffering from underdevelopment, India has emerged as a predominant donor to the developing and less developed countries. The puzzle gets trickier paying attention to the fact that many of India's aid recipients, infact, have their per capita income more than that in India.

Though looking at the ideological and historical background that India hails from, it seems that the country provides all its foreign aid, that it profoundly calls development assistance, to make the world more developed and less distressed. Yet, neither the government, nor the research says that the motive is only philanthropic.

Indian Ministry of External Affairs clearly states that "mutual benefits" play a crucial role in providing development assistance, but having said that, it hastes to add that the aid programs are untied and unconditional.

In wake of India's domestic issues, one can understand that the country needs to have partnerships in cooperations such as south south, disaster aid, peacekeeping missions and so on.

Being a prominent aid donor to developing nations also increases the geopolitical and commercial benefits to India in return. Additionally it enhances diplomatic relationships with recipient countries. Thus, India's development assistance, apart from providing assistance to aid recipients, actually supports India's own development in long run and the country does not show much interst in making aid disbursements in countries/ regions which do not seem to be benefit it even in the long run.

Somehow, though India accepts the fact that its development assistance is mutually beneficial, the lack detailed and transparent annual data on its development assistance makes the matter more questionable.

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