



INDIA-RUSSIAN RELATIONS IN MILITARY TECHNOLOGY (1991-1999)

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Abstract:

Historically, military-technical cooperation has been a strategic pillar of India-Russia relations. However, the collapse of the Soviet Union in 1991 profoundly impacted this pillar. Based on historical and logical methods, this paper clarifies the shift in India-Russia military-technical cooperation between 1991 and 1999. The results show that, in the post-Cold War context, the two countries gradually adjusted their relationship towards a pragmatic and mutually beneficial direction. Military-technical cooperation shifted from an aid model to a market-based commercial mechanism.

Keywords: India, Russia, India-Russia relations

1. Introduction

Before 1991, the Soviet Union supplied the majority of weapons to India. However, after the collapse of the Soviet Union, Russia fell into a severe economic crisis. This disrupted the supply chain to India, and the country faced a crisis in weapon maintenance, spare parts supply, and operations. Nevertheless, both India and Russia recognized that maintaining bilateral military relations was a strategic necessity. For India, this was essential to ensuring its defense capabilities. For Russia, India was a crucial partner in maintaining its defense industry and strengthening its position in South Asia. Therefore, the two countries gradually sought to restore military cooperation on a practical basis, shifting from a "buy-and-sell" model to one focused on maintaining, repairing, upgrading, and jointly developing weapon systems.

This article will analyze the adjustment and restructuring of India-Russia military-technical cooperation between 1991 and 1999 in the context of changes in the post-Cold War international order, as well as based on calculations of national interests and policy orientations of each side.

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2. Literature Review

Several works address the impact of the collapse of the Soviet Union on military-technical cooperation with India, focusing on analyzing disruptions in arms supply, decline in technical support capabilities, and challenges to India's defense capabilities. In *Soviet Collapse: Implications for India*, B. Brar pointed out the impact of the collapse of the Soviet Union on India's security and strategic interests, in which the mechanism of military-technical cooperation between the two countries was disrupted [4]. In *Russia's Policy Towards India: From Stalin to Yeltsin*, J.A. Naik mentioned changes in the policy of military cooperation between Russia and India regarding the supply of rocket engine technology and the settlement of financial obligations [11]. In *Russia and India from Ideology to Geopolitics 1947-1998*, J. Bakshi argued that the interests between the two countries from a geopolitical perspective contributed to maintaining and promoting military-technical cooperation [1]. In *India and Russia Towards Strategic Partnership*, Shams-ud-din outlined the disruption and restoration of India-Russia military-technical cooperation in the transitional period after 1991 [16].

Some works summarize the India-Russia military-technical relations from an overall perspective, emphasizing Russia's arms sales to India. In *Indo - Russian Military Technical Cooperation: Implications for Southern Asia*, A. Srivastava argued that Russia's arms purchases and defense technology transfers to India have a major impact on South Asia [19]. In *Indo - Russian military and nuclear cooperation: Lessons and options for U.S. policy in South Asia*, J.M. Conley analyzed Russia's military cooperation contracts with India, thereby assessing the impact on U.S. policy in South Asia [5]. In *Military-technical collaboration between India and Russia: An overview of the post-Soviet period*, B. Gogoi clarified the changes in the content and form of cooperation between the two countries [6]. In *India - Russia defense co-operation*, J. Bakshi noted that defense cooperation is the most important feature of India-Russia relations, but this relationship has changed due to increased competition in the arms market from other countries [2]. In *India - Russia military cooperation which way forward*, R. Thornton summarized the defense relations of the two countries from the Soviet era to 2012 and gave an assessment of the impact of the cooperation relationship on the two countries [20].

Thus, research on India-Russia relations in military technology has been approached from many angles, rich in content and diverse in approach, but all have only provided a general overview of the issue. Works focusing on the period 1991-1999 primarily analyze these relations in isolation, failing to place them within the overall context of national development policies or the internal and external transformations of both India and Russia. These works also fail to clarify the transition to joint research and production cooperation. Therefore, this article will provide a comprehensive and systematic view of the issue.

3. Materials and Methods

This article is based on the analysis of official documents from both states, along with a selective analysis of published scientific works related to India-Russia military-technical cooperation. The author employs a historical approach to reconstruct the process of India-Russia military-technical cooperation through various stages. A systems analysis approach examines military cooperation as a constituent part of the overall bilateral relationship, considering it in relation to political, economic, and security-strategic factors. A logical approach clarifies the nature of India-Russia defense cooperation throughout historical periods.

4. Results and Discussion

4.1 Historical Context

After more than three decades of dependence on the Soviet Union, by 1991, about 70% of the Indian army's equipment, 80% of its air force's equipment, and 85% of its navy's equipment were of Soviet origin [5, p.62]. But by then the situation had changed. Although Russia inherited the Soviet Union's powerful defense industry, including 17,900 companies, 200 research centers, and 3.5 million workers, it faced the difficult task of creating jobs for these workers in a market economy [13, p.33]. Defense factories lost revenue due to the decline of the Soviet bloc market and the decline of the world arms market after the Cold War. About 80% of the defense infrastructure is in Russia, but Russia is also unable to fully produce some of its own weapon systems. With that situation in Russia, the supply of equipment became erratic, disrupting India's domestic arms production. India also faced difficulties in cooperating with the huge military-industrial complexes of the former Soviet Union, including thousands of workshops and factories scattered across 15 republics [6, p.305]. This posed a major challenge for India to find partners to ensure the supply and maintain operation and upgrade of approximately 3,500 pieces of Soviet-made military equipment.

4.2 Short-Term Crisis Period (1991-1993)

Diplomatic deadlock disrupted India-Russia military relations. Initial difficulties arose between the two countries concerning prices and payment terms. Russia had transitioned to a market economy but was facing serious difficulties, so Russian defense procurement credits for India were not paid in rupees as before. Russia demanded that India, as well as other customers, pay in strong foreign currency when purchasing weapons, as President B. Yeltsin affirmed: "*Arms trade is essential for us to obtain foreign currency, which we urgently need to maintain our defense industry*" [15, p.38]. At the same time, disputes over exchange rates for settling arms contracts also hindered relations between the two countries [6, p.307]. The cause of this situation was due to internal problems in Russia. Russian arms manufacturers were dissatisfied with the payment methods used by India and other developing countries, as they only received a maximum of 8-10% in cash, with the remainder paid for in consumer goods. They argued that this method did not

generate foreign currency for Russia and pressured the government to change the payment method. Therefore, since 1991, Russia has demanded that India conduct defense transactions in US dollars. Due to a severe shortage of foreign currency, India declared it could not pay in hard currency for weapons, to which Russia responded that it could not sell weapons based solely on barter. With this shift, scholar Shekhar Gupta observes:

“Until the collapse of communism, the relationship between India and the Soviet Union was successful due to the need to balance with the West and shared security and geopolitical concerns. The new relationship between India and Russia will be based primarily on business interests, with only a few geopolitical and security reasons” [9, p.62].

Because most of its weapons were purchased from the Soviet Union, India desperately needed equipment for its arsenal. Therefore, in September 1991, Indian Defense Minister Sharad Pawar went to Moscow, but the Russian government was too "busy" consolidating its internal affairs after the coup, so S. Pawar returned empty-handed [18, p.74]. Immediately afterwards, in January 1992, Ukraine offered to sell weapons to India. Russia immediately signaled that it might sell Su-27 aircraft to Pakistan – India's strategic rival. However, defense companies convinced President B. Yeltsin said that if Russia sold weapons to Pakistan, it would lose the huge Indian market. Therefore, also in January 1992, Russia proposed to jointly produce MiG-29 aircraft and T-72MI tanks with India. In March 1992, Russia proposed supplying MiG-31 and Su-27 aircraft to India to counter France's sale of Mirage aircraft and the US sale of F-16s to Pakistan. In May 1992, during a visit to India, Russian State Secretary G. Burbulis emphasized that Russia valued its relationship with India but on the basis of "pragmatism" and in accordance with "new realities". Russia committed to guaranteeing defense supplies for India, but the new credits would have double the current interest rate and would have to be repaid 1/10 upfront [17, p.252].

However, subsequent disputes over the rupee-ruble exchange rate and pressure from the US made it difficult for Russia to secure military supplies for India. On September 6, 1992, Indian Defence Minister S. Pawar visited Russia for the second time to discuss the supply of military equipment to India. After many efforts, on September 17, 1992, the two sides agreed that Russia would provide India with \$830 million for the purchase of defense equipment. Although the amount was set in USD, India would pay in rubles, with a large portion of this money used to purchase Indian consumer goods and food. However, Russia was still unable to fulfill its commitment, forcing Minister S. Pawar to travel to Ukraine in October 1992. Ukraine agreed to supply military equipment to India in exchange for India providing medicine, textiles, and making partial payments in hard currency.

Thus, during the period of 1991-1992, India-Russia military-technical relations were interrupted. Military exchanges during this time mainly focused on resolving issues from the Soviet era, with India's debt being a contentious issue. However, in the overall India-Russia relationship, both countries still wanted to maintain a strategic relationship in military technology: For India, in the context of complex security, the cessation of arms

supplies adversely affected the Indian military. Because the US and the West restricted arms sales to India after the 1974 nuclear test, India desperately needed supplies from Russia. For Russia, revenue from arms sales to India was crucial to maintaining its military-industrial complexes when budget cuts prevented the fulfillment of Defense Ministry orders due to a lack of funding. Furthermore, geopolitical pressure from NATO expansion is forcing Russia to increasingly focus on Asia, with India holding a crucial position.

In that context, President B. Yeltsin visited India in January 1993. During this visit, India-Russia military-technical cooperation took an important step forward with the event on January 28, 1993, when the two countries signed a Defense Cooperation Agreement, consisting of 5 clauses on Russia guaranteeing the supply of equipment, maintenance services and modernization of weapons for India [7]. To solve India's equipment shortage, President B. Yeltsin made three proposals: Improve equipment manufacturing enterprises in Russia; Establish joint ventures for equipment production; Transfer technology so that India can produce its own [8]. Russia also proposed the joint production of MiG and Sukhoi aircraft in India. At the end of the visit, President B. Yeltsin said that military cooperation between the two countries had the main purpose of supporting India in protecting its sovereignty, independence and territorial integrity [10, p.116]. This visit marked a breakthrough in bilateral relations. However, doubts persisted due to the instability of the Russian economy. In particular, Russia's temporary suspension of the cryogenic missile contract further fueled disappointment from India. Facing the risk of damaging relations, Russia established the Rosvooruzhenie arms and military equipment export and import corporation in November 1993, thereby contributing to reshaping the cooperation mechanism and providing impetus for bilateral military-technical relations.

4.3. The period of restoring and strengthening defense cooperation (1994 – 1999)

The stagnation in military relations with India caused Russia's share of the world arms market to decrease from 32% in 1989 to 8% in 1994 [12, p.516]. Therefore, to realize the 1993 Agreement, the two countries signed a contract in March 1994 worth \$100 million for Russia to supply equipment to the Indian army. Subsequently, in early May 1994, Viktor Samoliov - General Director of Rosvooruzhenie, during his visit to India, proposed export items worth more than \$1.5 billion. When Indian Prime Minister N. Rao visited Russia (June 1994), the two countries agreed to upgrade MiG-21 aircraft for the Indian Air Force, establishing a joint venture Indo-Russian Aviation Pvt.Ltd in India to maintain Russian aircraft and supervise the MiG-21 upgrade [2, p.450]. India was the first foreign country to have a Russian aircraft maintenance facility. In December 1994, Russian Prime Minister V. Chernomyrdin visited India, and the two countries signed a "*Long-term cooperation agreement on military technology to be implemented until 2000*" worth 7 billion USD. At this time, India was the only country with which Russia had this bilateral cooperation program.

By the mid-1990s, as the Indian economy recovered and the financial needs of the Russian defense complex prompted the two countries to strengthen cooperation. In

March 1996, the two countries signed a contract to upgrade MiG-21 aircraft for India worth 1,200 million Rs. On October 30, 1996, the two countries continued to sign a series of large contracts for Su-30MKI aircraft, upgrading 120 MiG-21bis aircraft, purchasing submarines, and T-80 tanks [14, p.17]. Nevertheless, Russian arms exports still faced difficulties due to a lack of capital, the impact of the 1997 Asian financial crisis. To further strengthen military cooperation, in October 1997, when Indian Defense Minister M. Yadav visited Russia, President B. Yeltsin agreed to extend the bilateral military cooperation program until 2010.

In 1998, when the financial crisis in Russia peaked, the country's leaders recognized arms exports as an important tool for economic recovery, thereby boosting cooperation with India. Deputy Prime Minister I. Klebanov declared: "*Large contracts, joint arms production cooperation activities await us (India and Russia) in the future*" [3, p.503]. India also faced sanctions from the US after its nuclear test (May 1998), which increased its demand for weapons and military equipment. Therefore, when Russian Prime Minister Primakov visited India (December 1998), the two countries extended the Military Technical Cooperation Agreement until 2010 with a value of 15 billion USD [5, p.64]. The agreement emphasized joint cooperation projects and the joint development of new military technologies. A typical project was the research and production of the BrahMos missile.

The India-Russia Military Technical Cooperation Agreement of December 1998 opened a significant recovery phase in bilateral defense relations. On that basis, on March 24, 1999, the two countries signed an agreement on Russia's assistance in training defense personnel for India [3, p.504].

4.4. Value of Arms Imports and Exports in India-Russia Military-Technical Cooperation (1991–1999)

During the period 1991–1999, India was Russia's second-largest arms customer, with a total value of US\$5.895 billion, after China. If we include purchases from the Soviet era, the value is US\$7.125 billion.

Table 1: Value and structure of Russian weapons to India (1991 - 1999)

Year	India's Arms Imports from Russia (million USD)	Total Value of Russian Arms Exports (million USD)	Percentage of Indian Arms in Total Value of Russian Arms Exports (%)	Total Value of India's Arms Imports (million USD)	Percentage of Russian Arms in Total Value of Indian Arms Imports (%)
1991*	1.230	5.652	27.8	1.878	65.5
1992	597	2.605	22.9	1.200	49.8
1993	468	3.441	13.6	735	63.7
1994	447	1.478	30.2	883	50.6
1995	1.094	3.889	28.1	1.479	74.0
1996	607	3.527	17.2	862	70.4
1997	1.233	3.347	36.5	1.665	73.5
1998	489	2.040	24.0	758	64.5

1999	960	4.264	22.5	1.216	78.9
Tổng	7.125	24.592	24.0	10.677	55.2

*Soviet Union data

Source: SIPRI Arms Transfers Database

The table above shows the fluctuations in India's arms imports from Russia over the years, reflecting the impact of the collapse of the Soviet Union and Russia's economic difficulties. From a high in 1991 (\$1.23 trillion), it declined sharply between 1992 and 1994 (to \$447–597 million), then recovered and declined intermittently from 1995 to 1999.

Regarding India's share of Russia's total arms exports, it averaged 24%, but showed significant variation (from 13.6% in 1993 to 36.5% in 1997). This indicates that India is one of Russia's key markets. However, the significant fluctuations in this ratio also reflect the unstable nature of cooperation during the transitional period, as both sides had to adjust their policies and adapt to the new context dominated by market, financial, and international environmental factors.

Regarding the share of Russian weapons in India's total imports, the average was 55.2%, even exceeding 70% in some years (1995, 1996, 1997, 1999). This reflects India's deep dependence on Russian supplies. Although India has attempted to diversify its partners, Russia remains dominant in India's defense import structure due to its price advantages, ability to provide integrated supplies, and technical support.

Overall, the period 1991–1994 was a time of decline and adjustment, while the period 1995–1999 was a time of recovery and consolidation of India-Russia military-technical relations. The maintenance of cooperative activities and the gradual expansion into deeper cooperation show that this relationship has not only not broken but has also been restructured towards stability.

5. Conclusion

Firstly, unlike the Soviet era, when Soviet weapons supplied to India were influenced by superpower competition and were considered "alliance-exclusive," the collapse of the Soviet Union has led to India-Russia military-technical cooperation being based on commercial considerations and oriented towards equal partnership. Secondly, bilateral military-technical cooperation has gradually shifted from a "buy-and-sell" model to in-depth cooperation, encompassing technology transfer, production licensing, and equipment modernization. Thirdly, Russia is a key arms supplier to India, accounting for a large proportion of its total defense imports. Fourthly, India-Russia military-technical cooperation between 1991 and 1999 played a crucial role for both sides: it helped India ensure the operational capability of its Soviet-origin equipment systems, modernize its military forces, and enable India to enhance its defense self-reliance. Russia also had a financial partner that helped maintain its defense complexes and jointly develop new weapons systems, contributing to Russia's return to its position as a superpower in the arms trade in a later period.

The fluctuations and adjustments in India-Russia military-technical cooperation demonstrate that, ultimately, national interests remain the decisive factor. Every choice to cooperate, maintain, or adjust relations between the two countries stems from the need to ensure security, develop the defense industry, and enhance strategic standing in a changing international context.

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Conflict of Interest Statement

The author declares no conflicts of interest.

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