

# **Atmanirbhar Bharat: India's Quest for Self-reliance in Post-Covid-19 World**

VAISHALI JAIN

SOMVIR GILL

*Kurukshetra University*

In 2020, the whole of the planet was engulfed by the coronavirus pandemic, which resulted in unprecedented health, social and economic crises on the world stage. The outburst of COVID-19 has caused an irreversible blow to numerous vital industries, including aviation, entertainment, tourism, and real estate, with millions of people losing their employment and small businesses failing and low foreign trade in India. To rise above the economic crisis caused by the COVID-19 pandemic and make India self-reliant, Prime Minister Narendra Modi gave the clarion call for "Atmanirbhar Bharat." This paper examines Modi's vision of Atmanirbhar Bharat, rooted in India's struggle for independence and culture. This paper also discusses the Atmanirbhar Bharat Abhiyan economic stimulus package. This article analyses the "Atmanirbharta" in economic and strategic autonomy concerns of India's foreign policy. An attempt has been made to highlight the challenges before Atmanirbhar Bharat Abhiyan and suggests that these challenges need to be resolved immediately to make India self-reliant. The paper concludes with the idea that in the current geoeconomic and geopolitical scenario, Atmanirbhar Bharat is a way to strategic autonomous India.

**Keywords:** Atmanirbhar Bharat Abhiyan, self-reliance, economy, foreign policy, strategic autonomy, geopolitics

---

In 2020, the whole of the planet was engulfed by the coronavirus pandemic, which resulted in unprecedented health, social and economic crises on the world stage. The people's movement, trade transactions, and transportation of commodities and services came to a halt, and international borders were closed because of the enforcement of harsh restrictions by the governments of various countries. Apart from the external restrictions, the respective governments of the nations also restricted the movement of people within the nation, markets were shut down, and the people were confined in their houses which had far-reaching consequences on the physical and mental health of the people, and the economic stress has also been triggered. Like other nations of the world, India has also faced a lot of socio-economic upheavals. The outburst of COVID-19 has caused an irreversible blow to numerous vital industries, including aviation, entertainment, tourism, and real estate, with millions of people losing their employment and small businesses failing and declining foreign trade. To rise above the economic crisis caused by the COVID-19 pandemic, Prime minister Narendra Modi proposed the idea of "Atmanirbhar Bharat" (Self-Reliant India) during his address to the nation on May 12, 2020 (Mishra, 2020).

This paper attempts to answer some of the questions raised about India's aspirations and need for self-reliance in the current global order due to the devastation brought on by the COVID crisis. First, what initial circumstances gave birth to the idea of Atmanirbhar Bharat? Second, does the idea of Atmanirbhar Bharat have roots in Indian history? Third, what are the Atmanirbhar Bharat Abhiyan's foundational pillars and stimulus package for the economy? Fourth, How does India's foreign policy reflect Atmanirbharta in its quest for economic and strategic autonomy? And lastly, what are the challenges before Atmanirbhar Abhiyan and what policy measures can be adopted to overcome the challenges? An extensive review of previously published works has been done utilising databases like Scopus and Jstor in an effort to provide answers to these questions. Along with the previous works, primary data, including various speeches, statements and announcements from websites administered by governments and organisations, as well as secondary data from books, articles, newspapers, and magazines, among other sources, have been collected. Content analysis has been used to extract data relevant to the research topic. This research paper employs historical, descriptive, and analytical research methods. In this work, the findings are presented as concluding remarks.

Self-reliance can be described as an ability of a nation to produce and consume essential goods and services critical to its national interest without relying on a foreign country, but in the last few decades, the process of globalisation has necessitated such intense dependency among nations in the modern world that self-reliance appears to be a thing of the past. It is hard for a country to satisfy its people's needs if it does not trade with others. The traditional paradigm of manufacturing things and delivering services to the population solely using the limited resources available inside a nation's borders is no longer viable. The vision of Atmanirbhar Bharat is not to return to import substitution or isolation but to make significant improvements to the country's economy by introducing fiscal reforms, building new infrastructure, enhancing human resources, employing modern technology, and developing resilient global supply chains. On May 16, 2022, President Ram Nath Kovind told the Indian diaspora in Jamaica that "India is on a transformational path, and its drive for self-reliance does not imply isolation but rather the creation of capabilities that would benefit all of humanity" ("India's quest for 'self-reliance' doesn't mean 'isolation': President Kovind to the diaspora in Jamaica," 2022). Prime Minister Narendra Modi outlined his vision of "Atmanirbhar Bharat," or "Self-Reliant India," in his inaugural address to India Global Week 2020 on July 9, saying that this idea "merges domestic production and consumption with global supply chains" without being "self-contained or closed to the world." Modi went on to say that "the country needed to focus on 'efficiency, equality, and resilience to enable self-sustaining and self generating growth'" (Panda, 2020).

### **The Backdrop of Self-reliance**

The idea of self-reliance has its roots in India's Swadeshi movement, which was one of the subcontinent's most important movements during British rule, advocating for a self-reliant India to fight against colonialism. During its freedom struggle, India experienced a drive for political and economic self-reliance in '*Swaraj*' and '*Swadeshi*,' respectively. Mahatma Gandhi was a firm believer in "swaraj" and "self-sufficiency" he characterised "swaraj" as "political independence," as well as "control over oneself," and "self-sufficiency" as self-sufficient villages achieving their basic

needs. According to him, self-sufficiency did not mean self-containment because the villages would never be able to produce all the products needed, requiring them to get them from outside the village (Kakati, 2021). Tagore drove India closer to educational self-reliance by founding school institutions such as Visva-Bharati University (Sarkar, 2021). Many prominent Indian nationalists, like Neta Ji Subhash Chandra Bose, emphasised economic self-reliance in the years preceding independence. The Bombay Plan, drafted by G. D. Birla, and J. R. D. Tata, among others, was yet another pre-independence initiative to set the way for independent India's economic progress (Baru, 1983). The Bombay Plan aimed to achieve a basic standard of living within fifteen years.

After independence, both Gandhi Ji and Nehru believed that self-reliance was essential. Gandhi Ji desired a decentralised rural economy that promoted indigenous cottage industries without heavy machinery. In sharp contrast to Gandhi, Nehru frequently advocated that heavy industry was critical for sustaining freedom and independent foreign policy in the long run. After Nehru, India's Green Revolution and White Revolution (Operation Flood), led by Prime Minister Lal Bahadur Shastri, set the path for India towards becoming self-reliant and a global leader in producing numerous agricultural goods such as milk and tea (Tiwari, 2020). Prime Minister Indira Gandhi also called for self-reliance in food, grains and energy needs as well as economic self-reliance on several occasions. Since its inception, India has been introducing legislation and establishing institutions that foster self-reliance. India's aim for self-reliance and import substitution before 1991 paved the way for the foundation of heavy industries such as steel, coal, petroleum refinery, and so on. But, India slipped behind on the quality, pricing, productivity, and technology scale. Economists blamed these flaws on the industrial and trade policies of that time, particularly industrial licensing, high tariffs, and barriers to importing goods. This led to financial problems such as the balance of payment crisis, rupee devaluation, hyperinflation, and so on in the 1990s (Mital, 2016). Compared to the Nehru period, Prime Minister P. V. Narasimha Rao reinterpreted and altered what self-reliance meant for the country in the 1990s, and his government initiated liberalisation, privatisation, and globalisation (LPG) reforms that totally transformed the Indian economy. Prime Minister Manmohan Singh characterised self-reliance in October 2005 as "the ability to pursue one's interests with self-confidence and faith in one's own capacities by creating inter-dependence relationships that enhance our bargaining power" ("PM redefines self-reliance for India," 2005).

### **PM Modi's vision of an Atmanirbhar Bharat**

The COVID-19 pandemic outbreak disrupted the worldwide supply chain of trade and investments. Because of the Covid crisis, China restricted manufacturing and exporting goods to other countries that relied on it. All nations worldwide were feeling vulnerable, and there had been a significant loss of life and business due to the disruption of the global supply chain, which was supposed to occur because the whole global supply network was dependent on China. India was no different, as we were also experiencing a lack of commodities required to combat the coronavirus, such as PPE Kits, N95 Masks, pharmaceutical supplies, oxygen generators, and so on, which we used to import from China. In the terrible scenario of Covid, Indian Prime Minister Shri Narendra Modi urged citizens to turn adversity into opportunity. Modi, speaking at the annual session of the Indian Chamber of Commerce, said that

“instead of remaining conservative, India’s industries should take bold decisions to turn the crisis into an opportunity and make it a turning point to build a self-reliant India”(Mishra, 2020). As India faces the consequences of relying on other countries for numerous essential items, Prime Minister Narendra Modi has called on Indians to create ‘Atmanirbhar Bharat.’ To help the struggling Indian economy, Prime Minister Narendra Modi announced the ‘Atmanirbhar Bharat Abhiyan’ economic package of over Rs. 20 lakh crore. Shortly after, the phrase ‘Atmanirbhar’ became an anthem for the whole country, and everyone wanted to make India self-reliant. Consequently, the ‘Aatmanirbharta’ was declared Oxford Hindi word of the year 2020 by Oxford, which means self-reliance (Canton,2021).

### **Five pillars of Atmanirbhar Bharat**

When the country was fighting with coronavirus, Prime Minister Modi addressed the nation on May 12, 2020, to assure the people of India that they could conquer the situation by following the path of self-reliance. The most significant part of the Prime Minister’s address was his vision and the aim for India to become entirely independent and self-reliant through the ‘Atmanirbhar Bharat Abhiyaan’ he used the Hindi phrase when he said, “the state of the world today teaches us that (Atmanirbhar Bharat) ‘Self-reliant India’ is the only path. ‘Local’ has satisfied our requirements in times of crisis; locals have protected us. Locals are not just a need but also our responsibility”(Thomas, 2020). Indian culture speaks for itself like the essence of ‘Vasudhaivaakutumbakam,’ which has faith in the welfare of the whole world for all living beings and regards the whole world as a family. To better understand the meaning of self-reliant India, Prime Minister talked about the case of Personal Protection Equipment (PPE) kits, which were very crucial during a pandemic and were not previously manufactured in India, but owing to the government’s vision and firm resolve of manufacturing PPE kits and masks in India, the country nowadays started manufacturing approximately 2 lakh PPE kits and 2 lakh N-95 masks on a daily basis (“Coronavirus outbreak: India produces 2 lakh PPE kits, 2 lakh N-95 masks on daily, says PM Modi,” 2020). During his Covid-19 address to the nation, PM Modi shared that “Self-reliant India would stand on five pillars:- economy, infrastructure, governing systems, vibrant demography, and supply chain”(“PM Modi shares five pillars that will make India self-reliant in COVID-19 times,” 2020).

The first pillar is the economy, which declined during the difficult circumstances of Covid 19, necessitates extra efforts. Because gradual improvements are insufficient to make India self-reliant, we need a quantum jump in the economy to transform the current adversity into an opportunity. The second pillar of infrastructure will support the quantum leap in the economy by building world-class infrastructure such as better connectivity, transportation, telecommunication, trains, roads, air connectivity, schools, hospitals, and so on. Modern India’s identity will be defined by its modern infrastructure. The third pillar system cannot be based on earlier rituals and conventions in the twenty-first century; instead, we require a system propelled by new technology. The new technology-based system will assist us in realising our dreams of a self-reliant India. The fourth pillar of demography shows that we have the world’s largest young, energetic population, representing a wide range of cultures, languages, faiths, and places. We are the largest democracy on the planet. This dynamic demography is our greatest asset in achieving a self-reliant India. The fifth pillar, the demand in the supply chain, is a wonderful advantage for us

because of our vast population and purchasing power capabilities. We will consume what we produce in our country. This demand will assist our economy's growth, and in addition to production, it will also help India become self-reliant in terms of consumption ("PM Modi gives Clarion call for Atmanirbhar Bharat," 2020).

### **Economic Stimulus Package**

The COVID-19 pandemic has crippled the world economy, and India was no exception. According to the World Bank's South Asia Economic Focus report, India's GDP was predicted to increase 1.5 to 2.8 per cent in the 2020-21 fiscal year, which began on April 1 ("World Bank sees FY21 India growth at 1.5 to 2.8 per cent; slowest since economic reforms three decades back," 2020). On May 12, 2020, Indian Prime Minister Narendra Modi unveiled a stimulus package worth more than Rs 20 lakh crore (worth about ten per cent of India's GDP) and several reform proposals with the aim of making the country independent against the tough competition in the global supply chain and to help in empowering the poor, labourers, migrants who have been adversely affected by COVID 19. Indian Prime Minister Shri Narendra Modi launched the 'Atmanirbhar Bharat Abhiyan,' which aimed to make India self-reliant in terms of manufacturing goods and providing services at home using indigenous technologies in various sectors critical to our nation's development while also meeting global needs (Gupta, 2020). However, it immediately became a buzzword for modern India, which portrayed it as a competent, credible regional and global power that envisions itself as a self-reliant and self-sufficient economy while preserving strategic autonomy (Singh, 2021). Finance minister Sitharaman presented the country with five tranches of the economic stimulus package. At the time of announcing the fifth tranche of the economic package, Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman said that "the government had had several reforms addressing land, labour, liquidity, and laws in the previous four announcements, and the last tranche of announcements would be a continuation of that announcement as part of the economic package announced by the Prime minister Modi for Atmanirbhar Abhiyan" ("Full break- up of all five tranches announced by FM Nirmala Sitharaman," 2020).

The first tranche of the stimulus package includes 5,94,550 crore rupees to help revitalise the Indian economy's MSME sector. This package comprises collateral free loans for MSMEs, incentives for MSMEs to list on stock exchanges, increased EPF benefits for salaried employees, a special liquidity strategy for NBFCs/HFIs/MFIs, and lower TCS/TDS rates, and capital pumping in DISCOMs (Press Information Bureau, 2020a). The second tranche is of a total of 3,10,000 crore rupees, comprising free food grains for migrant workers, loan facilities for vendors, subsidised loans for farmers, and affordable housing for the urban poor and migrants (Press Information Bureau, 2020b). The relief package's third tranche, worth 1,50,000 crore rupees, intends to boost agricultural infrastructure and allied sectors by constructing fishing harbours, cold storage facilities, funding for animal husbandry development, promoting herbal cultivation and vegetable farming, and encouraging beekeeping (Press Information Bureau, 2020c). The fourth tranche comprises sets of initiatives totalling Rs. 48100 crores that are focused on structural changes in the core eight sectors of coal mining, minerals, defence manufacturing, air space management, public infrastructure projects, power distribution companies, space sectors, and atomic energy (Press Information Bureau, 2020d). The finance minister emphasised

on seven sectors in the fifth tranche of the stimulus package i.e MGNREGA, Health, Education, Business, and Covid-19, Companies Act, Ease of Doing Business, and Central and State PSUs. The significant initiatives including raising the borrowing ceiling for states to 5% of GSDP, allocating an extra Rs 40000 crore to MGNREGS, boosting health expenditure, and putting a greater emphasis on technology-driven education were also announced ( Press Information Bureau, 2020e). Finance minister Sitharaman also announced that RBI reforms worth 8 lakh crore rupees were also part of the stimulus package. In addition to earlier measures such as the Pradhan Mantri Garib Kalyan Package of 1,92,800 crore rupees and the measures taken by the Reserve Bank of India (RBI) totalling 8,01,603 crore rupees included a reduction in the CRR to boost liquidity, a rise in the borrowing ceiling for state governments, special refinancing facilities for NABARD, SIDBI, and NHB, increasing liquidity for mutual funds, and loan repayment postponement (“Economic package includes Rs 8 lakh crore liquidity measures by RBI, says FM Sitharaman,” 2020).

### **Atmanirbharat in India's Foreign Policy**

In this globalised world, neither a nation is nor can it be entirely self-sufficient. Every country has to depend upon other countries to fulfil its interests and needs. This international interdependence is compelling nations to enter into bilateral, regional, and multilateral relations. While establishing relations, each country formulates, adopts, and follows a foreign policy that guides its decisions and actions. Making and revising foreign policy is a continuous process for any country to achieve its national interests in a rapidly changing international environment. A country's foreign policy is influenced by various regional and international elements such as geography, economics, military might, national power, political structure, population, scientific advancement, world order, ideology, and so on. The ability of a country's foreign policy to succeed is primarily determined by the national power available to support it. Either the government can use its military capability to force others to fulfil its national interests, or it can use its economic power to entice others. In both circumstances, the economy considerably impacts foreign policy performance. In this era of globalisation, economic concerns are becoming so crucial in geopolitical calculations that no government can afford to ignore them.

### **Economic concerns of foreign policy**

India's economy contributed about a quarter of global economic production in the pre-colonisation period of the early 1700s. Under the Mughal and Maratha regimes, India's prosperity lured traders and conquerors worldwide. While describing the relationship between foreign policy and economic policy, Jawaharlal Nehru, in a speech at the Constituent Assembly on December 4, 1947, in New Delhi, said that “foreign policy is the result of economic policy, and unless India's economic policy is appropriately formulated, her foreign policy would remain vague, inchoate, and groping” (Baru, 1998). India did not choose a readymade economic model after independence. Instead, it decided to opt for a mixed economy strategy for its development, including features of socialism and capitalism as needed. India's mixed economy approach aided her in attracting monetary assistance from both the West and the Soviet Union. During the mid-1960s, India became dispirited by its sluggish economic growth and suffered foreign aggression from its neighbours, including the 1962 war with China and the 1965 war with Pakistan (Mampatta, 2020). Even in

terms of food grains, India was not self-sufficient and relied heavily on foreign help to meet its citizen's nutritional needs. The United States and other foreign actors, including the IMF and the World Bank, forced India to ease its trade restrictions (Chaudhry, Kelkar & Yadav, 2004). Prime Minister Indira Gandhi took several bold moves to improve the Indian economy in the 1970s. She pushed for India's food self-sufficiency. India became the third greatest pool of competent scientific and technical people, the fifth military strength, the sixth nuclear power, the seventh in the space race, and the tenth industrial power during Indira's premiership (Malhotra, 2004).

Between 1980 and 1989, the economy grew at a pace of 5.5 per cent each year. The Bofors weapons acquisition scam, which stained Rajiv Gandhi personally, became a significant national concern. By the mid-1980s, India had drained its state resources and began to rely more heavily on foreign loans. During this time, the Indian government's fiscal deficit grew dramatically, hitting 8.5 per cent of GDP in 1986-87. The government took several initiatives that had far-reaching impacts on the Indian economy, intending to liberalise trade and investment policies, restructure the financial system, improve the taxation regime, and divest the state companies. These changes spread through other industries like agriculture, insurance, capital market, and infrastructure in the next few years, which led to full-fledged privatisation. These LPG reforms of 1991 have dramatically changed the nature and trajectory of the Indian economy (Nair, 2021). In the first two decades of the twenty first century, the Indian economy grew significantly. According to a recent analysis by the world's leading statistical body, the International Comparison Program (ICP), which includes the World Bank, India rose to the third-biggest economy in the world in 2011 from the tenth-largest in 2005 in terms of purchasing power parity ("India becomes world's third-largest economy," 2014). PM Narendra Modi took office in 2014 with a huge mandate from the people, and he quickly launched significant programmes like "Make in India," "Startup India," "Skill India," and others to turn India into a manufacturing powerhouse. With the objective of making India a \$5 trillion economy by 2025, he implemented a series of economic changes in banking, trade, investment, and taxation. However, the COVID-19 pandemic abruptly halted India's economic growth. To deal with the COVID-19 situation, Prime Minister Modi launched the "Atmanirbhar Bharat Abhiyan," which aspires to make India's economy self-reliant and less dependent on the outside world. During an interaction with IIM Bangalore students and faculty on June 10 2022, the External Affairs Minister, S. Jaishankar, described the concept of Atmanirbhar Bharat, saying, "it meant a better enabled India – better fed, more healthy, and more self-reliant and self-confident." It is not, however, a protectionist India. It is creating with and for the world. India is attempting to strengthen itself by engaging with the international community rather than building walls ("It is not our karma to be the marketplace of the world": Dr S. Jaishankar," 2022).

### **Strategic concerns of foreign policy**

India has been the victim of numerous foreign invasions during the last 800 years. Most of the invaders that conquered India chose to live there, but the British exploited India as a colony. Before independence, India suffered heavily under colonial domination. This painful experience of enslavement during colonialism motivated India to pursue a strong and independent foreign policy after independence. Since

independence, India's foreign policy has opposed colonialism, imperialism, expansionism, and racial discrimination and supported African-Asian countries' freedom struggles and right to self-determination. India similarly rejected both extreme forms of capitalism and communism, opting for a mixed economy approach to progress (Malone & Chaturvedy, 2009). Since its inception, India's foreign policy has always aimed to achieve and maintain strategic autonomy. Strategic autonomy refers to a policy in which a country acts freely in global politics and is not influenced by other countries while making foreign policy choices (Kalyanaraman, 2015). In global politics, nations are the primary actors. According to the neorealist approach, the international system is made up of anarchy with distinct units called states that are arranged according to their relative capabilities. It signifies that the bigger country's capabilities are, the higher it will rank in the hierarchy of states. In the international system, powerful actors tend to influence the decisions and behaviour of weaker actors (Waltz, 2003).

As a result, when India gained independence, the world was ideologically divided into two power blocs: one headed by the United States and western countries and the other led by the Soviet Union and other communist countries. When there were just two superpowers, India chose an independent foreign policy rather than participating in bloc power politics. India had embraced a non-alignment policy, which was not a passive or isolationist approach but rather an active foreign policy in which India would interact with both superpowers according to its national interest. India exercised some strategic autonomy thanks to its non-alignment policy (Raghavan, 2017). During the Cold War, India depended on both superpowers for economic aid, food aid, and technological assistance, diminishing India's strategic autonomy. In the late 1990s, India's worldwide stature was enhanced by crowning achievements in nuclear, space, and missile defence programmes. With the dissolution of the former Soviet Union, the Cold War ended, and India lost its major strategic partner in global politics. After the Cold War, international politics became unipolar, with the United States as the sole hegemon. As a result, the United States gained unconstrained dominance in global affairs, limiting India's strategic alternatives to act independently. It necessitated a reconsideration of India's ties with the United States, which is why India's relations with the United States improved dramatically in the post-Cold War era. Following the financial crisis of 2008, China and India emerged as regional powers, while the United States began to decline relatively. Now The United States is no longer the only centre of global power; nations such as India, China, Japan, Brazil, France, the United Kingdom, and Russia have emerged as prominent international players. India is diversifying its strategic relationships with all major global powers rather than relying on just one or two to attain strategic autonomy in foreign policy (Kukreja, 2020). India's global economic engagement may shift in the years to come from being multi-aligned to becoming pointed-aligned with just a few of the countries that are strategically important for India in promoting an alternative supply chain network to lessen dependency on China. This idea supports India's strategic purpose to expand its economic influence in the Indo-Pacific region by fostering trade ties with nations that are essential to the rules-based world order (Panda, 2020). The Indo-Pacific region is gaining a central place in Indian foreign policy, and strategic autonomy is very vital to act independently in the region. India's foreign policy is becoming increasingly oriented towards the Indo-Pacific, making strategic autonomy essential for independent action on various issues such as the



South China Sea conflict, the ASEAN and the Quad. In the multipolar world of the twenty-first century, India seems to have a new opportunity to exercise strategic autonomy. In response to a Lok Sabha discussion on the evacuation of Indians from Ukraine on April 6, 2022, External Affairs Minister S Jaishankar said that “self-reliance is the best way to deal with the changing world order in the wake of the Russia-Ukraine war. Atmanirbhar Bharat is more than just a matter of economic policy. It is a Bharat that cares about its people, a Bharat capable of carrying out ‘Operation Ganga’” (Tandon, 2022). However, India continues to remain reliant on other nations in several sectors, limiting India’s capacity to maintain strategic autonomy such as energy imports, defence equipment, pharmaceutical imports, heavy machinery, plastics and vegetable oil and the Atmanirbhar Bharat Abhiyan is a remarkable initiative to provide financial assistance to various domestic firms to help India become self-reliant in areas where we have a comparative advantage. The idea of Atmanirbhar Bharat Abhiyan has its base in specific economic structural reforms which have been done in the following critical sectors:

*Energy Imports:* To fulfil its energy demands, India is currently reliant on petroleum exporting countries. Because of growing earnings and rising living standards, India is the world’s third-largest energy consumer. Since 2000, energy consumption has increased, while coal, oil, and solid biomass continue to provide 80% of demand(IEA, 2021). According to data from the oil ministry’s Petroleum Planning & Analysis Cell (PPAC), India, the world’s third-largest oil consumer and importer, spent USD 119.2 billion in the fiscal year 2021-22, jumping from USD 62.2 billion the previous fiscal year (Press Trust of India, 2022). India is now exploring alternate energy resources like electric vehicles, ethanol blending in petrol, nuclear energy, and hydrogen energy, among other things, to lessen its reliance while simultaneously saving its forex reserves for domestic development.

*Defence Equipment:* According to the Stockholm International Peace Research Institute’s (SIPRI) newest report on Trends in International Arms Transfer, 2021, issued in March 2022, India and Saudi Arabia were the significant arms buyers between 2017 and 2021, making up for 11 per cent of all worldwide arms purchases (Cowshish, 2022). India has always been a substantial importer of military hardware. We used to buy most of our weapons from Russia, but in recent years, Russia’s share of the market has shrunk, and we have begun to purchase weaponry from countries like the United States, France, Israel, and South Korea, which helped us to reduce our reliance on Russia, but shifting our dependence on the other countries is not the solution. To offer a substantial boost to the local defence industry, the Indian government has implemented essential changes under DAP (Defense Acquisition Policy) 2020, such as increasing the minimum indigenous content to 50 per cent for several weapons, focusing on technology transfer, Buy Global Make in India, and so on. To give a significant boost to the Atmanirbhar Bharat Abhiyan, the government has increased the FDI limit in defence manufacturing to 74 per cent through the automatic route and 100 per cent through the government route, and increased capital share to 68 per cent of the defence budget for procuring indigenous weapons, released three ‘positive indigenisation lists’ banning imports of more than 300 weapons, and so on (Mehndiratta, 2022). Consequently, Atmanirbhar Bharat Abhiyan focuses on indigenous defence equipment manufacturing to make India self-reliant regarding national security.

*Electronics Imports:* India now depends heavily on countries such as China and the United States for electronic equipment imports. Domestic electronic production is identical to assembling components, and India has to rely on other nations for critical components such as semiconductors, display panels, and integrated circuits. India imports high-tech products such as laptops, computers, drones, and cameras, mostly in finished form. According to the ICEA report, while the primary aim was \$400 billion by 2025, the pandemic caused a revision to \$300 billion, a 300 per cent rise from the \$75 billion level in 2021. According to the report, India's local electronics industry, worth \$75 billion, is insufficient to meet this ambitious goal; thus, the country must increase its market share in global trade (Mallick, 2022). To give a boost to the Atmanirbhar Bharat Abhiyan, the Indian government has launched various policy reforms such as ease of doing business and allowing more FDI in the electronics sector, as well as policy-linked incentive schemes worth billions of dollars, to make India self-reliant in electronic manufacturing to meet growing domestic demand and contribute to the global supply chain. The new schemes have pledged Rs 2,30,000 crores in financial assistance for the whole electronics supply chain, including electronic components, sub-assemblies, and manufactured items. Manufacturers of mobile phones, IT hardware (including tablets, laptops, servers, and all-in-one PCs), telecom & networking equipment, auto components, ACC batteries, White goods (including LED and air-conditioners), modules, and specified electronic components were given incentives worth Rs 1,53,392 crores in the first phase of the rollout (Chaudhary, 2022). In this age of cyber and electronic warfare, India must be self-reliant in manufacturing electronic equipment.

*Pharmaceutical Imports:* India has a large and well-established pharmaceutical industry that serves both domestic and global markets. We supply a considerable quantity of low-cost generic medicines and critical vaccines to countries worldwide. However, the matter of concern is that we rely heavily on other countries for importing raw pharmaceutical materials, such as more than 50 different Active Pharmaceutical Ingredients (APIs) used in vital medications, vitamins, and steroids. In the backdrop of present bilateral ties, this can be considered an enormous threat to India's drug security that China supplies almost 80-90 per cent of these raw materials with a cost advantage. The Department of Pharmaceuticals has launched two Production Linked Incentive (PLI) Schemes worth over Rs 22000 crores to promote domestic manufacturing of critical Key Starting Materials (KSM), Drug Intermediates (DIs), and Active Pharmaceutical Ingredients (APIs) in India in order to make the country Atmanirbhar in pharmaceuticals (Press Information Bureau, 2022). The government has also established a goal of reducing imports of raw materials by 25 per cent by 2025, reducing dependency, and promoting domestic manufacturing.

India is also dependent on imports of heavy machinery, precious stones, organic chemicals, plastics, vegetable oil, and iron ores, among other things. To attain strategic autonomy in foreign policy matters, India must limit its reliance on these imports and try to be self-reliant. The Atmanirbhar Bharat Abhiyan is a clarion call to be self-reliant in these sectors so that India can act independently and confidently in global politics without being intimidated by other countries.

### **Challenges for Atmanirbhar Bharat Abhiyan**

The covid crisis seriously harmed India's economy. The government of India launched the "Atmanirbhar Bharat Abhiyan economic stimulus package" to deal

with the terrible situation caused by the covid crisis and to revive the devastated economy. Along with numerous PLI schemes, the government promised plenty of financial reforms, including making it easier to do business, raising the FDI ceiling, and making loans more accessible. The government took these steps to support India's rise to self-reliance. However, India is a vast and populated nation. This economic stimulus package is inadequate to meet the needs of all sectors. The Atmanirbhar Bharat Abhiyan seems to have the following problems:

*Liquidity-related Issues:* The Rs 20 lakh crore package includes providing loans and injecting liquidity into banks and other financial sectors rather than the economy as a whole. RBI would transmit these loans and liquidity measures to banks and banks to people. However, because the RBI's credit easing is not a direct government expenditure, banks would be cautious about lending the money they have on hand. This transmission would be less smooth due to ineffective monetary policy.

*Nothing to stimulate demand:* The lockdown has reduced consumer spending, and the package's emphasis on credit injection to revive the economy has failed to recognise that investment can only increase when individuals of all income levels have money to spend. The government stimulus addresses only supply-side concerns and does nothing to produce demand.

*Federal Issues:* The state governments, which are in the vanguard of the pandemic battle, have not received significant funding transfers. Due to its federal structure, the Indian economy relied heavily on the performance of state governments. Differences between the union and state governments may make doing business more difficult. Manufacturing, healthcare, and agriculture are examples of industries where this is especially true.

*Booming Fiscal Deficit:* According to the government, the stimulus package is roughly 10 per cent of India's GDP. However, because the government is concerned about the fiscal deficit, funding it would be tough. Most industrialists and individuals will utilise these easy and cheap collateral-free loans to pay off their previous debts, with little money invested in the economy. Banks will have to write off bad debts when these businesses suffer losses, increasing their non-performing assets (NPA). The government will spend good money after bad, putting a more significant burden on taxpayers.

*Weak manufacturing sector:* India is still far from achieving its dream of a 25 per cent manufacturing contribution to GDP. With manufacturing accounting for around 17 per cent of GDP, the Make in India initiative has yet to achieve its primary intent.

*Difficulty in raising funds:* The government is seeking disinvestment in PSUs to raise funds for the initiative. However, most Indian companies are already laden with heavy debts, making it harder for them to invest in PSUs. Furthermore, borrowing from the international markets is difficult since the rupee's value against the dollar is at an all-time low.

Along with the issues mentioned above, implementing the Atmanirbhar Bharat Abhiyan is facing numerous challenges, including a diverse and large population, high inflation, joblessness, farmer suicides, corruption, exploitation, discrimination, poverty, and discontent among the people of India. To ease the road to self-reliance, these challenges need more in-depth study. These sophisticated concerns ought to be discussed by policymakers alongside macroeconomics and foreign policy. There is an urgent need for the Atmanirbhar Bharat Abhiyan's next economic package,

which will concentrate in great detail on the above-discussed issues. These problems can be solved with the government's timely and adequate policy initiatives. This Atmanirbhar Bharat Abhiyan is the cornerstone of India's efforts to achieve greater strategic autonomy and economic prosperity in the contemporary international order. Atmanirbhar Bharat Abhiyan is not antagonistic to globalisation, and even self-reliance can help to lessen some of its negative effects. Atmanirbhar is determined to capitalize on the idea of believing in the local to position itself as a part of the global. The government's policies and the private investors' perceptions of the domestic economy will significantly impact the Atmanirbhar Bharat Abhiyan's success (Ghosh,2021).

### **Conclusion**

Many countries, including India, felt so helpless due to the covid 19 pandemic since they relied highly on other countries for essential items such as pharmaceuticals, medical equipment, protective kits, testing kits, and other materials needed to combat the coronavirus. The global trade supply chain was disrupted due to the tough lockdowns and restrictions, causing economic turmoil in several countries. During this challenging phase, India had the chance to re-evaluate its reliance on other countries for essential goods and services such as medicine, energy, defence, electronics, chemicals, etc. This overdependence on other nations has repercussions for government decision-making at domestic and international levels, eroding our sovereignty to some extent. Indian Prime Minister Narendra Modi launched the Atmanirbhar Bharat Abhiyan to reduce this harmful dependence and make India self-reliant in various sectors of the economy. S. Jaishankar, the Minister of External Affairs, is pursuing strategic autonomy in geopolitics which seems to be a natural extension of Prime Minister Narendra Modi's Atmanirbhar Bharat economic strategy. With the current geopolitical turmoil, in which economies are collapsing due to the covid crisis, the Ukraine-Russia war has divided most countries into two blocs, terrorism and communal violence are on the rise, China is acting aggressively in the Indo-Pacific region, and India has two adversarial and nuclear-capable neighbours, it has become necessary for India to achieve and exercise strategic autonomy in its foreign policy to pursue its national interests. India will not be able to claim strategic autonomy as long as its reliance on other nations keeps growing. To ensure national security, India must strengthen its indigenous design and manufacturing capabilities to produce critical commodities such as defence equipment, pharmaceuticals, heavy machinery, automobiles, and electronics domestically. Atmanirbhar Bharat Abhiyan is a kind of initiative that will serve the domestic market and the extensive global supply chain. To make the Atmanirbhar Bharat Abhiyan a tremendous success, the government must address the challenges that have been highlighted. Atmanirbhar Bharat will pave the way for strategic autonomy, allowing India to become a global geopolitical leader.

### **References**

- Baru, S. (1983). Self-Reliance to Dependence in Indian Economic Development. *Social Scientist*, 11(11), 34–46. <https://doi.org/10.2307/3517074>
- Baru, S. (1998). The Economic Dimension Of India's Foreign Policy. *World Affairs: The Journal of International Issues*, 2(2), 88–103. <http://www.jstor.org/stable/45064523/>

- Canton, N. (2021, February 3). 'Aatmanirbharta' chosen Oxford Hindi word of year 2020. *The Times of India*. <https://timesofindia.indiatimes.com/india/aatmanirbharta-chosen-oxford-hindi-word-of-year-2020/articleshow/80656419.cms>
- Chaudhary, K. (2022, January 12). With Rs 76,000 crore PLI scheme, India set to action its semiconductor fab vision. *The Economic Times*. <https://economictimes.indiatimes.com/small-biz/sme-sector/with-rs-76000-crore-plischeme-india-set-to-action-its-semiconductor-fab-vision/articleshow/88848107.cms?from=mdr>
- Chaudhry, P. K., Kelkar, V. L., & Yadav, V. (2004). The evolution of 'Homegrown conditionality' in India: IMF relations. *Journal of Development Studies*, 40(6), 5981. <https://doi.org/10.1080/0022038042000233803>
- Coronavirus outbreak: India produces 2 lakh PPE kits, 2 lakh N-95 masks daily, says PM Modi. (2020, May 12). Business Today. <https://www.businesstoday.in/latest/economy-politics/story/coronavirus-outbreak-india-produces-2-lakh-ppe-kits-2lakh-n-95-masks-daily-says-pm-modi-257943-2020-05-12>
- Cowshish, A. (2022, March 14). India emerges as the largest importer of arms in 2017-21. The Financial Express. <https://www.financialexpress.com/defence/india-emerges-as-the-largest-importer-of-arms-in-2017-21/2460365/>
- Economic package includes Rs 8 lakh crore liquidity measures by RBI, says FM Sitharaman. (2020, May 17). Times Now News. <https://www.timesnownews.com/business/economy/economy/article/economic-package-includes-rs-8-lakh-crore-liquidity-measures-by-rbi-says-fm-sitharaman/593126>
- Full break-up of all five tranches announced by FM Nirmala Sitharaman. (2020, May 17). The Indian Express. <https://indianexpress.com/article/india/economic-relief-package-break-up-five-tranches-6414076/>
- Ghosh, S. (2021). Covid-19 and the Aspiration of Atmanirbhar Bharat. *Journal of Polity & Society*, 13(2), 143-152.
- Gupta, M. D. (2020, May 12). Modi announces Rs 20-lakh crore package to revive economy and a 'new look' lockdown 4. The Print. <https://theprint.in/india/modi-announces-rs-20-lakh-crore-package-to-revive-economy-and-a-new-look-lockdown-4/420036/>
- IEA. (n.d.). *India Energy Outlook 2021 – analysis*. IEA. Retrieved October 10, 2022, from <https://www.iea.org/reports/india-energy-outlook-2021>
- India becomes world's third-largest economy. (2014, April 30). Breaking News, World News and Video from Al Jazeera. <https://www.aljazeera.com/news/2014/4/30/india-becomes-worlds-third-largest-economy>
- India's quest for 'self-reliance' doesn't mean 'isolation': President Kovind to diaspora in Jamaica. (2022, May 17). The Print. <https://theprint.in/world/indias-quest-for-self-reliance-doesnt-mean-isolation-president-kovind-to-diaspora-in-jamaica/959510/>
- "It is not our karma to be the marketplace of the world": Dr. S. Jaishankar. (2022, June). IIMB. <https://www.iimb.ac.in/jaishankar-interacts-students-faculty-atmanirbhar-bharat>
- Kakati, B. K. (2021, February 1). *Gram swaraj: Its relevance in present context*. MAHATMA GANDHI ONE SPOT COMPLETE INFORMATION WEBSITE. <https://www.mkgandhi.org/articles/gram-swaraj-its-relevance-in-present-context.html>
- Kalyanaraman, S. (2015, January 20). *Aravind Devanathan asked: What is 'strategic autonomy'? How does it help India's security? | Manohar Parrikar institute for defence studies and analyses*. MANOHAR PARRIKAR INSTITUTE FOR DEFENCE STUDIES AND ANALYSES. [https://idsa.in/askanexpert/strategicautonomy\\_indiasecurity](https://idsa.in/askanexpert/strategicautonomy_indiasecurity)
- Kukreja, V. (2020). India in the Emergent Multipolar World Order: Dynamics and Strategic Challenges. *India Quarterly*, 76(1), 8–23. <https://doi.org/10.1177/0974928419901187>

- Malhotra, I. (2004, October 28). *BBC NEWS | South Asia | Indira Gandhi's legacy*. BBC News. [https://news.bbc.co.uk/2/hi/south\\_asia/3960877.stm](https://news.bbc.co.uk/2/hi/south_asia/3960877.stm)
- Mallick, S. (2022, May 26). *Govt forms advisory board to achieve \$300-billion electronics manufacturing target by 2026*. The Economic Times. <https://economictimes.indiatimes.com/news/economy/policy/govt-forms-advisoryboard-to-achieve-300-billion-electronics-manufacturing-by-2026/articleshow/91810521.cms?from=mdr>
- Malone, D. M., & Chaturvedy, R. (2009, November). *Impact of India's Economy on its Foreign Policy Since Independence*. Asia Pacific Foundation of Canada. [https://www.asiapacific.ca/sites/default/files/Indian Economic and Foreign Policy.pdf](https://www.asiapacific.ca/sites/default/files/Indian%20Economic%20and%20Foreign%20Policy.pdf)
- Mampatta, S. P. (2020, June 18). *Cost of 1962 war: Stock markets fell 16%, gold price slipped 30%*. *BusinessStandard*. [https://www.business-standard.com/article/economy-policy/rbi-archives-revealeconomic-toll-of-1962-china-war-stocks-gold-tanked-120061701458\\_1.html](https://www.business-standard.com/article/economy-policy/rbi-archives-revealeconomic-toll-of-1962-china-war-stocks-gold-tanked-120061701458_1.html)
- Mehndiratta, G. (2022, April 13). Key drivers for 'Aatmanirbhar' defence sector in India. *The Economic Times*. <https://economictimes.indiatimes.com/news/defence/key-drivers-for-aatmanirbhar-defence-sector-in-india/articleshow/90818313.cms?from=mdr>
- Mishra, A. R. (2020, June 12). *Turn crisis into an opportunity: PM Modi to India Inc*. *mint*. <https://www.livemint.com/news/india/turn-crisis-into-an-opportunity-pm-modi-to-india-inc-11591901676915.html>
- Misra, U. (2020, May 14). PM Modi's Atmanirbhar Bharat Abhiyan economic package: Here is the fine print. *The Indian Express*. <https://indianexpress.com/article/explained/narendra-modi-coronavirus-economic-package-india-self-reliance6406939/>
- Mital, A. (2016, July 8). The long road to the 1991 economic crisis. *Mint*. <https://www.livemint.com/Sundayapp/EorCYXfJyjWd2qsENV3KOO/The-long-road-to-the-1991-economic-crisis.html>
- Nair, R. (2021, July 23). How Narasimha Rao and Manmohan Singh rescued India in 1991 and made history. *The Print*. <https://theprint.in/economy/how-narasimharao-and-manmohan-singh-rescued-india-in-1991-and-made-history/700893/>
- Panda, J. (2020, July 13). Modi's 'self-reliant India' has key foreign policy aspects. *Asia Times*. <https://asiatimes.com/2020/07/modis-self-reliant-india-has-key-foreign-policy-aspects/>
- PM Modi gives Clarion call for Atmanirbhar Bharat*. (2020, May 13). DD News. <https://ddnews.gov.in/national/pm-modi-lays-down-5-pillars-atmanirbhar-bharat>
- PM Modi shares 5 pillars that will make India self-reliant in COVID-19 times*. (2020, May 12). India Today. <https://www.indiatoday.in/india/story/pm-modi-speech-5-pillars-atm-nirbhar-india-self-reliance-covid-19-lockdown-1677293-2020-05-12>
- PM redefines self-reliance for India*. (2005, October 3). The Times of India. <https://timesofindia.indiatimes.com/india/pm-redefines-self-reliance-for-india/articleshow/1250033.cms>
- Press Information Bureau. (2020, May 13). *Finance minister announce measures for relief and credit support related to businesses, especially MSMEs to support Indian economy's fight against COVID-19*. <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1623601>
- Press Information Bureau. (2020, May 14). *Finance minister announces short term and long-term measures for supporting the poor, including migrants, farmers, tiny businesses and street vendors*. <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=1623862>
- Press information Bureau. (2020, May 15). *Finance minister announces measures to*

- strengthen agriculture infrastructure logistics, capacity building, governance and administrative reforms for agriculture, fisheries and food processing sectors.* Press Information Bureau. <https://pib.gov.in/PressReleasePage.aspx?PRID=1624153>
- Press Information Bureau. (2020, May 16). *Finance minister announces new horizons of growth; structural reforms across eight sectors paving way for Aatma Nirbhar Bharat.* <https://pib.gov.in/PressReleasePage.aspx?PRID=1624536>
- Press information Bureau. (2020, May 17). *Highlights of finance minister's stimulus package – V.* Press Information Bureau. <https://pib.gov.in/PressReleasePage.aspx?PRID=1624649>
- Press Information Bureau. (2022, April 1). *Promotion of Indigenous drugs and medicines.* Retrieved June 6, 2022, from <https://pib.gov.in/PressReleasePage.aspx?PRID=1812317>
- Press Trust of India. (2022, April 24). *India's oil import bill doubles to \$119 bn in FY22 as energy prices soar.* Business Standard. [https://www.business-standard.com/article/economy-policy/india-s-oil-import-bill-doubles-to-119-bn-in-fy22-as-energy-prices-soar-122042400424\\_1.html](https://www.business-standard.com/article/economy-policy/india-s-oil-import-bill-doubles-to-119-bn-in-fy22-as-energy-prices-soar-122042400424_1.html)
- Raghavan, P. S. (2017). The Making of India's Foreign Policy: From Non-Alignment to Multi-Alignment. *Indian Foreign Affairs Journal*, 12(4), 326–341. <http://www.jstor.org/stable/45342011/>
- Sarkar, S. (2021, February 19). *New education policy will pave path for Atmanirbhar Bharat: PM Modi.* Hindustan Times. <https://www.hindustantimes.com/india-news/new-education-policy-will-pave-path-for-atmanirbhar-bharat-pm-modi101613725782902.html>
- Singh, M. (2021). India's Atmanirbhar Bharat and Defence Outreach: Leveraging the Gulf Strategic Partnerships. *CLAWS Journal*, 14(1), 154–162. <https://ojs.indrastra.com/index.php/clawsjournal/article/view/127/>
- Tandon, A. (2022, June 6). *Atmanirbhar Bharat is way to deal with changing world order: Jaishankar in lok sabha.* Tribune India News Service. <https://www.tribuneindia.com/news/nation/atma-nirbhar-bharat-is-way-to-deal-with-changing-world-order-jaishankar-in-lok-sabha-384087>
- Thomas, K. S. (2020, October 15). *Pain and gain.* The Week. <https://www.theweek.in/theweek/cover/2020/10/15/pain-and-gain.html>
- Tiwari, B. K. (2020, August 16). *Changing scenario of Indian economy: 1947- 2020.* The Pioneer. <https://www.dailypioneer.com/2020/sunday-edition/changingscenario-of-indian-economy-1947-2020.html>
- Waltz, K. N. (2003). The Anarchic Structure of World Politics. In R. J. Art & R. Jervis (Eds.), *International politics: Enduring concepts and contemporary issues* (6th ed.). Longman Publishing Group.
- World Bank sees FY21 India growth at 1.5-2.8%; slowest since economic reforms three decades back.* (2020, April 12). The Economic Times. <https://economictimes.indiatimes.com/news/economy/finance/covid-19-causes-severedisruption-to-indian-economy-says-world-bank/articleshow/75104474.cms>