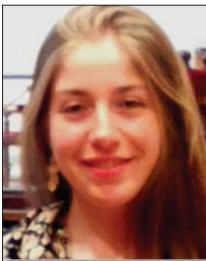




# International Cooperation and Prospects for Science Diplomacy between India & Argentina



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## Introduction

Diplomatic relations between Argentina and India have gradually improved with the return of democracy in the Latin American region. Since the 1980s, trade, and cooperation between the two nations have increased significantly. An important milestone, which shows a new impetus in bilateral relations between the two countries, is the visit of Narendra Modi, Prime Minister of the Republic of India, to Argentina and the official mission of former President Mauricio Macri to New Delhi. This paper maps the progress made between the two States with a special focus on international cooperation in Science and Technology. Also, it presents a brief analysis on prospects for bilateral cooperation in Argentina's Vaca Muerta oil and gas reserves.

## History

The relations between Argentina and India mark their beginning in 1949 when the Argentine Foreign Ministry established its Embassy in New Delhi. However, an approach is noticed in 1924 when the Indian philosopher Rabindranath Tagore visited Buenos Aires (Rodríguez de la Vega Lía, 2019). In 1960, Argentine President Frondizi visited Delhi; being the first time a Latin American president visited that country. An important turn in the relationship between Argentina and India occurred in 1982 with the emergence of the war conflict over the Falkland Islands. On that occasion, Prime Minister Gandhi, after studying the conflict, spoke in favor of the Argentine position. With the return of democracy, Argentine President Raúl Alfonsín visited India. On that occasion, several treaties were signed. As noted, diplomatic relations were progressing positively over the years.

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## Present

Focusing on the most recent past, it is important to highlight that Argentina hosted the 13<sup>th</sup> G-20 Leaders' Summit, held between November 30 and December 1, 2018. The States that represent 85 per cent of the product participated in global gross, 66 per cent of the world's population, 8 of investments and 75 per cent of trade (Argentina G20 Summit 2018). The topics addressed were the impact of new technologies on traditional work structures and their relationship with education, infrastructure for development and food security. Of course, the Indian State was an active member of this great event. In turn, within the framework of the G20, both the Argentine and Indian authorities reviewed the Mercosur-India relationship to expand trade ties and advance agreements related to science and technology between the two countries.

## 70<sup>th</sup> Anniversary: Argentina-India relations

On the 70<sup>th</sup> anniversary of bilateral relations, the former Argentine president visited India in February 2019 along with representatives of at least one hundred Argentine companies (Ministry of Foreign Affairs, International Trade, and Worship, 2019). The purpose of the trip through the Asian country was to achieve new markets for Argentine products. On the other hand, the Heads of State of these nations affirmed that relations between India and Argentina find their foundation in common principles and values of democracy, freedom, rule of law, respect for human rights and territorial integrity of the States. Fortunately, this was a great step towards strengthening ties between the two countries.

The two leaders also expressed satisfaction over pace of cooperation and mutual collaboration on issues of economy, technology, energy, mining, social security, academic exchanges, defence, and hydrocarbons, etc. This meeting between the two leaders culminated in several agreements of strategic interests. For example in defence sector, a Memorandum of Understanding on Cooperation in Defence, knowledge sharing in the fields of Science, Technology, Production and Logistics for Defence were signed. Besides bilateral cooperation

in tourism, commercial and hotel sector were some of the important highlights of the meeting.

Undoubtedly, the fundamental purpose of this meeting was to strengthen economic and commercial relations between the two countries by improving and diversifying trade and investment through the elimination of trade barriers, facilitating greater access to markets, and recognizing the importance of the service sector. In terms of energy, Argentina joined the International Solar Alliance. This multilateral Indian initiative aims to reduce energy prices, boost the development of low carbon economies and facilitate the deployment of existing solar technologies at scale.

As regards mining, the representatives of the Argentine delegation expressed their willingness to provide geological information for Lithium exploration with the support of the local provinces. On this issue, the Indian authorities expressed their objective that at least 30 percent of their automotive industry will run on electric batteries by 2030.

## Science and Technology

In the area of science and technology, the two countries agreed to set-up a Training Center in Advanced Areas of Information Technology in Buenos Aires. The Indian Government agreed to support this institution through the provision of software and necessary equipment for the development of four computer laboratories, the dispatch of a technical expert, and the training of Argentine experts in India (Ministry of Foreign Affairs, 2019).

Regarding information and communication technologies (ICTs), an exchange of knowledge and experience concerning new technologies was agreed upon. These include new technology areas such as artificial intelligence, big-data, block-chain, battery technologies, and financial and digital inclusion, which are highly relevant from the standpoint of Argentina's development.

As for cooperation in the outer-space, the two sides agreed to work together in the field of satellite remote sensing missions, which includes data exchange, application development, and calibration and validation experiments. The purpose of this

collaboration is to construct and launch satellites. In nuclear matters, it was established that Argentine technicians will be able to carry out academic training in India, and Indian experts will do the same in Argentina. Sequentially, research projects are planned to be carried out jointly.

This cluster of strategic alliances also included the pharmaceutical industry in order to cooperate and exchange knowledge in the field of drug production. The fields of action will be the exchange of information on generic medicines and medical instruments, mutual technical visits, cooperation in legal matters, among others. The presidents did not overlook agribusiness cooperation, and assistance scheme was established that would allow knowledge sharing in the agribusiness sector, in which Argentina stands out for its expertise. Among the areas of interest include biotechnology, genetic improvement, monitoring systems of fish activity, wine production, among others.

Finally, the two sides also agreed to work cooperatively in agricultural research. In particular, attempts have been made to obtain advances in scientific research, technology and product innovation, as well as the transfer of technology for the development and production of vaccines in India. The production of high-yield rice varieties, disease resistant herbicides, germplasm exchange, fish mari-culture along with the development of agricultural by-products, and marketing strategies were envisaged.

Although the agreements cover multiple areas, all of them are strategic and we reiterate that they will be highly favorable to both the countries, and tend to consolidate bilateral relations between the two countries. In short, the long-term objective is to improve the living standards of Argentine and Indian citizens.

## **Business Forum with India**

As a continuation of this work agenda, in October the Business Forum with India was held in Buenos Aires to promote trade and investment. The Secretary of International Economic Relations, the Ministry of Foreign Trade, the President of the Argentine Investment and International Trade Agency, the Argentine Ambassador to India participated in that

meeting. The Ambassador of the Republic of India in Argentina was also present in the forum (Ministry of Foreign Affairs, 2019).

The event saw participation from a number of entrepreneurs, especially the members from the Confederation of Indian Industries (CII) in various sectors. More than 400 conferences and work meetings were held with 250 Argentine companies with the objective of evaluating business opportunities.

Subsequently, in December, the local authorities met with the Indian Ambassador to Argentina, Dinesh Bhatia met in the province of Mendoza. The objective was to improve bilateral trade ties between the two countries and encourage local development of technologies required in countries such as Republic of India. Among other potential areas of cooperation that the authorities identified include agribusiness, mining and metal industry (Mendoza Government, 2019).

## **Oil and gas**

An issue that generated high expectations and media discussion was the willingness among the two countries to explore possibilities for cooperation in conventional and unconventional oil and gas resources, including the hydrocarbon value chain as a whole. Logically, we refer to second gas reserve and fourth unconventional oil in the world commonly known as Vaca Muerta, located in the middle of the Argentine provinces of Mendoza, Neuquén, Rio Negro and La Pampa. Currently, at least 20 companies operate this formation. Among them, Pan American Energy (Argentina), Fiscal Oilfield (Argentina), Total Austral (France), ExxonMobil (USA) (Argentina Government Minister of Treasury, 2019).

Thus, in the framework of the visit of Argentine delegation to India in February 2019, the former Argentine President invited his Indian counterpart Prime Minister Narendra Modi to consider investing in the Vaca Muerta oil and gas reserve. Consecutively, the Indian authorities acknowledged that there are great opportunities in the area of unconventional energy, and that they will try to find a way that their countries also participate in the reserve. In this context, both leaders ratified

their intention to work together to cooperate in this area, which they described as highly advantageous for both nations. Argentina, needs investments for the exploitation of these resources, since the cost of drilling is around USD \$ 6 million. India, as of 2030 will be the most populous country in the world so its energy needs will also increase (Ocvirk Verónica, 2019).

Of course, India is not the only country that has shown interest in this valuable deposit. On January 8, 2020, a meeting was held between the Argentine Secretary of Energy, Sergio Lanziani and the future U.S. ambassador to that country, Jorge Arguello. On that occasion, both parties pledged to launch the site. The two sides intended to maintain an open dialogue about the energy opportunities offered by the Latin American country (Lamiral Carlos, 2020).

In principle, Argentina intends to strengthen international cooperation to secure for the Vaca Muerta project. A fact not less is the current conflict between the US and Iran, which will surely be a point to be considered by concerned parties. However, the sum total of these factors is not so simple. The new Argentine government, headed by President Alberto Fernandez, will face a great challenge in the management of these valuable resources. With this magnificent site, Argentina is guaranteed self-supply, but the truth is that it does not have enough money for exploitation. This requires a constant flow of foreign exchange from international oil companies.

In this way, the Argentine government plans to continue with the development of the Vaca Muerta reserve. However, it must offer good conditions to attract foreign investments. An important crossroad opens here: Argentina will have to negotiate in such a way that the local rate chart stays at an appropriate levels and guarantees access to the general population.

In this context, the Argentine government realised that it needs to introduce a bill in Congress to 'shield' Vaca Muerta. This indicates that the intention is to insulate the Vaca Muerta project from international market fluctuations, negotiate with oil companies, and stimulate a legal framework that attracts foreign investments. The key purpose of this law is to reduce government holdings from 12

percent to 8 percent, in addition to exempting oil companies from paying royalties on total billing. In turn, the bill contemplates tax advantages for oil companies (Robles Amelia, 2020). Undoubtedly, this new initiative poses a friendlier scenario for foreign companies.

Through this the possibility of exporting these resources also opens up. However, in case of the desire to do so with countries where there is no gas pipeline, an exponential investment would be necessary to transport the gas in a liquefied form. Resources in this geological area of the country are abundant but expensive. Another challenge in this context pertains to climatic and environmental difficulties. Today, the need is to base the energy matrix on renewable sources and with fewer carbon emissions, that is, neither gas nor oil. In turn, in some way, this type of development generates social inequality. For example, in rural areas near the Vaca Muerta complex, the oil personnel receive dollarised salaries whereas the salaries of teachers are much less than these values.

## Conclusion

In conclusion, the relations between Indian and Argentina are on the upward trajectory. The agreements which were signed to form a consolidation and a strategic alliance will result in positive impacts for the internal economy of these nations, and an improvement in the living standards of the citizens of both countries. Subsequently, we recognise newer areas of cooperation such as the Vaca Muerta field. However, both countries must carefully agree on the terms of said negotiation in order to avoid negative consequences for local societies and the environment. The government of President Alberto Fernández must address such complex problems.

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