STRATEGIC ALLIANCES FOR A CHANGING WORLD: SPAIN AND INDIA IN THE 21ST CENTURY

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This document has been prepared following the visit of the Indian Minister of Foreign Affairs, Subrahmanyam Jaishankar, to Spain on January 12–13, 2025. The trip reaffirmed the significant progress in diplomatic relations between the two countries, aiming to strengthen cooperation in strategic areas such as trade, investment, technology, renewable energy, and security, while also promoting cultural and academic exchanges.

During his visit to Madrid, the minister met with His Majesty the King, the President of the Government, Minister of Defence Margarita Robles, and Minister of Foreign Affairs, European Union, and Cooperation José Manuel Albares. Additionally, agreements were signed on sustainable urban development and sports cooperation.

The minister also participated as a special guest in the IX Conference of Ambassadors, organized by the Ministry of Foreign Affairs, European Union, and Cooperation, where he delivered the inaugural speech titled *"A Foreign Policy with Its Own Identity."* This outcome paper is based on the roundtable discussion organized by the Spain-India Council Foundation, in which José Manuel Albares and Subrahmanyam Jaishankar took part under the title *"Strategic Alliances for a Changing World: Spain and India in the 21st Century,"* held at the headquarters of the Ramón Areces Foundation.

Among the institutions and entities represented in the various activities organized were: Abertis; Power; Airbus; Caixa Bank; Spanish Chamber of Commerce; Casa Asia; Casa de la India; CDTI; CHAINCORP; CIDOB; Indian Consulate General in Barcelona; Embassy of India; European Union Institute for Security Studies; Fundación Alternativas; Spain-India Council Foundation; Ramón Areces Foundation; Gestamp; IE University; Indra; Aspen Institute Spain; Instituto Cervantes; Ministry of Foreign Affairs of Spain, European Union and Cooperation; Ministry of External Affairs of India; Navantia; Elcano Royal Institute; SANKAR; SEPIE; University of Comillas; University of Salamanca; University of Valladolid; UCM.

*The viewpoints and analyses presented in this Outcome Paper are based on the contributions of the guests at the dialogue held at the headquarters of the Ramón Areces Foundation on January 14, 2025. This Outcome Paper does not represent the opinion or endorsement of the Spain-India Council Foundation in any way.

THE STRATEGIC CONTEXT

The evolving global landscape underscores the importance of building strategic alliances that prioritize stability, cooperation, and shared prosperity. As dynamic global actors, Spain and India are well-positioned to deepen their bilateral relations in ways that align with their mutual interests and the shifting world order. This document outlines the key points from the dialogue organized by the Spain-India Council Foundation, as well as a roadmap for future collaboration between the two nations.

The partnership between Spain and India is founded on shared values in a globalized world, including democracy, cultural richness, and technological progress. As a key player in the Indo-Pacific region, India plays a crucial role in shaping global economic and political stability. Meanwhile, for Spain—an influential member of the European Union—strengthening ties with India aligns with broader European strategies for meaningful engagement with the Indo-Pacific.

The Joint Declaration signed between Prime Minister Narendra Modi and Prime Minister Pedro Sánchez in October 2024 reflects this mutual commitment, laying the groundwork for collaboration in critical sectors such as higher education, infrastructure, renewable energy, and digital technology. Additionally, Minister Albares has announced the immediate creation of a new Sub-Directorate General for South Asia, with India at its core—demonstrating Spain's renewed interest in the country and its strategic importance in Spain's foreign policy. Furthermore, the decision to reactivate the joint cooperation commissions highlights the promising future of bilateral relations.

IMPORTANCE OF JOINT Efforts AND AREAS OF COLLABORATION

Political Stability and Global Cooperation

Shifts in the global system are challenging the international order established after 1945, as the world undergoes profound changes, entering a period of disruption and volatility. In this context, the need for alliances that prioritize stability, cooperation, and multilateralism has become increasingly urgent.

As the European Union strengthens its strategy toward the Indo-Pacific, Spain's role as a key EU member and India's position as a central player in the region naturally align to promote stability, sustainable development, and mutual respect.

Economic and Technological Transformation

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Global supply chains, the energy transition, and the digital economy are rapidly evolving, reshaping the economic landscape and moving beyond traditional manufacturing-based models.

The growing emphasis on digital security and data privacy highlights the need for trust and transparency in partnerships. In an increasingly digital world, no level of caution is excessive if trust between nations is lacking. Additionally, there remains a gap between technological expectations and the capacity to fully realize them. The COVID-19 pandemic served as a stark reminder of our vulnerability to geographic constraints—when one part of the world mismanages its resources, the repercussions are felt globally.

By aligning with shared standards and values, Spain and India can work together to address global digital challenges. Both nations recognize opportunities to leverage these transformations and strengthen economic resilience. India's leadership in infrastructure development and digital adoption presents significant opportunities for Spanish companies, particularly in civil infrastructure, data centers, and sustainable energy. Similarly, as one of the EU's leading economies, Spain can collaborate with India in key areas such as data center development and securing global supply chains.

Education and Talent Mobility

With 7,000 new universities established in India over the past decade, there is a growing need to develop talent for an increasingly globalized world. One of the key challenges is providing high-quality language education through skilled teachers, equipping students with the competencies needed to thrive beyond India's borders. Spain's expertise in language education and pedagogy can help bridge critical gaps, particularly in teaching Spanish and fostering internationalization skills among Indian students. However, education remains a highly regulated sector, requiring careful study to establish effective and mutually beneficial collaboration.

Additionally, India has a strong interest in leveraging Spain's strategic position to facilitate triangular cooperation with Latin America, further expanding opportunities for academic and cultural exchange.

Civil Society Engagement

The Spain-India Dual Year in 2026, marking the 70th anniversary of diplomatic relations between the two countries, aims to provide a unique platform for deepening cultural, scientific, and civil society collaborations. To achieve this, long-term frameworks for cooperation in innovation, education, and cultural exchange should be prioritized. This anniversary is envisioned not only as a celebration of shared history but also as an

opportunity to lay the foundation for a new era of more dynamic and sustainable bilateral collaboration.

The Spain-India Council Foundation will play a pivotal role as a public diplomacy instrument, well-suited to the evolving needs of bilateral relations. Serving as a bridge between civil societies, the Foundation acts as a catalyst for fostering public and private investment. It will continue to strengthen Spain-India ties and enhance mutual engagement.

Global Innovation & Startups

The rise of unicorns and a thriving startup ecosystem have reshaped India's economy, demonstrating that today's economic leaders are not necessarily large multinationals but rather innovation-driven enterprises. This underscores the growing importance of technology and entrepreneurship in economic development.

Spain's advanced technological capabilities complement India's entrepreneurial dynamism, creating opportunities for joint initiatives in areas such as artificial intelligence, space exploration, and mobility. These synergies position both nations to collaborate effectively in shaping the future of global innovation.

RECENT CHANGES IN INDIA

In recent years, India has undergone several significant transformations that are reshaping its economy, society, and global standing. On one hand, regulations and administrative processes have been simplified, making it easier to establish and operate businesses in the country. This has enhanced India's appeal as an investment destination. At the same time, regulatory barriers are being reduced to ease citizens' daily lives, improving their access to essential services and fostering a more inclusive environment.

India is also emerging as a major driver of global infrastructure growth, with key projects in sectors such as roads, railways, airports, and energy. These developments aim to bolster economic growth and enhance both domestic and international connectivity. Perhaps the most profound change, however, is the widespread adoption of digital technology. This transformation has not only increased the efficiency of public policies and economic activities but also strengthened social welfare systems, expanding access to essential services like healthcare, education, and financial inclusion.

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Key Challenge

True change in India will be realized when physical transformations, such as improvements in infrastructure and technology, are matched by the development of human capital. This remains one of the country's greatest challenges, requiring international collaboration to address. Furthermore, as the world's most populous nation, India must consolidate its global presence amid growing geopolitical uncertainties.

The BRICS

Each BRICS country (Brazil, Russia, India, China, and South Africa) shapes its external relations according to its own interests. The concept of BRICS as a collective unit is circumstantial, as each member has its distinct strategic priorities. In India's case, it is focused on consolidating its position as the world's third-largest economy, with aspirations to become the second largest within the next two decades.

The Indo-Pacific

India plays a critical role in both global affairs and the Indo-Pacific region, due to its strategic geographical location and political significance. Its multi-aligned foreign policy has positioned India as a key global player, with its influence increasingly resonating in Spain and around the world. The Global South is emerging as a new focal point in international relations, especially in terms of economic and security matters.

It is important to note that rising regional tensions have solidified the Indo-Pacific as a crucial area for European engagement, underscoring the need for closer cooperation in this region.

EUROPEAN PROJECTION

When India looks at the European Union, it primarily sees business opportunities and avenues for economic growth. However, India is also keen to absorb and learn from Europe's experiences, especially in terms of how partnerships are formed, and cooperation is structured. The most valuable aspect of India-Europe collaboration lies in India's ability to assimilate Europe's lessons learned over time.

However, Europe continues to maintain a mindset rooted in the historical concepts of prosperity and security within an increasingly uncertain global environment. This outlook, although shaped by European history and experience, is somewhat unrealistic, as a geographically isolated region cannot fully escape global challenges. Europe tends to view

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itself from a different perspective, while, in reality, it faces conflicts and crises in various parts of the world.

Following the global financial crisis, many European governments adopted a more inward-looking stance, which lasted for over a decade. Yet, maintaining such a mindset in an interconnected world is increasingly difficult. The situation in Ukraine, for instance, is perceived by Europe in a very specific way, but this message has not been adequately conveyed to the rest of the world. In regions like Latin America and Africa, perspectives often differ significantly from those held in Europe.

In today's globalized world, effective global communication is vital for the sustainability of international relations. Without it, global dynamics become unsustainable, as countries outside the European region do not always understand the issues from the same perspective. In fact, countries outside the EU often find it easier to form closer ties with other European nations than with Spain, due to historical, cultural, and political factors that influence how relations are perceived.

CONCLUSION

The strategic alliance between Spain and India holds tremendous potential to address the challenges of an increasingly dynamic world. Both nations share a genuine commitment to strengthening one another, which is evident in the growing Indian diaspora abroad. While this trend will continue to be relevant, greater effort must be made to encourage more Indian students to choose Spain as an academic destination. Achieving this goal will depend on Spain's ability to provide the necessary resources and generate sustained interest among future generations of students.

By focusing on stability, innovation, and inclusivity, Spain and India can play a pivotal role in fostering a more resilient and prosperous global order. The commitments outlined in the Joint Declaration and the opportunities presented by the Dual Year 2026, particularly in areas like culture, tourism, and artificial intelligence, offer a valuable opportunity for deepening bilateral relations. This partnership can lead to stronger cooperation, with shared aspirations and common objectives. However, it is essential to ensure that these efforts yield long-lasting and substantive results, moving beyond superficial achievements.

To realize this potential, prioritizing strategic dialogue between the two nations is crucial. Establishing permanent bilateral mechanisms will be key to addressing emerging global challenges and ensuring a unified approach to policies related to the Indo-Pacific. Additionally, simplifying regulatory frameworks and implementing measures that strengthen mutual trust will be essential to facilitate trade and investment.

Supporting the development of startups and SMEs in both countries is another critical area for collaboration, helping integrate them into dynamic innovation ecosystems. Equally

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important is promoting the mobility of students, researchers, and professionals to bridge talent gaps and foster the exchange of knowledge that drives innovation.

Finally, Spain-India relations must be viewed within a broader framework, where their ties to the European Union become increasingly vital. India's support for the EU's Indo-Pacific strategy provides a shared foundation for strengthening global cooperation and working together to create a more interconnected and resilient world.

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