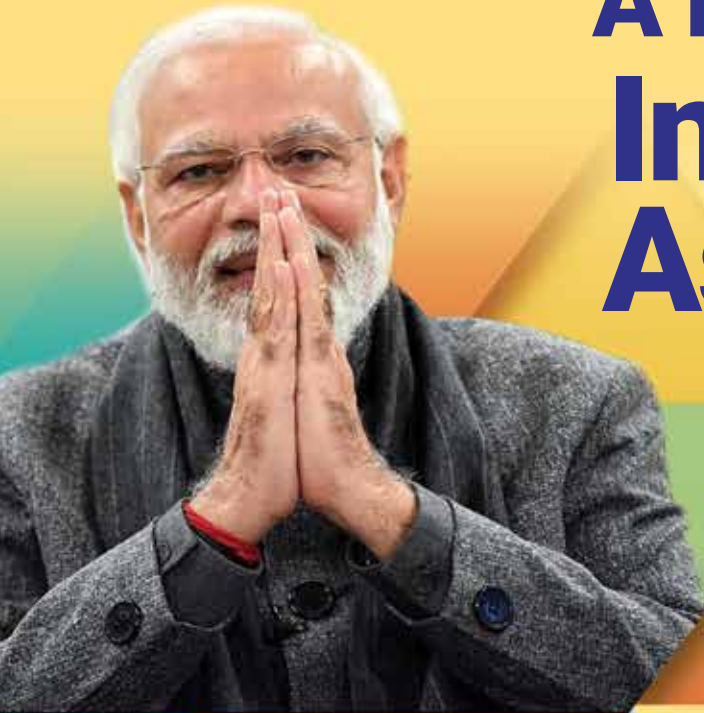


INDIA & The WORLD



A New Great Game India-Central Asia Connect



Inside

QUAD
Mapping Next Steps

India-Italy
Bonding

How India shaped
G20 outcomes



Centre for Global India Insights (CGII)

Decoding Global Geopolitics & Partnerships



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Editor-in-Chief

Manish Chand

Contributors

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Amb. Ashok Sajjanhar

Amb. Teresita C. Schafer

Amb. Kenneth I. Juster

Amb. Anil Wadhwa

Srikanth Kondapalli

Satoru Nagao

Desk

Shweta Aggarwal

Amrita Singh

V. Pathak

Meghna Dasgupta

Marketing & Communication

Shweta Chand

Editorial Office

TGII Media Private Limited,
D3, Plot No. 300, Sector 4
Vaishali, Ghaziabad - 201010

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For advertising, reprint rights and syndication enquiries, contact

editor@indiaiwrites.org,
indiaiwritesgroup@gmail.com

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FROM THE EDITOR'S DESK

From Quad to Central Asia, Shaping India's Rise

Transformational diplomacy has acquired a new resonance in India's relentless quest to forge new equations with old partners and friends. A day after the Republic Day celebrations this year, Prime Minister Narendra Modi hosted a digital summit with the leaders of five Central Asian states, the first such engagement with the resource-rich and strategically located region. The summit was originally designed as an in-person event in New Delhi, but the omicron virus played the spoiler, and it had to be shifted online. Although pomp and ceremony were missing, this did not detract from the success of the first India-Central Asia summit. The wide-ranging discussions culminated in an ambitious joint statement which has paved the way for transformation of New Delhi's relations with the five Stan states, which have acquired an added salience in the regional diplomatic calculus since the Taliban takeover of

Afghanistan. This diplomatic exercise of bringing the whole region on a common summit platform illuminates a vital feature of Prime Minister Modi's unprecedented diplomatic outreach in the last nearly eight years. In sync with its rising global profile, India has hosted the first-ever summit of the International Solar Alliance, the first summit with the leaders of Pacific Island states and the largest ever gathering of African leaders on the Indian soil.

Transforming India

As India celebrates 75 years of independence and the Modi government completes nearly eight years in power, these interconnected diplomatic initiatives have to be seen in the larger context of spurring the rise of India as a great power, with a unique voice and perspective in a world stricken with geopolitical rivalries. With the overarching strategic objective of making India a great power and its people prosperous, Indian

diplomacy has become more innovative, courageous, and nimble-footed, enabling India to navigate its own emergence on its own terms. The recalibration of India's foreign policy in tune with the emerging world order has led to India becoming indispensable in addressing diverse cross-cutting challenges, ranging from combating terrorism, global warming, piracy and pandemics to reshaping of the global governance architecture. Instead of being reactive, India now proactively sets the global agenda and has played a constructive role in key multilateral platforms such as the UN, the G20 and the COP 26. The country's rising global stature is clearly reflected in its ongoing tenure as a non-permanent member of the UNSC and its membership of plurilateral groupings such as BRICS and the Quad, which have become key features of an emerging world order.

Quad: Next Steps

Against this larger backdrop, we are pleased to present a special segment on the future trajectory of the Quad, which includes commentaries and reflections by eminent diplomats and experts on how this plurilateral grouping is shaping the post-Covid world order. These articles review key achievements of the two Quad summits held so far, and identify

focus areas which can help to bolster this grouping of like-minded democracies to act as a force for global public good. India's approach to the Quad is animated by issue-based multi-alignment, which has come to configure its foreign policy in the first decades of the 21st century. India has managed to strike a balance in its relations with the GCC countries and Israel on the one hand and between Iran and Israel on the other hand. This diplomatic waltz underlines New Delhi's growing confidence in harnessing ties with mutually antagonistic power centres without getting sucked into zero sum games. This approach was also crystallized in PM Modi's vision of a free, open and inclusive Indo-Pacific at the Shangri La Dialogue in June 2018. In sync with this vision, New Delhi played a constructive role in shaping outcomes of the two Quad summits held so far. In yet another sign of smart diplomacy, New Delhi has joined a new Quad comprising India, Israel, UAE and US, which is focused on enhancing economic cooperation in West Asia.

Looking ahead, as India maps its ascent amid an intensely conflicted global geopolitical landscape and the seemingly unceasing border deadlock with China, it will have to be an agenda-setter and risk-taker rather

than dabbling in a thousand visions and revisions. In his book "The India Way," External Affairs Minister S. Jaishankar underlined that "The India way would be a country which brings its capacities to bear on the international system for global good."

Emblem of Hope

As the world grapples with the third wave of the coronavirus pandemic and its new variants, India has vaccinated not only over a billion Indians, but has also provided vaccines and other medical support to over 100 countries around the world under the "Vaccine Maitri" initiative. Amid growing global volatility and uncertainty, India has burnished its credentials as a bridge-builder, healer and global public goods provider. The world is looking at India anew as an emblem of hope, resilience and resurgence. In his recent address at the World Economic Forum, PM Modi conjured up this surging India-optimism in the world. "A strong democracy like India has gifted the whole world a beautiful gift, a bouquet of hope," he said, encapsulating the essence of India's global rise for the world.



Manish Chand
Editor-in-Chief

FIRST INDIA-CENTRAL ASIA SUMMIT



Scaling New Frontiers

KAZAKHSTAN

UZBEKISTAN

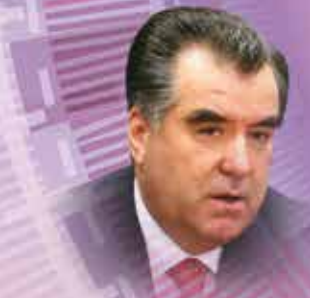
TURKMENISTAN

KYRGYZSTAN

TAJIKISTAN

AFGHANISTAN

PAKISTAN





ASHOK SAJJANHAR

The first digital summit between the leaders of India and five Central Asian republics has culminated in a new template for elevating this crucial relationship to new heights, says Amb. (Retd.) Ashok Sajjanhar.

The First India-Central Asia Summit, held in a virtual format, represented a culmination of India's sustained diplomatic engagement with the Central Asian countries in recent years.

A highly ambitious and visionary Delhi Declaration was issued at the conclusion of the summit on January 27. Some of the major areas identified for enhanced focus include peace and stability in Afghanistan, trade and investment, connectivity, development cooperation, including capacity building, security and defence, culture and people-to-people contacts.

The most consequential decision taken at the summit was to institutionalize the framework for India-Central Asia cooperation at a regional level and to hold summits every two years. The next summit will be held in 2024. In addition, it was agreed to hold regular meetings between ministers of foreign

affairs, trade and culture, as well as Secretaries of National Security Councils to advance cooperation in these areas.

On Afghanistan, it was affirmed that all countries share the same objectives including establishment of a truly representative and inclusive government, combating terrorism and drug trafficking, preserving the rights of women, children and minorities, and providing immediate humanitarian assistance.

Leaders emphasized making concerted efforts to boost trade and investment in "medicine, healthcare, pharmaceuticals, education, information technology, business process outsourcing (BPO), infrastructure, agriculture and processing of agricultural products, energy, space industry, textiles, leather and footwear industry, gems & jewellery." They welcomed establishment of direct contacts between States of India and Regions of Central

Asian countries, said the joint statement.

India proposed organizing a round table on connectivity and energy cooperation. Regarding connectivity, India welcomed the interest of Central Asian countries to utilize the Shahid Beheshti Terminal at Chabahar Port in Iran and proposed establishment of a joint working group on Chabahar.

Enhancing counter-terror cooperation figured prominently in discussions at the summit. The leaders emphasized cooperation amongst their National Security Councils in view of the common challenges of terrorism, extremism and radicalization in the region. They condemned use of terrorist proxies for cross-border terrorism, terror financing, dissemination of a radical ideology etc.

In addition to the decisions mentioned above, it was also agreed by the leaders to showcase Buddhist

The last few years have seen highways and railroads traversing from the East in China through Kazakhstan and Uzbekistan to Europe, Russia, Iran and the Middle East. Most of these countries are partnering with China in its Belt and Road Initiative (BRI) to differing degrees. Kazakhstan, because of its 1,700 kms border with China is the most active in BRI projects while no BRI project has thus far been launched in Kyrgyzstan.

exhibitions in Central Asian countries; commission an India-Central Asia dictionary of common words; hold joint counter-terrorism exercises; arrange visit of a 100-member youth delegation annually from Central Asian countries to India; and organize special courses for Central Asian diplomats.

Earlier, India was in discussion with the five Central Asian States to invite their presidents jointly as Chief Guests to its Republic Day celebrations in 2022 to mark 30 years of establishment of diplomatic relations. This would have been similar to the visit of ten ASEAN leaders in 2018. However, the pandemic changed plans; as a result, India had to organize the summit virtually with the leaders of these countries on January 27.

The summit took place when the five countries of Central Asia viz Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and

Uzbekistan are celebrating the 30th anniversary of their independence from the Soviet Union in 1991. These five nations were the last to declare independence from the Soviet Union as they did not wish to sever their ties with Moscow.

The last thirty years have witnessed significant changes in all these countries. They have used this period in nation building and consolidation of their statehood. The pessimistic scenarios painted in the early nineties of Central Asia disintegrating have been jettisoned.

Growing Significance and Challenges

All the five countries are richly endowed with natural and mineral resources. Kazakhstan has huge commercially viable quantities of most minerals and elements in the Mendeleev's Table, like coal, oil, gas, uranium, gold, iron ore and several more.

Turkmenistan contains the world's fourth largest reserves of natural gas while also having significant quantities of cotton, uranium, petroleum and sulfur. Uzbekistan is richly endowed with gas, uranium, cotton, silver and gold while both Tajikistan and Kyrgyzstan have abundant supplies of fresh water whose full potential is yet to be exploited. Kyrgyzstan has significant reserves of gold, uranium, mercury and lead also. The five countries have been able to exploit their resources to differing degrees.

All the five nations are land-locked. This was a compelling reason why these countries did not wish to break away from Moscow. They felt that they would not be able to survive as independent nations as they did not have access to the warm waters of the seas. Most of the five republics have been able to convert this liability into an asset by making their territories available for laying webs of ambitious infrastructure projects like highways, railways, roads as well as oil and gas pipelines, crisscrossing from East to West and North to South to connect industrial and production hubs with consumer markets. The last few years have seen highways and railroads traversing from the East in China through Kazakhstan and Uzbekistan to Europe,



Russia, Iran and the Middle East. Most of these countries are partnering with China in its Belt and Road Initiative (BRI) to differing degrees. Kazakhstan, because of its 1,700 kms border with China, is the most active in BRI projects, while no BRI project has thus far been launched in Kyrgyzstan. Similarly, oil from Caspian Sea offshore facilities in Kazakhstan and gas from Turkmenistan is being shipped by pipelines to the western region of China through Uzbekistan and Kazakhstan.

All the five countries have, by and large, been peaceful and stable throughout the thirty years of their independent existence except for the civil war in Tajikistan in the early '90s, the Andijan

uprising in Uzbekistan in 2005, and the outbreak of sectarian clashes in the south of Kyrgyzstan in 2010. Although terrorist groups like Islamic Movement of Uzbekistan (IMU), Hizb-ut-Tahrir (HuT) and others are present in the Ferghana

The five republics have been largely secular and liberal so far. There have not been too many instances of religious militancy or extremist violence in any of the countries. There are strong apprehensions that this could change.

valley, they have not been very active or effective in creating disturbances. This could change if violence due to the Taliban take-over in Afghanistan increases and spreads to these countries.

The five republics have been largely secular and liberal so far. There have not been too many instances of religious militancy or extremist violence in any of the countries. There are strong apprehensions that this could change. The presence of the Taliban dispensation in Afghanistan with which three Central Asian States share borders viz Tajikistan (1,300 kms), Uzbekistan (142 kms) and Turkmenistan (740 kms) is a matter of grave concern. The Taliban is a divided house with many factions

violently opposed to each other. In addition, there are a number of terrorist groups like IMU, HuT, Ansarullah Jamaat, Al Qaeda, Islamic State-Khorasan Province etc in Afghanistan, all of which are keen to foment instability and violence in Central Asia. Traditionally, Central Asia has been an arena of “great game”. The modern version is being played out even today.

China Factor

Over the years, in addition to the BRI, trade and economic relations of these countries with China have grown rapidly. China has hugely expanded its footprint in the region and emerged as the most prominent trading and investment partner of these countries. Antipathy against China in most Central Asian countries has, however, grown in recent years because of its rapidly growing presence in their political and economic systems. The incarceration and persecution of several Kyrgyz and Kazakh Muslims along with Uyghur Muslims in the Xinjiang region has given rise to severe disaffection against China and resulted in many anti-Chinese protests in these countries.

Russia considers this region as its near-abroad and is determined to maintain its pre-eminence in these countries. Its role and presence as a security provider has grown

China has hugely expanded its footprint in the region and emerged as the most prominent trading and investment partner of these countries. Antipathy against China in most Central Asian countries has however grown in recent years because of its rapidly growing presence in their political and economic systems.

because of the instability in Afghanistan. It is, however, feeling the pressure due to the expanding presence of China in these countries.

Although China has largely been deferential to Russia and is likely to remain so in the near term, there are signs that it is expanding its presence beyond the economic to the security and defence arena also. As China’s economic and security interests grow in the region, the current Sino-Russian framework of cooperation could be folded within a broader PaxSinica in which Beijing increasingly calls the shots. This would be a matter of huge concern for Russia.

Central Asia-India Connect

India has several millennia-old historical, cultural and civilizational links with Central Asia. Brisk trade of goods, ideas and thoughts took place from India (and China) to Central Asia and beyond, over the Silk Road from 3rd century BCE to 15th century CE. Buddhism travelled to Afghanistan,

Central Asia and Western China from India through the Silk Road. India and Central Asia enjoyed vibrant economic and cultural ties when the latter was a part of the Soviet Union.

India has not been able to take full advantage of its close civilizational linkages with this region because it does not share a common land border with these countries. To overcome this obstacle, several initiatives, which have been in the pipeline for many years, have now been fast-tracked. Two of the most significant are the International North South Transport Corridor (INSTC) and the Chabahar port.

The strategic, political, security and economic significance of this region was underscored by Prime Minister Narendra Modi’s visit to these five republics in July, 2015. He became the only Indian Prime Minister to visit all these five states. He again travelled to Tashkent in 2016; Astana (now Nur-Sultan) in 2017; and Bishkek in 2019 for Summit Meetings of the Shanghai Cooperation



Prime Minister Narendra Modi with the foreign ministers of Central Asian countries in New Delhi in December 2021.

Organization (SCO). He took advantage of these Summits to meet Presidents of the Central Asian Republics and take bilateral cooperation forward.

Central Asian Republics constitute the extended neighborhood of India. Collaboration between India and Central Asian countries, and others, is essential to bring peace and stability to Afghanistan. It is in the pursuit of this endeavor that India's National Security Advisor invited the Secretaries of National Security Councils of the five States as well as of Iran and Russia for the Delhi Regional Security Dialogue in New Delhi on 10th November, 2021. China and Pakistan were also invited but they declined to attend. The

India is also taking vigorous action to modernize and upgrade the facilities at Chabahar port to improve connectivity between India and Afghanistan and Central Asia.

participating countries unanimously adopted the Delhi Declaration calling upon the Taliban to install an inclusive government in Afghanistan, respect the rights of minorities including the Tajiks, Uzbeks, Hazaras, Shias as well as of women and girls, and ensure that the Afghan territory is not used to launch terror attacks against other countries. The same message was reiterated at the Third India-Central Asia Dialogue (India-CAD)

convened by India's External Affairs Minister (EAM) with the Foreign Ministers of the five Central Asian countries in New Delhi on 19th-20th December, 2021.

Immense potential exists to deepen cooperation between India and Central Asia in trade and investment, defence and security, energy, information and communications technology, pharmaceuticals, capacity building, agriculture, innovation, education, culture, tourism, space, mining, joint ventures etc. Private businesses, small and medium enterprises and start-ups need to actively contribute in this endeavour.

The Way Forward

At the second India-CAD held virtually in October,

2020, India offered a \$1 billion Line of Credit for priority developmental projects in fields such as connectivity, energy, IT, healthcare, education, and agriculture. All these are niche areas in which India has proven expertise and capabilities. Central Asian countries “welcomed India’s offer to provide grant assistance for implementation of High Impact Community Development Projects (HICDP) for furthering socio-economic development in the countries of the region.”

India is also taking vigorous action to modernize and upgrade the facilities at Chabahar port to improve connectivity between India and Afghanistan and Central Asia.

At the Third India-CAD, the Ministers committed themselves to achieve the full potential of trade, especially in sectors like pharmaceuticals, information technology, agriculture, energy, textiles and gems and jewelry. They also focused on establishing direct linkages between the states of India and regions of Central Asian countries, including through establishment of twinning/partnership relations. The ministers encouraged the India-Central Asia Business Council (ICABC), established early last year, “to promote business linkages and incentivise mutual investments.” Several areas like health-care, including medical tourism; pilgrimage, historical and cultural tourism; encouraging

investment in tourism infrastructure were identified for focused attention. It was decided to strengthen collaboration in defence and security, and hold regular consultations among the National Security Councils to fight against terrorism and other emerging challenges in the region.

Building on these initiatives, the first India-Central Asia Summit has further pushed the envelope for advancing this crucial partnership and opened new vistas of cooperation. In days to come, one can expect India to proactively engage the leadership and people of Central Asian countries to realize the full potential of the partnership.



External Affairs Minister S. Jaishankar with the foreign ministers of Central Asian countries in New Delhi in December 2021.

Amb. (Ret.) Ashok Sajjanhar served as India’s Ambassador to Kazakhstan, Sweden and Latvia. He is currently Executive Council Member, Manohar Parrikar Institute for Defence Studies and Analyses, and President, Institute of Global Studies.

Central Asia is Central to India's Vision of An Integrated Extended Neighbourhood: PM Modi

In his welcome remarks at the first India-Central Asia digital summit held on January 27, Prime Minister Narendra Modi outlined key goals that underpin India's outreach to the region it considers as its extended neighbourhood. The summit, PM Modi stressed, will help map an integrated approach for regional connectivity and cooperation for the next 30 years. **(Excerpts from Prime Minister Modi's speech)**

The diplomatic relations between India and Central Asia countries have completed 30 meaningful years. Our cooperation has achieved many successes over the past three decades. And now, at this crucial juncture, we must define an ambitious vision for the coming years as well. A vision that can fulfil the aspirations of our people, especially the younger generation, in the changing world.

At the bilateral level, India has close relations with all the Central Asian countries. Kazakhstan has become a vital partner for India's energy security. I express my condolences for the recent loss of life and property in Kazakhstan.

Our state governments are also active partners in our growing cooperation with Uzbekistan. This includes my home state of Gujarat as well. We have an active partnership with Kyrgyzstan in the field

We must define an ambitious vision for the coming years as well. A vision that can fulfil the aspirations of our people, especially the younger generation, in the changing world.

of education and high-altitude research. Thousands of Indian students are studying there. With Tajikistan, we have a longstanding cooperation in the field of security. And we are continuously strengthening it. Turkmenistan is an important part of Indian vision in the field of regional connectivity, which is evident from our participation in the Ashgabat Agreement.

We all have the same concerns and objectives for regional security. We are all concerned about the developments in Afghanistan. In this context also, our

mutual cooperation has become even more important for regional security and stability.

Today's summit has three main objectives. First, to make it clear that cooperation between India and Central Asia is essential for regional security and prosperity. From Indian point of view, I would like to emphasise that Central Asia is central to India's vision of an integrated and stable extended neighbourhood.

The second objective is to give an effective structure to our cooperation. This will establish a framework of regular interactions at different levels and among various stakeholders. And, the third objective is to create an ambitious roadmap for our cooperation. Through this, we will be able to adopt an integrated approach for regional connectivity and cooperation for the next 30 years.



TIES TO REVOLVE AROUND 4CS: JAISHANKAR

Our meeting today comes amidst a rapidly changing global, economic and political situation. The Covid-19 pandemic has resulted in an enormous setback to global health and to global economy. It has changed the way we imagined societies, workplaces, supply chains and governance. It also highlights the inadequacy of the existing multilateral structures to meet new and emerging threats. We need diversified supply chains and more regional solutions.

India has been steadfast in its resolve for the fight against Covid-19. We have supplied vaccines to more than 90 countries including Tajikistan and Uzbekistan. We have also offered the CoWIN platform to assist the vaccination programs of our friendly partners. At the same time, we deeply appreciate the support extended to us by the international community during the second Covid wave, especially from Kazakhstan and Uzbekistan.

Our concerns and objectives in that country are similar: a truly inclusive and representative government, the fight against terrorism and drug trafficking, ensuring unhindered humanitarian assistance and preserving the rights of women, children and the minorities. We must find ways of helping the people of Afghanistan.

Despite the impact of the pandemic, our countries have sustained the momentum of our relations. I have had the privilege of meeting each one of you in 2021 earlier, four of you in your own capitals. We are very pleased at the state of our bilateral relations. But we know that the potential is very much more. Each one of us today faces the test of rebuilding our economy. Our pursuit of SDGs must also be energized. But together we can do

this better and India, I assure you, will be your steadfast partner. We already have a good history of cooperation. But my message to you today is a readiness to take it to the next level. Our ties must now focus around 4 Cs: Commerce, Capacity enhancement, Connectivity and Contacts.

We all also share deep-rooted historical and civilizational ties with Afghanistan. Our concerns and objectives in that country are similar: a truly inclusive and representative government, the fight against terrorism and drug trafficking, ensuring unhindered humanitarian assistance and preserving the rights of women, children and the minorities. We must find ways of helping the people of Afghanistan.

(These are excerpts from remarks made by India's External Affairs Minister S. Jaishankar at the 3rd Meeting of the India-Central Asia Dialogue, held in New Delhi on December 19, 2021)

India a Bouquet of Hope, Best Time to Invest in India: PM Modi

In a big-picture 'State of the World' address, delivered virtually at the World Economic Forum, Davos, on January 17, 2022, Prime Minister Narendra Modi underlined the growing global recognition of India as a "bouquet of hope" and highlighted various initiatives that have made it the best time to invest in India. **(Excerpts from PM's speech)**



India is tackling another Corona wave with caution and alertness. Parallely, India is also moving ahead in the economic field with many promising results. Today, India is filled with the excitement of the

celebrations of 75 years of its independence and also with the confidence of having administered 160 crore corona vaccine doses in just one year.

A strong democracy like India has gifted the

whole world a beautiful gift, a bouquet of hope. In this bouquet, we Indians have an unwavering trust on democracy; this bouquet has the technology that will empower the 21st century; and it also has temperament

and the talent of us Indians. The multi-lingual, multi-cultural environment in which we Indians live is a great power not only of India but of the whole world. This strength teaches not only to think for oneself in times of crisis, but also to work for the humanity. During the corona time, we have seen how India, following the vision of 'One Earth, One Health', is saving crores of lives by providing necessary medicines and vaccines to many countries. Today India is the world's third largest pharma producer; it's a pharmacy to the world. Today, India is among those countries of the world whose health professionals and doctors are winning everyone's trust through their sensitivity and expertise.

IT Power

Sensitivity is tested in times of crisis, but India's strength is an example for the whole world at the moment. During this crisis, India's IT sector has saved all the countries of the world by working round the clock. Today India is sending record software engineers to the world. More than five million software developers are working in India. Today India has the third largest number of Unicorns in the world. More than 10,000 start-ups have been registered in the last six months. Today India has a huge, secure and successful digital payments

platform. Last month alone, 4.4 billion transactions have been done through Unified Payments Interface in India.

The digital infrastructure that India has developed and adopted over the years has become a huge strength of India today. Technological solutions like Arogya-Setu App for tracking corona infections and CoWin Portal for Vaccination are a matter of pride for India. The online facilities offered by India's CoWin portal - from slot booking to certificate generation, has caught the attention of people from bigger countries as well.

A strong democracy like India has gifted the whole world a beautiful gift, a bouquet of hope. In this bouquet, we Indians have an unwavering trust on democracy; this bouquet has the technology that will empower the 21st century; and it also has temperament and the talent of us Indians.

Bolstering Supply Chains

There was a time when India was identified with the license raj and majority of the things were controlled by the government. I understand

the challenges that have been there for doing business in India in those days. We are constantly trying to overcome all the challenges. Today India is promoting Ease of Doing Business, minimizing government interference. India has made its corporate tax the most competitive in the world by simplifying and reducing it. Last year alone, we have eliminated more than 25,000 compliances. India has regained the confidence of the business community by reforming measures like retrospective taxes. India has also deregulated many sectors like Drones, Space, Geo-spatial mapping. India has made major reforms in the outdated telecom regulations related to IT sector and BPO.

Best Time to Invest in India

India is committed to becoming a trusted partner in the world in global supply-chains. We are making way for free-trade agreement with many countries. The ability of Indians to adopt innovation, new technology; the spirit of entrepreneurship of Indians; can give new energy to every global partner of ours. So this is the best time to invest in India. Entrepreneurship among Indian youth is at a new height today. In 2014, where there were few hundred registered start-ups in India, their numbers have crossed 60 thousand today. It also has more than 80

unicorns, of which more than 40 formed in 2021 itself. Just as expat Indians are showing their skills on the global stage, in the same way Indian youth are fully ready, geared up to give new heights to the all your businesses in India.

India's commitment to deep economic reforms is another major reason that is making India the most attractive destination for investment today. During the corona period, when the world was focusing on interventions like Quantitative Easing Program, India paved the way for reforms. The biggest projects to modernize digital and physical infrastructure got unprecedented momentum in the corona times itself. More than 600000 villages in the country are being connected with optical fibre. An investment of \$1.3 trillion is being made, especially on connectivity infrastructure. Through innovative financing tools like asset monetization a target to generate \$80 billion has been set.

India has also launched the Gati Shakti National Master Plan to bring every stakeholder on the same platform for promoting development. Under this National Master Plan, work will be done on infrastructure planning, development and implementation in an integrated manner. This will give a new impetus to



seamless connectivity and movement of Goods, People and Services.

Incentivising Investment

While following the path of self-reliance, India's focus is not only on easing the processes, but also on incentivizing investment and production. With this approach, today, Production Linked Incentive schemes worth \$26 billion have been implemented in 14 sectors. The \$10 billion incentive plan to roll out the fab, chip and display industry is a testament to our commitment to making the global supply chain smooth. We are moving ahead with the spirit of Make in India and Make for the world. Along with telecom, insurance, defence, aerospace, now there are limitless possibilities offered by India in the field of semiconductors as well.

Sensitivity is tested in times of crisis, but India's strength is an example for the whole world at the moment. During this crisis, India's IT sector has saved all the countries of the world by working round the clock.

Today India is drafting policies, taking decisions with regard to the present as well as the goals of the next 25 years. For this period, India has set the targets of high growth and saturation of welfare and wellness. This period of growth will also be green, it will also be clean, it will also be sustainable, it will also be reliable. Continuing the tradition of making big commitments and living up

to them for the global good, we have also set a target of net zero by 2070. India, with 17 per cent of the world's population, may contribute 5 per cent, only 5 percent in Global Carbon Emission, but our commitment to tackle climate challenge is 100 percent.

Initiatives like International Solar Alliance and Coalition for Disaster-Resilient Infrastructure for Climate Adaptation are proof of this. As a result of the efforts of the past years, today 40% of our energy mix is coming from non-fossil fuel sources. We have already achieved the commitments made by India in Paris, 9 years before their target.

LIFeStyle

In the midst of these efforts, we also have to recognize that our lifestyle is also a big challenge for the climate. 'Throw away' culture and consumerism have made the climate challenge more serious. It is very important to rapidly shift today's 'take-make-use-dispose', economy towards circular economy.

The same spirit is at the core of the idea of Mission LIFE that I discussed at COP-26. LIFE - means Lifestyle for Environment, a vision of such a Resilient and Sustainable Lifestyle which will be useful in not

India is committed to becoming a trusted partner in the world in global supply-chains. We are making way for free-trade agreement with many countries. The ability of Indians to adopt innovation, new technology; the spirit of entrepreneurship of Indians; can give new energy to every global partner of ours. So this is the best time to invest in India.

only dealing with climate crisis but also with futuristic unpredictable challenges. Therefore, it is important to transform Mission LIFE into a global mass movement. A public participation campaign like LIFE can be made into a big base for, P-3 'Pro Planet People'.

Reforming Global Governance

Today, at the beginning of 2022, when we are brainstorming over these issues in Davos, India also considers its responsibility to make everybody aware of few more challenges. Today, with the change in the global order, the challenges we have been facing as a global family are also increasing.

To combat these, there is a need for collective and synchronized action by every country, every global agency. Supply chain disruptions, inflation and climate change are few examples of these challenges. Another example is cryptocurrency. The kind of

technology that is associated with it, the decisions taken by a single country will be inadequate to deal with its challenges. We have to have a common mindset. But looking at the global scenario today, the question is whether multilateral organizations are ready to deal with the new world order and new challenges; is that strength left in them?

When these institutions were formed, the situation was different. Today the circumstances are different. Therefore, it is the responsibility of every democratic country to emphasize reforms in these institutions so that they can come up to the task of tackling the challenges of present and future.

In the midst of new challenges, the world today needs new avenues, new resolutions. Today, every country in the world needs cooperation with each other more than ever before. This is the way to a better future.

A New Chapter to Open in India-Italy Defence Ties: Envoy



Months after the first in-person summit meeting between Prime Minister Narendra Modi and his Italian counterpart Mario Draghi in Rome, India-Italy relations continue to scale new heights. Transformational outcomes such as the forging of green energy partnership has opened new avenues of partnership. In this wide-ranging interview with Manish Chand, Founder-CEO, India Writes Network and India and The World magazine in New Delhi, Italian Ambassador to India Vincenzo de Luca shares his hope that new developments (such as the lifting of Indian ban on Italian defence giant Leonardo SpA, linked to the controversial chopper deal) can open a new chapter in defence ties between the two countries. **Excerpts from the interview:**

Q) Prime Minister Narendra Modi's first in-person meeting with Italian PM Mario Draghi on the margins of the G20 summit in Rome was substantive and forward-looking? What, according to you, were most important deliverables from the summit meeting?

A) Let me start by saying that the presence in Rome of Prime Minister Modi has been a very important signal:

a signal of the commitment of India towards multilateralism and of its

willingness to play a constructive role in addressing today's global challenges; and a signal of the excellent shape of India-Italy relations.

The meeting with Prime Minister Draghi was indeed both substantive and forward-looking. It confirmed that bilateral relations are consolidating around a shared agenda and in the framework of a five-year action plan, launched in 2020 and aimed at developing a stronger partnership in sectors like energy transition, advanced manufacture and defence.

Q) Scaling up bilateral trade and investment figured prominently in discussions between the two leaders. Is there a concrete plan of action to scale up economic ties? Are the two countries looking at bilateral trade target to achieve? Which sectors are Italian companies focusing on?

A) Strengthening our partnership in the economic and commercial field is a priority for both Italy and India and it has been clearly stated in the Virtual Summit between the two Prime Ministers of November 6, 2020. On that occasion, a Plan of Action for 2020-2024 was adopted, which identifies the main areas of cooperation in high technology, clean energy and energy sector development, infrastructure and food processing.

Since the adoption of the Action Plan, two important instruments have been put in place:

- the Fast-Track Mechanism, an informal forum to solve on friendly terms issues faced by our investors (such as market access barriers and other industry-related issues)
- the Digital Permanent Platform for Economic Cooperation, a direct channel of communication with Indian authorities, through the Italian Embassy in Delhi and Invest India, for Italian companies wishing to invest in India.

Further concrete steps have been taken last July, during the 21st meeting of the Italy-India Joint Commission for Economic Cooperation, chaired by the Italian Minister of Foreign Affairs and International Cooperation, Luigi Di Maio, and Indian Minister of Commerce and Industry Piyush Goyal.

The two Ministers reconfirmed the validity of the Plan of Action and the commitment to work together along three main lines: I) Promotion of Small and Medium Enterprises

investments II) Cooperation in Start-ups III) Strategic Energy Transition partnership.

The “Sistema Italia” in India – made up of institutions and private sector actors, under the coordination of the Embassy – is following-up on this with its day-by-day work.

Q) How do you look at the prospects of India-Italy defence cooperation, especially after new developments in this area (such as the lifting of ban on companies linked to Augusta Westland)?

A) I can say the prospects of India-Italy cooperation in the defence area are very positive. Some irritants from the past have just been overcome and a new chapter can be opened in defence ties. We are now negotiating a new bilateral agreement on security and defence, which will provide a solid framework for our partnership.

In the meantime, we are working for increasing the cooperation in the industrial domain, where some Italian champions are ready to offer to India their technological solutions in a wide range of sectors.

Q) Forging a comprehensive renewable energy partnership was the major outcome of the summit meeting between the PMs of India and Italy. Can we expect more investment by Italian renewable companies in India in near future? What about technology transfer?

A) Green transition is a challenge for every country, but even more so for India. As a fast-developing economy, India’s energy needs will boom in the coming years. We have to make sure that this demand for more energy is satisfied without jeopardising global efforts to counter climate change and at affordable social costs. Italy is partnering with India on this and is ready to engage with all its top companies in order to increase the production

from renewable sources, promote energy efficiency, develop smart grids and storage technologies and modernize the electricity market.

In this process, investment and technology sharing will be key and we are actively encouraging Italian companies in providing both to India. The lessons learned from the experience of Italy's regulation of the energy sector could be of inspiration to India.

Q) How do you look at India's role in Afghanistan and prospects of enhanced coordination between India and Italy on issues relating to Afghanistan?

A) Italy and India have been in touch on the situation in Afghanistan since the very beginning. Prime Minister Modi had an exchange on the topic with Prime Minister Draghi already in August, only a few days after the American withdrawal. After that, Foreign Minister Jaishankar attended a G20 ministerial meeting organised by Italy in New York, and, more recently, Minister Modi took part in a virtual G20 summit on Afghanistan on October 12.

Italy and India share the same concerns about Afghanistan, recognising the need to act immediately to prevent a colossal humanitarian crisis and to avoid that the country becomes again a threat to international security. The role of the United Nations will be key in order to ensure an effective and non-discriminatory distribution of aid. The G20 Summit chaired by Italy also reconfirmed the strong expectation that the Afghan territory is not used to threaten or attack any country or to shelter or train terrorists. This remains a clear priority.

Q) Indo-Pacific has the potential to emerge as a major area of cooperation between India and Italy. How can the two countries enhance their cooperation in the Indo-Pacific? On the Indo-Pacific, does Italy shares the same vision as that of India?

The region is the most populated (3 fifths of the world population) and the most dynamic in the world (it accounted for 2 thirds of global growth in pre-pandemic times) and it is central to the interests of European countries. Just consider that trade exchanges between the Indo-Pacific and Europe are higher than those between any other regions in the world (1.5 trillion euro in 2019). Being an export-led economy, for Italy it is all the more important that the area remains free, open and stable and that the interactions among regional actors and global players rest on multilateral coordination and the rule of law. We have already engaged India in a dialogue on Indo-Pacific and are keen to keep working together also on this.



Prime Minister Narendra Modi with his Italian counterpart Mario Draghi in Rome.

Italy should Move Closer to India, Quad: Former Foreign Minister



Prime Minister Narendra Modi's first in-person meeting with his Italian counterpart Mario Draghi on the sidelines of the G20 Summit in Rome on October 29 was transformative, and culminated in a blueprint for expanding and diversifying this crucial partnership. One of the key outcomes was a standalone joint statement on Italy-India Strategic Partnership in Energy Transition that will pave the way for the two countries accelerating clean energy transition to fight climate change. Mapping the way forward, Italy's former foreign minister Giulio Terzi di Sant'Agata told Manish Chand in an interview that Italy's foreign policy establishment is trying to dissociate the country from China and is increasingly looking at India as a major global player. Mr Terzi, who was Italy's Minister of Foreign Affairs at the time of the Marine crisis that cast a long shadow on bilateral relations, predicts that India-Italy relations are now moving into a higher trajectory. **(Excerpts from the interview)**



Q) What were major takeaways of bilateral talks between the prime ministers of India and Italy in Rome?

A) The friendly “bilateral” meeting between PM Modi and PM Draghi was placed at the very top of the Italian government’s agenda for substantive reasons. Fighting against climate change, COVID-19, promoting human right in Afghanistan, especially of women rights, and the rule of law in international relations is deeply felt by Italy.

Engagement with India at the UN and in other multilateral organisations will grow in the wake of the complexities of the ongoing tensions and crises.

PM Draghi and PM Modi seem to have entirely agreed on expanding cooperation in critical domains of cyber and space research and technologies and in a wide array of manufacturing, energy and infrastructure-related sectors.

Going by their first meeting in Rome, Prime Minister Modi and Prime Minister Draghi will develop a very successful and friendly chemistry. This personal chemistry is natural given the fact that the two leaders have proved to be very popular in their own country.

Q) India-Italy economic relations are growing, but remain hugely under-leveraged. How can India and Italy expand their economic partnership?

A) The economic relations are flourishing and have been developing successfully in traditional sectors such as industrial machinery, petrochemicals and infrastructure. Indian investors have a good eye for Italian opportunities and vice versa. Looking ahead, the future is in high tech, especially IT and cyber security – areas where Indians have very strong capacities and technologies. Cooperation in these areas should be further developed. Security, space and new biotechnologies are other promising areas for future cooperation.

Q) Italy had a robust relationship with China, but the coronavirus pandemic has triggered a rethink in Rome about ties with Beijing. Is this true that Italy is now distancing itself from China?

The rush towards the Belt and Road Initiative was a big mistake as Italy broke ranks with other European countries to be the first European country to join the BRI. It was an act of submission, not an act of voluntary cooperation. And that was due only to the fact that the main party in the Italian Parliament



If a new permanent seat will have to be allowed to other countries, then there are four big democracies and India is the biggest one, which is entitled to claim their own privileged or permanent seat. India must occupy its rightful place in the UN Security Council, in the UN system and in the UN agencies.

still has a personal strong relationship with the Chinese Communist Party. That is one element and a problem. We have to be much more aware in Italy of the huge potential that the Indian market is presenting us. The big difference of working in India, compared to that of China, is the reliability. There is much more transparency, much more respect for the commitments in India, which are undertaken at the industrial level, at the business level then what was becoming the environment in China over the last years.

Q) How is Italian Prime Minister Mario Draghi positioned towards China?

A) Mario Draghi is a convinced European and a convinced Atlanticist. So what is happening is a change of mood; it's now a very strong and different wind. There has been a reversal in the positioning of China, in the Atlantic and in the European environment. There is a huge lobbying going on so that we can continue as it used to be, but it is a different story now. Prime Minister Draghi has a very different understanding of China from his predecessor, Prime Minister Conte.

Q) Will this scepticism in regard to China translate into stronger strategic partnership with a rising Asian power, India?

A: In view of interests and security of Italy, the entire country should disengage as fast as we can from the Belt and Road Initiative, and from companies which are a front for military and strategic interests of China. Key actors in Italian foreign policy establishment are already convinced that we must get closer and closer to the Quad, to the Indo-Pacific Quad, to the AUKUS, and to all the initiatives that the United States, Japan, India and the most-friendly countries like Australia are taking in the Indo-Pacific.

Q) How do you look at the rise of India as an important global player? Does Italy back India's candidacy for a permanent seat in the Security Council?

A) If there is an issue of a new permanent seat in the UNSC, then that must be a seat for the European Union. If a new permanent seat will have to be allowed to other countries, then there are four big democracies and India is the biggest one, which is entitled to claim their own privileged or permanent seat. India must occupy its rightful place in the UN Security Council, in the UN system and in the UN agencies. Right now, more than half of UN agencies are headed by China. This must change so that India can have more weight in the UN system.



(Manish Chand is Founder-CEO and Editor-in-Chief, India Writes Network and India and the World magazine. He is President, Centre for Global India Insights, a think tank focused on international affairs.)

POWER OF 4

QUAD

THE ROAD AHEAD



Quad: Dismantling Cliches, Looking Ahead



The first face-to-face Quad summit between US President Joe Biden, India's Prime Minister Narendra Modi, Australian PM Scott Morrison and Japan's PM Yoshihide Suga at the White House in Washington DC on September 24 unveiled a new democratic paradigm of addressing global challenges. Matching substance with hype that preceded it, the summit forged pragmatic and result-oriented cooperation pivoted around three Cs: countering pandemic through vaccines, combating climate

change and setting standards on development of emerging technologies.

The major takeaway from the first face-to-face Quad summit was the marked shift from rhetoric and word games to the phase of purposeful and constructive action, representing the evolution of a nascent grouping in barely six months since the first virtual summit. In key decisions that mark the institutionalisation of the Quad, the summit decided to "build habits of cooperation" through annual meeting of

leaders and foreign ministers, along with regular meetings of senior officials and working groups. In months to come, one can expect the Quad to move from being just one-off photo op to a year-round diplomatic affair.

The summit has fleshed out signature initiatives and deliverables whose impact will be felt in days to come. These include operationalisation of the Quad Vaccine Initiative under the broader rubric of Indo-Pacific Health Security, Quad Infrastructure Initiative, resilient supply chains for

semiconductors and clean energy and setting principles on development of critical and emerging technologies. In each of these initiatives, one can detect the hidden design of undercutting China, but they also stand on their own, with tangible benefits for mankind, cutting across geographies.

Against this broader backdrop, India Writes Network, India and The World magazine and Centre for Global India Insights (CGII) recently organised an online conference to map the way ahead for the future trajectory of the four-nation grouping. Eminent diplomats and experts, who enriched the discussion with their insights into the ongoing evolution of the Quad, included Teresita C. Schafer, former US Deputy Assistant Secretary of State for Northeast and South Asia; Kenneth I. Juster, former US ambassador to India; Kanwal Sibal, former foreign secretary of India; Anil Wadhwa, former Secretary (East), Ministry of External Affairs, India; Prof. Srikanth Kondapalli, China expert at Jawaharlal University (JNU); and Satoru Nagao, Fellow Hudson, Institute.

The webinar sought to demystify the Quad, which has been ensnared in cliches and stereotypes. In this

regard, there are essentially three cliches or stereotypes:

- Quad is primarily a China-containment grouping or a gang-up against China
- Quad is Asian NATO, designed to contain China.
- Quad is an exclusive clique designed to exclude rival powers.

In all these cliches, China dominates as a sub-text. The last two Quad summits have tried to dismantle these cliches by branding and positioning the Quad as “a force for global good,” in the words of Prime Minister Narendra Modi.

Looking ahead, the Quad is set to grow from strength to strength as the Quad enjoys support of not only the leadership of the four Quad countries, but also their strategic community and intellectual class. The first in-person Quad summit has positioned the Quad as a key plank of a mutating world order and a powerful illustration of the democratic way of doing things. The tangible people-centric outcomes are set to pitch the Quad in a different trajectory than that of the controversial AUKUS security partnership among Australia, UK and US which threatened to



outshine the Quad ahead of the summit. Above all, the first physical Quad summit has reinforced and cemented the status of the Indo-Pacific as the geography of the region, marked by dynamism, innovation and energy. The Quad is set to not only grow in scope, but will also branch out in new areas such as space cooperation, which will make it central to peace and prosperity of the region.

The first in-person Quad summit has positioned the Quad as a key plank of a mutating world order and a powerful illustration of the democratic way of doing things.

This the edited version of remarks made by Manish Chand at the webinar entitled “Quad: The Power of 4 – Reshaping Post-Covid World Order.”

Quad is a Web, Not an Alliance

The Quad will make important contributions to the region, but handling China will need adept diplomacy, says Amb. (Rtd) Teresita C. Schafer.



The background for the present revival of the Quad lies in some important changes that have taken place throughout the region. Asia is becoming the centre of gravity for the world. The US now uses the phrase the Indo-Pacific, instead of Asia-Pacific. This makes it clear that it is India and its environs we are talking about when we refer to Asia.

The GDP of the BRICS countries -- Brazil, Russia, India, China, South Africa -- the Gross Domestic Product (GDP) has risen from under 20 per cent of the global GDP to 35 per cent over the last two decades. This is a larger percentage than the GDP of the G7, the primary grouping of the richer industrial countries. China is now the second largest economy in the world, and it is likely to be the largest soon. Before the pandemic started, India

had recorded its fastest period of its growth since modern statistics began to be collected.

Trade from Asia has grown 60 to 70 per cent in the past few years. In 2019, Asia accounted for 54 per cent of global trade. This is a huge change in a fairly short time. The last time the world experienced a change of global economic production on this scale was a little more than 100 years ago. At that time, it went through much broader political and societal upheavals as well -- two World Wars, revolutions in the countries that acquired communist governments, and a great depression. Decolonisation and the birth of a large number of newly independent countries

followed in the decades after World War II.

Economic Security

Let's look more specifically at the Indo-Pacific, the area that the Quad is drawn from. The first thing to remember is that it is not Europe. It is not like Europe. There is no single overarching organisation. It's not an Asian NATO. The treaty structures that John Foster Dulles created-- CENTO and CTO-- have largely withered away. And in any case, they never had the broad appeal that NATO has in its core area.

The US has treaty alliances in the region with Japan, the Philippines, Australia, New Zealand, Thailand and South Korea, but these are all at the bilateral levels. There's also a pattern established for smaller organisations, often with overlapping memberships. And here the particularly



US President Joe Biden, India's Prime Minister Narendra Modi, Australian PM Scott Morrison and Japanese PM Yoshihide Suga at the first in-person Quad summit in Washington DC on September 24, 2021.

important ones are ASEAN, APEC, and perhaps the East Asian Summit.

The model of these is not a grand alliance; indeed not an alliance at all. And it's not primarily focused on Indian security. The Quad follows a model which I would refer to as a web or a network. It's designed to keep the four countries that are all democracies and that have certain other common interests, in close communication. It started out life being called a security dialogue and it certainly still is that.

But after the September 2021 summit of leaders, it is clear that they are first dealing with economic security. It is a recognition that the economic factor is a very important one in national security for every

country, especially for the four countries.

So what kind of cooperative mechanisms has the region had? It has had lots of trade. It has lots of vehicles for dialogue. The 2004 tsunami led to the creation of new mechanisms for maritime cooperation for tsunami relief, specially the operations in Aceh and Sri Lanka. These unfolded in India, the United States, Japan and Australia. This was the first time the four worked together, and because of the magnitude of that disaster, they had to call on their naval assets.

The Quad underwent a modest revival at the time of President Barack Obama's pivot to Asia, but was largely quiescent until Donald Trump had a virtual summit a couple of years back.

What Next?

Let's first see what the Quad is in its present form. It has attracted much attention as historically, India has been averse to alliances. Also, China has taken a sharp and bitter exception to it. But the Quad is a consultative mechanism, not an alliance. It has both security and economic goals.

The Quad is, if one reads the communique coming out of the September 24 meeting, both visionary and practical. And that is a golden combination in our days. The statement referred to a free, open, rules-based order rooted in international law, and undaunted by coercion to bolster security and prosperity in the Indo Pacific and beyond.

So, that is both specific and rather breathtakingly ambitious. The ambition part of it has to do with the inherent capacity of the four countries that are members. What they started at or reinforced at the September 24 meeting included a lot of things with a focus on the future – on prosperity, innovation, climate change, resilience. They even started a fellowship programme for students in science, technology and engineering and maths from all of the countries.

What impact has it had on the region so far? I would say it knits the US even more strongly into the Asia-Pacific, and in the company of Japan, India and Australia. It reinforces this fluid mode of organising, which India is more comfortable with. The Quad is part of a larger network. All four countries have their own bilateral relations within the group and outside.

China Factor

There was not a word about China in the communique. There was not a word about being against anybody in particular. There was not a word about the military. Yet, China finds the Quad

objectionable, it sees a subtext of containment of China. That is a subject on which the Chinese are quite neuralgic.

There was not a word about China in the communique. There was not a word about being against anybody in particular. Yet, China finds the Quad objectionable; it sees a subtext of containment of China.

The Quad has picked up themes of human rights and freedom, which it articulates in ways that we, in the member countries, are familiar with, but which China finds noticeably different from the way it addresses those issues. It will take adept diplomacy to sidestep China's responses, which I suspect will be aimed at individual countries.

I'm an optimist about the economic prospects of the region. However, a lot of that depends on whether the region can get past its strategic mistrust. I think it will strongly reinforce the trends that were already part of the US-India relationship.

In a sense, it won't do very much that we couldn't have done without it.

A lot of the question marks about Quad relate to the difficult relations that each member nation has with China. A lot of dust flew up by the decision by the US and UK to make nuclear propulsion of submarines capability available to the Australians. I don't see that as a particular threat to the Quad. The US seems to be starting to repair its relationship with France. I say as an old warhorse in the diplomatic game, somebody forgot about the no surprises rule. That was a mistake.

Looking ahead, the Quad will make important contributions to the economy, and therefore, to the security of the region. The areas they have picked out for special emphasis – vaccines, infrastructure and critical technology supply chains – are tremendously important.

The underlying situation in the Indo Pacific has more questions than answers. With massive changes in the relative power of some of the region's most important players, the stage could be set for serious trouble unless it's handled skilfully all around.

Amb. Teresita C. Schaffer is a Senior Adviser to McLarty Associates, and served as U.S. Ambassador to Sri Lanka. She served as Deputy Assistant Secretary of State for the Near East and South Asia. She is the author of India at the Global High Table: The Quest for Regional Primacy and Strategic Autonomy (2016), co-authored with her late husband, Ambassador Howard B. Schaffer.

Quad Agenda Set to Expand and Diversify

The Quad is not intended to be a military alliance or seeks to contain China. Instead, it seeks to build a positive agenda across a range of issues that are increasingly important in today's world, says Amb. (Rtd) Kenneth I. Juster.



I would like to place the Quad in the broader context of how this initiative relates to other recent developments that have been occurring in the Indo-Pacific region – the U.S. withdrawal from Afghanistan; the enhanced defence relationship among Australia, the United Kingdom, and the United States (AUKUS); and the potential expansion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The Quad also has to be seen against the backdrop of the US-India bilateral relationship.

The US-India Relationship

The US-India relationship has been transformed over the last 20 years. It's a transformation that has enjoyed the support of major political parties in both countries. Accordingly, the Biden administration has continued the general direction and policies of the Trump administration, including the further development and evolution of the Quad. Indeed, there is bipartisan support in

the United States for the continued importance of the US-India relationship and the Quad.

Vision for Indo-Pacific Region

In the last five years, the United States and India, as well as other countries in the region, have enunciated a set of principles for conduct by nations in the Indo-Pacific region. The concept of the Indo-Pacific actually dates back to a speech given by Prime Minister Shinzo Abe of Japan during his visit to India in 2007, in which he spoke of the "confluence of the two seas." The emerging

The US-India relationship has been transformed over the last 20 years. It's a transformation that has enjoyed the support of major political parties in both countries.

vision of a free and open Indo-Pacific, with a rules-based order, includes freedom of navigation, freedom of overflight, and freedom of commerce, as well as respect for sovereignty and territorial integrity, the peaceful settlement of disputes, in accordance with international law, the absence of predatory economic practices, and the centrality of the ASEAN nations.

We are now in the process of designing and building the architecture that supports these principles. The Quad is one very important manifestation of this process, along with various bilateral and trilateral relationships, AUKUS, China's effort to join the CPTPP, and even the chaotic U.S. withdrawal from Afghanistan. While all of these initiatives or events

are independent, they are also interrelated and even complementary pieces of building this architecture.

India and the United States have had a strong bilateral relationship, involving defence and security, trade and investment, energy and the environment, space, oceans, and so much more. India has also enhanced its bilateral relationships with Japan and Australia. And India has been involved in a series of military exercises, on both a bilateral and trilateral basis. Put together, all these developments have been strengthening India's position in the region and the concept of a free and open Indo-Pacific.

The Quad

Quad cooperation originated in response to the Tsunami of 2004, with a formal designation of a Quad grouping in 2007. But the Quad dissipated shortly thereafter, due to China's sensitivity that this group was somehow seeking to contain China. The Quad was resurrected in 2017 at the working group level, and the four nations subsequently had in-person Ministerial meetings in 2019 and 2020. During the previous U.S. administration, the leaders of the United States, India, and Japan also held two Trilateral Summits.



India's External Affairs Minister Subrahmanyam Jaishankar (from left), Japanese Foreign Minister Toshimitsu Motegi, Japanese Prime Minister Yoshihide Suga, Australian Foreign Minister Marise Payne and US Secretary of State Mike Pompeo at the Quad foreign ministers' meeting in Tokyo in October 2020.

To the credit of the Biden administration, they embraced the concept of the Indo-Pacific region (despite earlier questions as to whether they would stay with an older concept of Asia-Pacific). They also embraced the Quad, as well as continuing the 2+2 Ministerial meetings at the bilateral level. And they elevated the Quad, first to a virtual summit, and now to an in-person summit, despite the ongoing COVID-19 pandemic, which itself is an important statement of the Quad's importance.

Beyond China

The Quad has adopted a broad agenda. But it is not intended to be a military alliance. It is not explicitly designed to contain China. Instead, it seeks to build a positive agenda across a range of issues that are increasingly important in today's world, whether it be related to health and COVID-19; critical emerging technologies, including cybersecurity, 5G, and artificial intelligence;

The Quad has adopted a broad agenda. But it is not intended to be a military alliance. It is not explicitly designed to contain China.



India's Prime Minister Narendra Modi with then Japan's PM Shinzo Abe.

climate change and the technologies related to it; or maritime domain security. Overall, the Quad is seeking to build an inclusive, free and open Indo-Pacific region.

While the Quad does not refer publicly to China, there is no doubt that as Chinese behaviour in the region becomes more aggressive, including on the northern border with India, in the South China Sea, in the East China Sea, and even related to Bhutan, the Quad -- and in particular India's enthusiasm for it -- becomes increasingly energized. Indeed, that is why, in part, there was a Ministerial held in October 2020, at the end of the Trump administration, and why the Biden administration was able to elevate the Quad to the summit level so soon after taking office.

AUKUS

Another significant development is the enhanced defence relationship among Australia, the United Kingdom, and the United States -- known at AUKUS -- including the planned transfer of technology to Australia for the development of nuclear submarines. This is a noteworthy initiative, especially coming right after the US withdrawal from Afghanistan, which had created the perception by some that the United States had been weakened, was retreating from the region, and could not be counted on as a reliable partner.

The AUKUS announcement provided a strong indication that the US is committed to the Indo-Pacific region, including in terms of defence and security. AUKUS complements the



Quad, as the Quad is not intended to be a military grouping, even though it is designated as a security dialogue and does coordinate on maritime domain security. AUKUS is a welcome development in building the security architecture for the Indo-Pacific region.

Trade Agreements

The other recent event that has not received as much attention, but is very significant, is China's announcement that it seeks to join the CPTPP. I say this because, despite the series of issues on which the Quad is working, as well as the AUKUS defence arrangement, in my view, it is essential for countries in the Indo-Pacific to have strong economies with robust economic growth.

In recent years, China has become the dominant economic power in the region. This has been reinforced

by the US and India each withdrawing from major regional trade groupings in the last several years. The US withdrew from the Trans-Pacific Partnership agreement in 2017, and India, after seven years of negotiations, withdrew in 2019 from the final negotiations of Regional Comprehensive Economic Partnership (RCEP), in which China is a member. These separate actions by the United States and India leave the regional economic domain largely to China to dominate, in terms of setting the rules and standards for regulatory matters, developing key supply chain relationships, and expanding overall trade and investment levels. This economic power, if

not countered, will greatly enhance China's broader strategic reach in the region and the world.

The US and India need to pay attention for several reasons to the fact that China now seeks to join the CPTPP, however difficult that may be to do. First, despite the strong US-India bilateral economic relationship, this relationship still does not fulfil all of the potential that exists between these two countries. While U.S.-India economic relations need to continue expanding, including possibly with a free trade agreement, negotiating such an agreement would be a lengthy and complicated process that would take many years. And even if India and the US were able eventually to successfully conclude such a negotiation, it would not have the same positive impact on the region as if both countries were part of a regional trade pact, such as the CPTPP.

In addition, India's economy had been slowing down prior to the COVID-19 pandemic, and will be further hampered by the impact of the pandemic. It is probably going to take several years for India to get economic growth

The AUKUS announcement provided a strong indication that the US is committed to the Indo-Pacific region, including in terms of defence and security.

back on a sustained basis to earlier levels. Yet India needs a strong economy to support military modernization, to generate jobs for its young population (with 65 percent of the people under the age of 35), and to provide assistance to other countries in the region. History in the region has shown that relatively open economies, with free flows of trade and investment, have grown faster than relatively closed economies. This has been the case in East Asia, Southeast Asia, and even India.

While there would be huge domestic challenges to overcome in the United States and in India to join the CPTPP regional trade pact, as a strategic matter this is the most significant step that both countries could take to shape the economic dynamics in the Indo-Pacific.

Joining the CPTPP, perhaps with some slight modifications to it, would be a relatively quicker process than trying to negotiate a free trade agreement and would genuinely shift the geo-strategic equation in the region.

It would provide a strong response to China's efforts

to dominate the region economically and join the CPTPP itself. Indeed, how the two regional trade pacts – RCEP and CPTPP – develop over time will be critical to the architecture of the Indo-Pacific.

The Road Ahead

In months and years to come, how the Quad evolves will be watched closely around the world. It is a grouping of four democracies that is building its agenda from the ground up.

The leaders have now agreed to hold annual summit meetings, though the Quad does not yet have a Secretariat nor an institutionalized process. Rather, the Quad remains a flexible gathering.

I expect to see the Quad expand in several ways. First, the agenda of issues on which the members cooperate will continue to deepen and, over time, expand, as we saw at the recent summit meeting. We may see temporary pauses in the expansion of the agenda, as members try to consolidate their efforts on outstanding issues.

Second, there may be Quad-Plus arrangements

on certain issues, by the inclusion of other countries. For example, South Korea, New Zealand, maybe a member of ASEAN such as Vietnam, or even Taiwan could get involved in certain issue areas. The Quad could also work with out-of-region partners, such as the United Kingdom or France.

Third, there may be an expansion of the Quad in terms of including non-governmental participants, such as business executives, health experts, or other types of technical experts, in certain working groups.

In short, there are a variety of directions in which the Quad may continue to evolve. While anything is possible, I do not expect the Quad, in the near to medium term, to become a military

The Quad could also work with out-of-region partners such as the United Kingdom or France.

grouping. I expect defence and security issues will be left primarily to bilateral and trilateral arrangements such as AUKUS.

Ambassador Kenneth I. Juster, a former US ambassador to India, participated in the development of the US government's Indo-Pacific strategy and the relaunching of the Quadrilateral Security Dialogue. He also participated in three 2+2 U.S.-India Ministerial Dialogues, involving the top diplomatic and defense officials from the two countries. He has over 40 years of experience as a senior government official, senior law partner, and senior business executive.

Why Quad is Critical for India's Strategy

Going by major initiatives taken at the first in-person Quad summit, the Quad will play an increasing role in India's strategic thinking and economic growth, says Amb. (Rtd) Kanwal Sibal.



There is no doubt that the Quad serves India's strategic interests because we have in the Quad countries which are important internationally. United States, of course, is the foremost global power.

In the east, Japan is a major player. There are a lot of unexplored possibilities of strengthening India-Japan ties in various ways, even outside the Quad format, in the years ahead. India attaches a great deal of importance to developing the bilateral relationship with Japan.

Regarding Australia, we've seen a huge change in the bilateral relationship in

recent years. The two countries have become very close. We are negotiating a Free Trade Area (FTA) agreement with Australia and have already sealed a logistics agreement.

India earlier had doubts about what Australia would bring to the table in terms of its contributions to maritime security, because of its relatively weak defence infrastructure.

These doubts have been now set at rest completely,

with the formation of the AUKUS and the US' decision to boost Australia's military maritime capability by deciding to give them nuclear propulsion technology as well as underwater technologies, missile systems and cruise missiles.

Over time, going by recent trends, Australia will become a very significant military power. The context in which its military capacity is being boosted is clear. There is no direct threat to Australia's security per se except in the context of the problem that China is posing to the Western Pacific as a whole, and to the Indian Ocean as well.

China Concerns

India and other Quad countries have concerns about China. We have now very clearly understood China's global ambitions, its desire for becoming an inter-war Germany in Asia, its activities in the neighbourhood and its relationship with Pakistan. Tomorrow, the Belt and Road Initiative (BRI) could get extended to Afghanistan. China's deepening relationship with Iran, its activities in the Gulf and in the eastern Indian Ocean seaboard - all these will present major challenges.

Not to mention, of course, its policies in India's direct neighbourhood, whether it's Nepal, or the pressure it puts on Bhutan, and its Maritime Silk Road ambitions in the Indian Ocean, which are manifested in its relationship with Sri Lanka. We should not forget what China was trying to achieve in the Maldives. For the time being, of course, China has received a rebuff from Male, but it is not as if that chapter is fully closed. In the broader strategic and regional context, India strengthening its maritime cooperation with the Quad is very important. That's one side of it.

ASEAN Centrality

The other side is the new Quad agenda which India had always favoured. Rather than it being considered purely as a security framework, which would then give ammunition to China to talk about an Asian NATO and try to create mistrust in the ASEAN countries toward this new formation, India and partners are emphasising the centrality of ASEAN. If ASEAN becomes seriously divided over the issue, then the Indo-Pacific strategy cannot work as well as we would like it to.

Secondly, there is a thinking that in due course, we will also include countries within the Quad framework like Vietnam, Indonesia and the Philippines, which have serious issues with China. That door has to be kept open, which is why the whole issue of ASEAN centrality becomes important.

Broadening Agenda

India's larger view is that the Quad countries should have a much broader agenda, because the security situation can change. One is never very certain about how much a single issue will help consolidate the Quad as a grouping. A much

wider agenda, which now covers vaccines and climate change and critical digital technology, infrastructure, cybersecurity, space and education, greatly broadens the interaction between the four countries. In time, this grouping will meet the needs of the Indian economy by forging alternative supply chains and development of technologies, which will be very critical for India's growth. Thus, the Quad is strategically important, both on the maritime side as well as the economic side.

In time, the Quad will meet the needs of the Indian economy by forging alternative supply chains and development of technologies, which will be very critical for India's growth

Containing China

China may well want to join the newer version of Trans Pacific Partnership (TPP). But it can only do so if there's a consensus, and if Japan and Australia are also willing to go along. China is a member of the Regional Comprehensive Economic Partnership (RCEP) and countries in the region that are members of the new TPP might agree to



China's membership, as they might weigh the gains of consolidating ties with China because of the huge size of the Chinese market. But I don't think it will be that easy for China. The US put pressure on the European Union when it was forging the Comprehensive Agreement on Investment (CAI) with China. The US can put similar pressure on Japan and Australia to not allow China

to bypass the strategy being developed to curb China's ambitions.

And so far as India and United States joining the new TPP is concerned, I don't think there is appetite in the Biden administration to go in that direction. And for us for the moment, the important thing is to work with Europe to have a free trade agreement and also solve our

outstanding trade issues with the United States.

Going by the outcomes of the last Quad summit, the rapidity with which the Quad agenda has been enlarged and deepened with full Indian participation signals that the Quad will continue to play an increasing role in India's strategic and economic thinking.

Amb. (Retd.) Kanwal Sibal is a former foreign secretary of India and well-known commentator on foreign policy issues. He served as India's Ambassador to Turkey, Egypt, France and Russia. In 2017, he was conferred the Padma Shree award by the President of India.

How Quad Will Complement India's Act East Policy

The Quad summit's renewed focus on ASEAN centrality will help in calming the anxieties of ASEAN, which wants to avoid a confrontation between the Quad and China. The key outcomes of the summit will help advance India's Act East policy, says Amb. (Rtd) Anil Wadhwa.



The Quad's agenda is still evolving, and as the September 24 summit showed, it's diversifying into new areas. The core agenda of the Quad has been to ensure that the Indo-Pacific is not only better connected, but also free from traditional threats. This agenda envisages free movement of goods, people and ideas, and in ensuring this, international law is crucial. In this sense, the Quad is very firmly focused on forging partnerships for a new order, if you can call it that.

The evolving agenda of the Quad shows that it's

actually a genuine democratic grouping of substance and salience. It's not a military alliance. With the inclusion of Australia in the Malabar naval exercises, the security and the interoperability element, which is so important for maritime security, the coordination has already been hived off from the ongoing regular activities of the Quad, while the information sharing network between the grouping continues to be refined, and improved.

The renewed focus on ASEAN centrality will help in calming the anxieties of ASEAN further, which wants to avoid a confrontation between the Quad and China so as to avoid the situation where it has to choose between the two. There is also a willingness to work with the EU, for example, in this regard. And another key development has been how the larger agenda of cooperation and development has been spelt out by the Quad. This points to an effort to bring about beneficial engagement with the Indo-Pacific region. The Quad will work as a stabilizing force with regard to the ASEAN

institutions since all four members are also members of the East Asia Summit.

Boosting Act East

India's Act East policy has a very heavy developmental focus. And, now supplementing of the Indian Act East policy has actually already happened. And that's happened because of the connectivity agenda. The Quad has established groups on vaccines, critical and emerging technologies, climate issues, and now there is a new Working Group on infrastructure, a group on cybersecurity, space and education. These are all groups which should supplement India's Act East policy.

We know that a key aspect of the work which has been done by multilateral organizations in the region has been so far related to connectivity before the Quad came on the scene.

India has as flagship projects such as the Trilateral Highway and the Kaladan project. Also, India wants to connect its Northeast states with Myanmar when there are propitious times. So, this can be supplemented with ASEAN countries with our



initiative taken with other members of the Quad.

The new Quad infrastructure partnership, since it has been launched, will map the region's infrastructure needs and will also provide high standards in the Indo-Pacific region. Going forward, the Quad will need to spell out a clear funding mechanism. Issues relating to debt sustainability and accountability should be resolved.

The infrastructure group, the initiative taken on the vaccines, which will help India enormously, as far as the Indo-Pacific is concerned,

Going forward, the Quad will need to spell out a clear funding mechanism. Issues relating to debt sustainability and accountability should be resolved.

and in climate change, because of the preparedness of the Quad to now work with the Pacific island states – these states will also greatly benefit from them. Looking ahead, the Quad agenda will clearly advance India's Act East policy.

Amb. (Retd.) Anil Wadhwa served as Secretary (East) in India's Ministry of External Affairs and as Ambassador to Italy, Thailand, Poland, Lithuania and Sultanate of Oman. He is currently Distinguished Fellow, VIF.

Why Quad Joint Statements were Silent on China

While the Quad joint statement on September 24, 2021, issued after the leaders' meeting, didn't mention China once, countering Beijing was the target of key Quad initiatives, says Prof. Srikanth Kondapalli.



The United States, Japan, Australia and India issued joint statements in their virtual meetings on March 12 and in-person meeting on September 24 of 2021. The first joint statement mentioned vaccination, critical technologies and maritime cooperative efforts, while the second joint statement reinforced some of these with concrete steps.

A close reading will reveal a subtle difference between the two joint statements. A textual and contextual reading of these two suggest that the effect of the spread of the pandemic weighed heavily on the four countries, with Covid-19-related issues mentioned

over 12 times in the second statement (compared to only three times in March), security of the Indo-Pacific region mentioned nine times (compared to only five times previously), technological cooperation mentioned 14 times (compared to five times in March) and infrastructure issues mentioned ten times (as against only once in March). The relatively high order of these words in the September 24 statement indicates the growing concerns of the Quad members on the toll that the

pandemic had inflicted, and underlined the necessity to overcome these challenges.

China Concerns

Most prominent of these is the concern on regional security, with India under military pressure continuously at the borders after the Galwan clash resulted in the killing of 20 Indian soldiers by Chinese troops. China continues to threaten India with war with its military mobilisation and coercive diplomatic pressures. Australia also came under tremendous “wolf warrior” coercion by China since it took the lead in May 2020, questioning the origins of the virus from Wuhan. China continues to discriminate

against Australian products despite mention of free trade. Japan also was at the receiving end of China's coast guard and air force intrusions in Senkaku Islands. The United States and China are at loggerheads on a number of issues ranging from Taiwan Straits, South China Sea, Xinjiang, Tibet, Hong Kong, trade decoupling process and others.

Without mentioning China by name, the second joint statement of the Quad leaders expressed their exasperation, but firmly stated that they were "undaunted by coercion". Moreover, the Quad, instead of getting isolated, tried to rope in the Southeast Asian grouping and the European Union against any trampling of the international law, specifically in the maritime domains. This is in the light of not only China walking away from arbitration at the Permanent Court of Justice at The Hague, which went into the South China Sea islands dispute in July 2016, but also compelling the Southeast Asian countries on an exclusive Code of Conduct.

Just before the in-person meeting of the Quad members, China's foreign ministry spokespersons made significant comments on India in order to exert pressure on New Delhi. The first was that India should take the responsibility to resolve the

Without mentioning China by name, the second joint statement of the Quad leaders expressed their exasperation but firmly stated that they were "undaunted by coercion". Moreover, the Quad, instead of getting isolated, tried to rope in the Southeast Asian grouping and the European Union against any trampling of the international law, specifically in the maritime domains.

Galwan crisis, although it was China which initiated the mobilising of the troops in March 2020 in violation of several border protocols signed in 1993, 1996, 2005, 2013 and others.

Secondly, the Chinese also raised the 1172 resolution of the UN Security Council, which was passed by the US and China in the aftermath of the Indian nuclear tests in 1998. While the United States moved away from that position with the 123

civil nuclear agreement and the subsequent "clean waiver" provided to India in the IAEA, NSG and other fora, the Chinese have stuck to their position on UNSC resolution 1172 and were reminding India of that position just before the Quad meeting.

Other pressures that contributed to India's explicit support to the Quad process include China raising the Kashmir issue three times in the past couple of years



at the UN Security Council (that other four permanent members showed no interest and hence disallowed any discussion on the subject) and Beijing's mustering of a "Himalayan Quad" grouping of Pakistan, Afghanistan, Nepal, Sri Lanka and other countries. All these suggest the increasing Chinese pressure on India, both at the military and diplomatic levels.

Countering Covid-19

Interestingly, the Quad's September 24 statement refers to "genomic surveillance" as a measure to counter the pandemic spread. Besides, several steps were announced to counter the pandemic, including at the March statement also mentioned, production and distribution of the vaccines across the globe. Already, India had exported over 60 million doses of the vaccines to the rest of the world, although discontinued for a while given the April/May surge in its viral infections and tragic deaths. While India is not the country for the origins of Covid-19, New Delhi provided such vaccines either for free or as aid or at low prices compared to other available vaccines. The Quad declarations suggest that while the US intends to provide for technological inputs, Japan has provisions for financing and Australia for distribution, India was assigned the task of

producing the vaccines, given its pharmaceutical base. Even though China had exported nearly 80 million doses, Brazil and other countries had reservations on the ineffectiveness of such vaccines. As China was at the epicentre for the spread of the novel Coronavirus, the world and the Quad expected Beijing to be more forthcoming in addressing this existential threat to the humanity.

Another major fallout of the pandemic is the drastic effect on the supply chain mechanism, over which the Quad members expressed serious concern. In the past decade, China emerged as the centre of trade and value chain across the world with several multinational corporations utilising China's base. However, with the pandemic and supply chain restrictions imposed by China since last year, the Quad members pondered over ways to restore such links. In 2021, Japan, Australia and India have forged Supply Chain Resilience Initiative through trade restoration efforts and digitalisation process. Another initiative announced by the US was the capital outlay for International Development Finance Corporation of nearly \$137 billion, 20 percent of which is to be spent competing with China. This comes in the wake of sharp criticism that China's Belt and Road

Initiative evoked across the globe for its trampling of sovereignty concerns, debt diplomacy, environmental concerns and lack of transparency in transactions. In the light of such criticism, the US and others at the G7 extended meeting in UK announced over \$45 trillion in prospective investments in Build Back Better World scheme.

Threat Perception

China's threat perception from the Quad has been exacerbated by the Quad summits. In 2018, China's Foreign Minister Wang Yi described the Quad as a headline-grabbing idea and a seafoam that will recede. Wang said that this will soon disappear. Of course, the Quad has now been institutionalised and became more regular. Wang also mentioned that the Quad is going to be a security threat to China and his foreign ministry spokesperson, Zhao Lijian, mentioned that this is detrimental to the international order. China's party-state controlled media has hyped up the threat from the Quad as is reflected in the coverage of Xinhua News Agency, *People's Daily* and the *Global Times*. Thus, while the *Global Times* suggested that the Quad is a kind of an unpopular gang, the Xinhua News Agency mentioned and the Quad is going to endanger regional

peace and security. They mentioned that the AUKUS deal (Australia, UK and the US security partnership) focuses on security aspects while the Quad focuses on economic issues. Xinhua suggested that this will lead to the emergence of a new Cold War, leading to an arms race in the background of the nuclear attack submarine deal.

Chinese media mentioned few choices were left for many countries between Washington DC or Beijing. Thus, China also sees an opportunity to divide the world into two camps, with Beijing heading one against the US.

Many Chinese analysts have targeted India in the light of its association with the Quad grouping. Some commentators in China said that India is foregoing its “strategic autonomy”, while others said that India is procuring arms from the US to counter China.

In the light of these comments, President Xi Jinping visited Tibet in July 2021 with a larger entourage, and further Sinicization of Tibet is quite possible with the 15th Dalai Lama succession issue as the focus during the Xi Jinping’s visit.

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Eleven out of 15 Politburo members visited Tibet in the last two to three months. The political focus of China’s establishment on Tibet suggests that there may be more build up in Aksai Chin, but also across the whole of the Line of Actual Control with India. China has also intensified the Himalayan Quad with interactions with four or five South Asian countries.

More specifically, in the light of the US withdrawal from Afghanistan recently, China-Pakistan consolidation with the Taliban has increased substantially. China also declined overtures from India to find solutions to the

war-torn Afghanistan. So, China’s responses vis-a-vis India are going to be very hard. In fact, since March 2020, China had mobilised over 60,000 troops on the western borders with India and there is no reduction in tensions so far. China has also not implemented its promise in Moscow in September 2020 and the February 2021 agreement between the two defence ministries on “disengagement and de-escalation” on the borders. We have also not seen any bilateral meetings or any other meetings despite multilateral interactions in BRICS and the SCO meetings. So, in the backdrop of the Quad meetings, China is likely to pursue a hardline approach towards India in the short to medium term.

While there is no explicit mention of China in the two Quad statements, it is clear from the above that it loomed large in the discussions. Given the status of China as the largest trading partner for several countries in the world, including to some Quad members, it is prudent not to have mentioned China explicitly, especially given the umbrage with which China penalised Australia in trade related matters.

Dr Srikanth Kondapalli is Professor in Chinese Studies at Jawaharlal Nehru University. He is also an Honorary Fellow at Institute of Chinese Studies, Delhi and Research Associate at Centre for Chinese Studies, University of Stellenbosch, South Africa.

Japan can Help with Economic Security in the Region

Japan has been a pioneer in recognising both the Indo Pacific, and the need for a Quad. The Quad will continue to enjoy high diplomatic attention under Prime Minister Fumio Kishida, says Satoru Nagao.

Japan has chosen a new prime minister, Fumio Kishida, and so, many people appear concerned about how this could impact Japan's policy towards the Indo-Pacific. They need not have any concern. Japan is a consensus society where the role of the leader is very limited. So, even if we change the prime minister every year, our policies will not change.

Abe's Legacy

What is Japan's position on the Indo-Pacific? In our perception, in both the Indo-Pacific and the Quad, Japan was the pioneer. Former Prime Minister Shinzo Abe addressed the Indian Parliament in 2007 and



introduced the idea, even if he did not use the exact words. Why did he want to introduce this idea? He saw two regions on either side of Japan – the Pacific region, and the Indian region -- rising economically. He felt the need for a new concept to bring together both these regions. At the same

time, China was rising, and he felt that this region should not be dominated by China. Thus, he felt the need for creating a Quad.

It is impossible to deny the China factor in the Quad, which is a group of big powers in the Indo-Pacific excluding China.

US and Japan are allies and US and Australia are allies. Therefore, even if Japan and Australia are not allies, there are plenty of chances for US, Japan and

Japan is a consensus society where the role of the leader is very limited. So, even if we change the prime minister every year, our policies will not change.



The fourth India-Australia Japan Trilateral Dialogue, held in New Delhi in 2017, was attended by India's Foreign Secretary Dr. S. Jayashankar, Secretary of Foreign and Business Department of Australia, Francis Adamson and Deputy Foreign Minister Shinsuke J. Sugiyama of Japan.

Australia to cooperate. But India is a newcomer. Thus, why Japan needs QUAD is because Japan wants to include India. So, India is very important to the Quad.

Economic Security

Security is a main component of strategic cooperation like the Quad. So, why is the Quad Summit focusing on economic security, with infrastructure as the background diplomacy? This is because the biggest Chinese threat is the threat of money. Without money, China would not have been able to modernise its military at such a rapid pace. Without money,

it would not have been able to implement the Belt and Road Initiative. Now, China is controlling countries which received BRI funds. Economic security is, therefore, very important in this region.

For a long time, China has flouted international rules and expanded its influence. That is the reason Quad needs to focus on the rule-based regional and global order.

In a rule-based society, those who make the rules are very important. But China flouted those rules brazenly. That is not fair. So, we need to talk, we need to set up new rules for a free world.

Japan's role is relatively big in this scenario. We have been pacifist for long; we still hesitate to contribute militarily. But when it comes to economic security, Japan can contribute a lot.

Without money, China would not have been able to implement the Belt and Road Initiative. Economic security is, therefore, very important in this region.

Dr Satoru Nagao is a fellow (non-resident) at Hudson Institute, based in Tokyo, Japan, and specializes in the US-Japan-India security cooperation. He has authored numerous books and articles on security issues.



MANISH CHAND

Multilateralism is Back: How India Shaped The G20 Outcomes

ROME: It's a captivating photograph that tells its own story about multilateralism and cross-cultural connections. Amid high-wire diplomacy in Rome, the last day of the G20 summit saw on

October 30, 2021 saw world leaders posing for a photo-op against the backdrop of the iconic Trevi Fountain in Rome. Their smiling faces and upward gaze suggested a sense of satisfaction at key

outcomes that emerged after they and G20 sherpas spent many sleepless nights in getting right the text of the Rome Declaration. The major outcomes, after a thousand visions and revisions,



The leaders of G20 countries at the iconic Trevi Fountain in Rome.



included the formal adoption of a global minimum tax aimed at stopping MNC behemoths from hiding profits in tax havens, and a collective commitment to provide more vaccines to the poor and developing nations.

The Rome Declaration encapsulated the essence of the 2021 edition of the G20 summit. “Underlining the crucial role of multilateralism in finding shared, effective solutions, we have agreed to further strengthen our common response to the pandemic, and pave the way for a global recovery, with particular regard to the needs

of the most vulnerable,” said the Declaration. Addressing the opening of the meeting at a majestic steel and glass convention centre in Eternal City, Italian Prime Minister Mario Draghi underscored that governments had to work together to face up to the formidable challenges facing their peoples.

“From the pandemic, to climate change, to fair and equitable taxation, going it alone is simply not an option,” Mr Draghi said.

Advantage India

For India, the Rome summit was a resonant reaffirmation

of its rising global stature and its increasing indispensability to resolving a wide array of cross-cutting issues. The big message emerging from the summit was a reaffirmation of faith in effective and constructive multilateralism to resolve burning global issues – a cross-cutting theme of Prime Minister Narendra Modi’s interventions at the G20 summit as well as in bilateral meetings with the leaders of EU, Germany, France, Spain and Singapore. “During my remarks, I highlighted aspects relating to India’s contributions in the global fight against COVID-19, the vision of ‘One



The G20 leaders endorsed to extend debt relief for impoverished countries and pledged to vaccinate 70% of the world's population against COVID-19 by mid-2022. In this regard, PM Modi's promise to manufacture and provide 5 billion vaccines by end of 2022 will be watched closely.

Earth, One Health', furthering innovation in healthcare, need for resilient global supply chains and leveraging technology for human empowerment," PM Modi said in a statement. Capturing the new spirit of proactive multilateralism, he said: "It is important nations work together to further global good."

In a media briefing, India's Sherpa and Commerce and Industry Minister Piyush Goyal highlighted India's key contributions to shaping the agenda of the G20 summit in Rome. "The G20 has sent a strong message of recovery from the pandemic, recovery

in terms of the economy and across key sectors like health, employment, education and tourism," he said. "This communiqué sent a strong message under the health section where we have agreed that Covid-19 vaccination is global public good," he said. The G20 summit reflected a consensus that the recognition of vaccines that are deemed to be safe and efficacious by the WHO has to be mutually acceptable and subject to privacy and national law, said Mr Goyal.

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The focus on creating a pandemic-free world was reflected in another revealing photograph: doctors in white coats and Red Cross workers joined the leaders for their traditional "family" photograph -- a homage to

the sacrifices and efforts of medical professionals across geographies.

"Addressing COVID-19, especially through proper campaign of vaccination and availability of vaccines, is an absolute necessity. The G20 Rome Declaration reflected this focus on intensifying the the vaccination campaign," Giulio Terzi, a former foreign minister of Italy, told India and The World in an interview.

Green Diplomacy

The G20 summit has paved the way for green diplomacy, which found its fuller expression at the COP26 summit in Glasgow. In Rome, Prime Minister Modi engaged in deft diplomacy to advance India's position on climate change. "India and other countries have pushed for safeguarding the interests of the developed world. We were also joined by the developed countries to increase the ambition from the current level of commitments in terms of green finance and technology," said Piyush Goyal, India's G20

World Recognizes PM Modi's Commitment to a Better World: Piyush Goyal

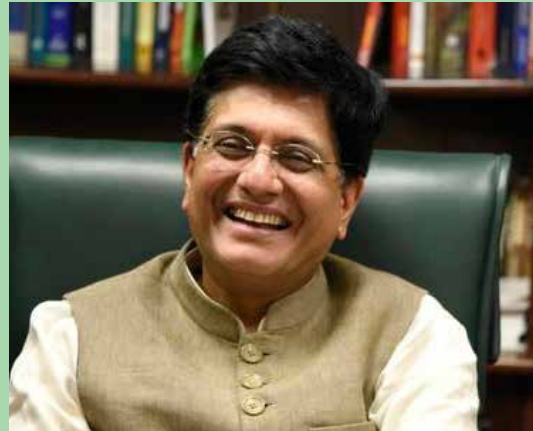
In a terse interview with Manish Chand, Editor-in-Chief, India and The World, in Rome, India's G20 Sherpa and Commerce and Industry Minister Piyush Goyal spoke about India's contribution to the G20 summit and Prime Minister Modi's approach towards the developing world.

Q) How did India influence outcomes of the G20 summit in Rome?

A) India played a very significant role in forging consensus on some key issues such as bringing health to the forefront of the agenda in terms of acceptance of vaccines, mutual recognition of documents where it was earlier proposed only as a travel issue. Similarly, India, along with some other like-minded countries, played a constructive role in shaping the G20 positions on food security, sustainable development, climate change and environment. In particular, we highlighted the importance of responsible lifestyles and eliminating wasteful consumption, which found traction with other G20 countries.

Q) How is India pushing for extradition of economic defaulters at the G20 summit?

A) On the issue of economic defaulters, India has been a strong proponent of global action. There are laws of land of different countries which have to be respected, but we are trying to build a coalition. India



played an important role in forming a broader consensus for faster action on economic defaulters looking for safe haven.

Over the years, Prime Minister Modi has been consistently focusing on a minimum global tax so that people who find safe haven and avoid paying tax in any jurisdiction also come within the ambit of taxation.

Q) In what ways did PM Modi make a difference to the G20 summit?

A) Prime Minister Modi is accepted as a person who speaks for less developed countries and the developing world in general. Clearly, he speaks from the heart. He is a man both with a vision and a lot of sensitivity for the vulnerable sections of society. The world recognizes and respects his commitment for a better world for all people.

sherpa. In a way, the Rome Declaration has indicated that the developed world has acknowledged that they have not done enough to meet their

commitments under the Paris accord," said Mr Goyal. "We have really got together the text which confirms that they will have to be

forthcoming in providing finance, technology and the enablers to make the transition to a clean energy world in the future."

In a boost to India's relentless crusade for a green world, the G20, for the first time, has identified sustainable and responsible consumption and production along with finance and technology as critical enablers for achieving climate goals. PM Modi's mantra of sustainable lifestyle and sustainable development found wide resonance among world leaders.

Supply Chains

The major takeaway of the G20 summit was an emerging global consensus on forging resilient global supply chains and need for urgent steps to spur global economic recovery. In a boost for India's global standing, the G20 has endorsed India's position that extensive COVID-19 immunization is a global public good. PM Modi was happy to get support from G20 colleagues for his suggestion on mutual recognition of travel docs, including testing and vaccine certificates, said Mr Goyal.

PM Modi's multi-pronged engagement at the G20 summit is set to buttress India's position as the global goods provider and the hub of innovation and technology for manufacturing of vaccines. Against this backdrop of a



world stricken with myriad crises, the triple P mantra of Italian presidency of G20 - People, Planet and Prosperity converged with India's

PM Modi's multi-pronged engagement at the G20 summit is set to buttress India's position as the global goods provider and the hub of innovation and technology for manufacturing of vaccines

agenda of post-pandemic economic resurgence. The 20-nation G20 grouping represents around 80% of the world's GDP, 75% of global trade, and 60% of the world's population.

Most important, the G20 summit reaffirmed the interconnectedness of humanity and underlined a tacit endorsement of India's civilizational ethos of *vasudhaiva kutumbakam* - the world is one family - to address a range of cross-cutting issues, ranging from the pandemic and global economic recovery to climate change.

(Manish Chand is Founder-CEO and Editor-in-Chief, India Writes Network and India and the World magazine. He is President, Centre for Global India Insights, a think tank focused on international affairs.)

US will not impose CAATSA on India, it will only benefit China, Russia: Mukesh Aghi

The annual India-Russia summit in New Delhi in December 2021 culminated in new defence deals and more than two dozen pacts in diverse areas. On the sidelines, Russian Foreign Minister Sergei Lavrov hailed the S-400 air defence missile systems deal with India, and openly accused the United States of undermining the India-Russia cooperation and “to make India obey the American orders.” The Delhi-Moscow bonhomie was closely watched in Washington, with a distinct sense of unease about the impact the S-400 deal may have on the India-US relations.

In this wide-ranging interview with Manish Chand, Founder-CEO and Editor-in-Chief, India Writes Network and India and The World, Dr Mukesh Aghi, President & Chief Executive Officer of the US-India Strategic Partnership Forum (USISPF), says that the US won't impose sanctions on India under CAATSA for the S-400 deal as such a step can derail the India-US partnership by decades and will only benefit the US' key adversaries, China and Russia. Mr Aghi also spoke about the likely agenda for the 2+2 dialogue between the foreign and defence partners of India and US and the future trajectory of the India-US economic partnership. **(Excerpts from the interview)**

Q) From the India-US economic perspective, there is some good news. The meeting between Commerce and Industry Minister Piyush Goyal and US Trade Representative Katherine Tai resulted in the revival of the India-US Trade Policy Forum. To what extent do you think this revival will help reboot the larger economic relationship?

A) Now, we have a platform, a platform where you can put up the issues and have a candid discussion. There's a process now. If you have lawyers and bureaucrats who focus on commas and semi colons in an agreement, then you will not get a trade deal. We've been talking between the US and India for the last 20 plus years, and the same issues continue to persist. And we keep on adding more issues like GSP withdrawal. We have to think out of the box to move the India-US economic partnership to a higher plateau.

Q) What about prospects of more American FDI coming into India? Do you think now American businesses are responding better to India's investment climate?

A) There are three factors at play here. First, China has become a risk factor. Companies are saying – where is my China plus one

strategy? Second, India has made a lot of effort in improving the ease of doing business, making India a better investment destination itself. Schemes like Production-linked Incentive (PLI) are encouraging US companies to look at India afresh. Third, there is abundance of capital in the US. The capital cost is almost zero now in the US. The combination of all three things is driving more FDI into India. If you talk to investors in America, the interest in India is extremely high. The Indian economy is growing. They want to be part of this resurgent economy.

Q) What's the status of India-US FTA negotiations? Do you think it is moving forward?

A) We have started the process. But the question is, do we want to try to boil the ocean? Or do we want to say – let's take small bites, and leave them chewable and go to the next bite and next bite. To me, that could be a better approach than trying to boil the ocean.

Q) India and the US are planning to have the next edition of 2+2 dialogue between their foreign and defence ministers. What will be key issues on the agenda?



U.S. Trade Representative Katherine Tai and India's Commerce and Industry Minister Piyush Goyal, at their meeting in New Delhi in November 2021.

I think it's in the interest of Russia that the Countering America's Adversaries Through Sanctions Act (CAATSA) is imposed on India. It is in the interest of China that CAATSA is imposed on India. For (Russian Foreign Minister Sergei) Lavrov to proactively poke at the United States in a summit with India was undiplomatic. The relation between India and the US is not at the cost of relations between Russia and India as long as it is not at the cost of USA.

A) The 2+2 will focus more on geopolitical issues. It's going to be strategic. The two sides will definitely talk about China, Afghanistan, terrorism, cybersecurity and defense cooperation between two countries.

Q) Do you have a wish list for the 2+2 dialogue?

A) Our wish list is we should look at the Quad more. Let's look at how we basically drive an economic agenda under the Quad umbrella. If you look at the combined GDP of the four Quad countries, it's over 32 trillion dollars. India needs at least one-and-a-half trillion-dollar worth of infrastructure investment. There is a lot of synergy between the two countries. Japan has the funding and the knowhow. Australia has high-tech environment. If the Quad focuses on its economic agenda, it will bring enormous benefits to the world.

Q) The Omicron variant has revived fears of a return of the coronavirus pandemic. India and the US have been collaborating in the post-pandemic recovery and in mitigating the pandemic. Going forward, how do you see the India-US counter-pandemic collaboration?

A) Whatever early information we have about the variant is that it is much more transmissible, but it is less pathogenic. So that means you can get it just like a common cold. You don't have to be necessarily hospitalized. We don't need to panic about it. Yes, governments have reacted – Israel closed its borders, Japan closed its borders, and every

country is putting restrictions on travelers coming in. Yes, we have to control it. But this omicron is not as lethal as the Delta variant has been.

One has to understand that economies flourish because consumers have confidence. And if you take away that confidence, and create the uncertainties, then economies suffer. It's, therefore, important for the government, India and the US to bring in the sense of confidence that we have enough wherewithal to manage this if it becomes another pandemic. I will say that we shouldn't be too concerned, but there should be more collaboration. The bigger area of collaboration in this area would be on vaccines. India has the capacity and the capability to make vaccine in volume and at a cheap price. That's where the US has to leverage India because unless you vaccinate the world, this virus is not going to go away.

Q) Prime Minister Modi has been talking about vaccine equity. And there is such a gap between the vaccinated and unvaccinated. Africa, for example, does not even have 10% of its people vaccinated. Do you think India and US can collaborate in pandemic mitigation and vaccines in third countries?

A) That's where the Quad comes in. In the Quad, you have the Japanese who are willing to fund, we have Indians who can manufacture and the Americans who can provide the IP, and the Australians who can help in the supply chain. You can see Quad stepping up collaboration in the field of vaccines. But going beyond that, why not

Africa? Why not other parts of the world? We will see better collaboration taking place; the world now realizes that unless you vaccinate everybody, this will keep on recurring.

Q) At the India-Russia annual summit last year, the two countries concluded quite a few defense deals, including one \$700 million deal for jointly making assault rifles. Russian Foreign Minister Sergei Lavrov took a dig at the US and accused it of undermining the S-400 deal. Do you see the S-400 deal attracting the US sanctions under CAATSA?

A) I think it's in the interest of Russia that the Countering America's Adversaries Through Sanctions Act (CAATSA) is imposed on India. It is in the interest of China that CAATSA is imposed on India.

For (Russian Foreign Minister Sergei) Lavrov to proactively poke at the United States in a summit with India was undiplomatic. The relation between India and the US is not at the cost of relations between Russia and India as long as it is not at the cost of USA.

It's important to understand that India maintains its strategic independence here. Now, if CAATSA is imposed, my position is that India, as a sovereign nation, has the right to decide what equipment it buys and from whom. And at the same time, if we look at S-400 pointed more toward China than anybody else, then it only serves interest of the US.

From this perspective, I don't think the Biden administration will impose CAATSA sanction on India for S-400 purchase. If at all sanctions are applied, it will set the US-India relationship by a few decades.

Q) So, it's in the larger interest of the US and given the broad bipartisan consensus on sustaining the momentum in relations, it is extremely unlikely that they would contemplate such a move.

A) Absolutely.

Q) How do you look at the quality of the India-US relationship under President Biden. In Donald Trump, we had a mercurial politician who was prone to all kinds of theatrics. Do you think now there is more stability in the partnership?

A: There is more maturity in the India-US relationship; there is more predictability and there is a sense of a consultative process between the two countries. Above all, there is an acceptance that the two sides may have different viewpoints in some areas, and there is respect for that. Now, we don't have transactional issues like Harley Davidson coming in the way.

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Broadly speaking, the Biden administration is taking a much more structured approach to dealing with India than the Trump administration, which was very transactional. So now, they are putting all the bricks together in areas ranging from healthcare to technology. I am very optimistic and see the India-US relationship going further, higher and deeper in every aspect.





MICHAEL FULLILOVE

It's Time for India and Australia to Think Big

India and Australia have the wherewithal to help shape Asia's future and that of the Indo-Pacific. But to realise the potential of their growing partnership, the two strategic partners must think big and lift their game, says Dr Michael Fullilove.

The game of cricket is in many ways similar to the great game of relations between states; it contains important lessons for the foreign policies of both India and Australia as we navigate the evolving strategic circumstances of the Indo-Pacific. Like foreign policy, cricket is a long game. A test match can take up to five days although not when Australia is playing England at the Gabba. Things are opaque in cricket, as in diplomacy and sometimes a draw can be a win.

Cricket and foreign policy require many of the same qualities - intelligence, skill, patience, discipline, toughness, and imagination.

The most successful cricket captains are creative. They set imaginative fields. They surprise their opponents with unexpected bowling changes. They lead from the front with the bat. Imagination is the key. The weather conditions and the state of the pitch are also critical. In foreign policy too, the decision-making environment is fast and fluid. And that is certainly the case today.

Unipolar Moment

In 1991, the United States' only rival for global leadership, the Soviet Union conceded defeat and the world switched from a bipolar system to a unipolar one. The hegemony over the West that

was achieved by the United States during the Cold War became the new world order. The only option available to Russia and China was to become stakeholders in this enterprise, if they promised to be responsible stakeholders. A liberal international order settled over the world or so we thought. Now three decades on, the scales have fallen from our eyes. The contests between nation states and between ideologies have resumed. Cooperation between great powers is declining, not increasing. Unipolarity has given way to multipolarity. Geopolitics has returned. Every day the liberal international order becomes less liberal, less international and less orderly.

Eastward Shift

The other big global change is that wealth and power are shifting eastwards towards India and Australia. Impressive Asian economic growth in recent decades has transformed the region and lifted more than a billion people out of poverty. Emerging Asia is the most dynamic part of the world accounting for more than half of global growth despite representing only a third of the global economy. China's economic rise has been phenomenal. Decades of rapid economic growth have pulled nearly 700 million Chinese people above the poverty line. China is the world's second largest economy, and it's likely to be the largest by the end of the decade. It's already the world's largest trading nation, and the largest trading partner of most Asian countries, including Australia. Of course, India's economic rise is also an important part of this Asian success story. Thirty years ago, before India set out on the path of liberalisation and reform, its economy formed just a tiny fraction of the global economy. Today, India has the world's seventh largest economy. The average Indian citizen today is more than three times richer than she was in 1990.

Bipolar Indo-Pacific

For a country such as Australia, with an economy that is so interconnected with Asia's economies, the changes in China and India, as well as in Southeast Asia create tremendous opportunities for us. But if the economic outlook in Asia is positive, the security outlook is not. We are heading towards a prolonged period of bipolar competition in the Indo-

Pacific. Both the United States and China have exhibited troubling behaviour over the past decade. This year marks the 70th anniversary of Australia's alliance with the United States. Our interests are served when the United States is well governed, cohesive, attractive to the world and strong enough to deter bad behaviour by adversaries. Under Donald Trump's presidency, the United States was in my



India's Prime Minister Narendra Modi with his Australian counterpart Scott Morrison.

The contests between nation states and between ideologies have resumed. Cooperation between great powers is declining, not increasing. Unipolarity has given way to multipolarity. Geopolitics has returned. Every day the liberal international order becomes less liberal, less international and less orderly.

opinion, poorly governed, divided, unappealing to the world and weak, which left all of us vulnerable to malign actors. On foreign policy, Mr. Trump's actions ran counter to Australian instincts. Australians are alliance believers; Mr. Trump thought allies were scroungers. Australians are inclined towards internationalism; Mr. Trump was sympathetic to isolationism. Australia is a trading nation; Mr. Trump withdrew from the Trans Pacific Partnership and attacked the World Trade Organisation.

His successor, Joe Biden is not a perfect President. But today we can say that the President of the United States is a decent person. And that was not the case for four years. The Biden administration has got off to a good start marked by more effective governance at home and more adroit alliance management abroad. America, in other words, is back. If Washington's international stance over the past decade has been changeable, Beijing's has been consistent and increasingly concerning. Since the accession of President Xi Jinping in 2012, China has become much more aggressive in the waters to its east and west, and in its relations with other states. Australia is an extreme case. Seven years ago, Xi Jinping

We are heading towards a prolonged period of bipolar competition in the Indo-Pacific. Both the United States and China have exhibited troubling behaviour over the past decade.

addressed our parliament to loud bipartisan applause. Now the two countries are at daggers drawn. Analysts differ as to whose fault this is. In my view, the main reason why our relationship with China has changed, is that China has changed. Its foreign policies have hardened; the constraints on people within China have tightened; its willingness to accept criticism has disappeared.

China Challenge

Australia has taken steps to protect its sovereignty, including banning Huawei and other high-risk vendors from participating in our 5G rollout and introducing new foreign interference laws. For the Chinese, Australia's call last year for an international inquiry into the origins of the Coronavirus pandemic was just the latest provocation. Seen from our perspective, all our actions were just reactions to Chinese moves. China has had Australia in the diplomatic deep freeze for some time. It has imposed sanctions on many of our exports including barley, wine, seafood, cotton, timber, beef and coal. Of course, Indians have also

become increasingly familiar with China's newfound assertiveness, for which Indian soldiers have paid with their lives. Australian public opinion towards China has hardened in tandem with Chinese behaviour. The 2021 Lowy Institute poll found that for the first time, more Australians see China as a security threat than an economic partner. Trust in China has fallen precipitously, with only 16% of Australians saying they trust China a great deal or somewhat to act responsibly in the world down from 52% three years ago.

I agree with the broad thrust of Australia's approach to China. That doesn't mean that I'm uncritical. Diplomacy requires guile as well as steadfastness. In my view, we've not always been as artful as we might have been. Sometimes Australian ministers and parliamentarians have strayed beyond protecting our sovereignty and our core interests, and allowed indiscipline to creep into their public comments. But the chief responsibility for the current state of affairs lies with the men in Zhongnanhai.



The fluctuations in the US policy and the severity of Chinese behaviour are prompting three important developments in Indo-Pacific security. First, a number of regional powers are adopting a larger view of their own potential and increasing their freedom of movement. After all, no one wants to live in another country's shadow. I've been very impressed by the steps taken by the Indian government to protect its sovereignty and adopt a flexible foreign policy suited to the times, including an upgraded relationship with the United States, and membership of important new institutional arrangements such as the Quad.

Canberra's Choice

In Australia's case, we have bolstered our internal resilience, increased our defence spending, and most recently entered into a new defence pact with

the United States and the United Kingdom, AUKUS, which promises closer military and scientific ties between the three countries and the development of a nuclear-powered Australian submarine fleet. After the fall of Kabul in August, many observers of US foreign policy concluded that America had lost interest in its allies, and that its allies had lost faith in America. The announcement of AUKUS in September served as a powerful rebuttal of both arguments. With AUKUS, Australia is doubling down on its alliance with the United States while also drawing the United Kingdom more deeply into the Indo-Pacific. This is an ambitious step for Australia, a signal that the country intends to shape its external environment and contribute to the regional balance of power. Nuclear-powered submarines provide immense capability in terms of lethality, speed, range and stealth. Presuming these

boats are eventually built, they will give Australia significant deterrent power. AUKUS is not just about submarines, however. It's also about technology sharing, cyber capabilities and AI. It reminds me of something that Prime Minister Winston Churchill said in 1940, when the United States provided Britain with destroyers in exchange for access to naval bases. Churchill said that the two countries will have to be somewhat mixed up together in some of their affairs for mutual and general advantage. I suspect that in the face of new challenges, we will once again see likeminded countries getting more mixed up together.

Second, there have been important institutional developments in the Indo-Pacific, foremost among them, President Biden's elevation of the Quad to the leader's level. In his 2021 Lowy lecture, US National Security Adviser Jake Sullivan described the Quad as an example of the new lattice work of institutional arrangements. Whereas Dean Acheson's generation of policymakers built the Parthenon with its columns of the UN, NATO, the IMF and the World Bank, Jake argued that today's arrangements are more flexible, ad hoc, more political and legal, sometimes more temporary than permanent. In this sense, Jake told me the

architecture of international cooperation is acquiring more of a Frank Gehry character than the formal Greek architecture of the post-war era. And indeed the first in person Quad leaders meeting held in the East Room of the White House in September, was every bit as eye catching as Gehry's Guggenheim Museum in Bilbao. It was a tremendous thing to see the leaders of four highly capable Indo-Pacific democracies, coming together to progress a positive agenda of cooperation.

And let me take this opportunity to compliment India for its remarkable work as the manufacturing hub of the Quad vaccine partnership. The Quad is a reminder for Australians that we must increase our investment in diplomacy, as well as defence, and in new relationships, as well as old ones. For Australia, the Anglosphere is necessary but certainly not sufficient. As a matter of urgency, we need to thicken our links with other Indo-Pacific powers, including Japan, South Korea, Indonesia, and India. The strengthening of bilateral relationships between likeminded countries is the third major Indo-Pacific development. The bilateral relationship between New Delhi and Canberra has the character of a long innings at the crease. We started off slowly, but now that we've

settled in, we're taking our shots and the runs are flowing.

One year ago, when I interviewed Dr. Jaishankar for a Lowy Institute event, he told me if there is one relationship I take great satisfaction in, it is the India-Australia relationship. Today, our comprehensive strategic partnership encompasses regular meetings of Prime Ministers, Foreign Ministers and Defence Ministers as well as military exercises and military-to-military contacts. I was pleased to see Prime Minister Scott Morrison announce last month the establishment of a new Australian Consulate General in Bengaluru, as well as the centre of excellence to deepen our collaboration on science and technology. But I would like us to be even more ambitious. The latest edition of the Lowy Institute Asia power index, a data driven annual assessment that measures national resources and international influence to rank the relative power of Indo-Pacific states, indicates that neither the United States

nor China will be able to exert undisputed primacy in our region. A bipolar future beckons. In this future, the decisions made by other Indo-Pacific powers, including India and Australia will be highly consequential. Our actions may well constitute the marginal difference. Countries such as ours have the means to influence the regional balance of power and a clear interest in doing so. But we will need to step up. My challenge to the decision makers on Raisina Hill in New Delhi and Capitol Hill in Canberra, therefore, is to look for practical and imaginative new ways that India and Australia can strengthen our bilateral relationship, and together contribute to stability and prosperity in the Indo-Pacific.

The Way Ahead

Let me make some suggestions. I believe we should establish a high level Strategic Economic Dialogue between Australia and India. We should improve the interoperability between the Australian Defence Force

With AUKUS, Australia is doubling down on its alliance with the United States while also drawing the United Kingdom more deeply into the Indo-Pacific. This is an ambitious step for Australia, a signal that the country intends to shape its external environment and contribute to the regional balance of power.

and the Indian armed forces, especially in the area of maritime domain awareness. We should increase the level of consultation and information sharing between our diplomats and our intelligence services; cooperate on infrastructure financing in Southeast Asia, the Pacific and the Indian Ocean region; and reinvigorate our trilateral partnerships with Indonesia and Japan. Of course, international relations are driven by economics, and the run rate in the economic relationship between India and Australia is much slower than it should be. People-to-People links are very strong. Today more Australians were born in India than in any other foreign countries save for the United Kingdom. Yet despite India's immense market size, only about 3% of Australia's goods exports go to India and this is almost entirely made up of coal. And India does not make the top 20 countries as either a source or a recipient of foreign investment. As Australia's former High Commissioner at India, and Secretary of the Department of Foreign Affairs and Trade, Peter Varghese said in his India economic strategy report, Australian business has long put India in the too

hard basket. This needs to change. The dismantling of the misconceived fortress Australia approach to COVID-19 and the recent reopening of Australia's borders to international students and skilled migrants will re energise our ties. I also welcome the news that our two governments have relaunched negotiations for a comprehensive economic cooperation agreement with talk of an initial agreement before the end of the year.

Australian governments and businesses must lift their game, but so must Indian governments and businesses. Australian firms still find India a difficult place to do business. Further reforms are desirable in areas such as labour markets, the financial sector and the legal system. And I would like to see the Indian government take a more positive and ambitious approach to trade liberalisation. Countries such as India and Australia have the wherewithal to help shape Asia's future. But we need to believe in ourselves and in each other. The good news is that our publics already do. The 2021 Lowy Institute poll revealed that 6 out of 10 Australians trust India, either a great deal or somewhat, which represents

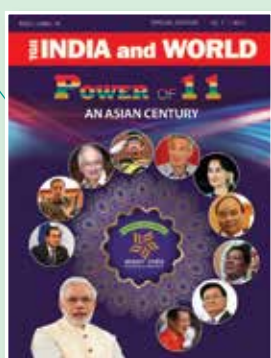
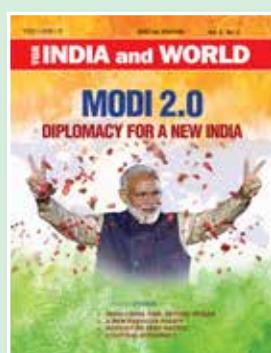
a remarkable increase of 16 points in a single year.

This puts India on par with Australians' level of trust in our principal ally, the United States. And in the 2021 Observer Research Foundation Foreign Policy Survey, two thirds of young Indians said they trust Australia either completely or somewhat second only to their trust in the United States. And 6 in 10, respondents said that Australia will be one of India's leading partners in the next 10 years, again, second only to the United States. These are strikingly complementary results, and all the more welcome for that fact. Now, it's for policymakers to match the foresight of their peoples.

We live in a time of great strategic flux. I'm confident that Australia and India can help determine the complexion of the game, if we have the strategic imagination to do so. We should be unafraid to seek to shape our environment, trusting in our own abilities and in each other, and knowing that providence favours those who help themselves. I hope that like Atal Bihari Vajpayee, India and Australia decide to think big.

(Dr. Michael Fullilove is Executive Director, Lowy Institute for International Policy, an international policy think tank located in Sydney, New South Wales. The above article is based on the second Atal Bihari Vajpayee Memorial Lecture delivered virtually by Dr Fullilove on December 25, 2021. The lecture was chaired by India's External Affairs Minister S. Jaishankar.)

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The logo features a large '75' in a brown, sans-serif font. To the right of the '5' is a stylized Indian tricolor (saffron, white, and green) with a white Ashoka Chakra in the center. Below this, the text 'Azadi Ka Amrit Mahotsav' is written in a brown, sans-serif font.

75 Azadi Ka Amrit Mahotsav

POWER OF INDIA

India's ongoing emergence as a global power is the unfolding story of our time. Armed with the world's fastest growing economy and driven by surging aspirations, the world's largest democracy is proactively shaping the global agenda. But there are formidable challenges ahead as India scripts its global ascent; rampant poverty, illiteracy and underdevelopment will continue to hobble India's rise unless these issues are addressed in a time-bound manner.

Against this backdrop, The Global Insights India (TGII) is pleased to launch the "Power of India Initiative", which seeks to generate a public debate about India's global profile and the kind of power India can become.

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