



Flagship Seminar Series: India and Asian Geopolitics: The Past, Present.

# **Centre for Social and Economic Progress (CSEP)**

New Delhi

Wednesday, April 28th, 2021

**CSEP** Research Foundation

6, Dr Jose P Rizal Marg, Chanakyapuri, New Delhi 110021, India

Ph: 011 2415 7600

**CSEP Research Foundation** 

## Participants:

**Shivshankar Menon** – Author, <u>"India and Asian Geopolitics: The Past, Present"</u>; Distinguished Fellow, CSEP; and former National Security Advisor

**Stephen Smith** – Professor of Public International Law, University of Western Australia (UWA); and former Minister for Foreign Affairs, Australia.

**Bilahari Kausikan** – Chairman, Middle East Institute, National University of Singapore; and former Permanent Secretary, Ministry of Foreign Affairs, Singapore.

#### Moderator:

**Constantino Xavier** – Fellow, Foreign Policy and Security Studies at CSEP.

Watch the event video here: <a href="https://www.youtube.com/watch?v=pCJCnHRdr6s">https://www.youtube.com/watch?v=pCJCnHRdr6s</a>

The following is an edited and revised transcript from the event. It has been generated by human transcribers and may contain errors. Please check the corresponding video for the original version.

#### PROCEEDINGS

**Rakesh Mohan:** I'm Rakesh Mohan, President of The Center for Social Economic Progress, formerly Brookings India. I'm delighted to welcome all of you, first of course, the panelists, and then the full audience. But before actually getting to the event itself, given the current situation in India, we are holding this webinar in very difficult times in our country in India. It's almost like an ongoing disaster for so many of us. Many family members, friends, colleagues are suffering from the pandemic at present. So, first let me just thank everyone in the audience who joined in these circumstances. So, we do need to constantly keep track of this, and so everyone has my best wishes and thank you for joining during these circumstances. And I will say to everyone, please stay safe. Don't go out, because the current contagion is just something that we've not seen since the pandemic started in the world, actually, to my knowledge. Having said that, I won't dwell on this, but I think that this is a time in which we do need to help each other and do whatever we can for people who are actually affected. Almost a quarter of CSEP staff, actually are affected, that's how contagious this current surge is. But let me again thank everyone for joining this webinar.

Before I hand over to our moderator, Constantino Xavier, let me just say that from my point of view that the most important thing that's going to be happening in the world is really the rise of Asia, for the rest of the century, certainly, next quarter century, next half century. And the world has not quite figured this out, the incredible movement of the fulcrum of the global economy, from the way I put it from the Atlantic Ocean to the Indian ocean.

And so, going beyond the economy, is going to make a huge difference in terms of geopolitics and geo strategies that different countries employ. In our case, of India, we've always been much more focused on the West, starting from Britain, having been a colony of Britain, but we've been far more focused on the West to the East. Our Prime Minister Narasimha Rao started the Look East policy, the current Prime Minister, Mr. Modi the Act East policy. But this is going to be the biggest challenge to my mind in our strategic posture around the world, that just as we navigated the shores of the Cold War between the Soviet Union and United States, we now will have to navigate the new shores of China and the US. And just like we did not align with any that time, we will need to practice the best of diplomacy to maintain our strategic autonomy.

So, therefore, we are absolutely delighted that our distinguished fellow, Professor Shivshankar Menon or Ambassador Shivshankar Menon, he must've heard what I was thinking, so he pens this book, "India and Asian Geopolitics:The Past, Present." I hope he write another book on the future. So, we are absolutely delighted that this book has just come out and therefore we able to have a seminar.

We are also very grateful to have our discussants who Constantino Xavier, our moderator will introduce. Mr. Kausikan, who's based in Singapore and Steven Smith currently based in Perth. So, we are very grateful to you for joining us in this from as far as Singapore and Perth.

Let me just now introduce Constantino Xavier. He is our Fellow in Foreign Policy and Security Studies at CSEP. He is a non-resident fellow at the Brookings Institution also, and he leads Sambandh Initiative on Regional Connectivity as a current beam on foreign policy work, which we are planning to expand much more towards Asia.

He is currently himself writing a book on how democratic values have influence in India's foreign policy with case studies on Nepal, Sri Lanka and Myanmar. He has been publishing widely. He received such

awards from the likes of Fulbright Program, Indian Council for Cultural Relations, and holds a PhD in South Asian Studies from Johns Hopkins University.

So, Constantino, it's all yours. I guess you'd have to go to revise your book on Democracy in Myanmar or write a new one, of course. Constantino, all yours.

**Constantino Xavier**: That's constantly in revision. There's enough crisis in the neighborhood to keep India busy. Thank you, Dr. Mohan, for the kind introduction and the opening remarks. My name is Constantino Xavier, I'm a fellow here at CSEP. It's my great pleasure to host you all today here. We've actually had a record number of registrations despite the difficulties going on here in India and around the world. But centerpiece in this flagship seminar really is Ambassador Menon's new book, "India and Asian Geopolitics. The Past Present." Published in India by Penguin and by the Brookings Institution Press in North America and most of the rest of the world. Also available on Kindle, so please make sure if you haven't yet to pick up your copy, whether old-school paper or digital.

But what we'll do here today is really focus on the book about this issue of India's posture and location in the past, present, and maybe future in Asian geopolitics. Thank you, Ambassador Menon, for this fabulous book and for bringing us all together, and particularly bringing to us. two stellar discussants from two other points in Asia, Singapore and Australia. In the interest of time, I won't give long and detailed biographies of both, but quick introductions to welcome each.

From Perth in Western Australia, we are joined by Professor Steven Smith. He's a Professor of Public International Law at the University of Western Australia since 2014. In a distinguished career spending 20 years in the Australian federal parliament. Professor Smith served as the Minister for Defense, and prior to that, also as Minister for Foreign Affairs and Minister for Trade, between 2007 and 2013, in those six years. He was federal member for Perth for the Australian Labor Party from 1993 until 2013. Welcome Professor Smith.

**Stephen Smith**: Thanks very much. Great to be here. And great to congratulate Shivshankar on his terrific book. So, thanks Constantino.

**Constantino Xavier**: Thank you. From a little closer, across the Bay of Bengal in Singapore, we are joined by Ambassador Bilahari Kausikan. He served as Permanent Secretary of Singapore's Ministry of Foreign Affairs from 2010 to 2013, having served prior to that from 2001 onwards, as second permanent secretary in the same ministry. He was also Ambassador-at-large for Singapore until 2018. Ambassador Kausikan is currently the chairman of the Middle East Institute at the National University of Singapore. Among his earlier diplomatic appointments are Deputy Secretary for Southeast Asia, Permanent Representative of Singapore to the United nations in New York, and Ambassador to the Russian Federation. Welcome Ambassador Kausikan.

**Bilahari Kausikan**: Thanks. Thanks, Constantino for that introduction. Happy to be here.

**Constantino Xavier**: Thank you. And finally, right here from Delhi, we're joined by Ambassador Shivshankar Menon who we're lucky to have as Dr. Mohan mentioned as Distinguished Fellow at our institution. He's again, to blame for bringing us all together with another fine book a few years after his book called "Choices." He was previously National Security Advisor to the Prime Minister of India, and also Foreign Secretary of India between 2006 and 2014. He served as the Indian Ambassador or High Commissioner to China, Pakistan, Sri Lanka, and Israel. He's currently a Visiting Professor at Ashoka University, India, where a lot of students were lucky and are lucky to have him, and I think contributed a lot to what we're seeing here today in the shape of this book.

He's also the chair of the Ashoka Center for China Studies at Ashoka University. And the book I mentioned previously, which in many ways is I think a must read before this one is called "Choices Inside the Making of Indian Foreign Policy." Welcome Ambassador Menon.

**Shivshankar Menon**: Thank you. Thank you for arranging this and for the very kind words you've already said about the book.

**Constantino Xavier**: So, we have around 70, 75 minutes left for this discussion to discuss 400 pages of India, of India and Asia, of geopolitics. And quickly, here's how we plan to proceed. We'll begin with Ambassador Menon to give us a few glimpses of the main themes in his book, we'll then proceed to Professor Smith and Ambassador Kausikan to give us their thoughts and reactions and comments on the book for another 10 minutes each. And that should leave us then with around 40 minutes or so for a free-flowing interactive discussion that I'll moderate, hopefully also with questions from you in the audience, so do feel free to drop a written question in the chat box or the Q&A box in zoom. We'll try to also pick up questions coming in through YouTube and other platforms, but please share them ideally with your name and affiliation, and I'll do my best to select and direct as many as possible. To our distinguished speaker, Ambassador Menon, over to you.

**Shivshankar Menon**: Thank you. Thank you Constantino. I suppose the first thing I should explain is why did I write this book? And frankly, it came out of a course that I teach at university on India and Asian Geopolitics. And I teach the course because frankly it seems to me that while there's been a lot of attention on India's relationship with great powers, India-US, India-China, India-Russia, et cetera, the India-Asia story has been relatively neglected. And it's a story that I think is going to get more and more important for the reasons that Rakesh just mentioned.

The other reason I wrote the book frankly, is, when I was teaching the course and I remember it was somewhere in the middle, I said, "Mrs. Gandhi," meaning "Indira Gandhi," and my students all thought I meant "Sonia Gandhi." And I realized they were all born this century. And what for me was my life was for them, ancient history, but they were interested in it, which surprised me. I mean, I didn't expect that level of involvement and interest. And I thought, if they are interested, that maybe other people are too. So, I thought maybe it's worth telling the story before we forget about it. And that's really why I wrote the book.

But I also wrote the book because I am worried. I do think that for several reasons, and partly, it's a reaction to the effects of globalization, partly it's accelerated by COVID, by the pandemic, that we India have been sort of turning inwards in the last few years. Whether it's walking out of the RCEP (Regional Comprehensive Economic Partnership), whether it's raising tariffs four years running, but more than that, it is a sort of closing of the mind. And that worries me. Because for me, looking at our past, we have done best, the more connected and the more engaged we are with the rest of the work. And the most advanced stable, prosperous parts of India have been those which were most connected to the world, mostly through the Indian Ocean. And it's basically Maritime India. Where traditionally, at least, where industry and the economy flourished, society is relatively stable. And it seems to me that if we ignore that, if we turn in on ourselves, frankly, we are actually making it harder for us to transform India into the kind of country that we would like. So, that's another reason really for writing this book

Then, in the process of writing it, of course, I have to deal with, which is the biggest phenomenon that's faced us for the last 20 years at least is the rise of China and the transformation of Asia and the shift of the center of gravity of the world economy and of geopolitics to this region, to our area and our part of the world. Which means, since the main geopolitical fault line is between the US and China, this really means that Asia is where it's going to be played out. The subcontinent now becomes important,

because it's right next to this fault line, it's one of the arenas where this is being played out. Unlike the Cold War, when frankly, the subcontinent was a sideshow and the main geopolitical fault line was in Europe between the Soviet Union and the US. Today, the rules have been reversed. And there is much greater contention, much greater uncertainty in our immediate neighborhood. Asian geopolitics have got much more dangerous frankly. If you look at the last 30 years, you've seen an arms race in Asia, which is unprecedented in history. And we now have the means, thanks to the economic success and growth. We have the means to actually indulge in this. Today, there's an unbroken belt of weapons of mass destruction from the Mediterranean to the Pacific, from Israel to North Korea. And technology has actually collapsed space, made boundaries irrelevant.

And at the same time. maybe in reaction to globalization, but also for domestic local reasons, we've seen the rise of new authoritarians to power. And this makes life much harder for us all. Because frankly, since they rely on a form of hypernationalism for their legitimacy, they find it much harder to negotiate, to do the give and take, the compromises that are necessary for diplomacy, for peaceful resolution of disputes. And this is why you look around us, whether it's from the Senkaku/ Diaoyu Islandsin the East China Sea, to Taiwan, to South China Sea, to our boundary, our relationship with China last year, for instance. Wherever you look, hotspots, flash points are hotter there and disputes look much harder to resolve. And you have pushed back through the rise of China, not just from the established powers, from the US clearly as the single superpower in the world, but also from others who are concerned. So, for me, we are therefore entering on a dangerous decade.

So, the book itself therefore is divided in two. There's the past, which is more a contemporary history of independent India in Asia, and Asia and Asian geopolitics, and how we reacted to it. And the second part describes where we are today and where we might be going, even though I don't think the future is clear, I don't think the future is going to be a straight line extrapolation from the present. It never has been, and I don't see how it could be in the future. But COVID has actually made me even more convinced that we need to actually discuss these issues among ourselves, because it seems to have accelerated these various trends, which had already gathered speed before 2020. And I make, since I can never resist pontificating, I also make a few suggestions for what India's tasks are if we want to cope with the future.

But the basic message of the book is that we need to be engaged, we need to go out and work with the world. Maybe talk less and do more is how I would summarize it. I don't want to sound pessimistic here, because, you know the old saying "Pessimists are always right, but we optimist ultimately win." And I am optimistic, that if we can actually apply our minds and argue this out, as we always do as Indians, once we do that, I do think that we can find a way forward, which will transform India and create an India where every Indian issue, everybody can realize their full potential in security and prosperity.

I'll stop there, and maybe I'd like to hear what the others thought of the book.

**Constantino Xavier**: Thank you Ambassador Menon. Without delay, I'll pass on the word to Professor Smith.

**Stephen Smith**: Well, thank you very much Constantino. I'll start where Rakesh started, which is to just express my deep sorrow at the terrible circumstances that you're facing in Delhi and India generally. Australia has made a modest contribution to medical assistance, and we hope that this is of assistance to you. But all of Australia has been deeply moved by the terrible difficulties you have going through. All of India's friends in Australia are watching intently and gravely concerned. So, we understand the

difficulty you're going through, and we hope that our friendship, people to people and government to government can in some small way help you through this crisis.

Constantino, firstly, I want to congratulate Shivshankar on this book. It follows on from his "Choices" book, which is, as you say, also a required read. For me, a marvelous thing about a book is that it teaches you things that you don't know in areas where you haven't spent much time. But the quality of a good book is a book which teaches you things in areas that you thought were your core business, that were your core areas of study. And to me, the book does that.

I first became interested in India when I was finishing off my arts degree at the University of Western Australia. I've done my law degree and I wanted to finish off my arts degree and I majored in Ancient History in South Asian History. And so, I became very interested in India, particularly the Independence movement and the aftermath of independence. So, to me I was reminded of all of the things that I had forgotten plus educated on a few more with the first two chapters of the book. In chapter one, the part called "The Stage and Inheritance" and then "Independence." So, the long view of India in the subcontinent, the Raj, and then independence and the challenge of independence.

And what are the poignant aspects of that to me, was Shivshankar reprising extracts from "The Tryst with Destiny" speech from Nehru on Independence Day. And these aren't the words, all Indians will know them, but where Nehru talks about the great challenge being to ensure India becomes a great democracy, a great secular and tolerant society, where people can live with freedom and in prosperity. And when you go to the end of the book, after Shivshankar has gone through a range of chapters on the past but also the present and challenges for the future, he ends on a very similar theme, which is, "Let's not worry too much about how India should play a role in external affairs and whether we should be a great power or whether we should be this or that. The starting point for all this is to ensure that the modern India is that is modern, is secular, is tolerant and provides a decent standard of living for all of its people." And he makes the point on a number of occasions throughout the book that "Other than China, India has taken more people out of poverty in its time since independence than any other country. And that task continues."

So, I think there's a very clear sighted view from Shivshankar, that in the first instance, if we're a country of 1.4 billion people, the first thing we have to do is to ensure that we get the trappings right of our own society, that we get the trappings right of India and we make sure that we're a robust democracy, a free society where people have opportunity and the chance of a decent livelihood. And I think that's a very important starting point and solitary lesson. So, to me, whilst from a geostrategic perspective, from the sorts of things that we might be interested in today, there's lots of challenges and information and detail and views in chapter two, the second part of the book. There's really a very good historical, but also domestic aspiration basis for his book.

In terms of things that I either didn't know, or I'm not very familiar with, Shivshankar's central thesis: India, once it gets its domestic settings right, has to engage with the world, and most importantly has to engage with Asia. Now, if you come from Australia or Western Australia, so I'm in Perth, I'm on the Indian ocean, we regard ourselves as being perhaps India Ocean capital. We're closer to India than any other part of Australia. We sit on the Indian Ocean Rim. We're closer to Indonesia than any other part of Australia. So, we regard ourselves as influenced and motivated by what's occurring in the Indian Ocean. And earlier than most Australians, we saw the potential optimistically for the rise of India as a great economy, the rise of Indonesia, and to change the geostrategic arrangements that had previously applied. For a brief nano-second, the United States as a geostrategic and geo-economic hegemonic power, then the rise of China. But we saw very early this century, the rise of India as a great economy, the rise of Indonesia as a global influence, dragging economic and strategic, security and military power South and West into the heart of Asia. And so, our focus from Western Australia and Australia has always been, how do we engage with Asia, with South Asia, with Southeast Asia and with North or Northeast Asia? One of the enlightening parts of the books for me was that Australia has, of course been on the receiving end of the Indian Look East policy, and then the Act East policy. But we've never stopped to look as Shivshankar does in his book, to also understand that there is an Asia, which is West of India, that India has to look East, but it also has to look West. And so, these are areas of strategic and economic and geopolitical influence, which Australia is not as familiar with as we are with South or Southeast or North East Asia. But for India, they play a very important role. And see, India having the strikeout relationships with a range of countries that Australia has little or next to no contact with. So, I think it's always important to try and put yourself in a position of another person or another country, because often what you see is from where you sit. And so, to me, that's a very important illustration in the book that to India, Asia also requires India to look West and therefore requires Australia to look further West than it has today, which is beyond India.

Secondly, as an Island country and island continent, Shivshankar makes the point that India being in a sub-continent has different challenges and causes. Again, India to see things differently, it has the vast expanse of the Indian Ocean, which crosses an open ocean and Shivshankar makes the point on numerous occasions that no one navy, no one country can control the Indian Ocean. It's not a closed lake. It's not a sea dominated by one particular nation. But also, it has a continent to deal with. And in the modern era, has a land border with China, this century's rising power. So, for India, issues are not just maritime, they are land and geographically based. And other countries, including Australia from time to time, need to take stock and understand that whilst Australia, for example, might have a view about China as a result of being a trading partner of China and having maritime interests, India has geographic and land-based interests as a consequence of a shared border. And whilst the 1960 border dispute with China had very significant ramifications in very many respects and Shivshankar makes this point in the book, the more recent border dispute between China and India has had a profound impact on the way in which India potentially sees China and its relationship with China.

I think the first lesson in the book is how does India see itself? But then what does India see? And we need to look a bit further West, but secondly, understand that the sub-continent brings with it more than just maritime it brings land and geography. The central thesis, which I absolutely agree is, the considerations in Shivshankar's book lead him to the conclusion that India must engage. And this has been the basis of my view since I was a student. The first speech I made as Australia's foreign minister back in 2007 was that Australia had to look West and engaged with India because India, in my view is a great power on the rise largely driven by its economic potential and economic projections. But also because of the trappings in which it has – secular, a democracy and a country that historically has been interested in its region. So, Indian engagement in Asia broadly expressed, is essential. And we can only encourage India in that respect.

The last two or three chapters of the book deal with a rising China and India's relationship with China and the world's relationship with China. And what we're seeing in recent years and the India-China border dispute is but one example, Hong Kong is another, Xingjian and Uyghurs is another, economic coercion efforts against Australia is another. So, we're now dealing with a fundamentally changed China, a much more assertive and aggressive China. Which puts the primacy of the Communist Party of China at the fore. And so, until we saw such a change in China, the world was not quite as complicated as it seems to be today. The United States had been a force of peace and security and prosperity in our region, the Asia Pacific, or the Indo-Pacific as Australia now calls it. Since the end of

World War II, the Cold War between the Soviet Union and the United States had some economic impact in India's part of the world, but no economic impact in Australia's part of the world, because unlike the relationship with China, the Soviet Union had next to no economic relationship with any external country. The complication with China, and I don't refer to the relationship between China and the United States as a Cold War, but a small "c" a small "w" cold war with economic characteristics, because there are nearly 200 countries whose largest trading partner is China. So, how do we grapple with a rising great power who's changed its attitude in the last three or four years? How do we balance that? How do we deal with that? And these are the challenges that Shivshankar puts forward in his book. He correctly identifies in my view that the world we're moving into is what I describe as a multipolar world. That there's going to be more than one influence more than the United States, more than India, more than China, Indonesia and ASEAN (Association of Southeast Asian Nations) will play important roles, just as Japan, Korea and Australia will. So, our part of the world will be a multipolar world. But the challenge will be, how do we ensure that as we move forward? We can ensure that competition and contest doesn't deteriorate, that misjudgment or miscalculation doesn't cause a significant problem and we can continue to work towards a prosperous region and prosperity for our citizens.

I think a very important point made in Shivshankar's book when he talks about India's engagement with Asia, is that it shines a spotlight on the absolute essential need for there to be engagement with Southeast Asia, with ASEAN and in an Australian articulation of the absolutely essential need for engagement with Indonesia and ASEAN. In very many respects, you can mount the argument with ASEAN does that as power shifts from the North and the East to the South and West, that Oceania or Southeast Asia is at the fulcrum of that chain, and the pivot point, if you like, between Indian Ocean and the Pacific. And engagement with Oceania is important. I regard the East Asia Summit (EAS) as the piece of regional architecture that provides opportunities where all of the key players were in the room at the same time. And Shivshankar makes the same point. And also, and this may well be a subject of conversation, makes the point that the Quad isn't and can't be the only piece of architecture the people rely upon to either identify what the issues or problems are or to address solutions.

To me, for an Australian who's interested in Asia, Shivshankar's contribution is a very substantial one. It's certainly a book which all foreign policy practitioners should read and it's a book which very many of us should reread particular chapters because there are lots of nuances in it, and lots of identification of challenges, but also identification of solutions. So, Shivshankar, congratulations on the output. It's a terrific contribution. And given the challenging times we are going through, it should be required reading for not just senior practitioners in India's Ministry of External Affairs, but for all of the Indo-Pacific foreign policy practitioners. Thank you.

**Constantino Xavie**: Thank you Professor Smith. I think you've set a pretty crowded stage with a lot of concepts and issues we will certainly come back to. So, thanks for that. But, without further ado, Ambassador Kausikan, over to you.

**Bilahari Kausikan**: Thanks, Constantino. Well, let me begin by joining Mr. Mohan and Mr. Smith in expressing my sorrow what's happening in India in the last couple of weeks. And I think many Singaporeans had the same reaction. How could this happen? Why is it happening?

Anyway, not to dwell on that, it's truly an honor and pleasure to be asked to help launch Shivshankar's brilliant new book. And I praise his book, not just because he's a good friend or just because he writes lucidly and perceptively, that goes without saying, of course he does. And the last few chapters in particular, the second half of the book, and the second half of the second half in particular are probably the most succinct and perceptive analysis of the current situation and how we got here I have come

across. And it can be with great benefit, even if you are not particularly focused on Indian foreign policy, as an analysis of the general geopolitical situation. And reading his book made me conscious of how much I have benefited from his conversation over the years.

Well, reading the book and seeing India and the way he presents it, seeing India in the context of broad geopolitical trends, also helped me crystallize something that has been swirling around in my head in a rather incoherent manner for some time. And I am going to test this idea out on you, and of course, Shivshankar, don't worry, I want everybody to know you are in no way responsible for the abuse or use I am going to make of your ideas.

Now, what is this thing that's been swirling around in my head for some time? Well, I have been sometimes quite puzzled about how to characterize India's role in Asia. It's not obvious when you think about it. To merely say that India is an important Asian country, seems to me rather trite. Trite because, it's obviously important. How can such a vast country be not important? And to describe it as merely important seems somehow incomplete. The description begs something essential, but what exactly that essential thing is, is a bit harder to pin down, at least to me. Furthermore, while I think no one will deny that India is important, the hard reality is that India has at the same time consistently disappointed those who have regarded it as important, including I dare say many Indians themselves.

So, how can a country be so consistently important and so consistently disappointing? The usual answers that India is internally distracted, India lacks enough military capability or economic capability, Indian politics prevents swift action and the other countries do not understand India or the other countries' expectations of India are often unrealistic and so on. You know, all these arguments, do not seem to me to be adequate. I mean, they're not untrue. Unfortunately, they're all in some degree true. And we can debate the degree to which they are true and which is more important and so on. But if this is all true to some degree, then why consider India important? And yet we do. I don't think we are all just masochists, who enjoy being constantly disappointed.

Attitudes towards India are actually often contradictory. So, many things often contradictory but India also, and particularly in Southeast Asia. The Institute of Southeast Asian Studies, which some of you may know, ISEAS for short, in Singapore, has since 2019 published annual surveys of the attitudes of ASEAN elites. And by elites, they mean policymakers, journalists, academics, and other opinion shapers in all the 10 members of ASEAN, on what their attitudes are towards various issues and towards a different dialogue partners, including India.

Now we shouldn't take any opinion survey too seriously, and I don't, but they are at least indicative. So, let me briefly cite some of the results of the last 2021 ISEAS survey, which illustrates very clearly the contradictions of how India is perceived in Southeast Asia. Now, the participants were asked if they were confident if India will do the right thing to contribute to global peace, security, prosperity, and governance. But only just under 20%, 19.8% to be exactacross all the 10 ASEAN members express confidence that India will do the right thing. If it's any consolation, only 16.5% thought China would do the right thing. But at the same time across all the 10 ASEAN members, a very respectable 37.3% regarded India as a responsible stakeholder. The respects of both champions international law, rules and so on. So, there's a contradiction. On the one hand, under 20%, think India will do the right thing for global governance, regional governance, but 37% think it's a responsible stakeholder. And even more starkly, although 37% thing is a responsible stakeholder, only 6.6% said they will turn to India to pitch against uncertainties of US-China strategic rivalry. Full of contradictions.

And these contradictions, the disparities are even starker if you break down individual countries. So, I'll just give you one example from Singapore. Of those surveyed in Singapore, a popping 75% thought

of India is a responsible stakeholder, 75%. But only just over 10.2% to be exact we're confident about India doing the right thing. And only 5.1% would turn to India to hedge against US-China rivalry. Again, massive contradictions.

Okay, I'll give you one more example, just shortly. In Cambodia, 15.2% thought India will do the right thing. But nobody, 0% thought India was a responsible stakeholder. Yet 15.4% of Cambodians will turn to India to hedge against US-China rivalry. Clearly thinking about India and Southeast Asia is something of a muddle. And similar muddles can in various degrees be seen across all ASEAN members where they are surveyed about India.

And it's too simple to my mind to dismiss all this as ignorance about India. Although, I think ignorance is certainly some part of the answer. Ignorance and prejudice is some part of the answer. But the thing that came to my mind, the answer that came to my mind, or at least an answer that came to my mind somewhere midway through reading Shivshankar's book, it came to me because the book is very successful in what Shivshankar defined as one of his aims and which I quote him "To see India as part of historical shifts in India and world geo politics, putting India in context." And it occurred to me and I said, "Shivshankar, you're not to be blamed for this thing that comes to my mind, India exemplifies what might possibly be called existential geopolitics." I'm not referring to existentialism as the kind of philosophical concept associated with Jean-Paul Sartre and his likes. Although there's perhaps a tad of that in India's self-image, or at least maybe some Indians have of India. I'm using the term, more, as it is used in logic referring to some proposition. That is to say, to affirm the existence of a thing.

There are some countries that by their very big, have a geopolitical significance. And their geopolitical significance endures irrespective of whether their foreign policies are proactive or passive as India has been both, regardless of where the particular policies succeed and fail, in India, some of these policies have succeeded and some have failed and even regardless of whether these countries are well-governed or ill-governed. And it occurred to me, this is almost a perfect description of all the contradictions that come to your mind when you think of India's place in Asian geopolitics.

And this is a thought that perhaps occurs more readily to a small country like Singapore, because small countries are intrinsically irrelevant in the world. For us, relevance is an artifact to be created and maintained by human endeavor. Whereas big countries, can and usually do take their relevance for granted for the simple reason that they are indeed always in some way relevant.

Now, India's relevance today is underscored by the new concept of the Indo-Pacific and in the existence of the Quad. And despite the lack of confidence or the muddle about India in ASEAN, India is nevertheless an ASEAN dialogue partner, a member of the East Asian Summit, the ASEAN Defense Minister's Plus meeting and the ASEAN Regional Forum. And to my mind, it is unthinkable that should ASEAN create some new forum in the future, it's unthinkable that any member would seriously oppose India's participation. Some may grumble a bit, but no one would seriously oppose it. No ASEAN member, I mean. And this was not the case in the early nineties, it was not the case in 1995 when India became a full dialogue partner or the following year when India joined the RAF, I was there and I can testify to that. There were some serious objections from some ASEAN members.

The change of attitude towards India and I should just add, there is a parallel change of attitude towards the US among some ASEAN members, was also due to India's Look East or Act East or even glance east policies, as it was due to Chinese policy. India's existential geopolitical status will certainly be enhanced by another of the trends that Shivshankar pointed out in his book. That is, the natural multipolarity of Asia, which Mr. Smith also referred to. Natural multipolarity is my very brief and

inadequate summary of Shivshankar's much more nuanced and sophisticated analysis with which I entirely agree.

The very existence of India together with other Asian powers, such as Japan, the Korea's, North and South, Vietnam, Indonesia, and Australia. And some of these countries don't forget, Japan, Korea, Vietnam, their core national identities rest on the foundation of not being China and not accepting the Chinese world order, despite having internalized many aspects of Chinese culture, and this is a check on Chinese ambitions. The very existence of these countries, India is certainly a big chunk of this.

But the question for the future is whether given the other trends that you have analyzed Shivshankar, given these other trends that you have so penetratingly analyzed, which I think amount to a qualitative change in the strategic environment for all of us, is it sufficient for India to as it were, continue to lie back at ease on the couch of its existential geopolitical relevance in a way to further enhance India's relevance? And if not, what is to be done?

I think I've already spoken for too long and I want to leave as much time as possible for questions. So, I'll leave the answers to these questions to our discussion on India. Congratulations Shivshankar for your brilliant new book. And thank you all for listening to me.

**Constantino Xavie**r: Thank you Ambassador Kausikan again, on that question of lying back on the couch and relaxing or not, and what to do. Ambassador Menon, maybe over to you to make a respond to both discussants and...?

**Shivshankar Menon**: Very briefly, I have to start where Ambassador Kausikan left off. The whole point of the book is to say, we can't lie back on the couch and just relax. We might've done so in the past. And frankly, if you look at the history of our economic engagement with Southeast Asia and nation integration, we missed several buses, from 1956 onwards, and certainly that first wave of industrialization and of building global supply chains in the eighties, late seventies, early eighties. My worry is that the impact of COVID, a slowing world economy, domestic economic difficulties is actually leading us to, as you said, lie back on the couch, when actually we should be doing much more out there with our neighbors, with Southeast Asia, with Australia, with Japan, with all the others, actually. Because, I'm a bit nervous of using the word multi-polar because multi-polar has a certain very restrictive sense, at least in our theory and so on.

But Asia does have several pools all operating at the same time. But it's between others as I see today. There's a lack of institutions, there's a lack of actually even consultation on the Asian situation, on things that really matter. Like maritime security, like the arms race that we see around us. And for me, we can't just lie back and relax about this. There is a new economic architecture that's in the process of being built. And I think RCEP and so on is a sign of that, the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership). And India is the only major economy which is not part of any of the regional trading blocks. And I find this quite surprising, frankly. I also think it's dangerous from an Indian point of view on the longer term. And that's really why I thought this book is worth putting out there, at least to start a discussion of these issues, firstly in India, but also so that our friends can participate in this discussion. Because it's not as though all wisdom on this is in any one place. As Stephen said rightly, we each see things differently depending on where we are. But once we start appreciating how other people see issues, the same issues, I think we have a much better hope of actually coming out with a good outcome at the end of it, than if we just insisted on our own point of view and what we see. And that's really what I hope the book will do.

What I found a bit frightening though, was that the three of us agree so much.

Bilahari Kausikan: We've known each other for quite a long time. Right? [Laughs]

## [Laughter]

**Shivshankar Menon**: But that worries me because I don't want a groupthink to take over here. But maybe the questions and answers will solve that.

**Constantino Xavie**: Well, I'll try my best Ambassador Menon. And I'll try with one big question, which is, you know, early on the book you say, "India is not an Island, it's an interdependent part of Asia. It's been always most successful when connected to Asia." You describe an Asia today that is physically tied together by infrastructure, trade, investment. And I was just thinking about this and saying, is India really part of Asia? I mean, is India really connected to Asia? Can you be connected to Asia without being part of our RCEP? Can you be part of Asia if your trade volume with Southeast Asia and the ASEAN countries is what, not even reaching a hundred billion after 10 years of an FTA (free trade agreement) and China's trading what 700 billion with ASEAN? So, just the fundamental question is India, really an Asian country, maybe geo-politically or geo-economically?

**Shivshankar Menon**: My answer to that is institutionally, no. And that's part of the weakness. But in practice, if you look at it, what happens in Asia affects us every which way. Our energy security depends on West Asia. 38% of our foreign trade goes through the South China Sea. So, what happened in the South China Sea affects you. This hundred billion that you talk of, it might look small compared to what China does, but look at how important it is to India. Look at how critical it is for India itself. I mean, almost half our GDP is today, the external sector. And there is no way that either our security or our prosperity is not linked to what happens in Asia today. And it's more linked today than it was 30 years ago than it was 70 years ago, when we had a very complicated inheritance by the way. But luckily, we've put that behind us. And when you look at it today, we have the potential to actually get in much more involved in these issues.

Now, these things are going to keep affecting you. Your choices, do you want to have a say in how they are shaped going forward? Do you want to be at the table when new norms are negotiated? Do you want to be part of the conversation? Or do you just want to be an object of other people's policies? And that's my point here. When I say go out and engage, yes, institutionalization is very weak, not just with Asia, even within the subcontinent, institutionalization is weak. So, go out and do something about it. So, that's why I think it's time to be activists rather than to lie back on the couch as Bilahari puts it so well.

**Constantino Xavie**: I'll try again. On the issue of what you described, rightly, you use shy away, I think in most of your books from multipolarity, but you speak about an Asia that used to have, and I quote, "Parallel multi verses. So, parallel sort of autonomous orders, regional orders, trading and exchanging people, goods and ideas, but at the same time disconnected in terms of security and internal order. Sort of a two-level Asia. One which you're trading goods and ideas, but at the same time, you're not doing security internal order issues." And you sort of suggest this was a good order. Is that really possible today? I mean, talking about 5G, telecommunications, trade and security aspects of that?

**Shivshankar Menon**: That's my point that, that might've been the historical pattern. So, when people say we're reverting to this through our historical tide, I think they're wrong actually. We can't go back. Globalization, technology has actually made it impossible. Missile ranges for one thing have made this one battle space. You mentioned other technologies, communication technologies.

Boundaries today are increasingly porous, whether we like it or not. And ideas, all that would keep flowing. But today we are a part of each other's political and security calculus. I mean, when you have

the world's largest boundary dispute with China, you can't say you're not part of each other's calculus anymore. You can't go back to pre-1950 when China wasn't into that. So, for me therefore, that's the big change and that's what globalization has in a sense done to you. But I don't think we've quite absorbed that. So, we're not going back to multi verses.

We might be going back to an attempt to create separate orders in some domains. I mean, in the Internet, Chinese are trying to create their own Internet and separate from what the West and the US have. And certainly, that kind of thing will happen. But ultimately, I don't think you can today disconnect your politics, your security from each other. And that's, I think the big change today and it's time that we realized that and therefore went out and shaped that environment and the rules that applied.

Constantino Xavier: Alright.

Bilahari Kausikan: Can I say something concerning...?

Constantino Xavier: Yes. Ambassador Kausikan, over to you.

**Bilahari Kausikan**: To supplement what Shivshankar just said. It's quite clear that the big geopolitical fact is China's emergence and its rivalry with us. But I have been constantly upset by the trope of the new "Cold War". This is fundamentally different from the Cold War between the US and the Soviet Union.

Why? Because the US and the Soviet Union, in principle, at least led two different systems, and the competition was to see which system would prevail. Now, China and the US are part of one system. In fact, they both together collectively make up the largest part of that system. And their competition is within one system and the other parts of the system are linked by supply chains of a density, of a complexity, of a scope that have been never before seen in the world economy.

Soviet Union and the US they were two systems, touched each other, only peripherally. Their main common interest was not to kill each other and the rest of us. But the links between the Chinese and the Americans are much more profound and that makes them uncomfortable. And it's a fundamentally different kind of competition. So, you can't opt out. Even to be non-aligned has a different meaning in this new context.

When India decided to leave the RCEP, I was disappointed, but I wasn't particularly surprised, because it was coming. I mean, India in the last six, seven, eight years, whatever was on the reform agenda, trade liberalization, certainly wasn't there. But what disturbed me a bit more than just India leaving was that there seemed to be so little discussion in India, apart from a small stratum of people - all of which seem to know, because we all think alike – whether this was a good thing or a bad thing, the people just seem to have taken it for granted, "Okay. Too bad." And actually, it is a big gap in India's engagement of the region. Because in this region, it is increasingly clear India is part of this whole system. Trade is strategy. If you don't have a trade strategy, you don't have a strategy, or you have a big hole in your strategy.

Constantino Xavier: Yes. Professor Smith, ...

**Stephen Smith**: Ambassador Shivshankar, just a couple of remarks. Firstly, when India recently had a drop in its GDP, as a result, firstly haing moved to the GST and the constraints on the cash economy, one of the things I asked economic analysts was, do you see this as having any long-term impact on India's trajectory to be the second or third largest economy by 2040 to 2050? And everyone I spoke to whose expertise is in that area said, "No. This is just a little clip. It's not going to have any adverse

impact on where India ends up." And I've asked the same question over the last 12 months, any adverse consequences that we see for India's economy as a result of COVID, will this affect any of our long-term trajectories? And the answer is the same as in, India is on an inexorable rise to be the second or third largest economy. First point.

Second point, it's got a better age demographic than China. And age demography these days gives you a considerable advantage. And so, not only is it incumbent upon India to engage in the way in which Shivshankar has argued in his book, it's absolutely essential for the rest of us. Indeed, Australia change its description of our part of the world to the "Indo-Pacific" to reflect what we saw was the economic rise of, in particular India, but also Indonesia, which on those same projections will be the fourth largest economy by the time we get to 2050. And that fundamentally shifts the economic and geostrategic equilibrium. Now, you can have all of the reservations in the world you like, countries fail, countries don't reach their potential, et cetera, but that's the best analysis that we have.

And so, to come to your question originally to Shivshankar, is India part of Asia? And so, of course it is, absolutely. Both of us in different guises have put the British behind us. In your case, the Raj, in our case, our colonial masters. That doesn't mean we don't have a very good relationship with them. On the contrary, and by the way, the UK, Britain, just like everyone else these days, actually has an Indo-Pacific strategy because they actually recognized that the way in which rising economies, not just China, but India in particular, are changing the way in which we need to view the world. So, not only a part of Asia, but the fundamentally important part of Asia, and it's essential for the rest of us that if India is not on the couch, but active and engaged.

Secondly, on the institutional points, it is in a sense an adversity that the United States is not in the TPP (Trans-Pacific Partnership), India is not in APEC (Asia-Pacific Economic Cooperation) and India is not in RCEP. So, Australia's policy for some time has being, "We need to get India into APEC." We've argued to the Biden administration they've got to find a way to get back into the TPP. And I'm in a minority of one here in Australia. Shivshankar, I regard India's failure to be an asset as ultimately not a change of heart or change your mind from India or a mistake from India, I actually regard it as a failure of ASEAN and Australian diplomacy that when we saw that turn, we weren't agile enough to say, "We're not going to let you do that. We're not going to sign up. We're going to find a pathway for India to be in RCEP. And so, as I say, I'm in a minority of one here. But however, we do it, we need to get India into RCEP, the United States into the TPP, India into APEC, and have that, as a Shivshankar puts it, that institutional engagement, which reflects the reality that India's economy unambiguously puts it heart and center.

In terms of India's relationship with China and the point that I've both made and Bilahari's made, which is just completely different from the Cold War between the US and the Soviet Union, because there was next to no economic engagement. Now, we're trying to grapple with a changed China, a contest/competition between the US and China, which sets the scene currently for the rest of us, but we're all economically entangled from the United States down. So, how do we manage that?

And the historic point, I think very important to bear in mind, is that, everyone looks at Australia and say, "If you're so engaged economically with China, that, how can you do what you're doing with the Quad or whatever?" China became Australia's largest trading partner in 2009, less than a decade ago. And the depths of our Japanese economic relationship are massively underappreciated. And the point Shivshankar made tonight, makes in his book, India did not share a border and had no security relationship at all with China until the 1950's when China took over Tibet, and India shared for the first time, a border with China, which changed the complexion of a relationship which had gone on for centuries, which was about trade and people to people exchanges. But when you share a border that

change into a qualitatively different potential relationship. And China's most recent change in the last half a dozen years has really crystallized that. And in my view, is one of the reasons why India is now being much more forward-leaning on the Quad, much more forward leaning on the notion of the Indo-Pacific. Now, the notion of the Indo-Pacific is used by different people to achieve different objectives. But from Australia's perspective, one of the reasons we adopted the notion of the Indo-Pacific was to cause us to say, "We have to do more with India strategically and economically, and we need to do more with Indonesia strategically and economically."

So, the fact that Shivshankar writes his book and simply saying, India also needs to do more with Indonesia, with ASEAN, with Japan, with Australia, et cetera, we're all singing from the same song sheet with slightly different nuances. And so, it would be anywhere from devastating to perilous for the rest of us, if India was to remain on the couch. But I interpret what India is doing as different from that. It's more forward-leaning. It might be forward-leaning in some ways, in which not everyone in India agrees with, that would be no surprise, but at least it's forward-leaning, and that will only grow.

**Constantino Xavier**: Thank you Professor Smith. I'm going to push a bit because I think we need more than a forward-leaning India on the couch. Right? And I think, Ambassador Kausikan's quotes from the survey that we see year after year in the ASEAN surface about India as a geo-economic actor about a country that can shape the geo-economic order in Asia, which is the only strategic order. It's not one about military and security issues that India is disappointing on that. But Ambassador Menon, Srabani Roychaudhry asks us. She says, "India continues to puzzle. We negotiate RCEP for years, and then we drop out of it. So, we are worse than staying on the couch. We indicate and come out and negotiate and then when push comes to shove, we're back on the couch and disappointing many of the countries that rely on a stronger economically integrated India." With Southeast Asia, with East Asia, with Australia, we've had years and years of FTA discussions and nothing progressing on ASEAN. We've now revising FTA's that have been signed 10 years ago?

**Shivshankar Menon**: I have no quarrel with what you are saying, I agree with you. But I'm as mystified actually by that process, because we had eight years to negotiate the terms on which we would then adjust over 20 years, to a fully-fledged RCEP, to all the obligations. So, for me, the worrying part was that by walking away, we were in effect saying that we don't even expect to be competitive for 20 years. And we actually accept that. For me, that's the worrying part about walking away from RCEP. And it's not as though, since then, it's been a while, okay, it's been unusual times with COVID and so on, but it's not as though, since then, we've seen an alternate strategy to actually get out and compensate for not being part of these arrangements. We are not even in simple things, trade facilitation. I mean, there's simple stuff to be done here to make life easier for those who trade, who do business.

Constantino Xavier: And why is that Ambassador Menon? Why has India not performed?

**Shivshankar Menon**: Now, this is where frankly, I think part of it is because we've stopped arguing about these things among ourselves. Maybe we've been preoccupied for the last year or so. We all have other things to worry about. But I think we need a much healthier debate in India on these issues. I know people have tried to start one. I mean, Arvind Subramanian has been writing about export, and the role of exports in our economy and so on. But it hasn't quite come together in a national discussion of where do we think we should be in this rising Asia as Rakesh calls it and where we need to position ourselves?

So, maybe we're setting an agenda for ourselves for the future here, it seems to me. Because, this is something that we really need to look at. And it's more than just connectivity or just economic

relationships, but it's also about the nature of our own economy. And I think that whole continuum, actually, needs to be discussed together. This is when actually one misses the old Planning Commission. I know it's a terrible Soviet thing to say, but that's not what the Planning Commission used to do. It used to provide a place where you could argue and where you could at least agree on the facts of the data and then see where you could go. Now, maybe you don't need the word "Planning" in the name, but I think somehow, we need to create a forum like that again. Because for me, the worrying part is that, that's why I said this closing of the mind as it were. That's what really worries me.

**Constantino Xavier**: I'll come back to the closing of the mind, but Ambassador Kausikan, from your vantage point in Singapore. At least my impression is that a lot of Southeast Asians these days want more of an India but don't see India showing up where it really matters. And where it really matters is economic integration, connectivity, ease of investments for Singaporean companies coming here. Maybe I'm biased sitting here in Delhi where things always look very negative, but I constantly hear echoes of greater and greater disappointment coming back to your opening theme. How do you convince your co-citizens that beyond being a big economy, India is also an economy that will matter to Singapore giving it alternatives, options, and shape the order in Asia beyond depending too much on China?

**Bilahari Kausikan**: Look, on this particular point on Singapore, I think there is a certain degree of responsibility on both sides. Our free trade agreement with India became an object of our domestic politics, and that didn't help. I think that phase is passed because the reason it became an object about domestic politics is no longer a valid reason. But I think there's one more thing that's on our side. We Singaporeans are actually a very parochial people. Wherever we go, we expect to find Singapore. And when we go to India and we don't find Singapore, somehow, we get very surprised and sometimes disappointed. Which always bewilders me. Okay. So, there is some responsibility there. Our big companies, I don't think there's a problem. They know what to do here and there. The real problem for us, and that's where the room for growth is, is our small and medium sized companies. And they are too comfortable. They go to India and we get bewildered. India is complicated. There's no doubt about it. But they give up too quickly because there are also other opportunities elsewhere. India is a big market. Yes, but China is a big market. Indonesia is a big market. They are complicated, but it's a more familiar complication to them.

So, I think we haven't given up on India because we can't. India is there. We can't just give up. You can't just ignore 1.4 billion people. Right? And to put things in perspective, as I said, 1980s were kind of a lost decade between India and ASEAN for a whole host of reasons, which are no longer valid. We were kind of like on slightly different sides of the main geopolitical issues of those times, but that has gone. And Singapore played the major role in bringing India back into ASEAN's fold, and we don't regret it at all. But there was a lot of resistance that time. But when we decided to have India in say the EAS right, which is a thing as Mr. Smith said, is the most important forum of all the ASEAN forums, there was no discussion. There was more debate about whether to bring the US and Russia in for a variety of reasons, which we need not get into now. So, there is a recognition, but we find it very difficult to put that recognition into a tangible form.

Look, there are two major powers that are contiguous in Southeast Asia. One is China, of course, but the other is India, people forget. We don't forget. But how do you operationalize it? There are things that India is planning to do that can be very important. The East-West highway that you are planning across Myanmar across Thailand, that can be a game changer, because all the axes now are North and South. And you need something as for geopolitical, as well as commercial and other reasons to balance it,

Constantino Xavier: Which is being built for 17 years, Ambassador Kausikan. It's still already...

**Bilahari Kausikan**: It's been discussed for 17 years, but finally, I think something is beginning to happen. No, there are good reasons for that because it goes through parts of India that are very complicated, where there are insurgencies. It's not that you just decided to delay. I understand that.

But my point is that the things have changed. The things that Shivshankar has described in his book. The pace of change is accelerating and these changes or quantity become changes of quality. So, there needs to be a new approach, not just from India, from us too. For a variety of reasons, I don't think my own country is adapting fast enough to some of these changes. But it's not about Singapore, it is about India.

So, I think Southeast Asia would welcome India. And it's not you're doing nothing. You are revitalizing your old relationship with Vietnam. And I think that's quite important. You are sending occasional patrols at least, into the South China Sea. You have the Malibar exercises. And every other year, I think is it, you go through Southeast Asia to the Western Pacific and exercise there. These are important things. They're not very dramatic things, but they're important. But the missing piece is still the economic piece, the trade piece. That's a very important missing piece.

Stephen Smith: Constantino, I think very quickly.

**Constantino Xavier**: Yes. I'll come to you Ambassador Smith, and you can address whatever you wish. But one question I think you'd be particularly qualified to address is, to what extent the Quadrilateral has been productive or counterproductive to complete the task Ambassador Menon really calls us to do here, which is managing the rights of China? Has it instigated even greater security anxiety in China and therefore locked us in into security dilemma, and therefore we should just get rid of the Americans, which are the source of all troubles in Asia and Australia, which is playing a junior partner. I mean, all those narratives I'm sure you're very familiar with? Or is the Quad the beginning of that complex multiverse architecture that is going to manage China and bring China to greater reason?

**Stephen Smith**: Well, the reason we've seen the second and more productive incarnation of the Quad is because China's changed, and as a consequence Japan's, India's and Australia's attitude to China has changed. That's the first point. Second point, the Quad will be useful, but it's not going to be the thing which solves all of our problems. And if we're not careful, the Quad can also be misleading. If it was a quintuplet and included Indonesia, then it might be much more reflective of the world, as we know it, the region as we know it, and be much better placed to be seeking to manage or balance China's activities.

So, the Quad is driven by a strategic insecurity response to a changed China. And just to follow up on the economic point, from Bilahari, we've got to make sure in the case of India, as it applies to Australia and others, that now the economic engagement catches up.

When I was minister, it was very difficult to persuade Australian industry to try their hand in India. It was also difficult to get Indian commerce and industry to be interested in Australia. And there was not much of a strategic or security dialogue either because we were then dealing with the China we described as the responsible stakeholder or operating on the basis of the Deng Xiaoping consensus. That's all changed. What we now need to do is to make sure that the India-Australia relationship is not just a strategic and security one, but economic. Yes. We just need to be careful about the cargo cult mentality, which can come from saying, "We've got to have a free trade agreement between India and China."

Our good friend, Peter Varghese did an extensive economic study on the Indian economy for the benefit of Australian industry. And our good friend of O'Neill looks at the reciprocal. And so, we've got two road maps for Australian and Indian industry about the things that are complementary about our economies. And I've been disappointed in the way in which the Australian government has not done more to enjoin Australian industry to take up those opportunities, which Peter and O'Neill have articulated. And so, it can take forever to sign up on a free trade agreement, but it actually doesn't take much to try and jointly implement at government and industry level, a pathway and a roadmap that is formed or there, on the basis of two extensive studies into the complementarity of the Australia and the Indian economy.

So, the Quad is not going to be the magic solution to how the rest of the world deals with China. You can't contain a country of 1.4 billion people, whether that's China or India, you've got to work out how do you manage efforts by such a country, by China, to try and have everything on its own terms without engaging in a sensible conversation and dialogue with partners.

**Constantino Xavier**: Thank you, Professor. I'm actually glad the discussion got biased into the economic direction because this is really one of the research agendas at CSEP, and Dr. Mohan will be glad to see this, and it with the Asian orientation. And I hear your call Ambassador Menon on sort of that research agenda shaping up. But we have another 10 minutes before coming to Dr. Mohan to close this down. maybe 10-12 minutes. And I'd ask you each to be quite brief, to bring in a lot of good rapid-fire questions here from our participants. All very good questions, I think, and let's try to cover as much ground as possible. Ambassador Menon, coming back to you, and "The closing of the mind." Susanne Kamerling, from Leiden University works with the EU also asked, "What is this closing for the mind? What is driving it? And how's it affecting India's foreign policy?"

**Shivshankar Menon**: I think it's driven by domestic politics. And it's also driven by the fact that the external environment is much harsher than it was before that there aren't easy gains to be had, no low hanging fruit, and therefore it's much easier to turn inwards. And it's not only India. I mean, you see this everywhere. You see the Chinese speaking of self-reliance, and dual circulation economy. You see the US also, saying, how their priority is their own middle class, and then the rest of the world and how that affects them.

So, I think you see this turning inward actually happening everywhere, which makes international cooperation, of course, multilateral system is as good as dead. But more than that, it makes international cooperation in the handling of the crisis that we have much more difficult.

**Constantino Xavier**: Two questions coming in for two speakers from Nicola Reindorp, I think based in Europe. And Ambassador Menon, this is I think mostly for you. Also, from, I think someone at the Jana Ncube at Crisis Action. Both asking about the role of democracy, human rights in India, sort of nomative power, in particular, how this is shaping or not India's response to the Myanmar crisis? Now, is the closing of the mind also translating into a more illiberal India, its foreign policy? Is all this talk about norms, liberal values, shared values with the Americans, Europeans and other democracies, just talk or is there something more to it and can we expect India to play a more important role in particular in Myanmar?

**Shivshankar Menon**: I think, as a general proposition, I think we had a much clearer idea in the 1950s and '60s, when we participated very actively in drafting the human rights conventions and so on. We had a much clearer idea of the kind of rules-based international order and the application of universal norms in the political, social, economic space internationally than we do today. In a sense, and that I think is part of the problem of how we conceptualize Indian foreign policy today.

In the case of Myanmar itself, we've seen that shift towards a much more realist policy over time. But what it has meant is that today, if you look at what ASEAN is saying, what India is saying, those of us who are next to Myanmar, who actually live with the day to day consequences of what's happening there, are saying much the same thing. Yes, democracy is our goal. But in the process, we don't want to create in the process of seeking democracy, we think there are more immediate issues that we need to solve today and we don't want to see the collapse of Myanmar as a result. This is a country with multiple ethnic insurgencies, which has been fractured over time, where there are internal fractures, which frankly, none of us outside is ever going to solve. This is something the Myanmarese have to solve for themselves. What we can do is to hold the ring, encourage them and try and see that the consequences of this, both for Myanmar and for us, are limited. So, I don't think there's a contradiction in the Myanmar case right now, between our norms and our adherence to democracy and so on and what we are trying to do in practice, because I see both these as necessary. But unless you can address the issues in Myanmar, the fractures and so on, and ASEAN is really best placed to do this. The last time around it was Indonesia's example that really did the trick. But unless you can address those, to talk of the democracy and might make you feel good to apply sanctions and grandstand, and that looks good, maybe at home in some countries, but it's not going to produce the outcome that you really want on the ground. Bilahari will have more to say about this though.

**Constantino Xavier**: We'll come to him in a second. Two more quick questions for you Ambassador Menon, since you have brought this here with your book. One is from Arushi Gupta. She asks something that resonates with your book, actually, I think in some parts of your book, you mentioned that India may have become too close to the US over the last few years.

### Shivshankar Menon: Do I?

**Constantino Xavier**: In some ways, yes, but there is a risk or there are voices, and there's a risk of relying too much on the US, and therefore, instigating more reaction from China. Though, you also explained that the strategic contention between US and China would have expected China to become more reasonable tactically with India, and it didn't. Right?

**Shivshankar Menon**: I wouldn't ever say that we should worry about what we do with the US and how the Chinese feel about it. I don't see why we would hand the Chinese a veto on what we do with the US or hand the US veto on what we do with China. So, I hope the book doesn't give that impression because that certainly is not my intent.

**Constantino Xavier**: Got it. So, Arushi Gupta asks "To what extent can India, or should India be concerned about becoming a proxy ground in the US-China contention and competency?"

**Shivshankar Menon**: They'll try, but come on. I mean, you're talking about India here. Let's be serious. We're not some minor client state that's going to be dragged around by other people's contention, unless you allow it to happen. And that could happen conceivably, theoretically, but I'd be amazed. I mean, I don't see that at all. And frankly, that's not geopolitics. For me, this idea that, "Oh, if I talk to the Americans, the Chinese will get annoyed and therefore I mustn't talk." This is not the way to run policy, not for any self-respecting country, which has its own interests to pursue. I think we should stop thinking of geopolitics in those terms. There's more to geopolitics than that. And the way I define geopolitics in the book is the long-term drivers that drives state decisions. So, geography, history, resource endowment, demography, things like that.

**Constantino Xavier**: And finally, can you have a cosmopolitan foreign policy, a Nehruvian, like you described one Asia, open connected foreign policy philosophy, but be conservative, radical, ultranationalists at home? And to what extent is there a bridge then? I speak as you suggest particularly in

your very gloomy Afterword that India's foreign policies has become reactionary, politicized, negative, or at least it sounds a little scary. But I keep hearing Prime Minister Modi and I hear a lot of Nehru. I mean, Vishwaguru maybe a native for...?

**Shivshankar Menon**: You can try to do what you said, claim to be an open Asia, et cetera, visionary of peace while you're restrictive and authoritative at home. You can try and do it, but it doesn't work. And you see the results today in our relationships with our immediate neighbours and the troubles that we're having with them. Because they see the contradiction and they respond to it. So, you can do it, theoretically, yes, you could try it. But I think every time it's been tried, it's failed.

**Constantino Xavier**: Thank you Ambassador Menon. Ambassador Kausikan, Myanmar in particular, I think one specific question for you. "And what could India do more to support the incipient ASEAN way shaping up over the last few days to solve the crisis in India's neighborhood?"

**Bilahari Kausikan**: The hot fact is, there is not very much anybody can do at this stage to influence the Tatmadaw. Many things that some countries are advocating that ASEAN do or India do, or somebody else do, more meant to make themselves feel good about themselves than do any good. I mean, we had a summit last weekend. I'm not saying it's a perfect summit, but the outcome was not a bad one in terms of the start of a process. And I emphasize that, "The start of a process" a very long and fraught process. What India who understands Myanmar better than most other countries, because you are a neighbor, and what Japan and Australia can do is to help explain to those that are further away, have less immediate stakes, that for the need for some patience, bitter though maybe, the need to take small steps. The need to take incremental steps. The need to be around so that when at some point the Tatmadaw feel secure enough to climb off out of the position it is in, we are the ladder there for them to climb down. That's all you can do right now.

I think you must understand that there are some international situations, Mr. Smith will know this, Shivshankar will know this, Mr. Mohan will know this, there are some international situations where not very much can be done. You have to wait until the time is right, bitter though that may be. So, India can play an important role in explaining this harsh reality to countries that are further away.

**Constantino Xavier**: Your take on the Quad, Ambassador Kausikan, is it creating options for Southeast Asian states and being welcome, or is it increasing their anxiety of getting involved in this Sino-American competition and sort of forcing them to check choices and hard choices and hard options and alignment themselves?

**Bilahari Kausikan**: We are not going to take choices, I mean, Southeast Asia diplomacy has always been naturally polygamous, never monogamous. We are not going to cut off any option just to make somebody else happy. Alright? Let's start from that base. Okay.

Now, the Quad was not a unified concept. There are certain things that unify all four actors. And it has become a bit more unified under Biden than to say under Mr. Pompeo. Because Mr. Pompeo's idea of hard container on China was, first of all, impossible. As I think several people said "You can't contain 1.4 billion people." But it scares people. Now, it is a much more moderate. It even scared the closest ally the US had in this region, which is Japan. Because Japan knows it is impossible.

Now, the Quad is taking shape in a much more acceptable form. The Quad summit talked about economics, talks about health, vaccines, and that is reassuring, I think. The Quad is not a static thing. It will evolve and it will not evolve in any technological manner. It will ebb and flow as in response to different currents of international relations. But it's there, it is a new reality.

Once upon a time, not so long ago, by the way, Mr. Wang Yi, the Chinese Foreign Minister dismissed the Quad as froth on the ocean waves. Not so long ago, the Chinese are anxiously inquiring in Seoul what south Korea's intentions about the Quad are. "Are you going to join or not?" So, things move. I'm not only saying it's going to move in one direction, it's there, it's a new factor. It is not a make or break factor, but it's a new important factor, which I think is what Mr. Smith said in somewhat different words,

**Constantino Xavier**: One issue that comes up in Ambassador Menon's book repeatedly is that ASEAN really benefited from Chinese and American support from the sixties onwards. It sort of managed to grow in that bubble, but that's coming now, that bubble is bursting. So, to what extent can you still speak about ASEAN centrality these days, which comes up in the Quad and many people dismiss it as just a cynic sort of principled approach saying ASEAN centrality, but not really empowering ASEAN?

**Bilahari Kausikan**: Look, let's be very fair, ASEAN centrality means different things to different people. It means different things at different times. And the fact of the matter, while ASEAN is the geographical pivot between the Indian and Pacific oceans, the strategic weight has never been Southeast Asia, it's been Northeast Asia and in India, at the two ends of Southeast Asia. That's the reality.

Why is ASEAN central? ASEAN is central because it is useful enough to major powers, but not so strong that it can stymie most vital interests. So, it is useful. I said in my opening remarks, small countries, and even the biggest ASEAN country is small by comparison to US, China, India. Small countries cannot take relevance for granted. They have to create relevance. And having created it, they have to maintain it. And that's one of the functions of ASEAN.

Constantino Xavier: Professor Smith, over to you for your sort of final remarks.

**Stephen Smith**: Well, very quickly because I know we're over time. Firstly, the improvement in India-United States relations over the last decade and a half is an unambiguously good thing. Good for the United States and good for India. So, the process which from the US perspective started with George Bush Jr. I think everyone who wants to see stability and prosperity in our part of the world, is very pleased at the ongoing growth in that relationship. So, that's an unambiguously good thing.

Secondly, India, as Ambassador Menon said, is a self-respecting country and will make decisions, which it regards to being in its economic and national security interests. And it's not going to make a decision on the basis that either China or the US will be annoyed or upset. And that's also a very good thing.

In terms of Myanmar, I think my two colleagues have got it right, which is, this is a difficult circumstance. Our natural human instinct is to cry from the rooftops about what has occurred, but in the end to try and come to a resolution which might be acceptable. ASEAN, as Ambassador Menon said, has to hold ring with India's assistance, given that India shares a border with Myanmar and knows Myanmar well. So, there, Constantino, my final remarks,

**Constantino Xavier**: If I may say one last question to you Professor Smith, to benefit from your vantage point in Perth. I was reading your speech, I think in 2008 in the Australian parliament, I think when you were hosting External Affairs Minister, Pranab Mukherjee, and you actually saying "It is imperative on Australia to reach out to India and work more with India." But one question coming in and I've been selecting, few of the younger people here have been asking excellent questios. And my apologies for the many questions I've not been able to take, but one excellent question from Riddhi Kothawale. She asks, "What does it take for India to be taken seriously for its own importance, its own size, its economic value rather than just being a balancing factor, say for Australia against China?" And I think

many countries face that to sort of reach out to India to balance off China. Is that the only utility? How have you dealt or have you seen that debate playing out in Australia over the last few years?

**Stephen Smith**: Well, from a personal perspective, there've been many people, including myself in Australia who argued long and hard for a long period of time that Australia needs to up its engagement economically with India. My first speech as foreign minister was my own "Look West" speech. Before I became a minister, I spoke about the need to engage India economically, and I tried to effect that as best I could during my time as a minister. It's only been in more recent times where the China relationship has changed the tone of engagement with China and where other nations have reached out to India as India itself has reached out to Japan and countries with those security concerns. But I said earlier, in the case of India and Australia, the economic relationship must catch up with the strategic and security relationship. And that's a large piece of unfinished work which both of us need to do. I've been very critical of lack of activity by both Australian industry and Australian governments. But this now becomes an essential part of completing the relationship.

In my own state of Western Australia, in the 1990s, we had two trade and investment officers in India with a promise of a third. We now have one. The trade relationship between Australia and India, and Western Australia and India is less now than it was in the 1970s. So there is a lot more that we have to do to grow that economic relationship. To me, that's an imperative. And because of the changed strategic circumstances, I think India is much more willing to engage and Australia is also much more willing to engage. And that's a good thing.

**Constantino Xavier**: Thank you Professor Smith. I think with that, and apology to the - we've got 50 or more questions, so it's been an absolutely impossible tasks for me, but I hope I selected a few and took advantage of your excellent insights Ambassador Menon, Professor Smith, and Ambassador Kausikan. Over to you over to Dr. Mohan to close the seminar.

**Rakesh Mohan**: Thank you. Thank you Constantino as always for excellent moderation. Though, you were not that moderate. I thought that it was a great you asked a whole number of provocative questions. So, that, we'll have to find some other title for you rather than moderator.

This has really been absolutely fascinating. And I'll just take a few words starting from this sort of metaphor, "Do we lie back?" I think everything that we've heard from Shivshankar Menon, from Bilahari Kausikan and Stephen Smith is that there's no question of lying back, we have to get up and run actually.

One of the things that has impressed in the last 25-30 years, in ASEAN itself, ASEAN Plus Three also, Southeast Asia, and East Asia as a whole is a very, very dense set of institutional relationships and structures that have been formed in the last 25 to 30 years. And unfortunately, as Ambassador Kausikan sort of mentioned in different ways that we kept out of most of them. Whether as an economist, whether it was Chiang Mai, we are still remembering Chiang Mai Initiative. I mean, in some sense, Chiang Mai, if looking to the future, could possibly be something like an Asian Monetary Fund. But it can't be that without our participation.

Similarly, many other bodies, CSN Southeast Asia Central Banking group, since I was a Deputy Governor of the Reserve Bank of India, I looked at that with sort of jealousy in the sense that we were not part of it. There's a huge number of some governmental, many non-governmental deep relationships they've been built in. So, even if we decide that we want to do what I think each of us in this panel are saying, it's not going to be easy to be accepted. And I think again, Ambassador Kausikan remarks on that are very pointed and then the latter was very, very hard to gain the confidence. I did have the privilege of co-chairing the joint study group, the framework group with Singapore for the Comprehensive Cooperation Agreement. And that is 17 years ago. Yes, it did succeed to a great extent as far as Singapore is concerned in terms of intensifying economic relationship with Singapore. We've had the ASEAN FTA that has not been as successful. But again, those are the kinds of things that I had wished that they were precursors for us to be able to have the confidence. And there's no reason, I can say that with great degree of confidence as an economist, there is absolutely no reason for us not to believe that we can be competitive. And looking to the future of the global economy, it is absolutely essential for us to join the RCEP.

So, I could go on about this issue because it's very, very dear to my heart. What I will commit publicly right now is that CSEP will work untiringly towards this objective of getting up and running towards ASEAN. And for this, now that Shivshankar Menon have written this book and I know his mind, so he'll have to run with me. He's younger than me, so he'll run faster than me.

So, on that note let me just end. And it remains for me to really thank very much everyone starting with Shivshankar Menon first for writing the book. Second for agreeing to this panel and giving his very pointed remarks, especially in response to Constantino's prodding. And I would just say in that, that we really need to work on our strategic autonomy, while we in substance leap towards Asia.

Ambassador Kausikan, really thank you very much again, for your very candid remarks. And that's always what is very, very appreciated.

Ambassador Smith, thank you so much for joining us from Perth. And very wise remarks may I say so. I was a gracious guest of your country in 1998. Unfortunately, that visit was marred by Australia's response to the nuclear action that we took at that time. But nonetheless, I think Australia has been a warm friend to India. And I hope that, given your remarks, that that will continue.

And finally, thank you again, Constantino. And thank you to all the audience who has been with this meeting. Thank you.