



Vivekananda  
International  
Foundation

# VIF Expert Groups Reports

Africa | China | Climate Change | Eurasia | Europe  
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Vivekananda International Foundation was in full flow in the month of February 2023 with ten expert groups meeting. The areas of interest geographically were Africa, West Asia, US, Pakistan, Indo-Pacific, Neighbourhood, Central Asia and three key topics under Strategy and Geo-economics in which developments and perspectives were shared and discussed.

The Vivekananda International Foundation (VIF) organised a Round-Table Discussion on “Evolving Myanmar Crisis and Implications for India” on 01 February 2023. Dr Arvind Gupta, Director VIF, gave the opening remarks, followed by brief presentations by Amb Rajiv Bhatia and Amb Gautam Mukhopadhaya. 01 February 2023 marked the completion of two years of military rule in Myanmar, and within these two years, the country has witnessed intensive conflict and displacement. The military, the opposition comprising of the National Unity Government (NUG) and its People Defence Forces (PDFs) and Ethnic Armed Organisations (EAOs), are fighting an unrelenting war leading to a civil war-like situation in the country. As per the 2008 Constitution, the emergency needs to end, and the elections in the next six months need to be held. The discussion thus focussed on whether the elections will be held or further deferred, what are the challenges for the country, how it can solve this crisis, and what are the options for India.

In the Eurasia experts group the participants agreed that improving ties between India and Central Asia should be one of the main objectives of India's Eurasia policy. The region is critical for India; formerly, Indian officials dealt with the region in silos. Nevertheless, in the recent years, there has been an attempt from the Indian side to bring together the

conceptual framework while dealing with the concept of Eurasia. The experts stressed the need for a comprehensive framework to support India's Eurasia strategy.

The West Asia experts' group meeting was held on 6 February 2023 and the discussion was focused on "Prospects for West Asia in 2023". The key speakers for the session were Prof. Efraim Inbar, President, Jerusalem Institute for Strategy and Security and Dr. Uzi Rubin.

The Geo-economics Experts Group held its third meeting on 08 February 2023 on 'Global, Regional and National Economic Outlook for India in 2023'. Presentations were made Dr Surjit Bhalla and Dr Rajiv Kumar. The discussion raised a number of issues from tough global environment and growing salience of technology to concerns on energy transition and what constitutes the definition of developed economy.

The Indo-Pacific experts group organised a talk by Prof. Gulshan Sachdeva. The current phase of globalisation is defined by geopolitics and geo-economics of connectivity. The focus of all major players in the region is on connectivity and it is expected to be the same for the coming few decades. In the Indo-Pacific, which is an emerging economic architecture, every important player has their own connectivity strategies either individually or through multilateral frameworks. The talk focussed on various "connectivity strategies in the Indo- Pacific region" and how they interplay in the region. The talk was followed by a discussion and Q& A session.

Vivekananda International Foundation organized an interaction with a visiting UK delegation on "The Future of Air Warfare: A UK Industry and Government Perspective" on 16 February 2023. The UK delegation was led by British High Commissioner to India Mr. Alex Ellis who was accompanied by the Rolls Royce senior executives and technical specialists; UK Ministry of Defence and Foreign Office officials; Industrial, technology and defence advisors. The officials from the Indian

Army, Air force and Navy in addition to senior expert groups from the VIF participated in the deliberation. The participants in the interaction dwelt on a wide range of issues relating to the future of air warfare and also explored the scope for Transfer of Technology (ToT) and opportunities for joint development and production of defence technologies.

A meeting of the Pakistan Study Group (PSG) was held in hybrid mode on 17 February 2023. The main items on the agenda were the economic turmoil in Pakistan, the political developments and Army chief Asim Munir's secret visit to the US. Also discussed was the rising terrorism in Pakistan against the backdrop of the Peshawar Mosque attack carried out by the TTP and reports about factions emerging within Taliban in Afghanistan.

The Africa experts group conducted two meetings of which the first one was held in Jan 2023 and the second one in Feb 2023, both the meetings outcomes are a part of this report. In the first meeting the Africa expert group discussed Africa's strategic importance for India and its facets. The other important discussion was on China and Africa relations.

In the Second Africa expert group meeting was in two parts in which the VIF Africa policy paper was discussed. Some new comments and suggestions on the need to push Indian businesses in the eastern and central Africa. Other areas discussed were trade financing, increasing the use of digital mode to enhance the collaboration, and suggestion related to regulation of India's pharma and healthcare industry. In the second half as part of VIF's "Connect Africa" program the High Commissioner of South Africa, His Excellency Mr. JS Ndebele, and the Ambassador of Sudan, His Excellency Mr. Abdalla Omer Bashir Elhusain gave presentations on the status of India's relations with their respective nations and their prospects.

The US experts group held discussions focussed on the US-India initiative on Critical and Emerging Technologies (iCET) which was formally launched on January 31, 2023, at Washington DC by Indian National

Security Advisor Ajit Doval and his American counterpart Jake Sullivan. Given the changing security environment in the Indo-Pacific region, the collaboration in CET with the US will have huge implications for India. The discussions made an assessment of the prospects and challenges in cooperation between India and the US in these CET domains at the government, industry and academic levels and the way in which the implementation can be taken forward.

The VIF organised a talk by Vice-Admiral Satish Soni (Retd.) on the topic “Geopolitics and India: A Maritime View” and members of the strategic community were part of the deliberation. The talk focussed on the geopolitical developments happening in the Indian Ocean Region and emphasised India’s role in it. It was followed by a discussion and Q& A series.

The coordinators and researchers associated with the expert and dialogue groups, think tanks and interactions have put unfaltering efforts to coordinate the meetings, to provide range and diversity of views as well as capture the discussion for the reports.

**New Delhi**  
**March 2023**

**Naval Jagota**



## **Round Table Discussion on Evolving Myanmar Crisis: Implications for India**

*Prepared by Cchavi Vasisht*

*The Vivekananda International Foundation (VIF) organised a Round-Table Discussion on “Evolving Myanmar Crisis and Implications for India” on 01 February 2023. Dr. Arvind Gupta, Director VIF, gave the opening remarks, followed by brief presentations by Amb Rajiv Bhatia and Amb Gautam Mukhopadhaya. Before the presentations, a brief introduction to the current developments in Myanmar was given by Cchavi Vasisht.*

01 February 2023 marked the completion of two years of military rule in Myanmar, and within these two years, the country has witnessed intensive conflict and displacement. The conflict is concentrated in the western, northern and southern parts of the country, with Chin, Sagaing, Magwe and Mandalay states being the most affected. The military, the opposition comprising of the National Unity Government (NUG) and its People Defence Forces (PDFs) and Ethnic Armed Organisations (EAOs), are fighting an unrelenting war leading to a civil war-like situation in the country. As per the 2008 Constitution, the emergency needs to end, and the National Defence and Security Council (NDSC) has to conduct the elections in the next six months. However, the NDSC, in its meeting on 31 January 2023, stated that the country is unstable. The discussion thus focussed on whether the elections will be held or further deferred, what are the challenges for the country, how it can solve this crisis, and what are the options for India.

Myanmar is not unfamiliar with coups, and this is the third military coup, the earlier two being in 1962 and the 1990s. However, the current situation is different from the previous two coups. With the introduction of technology, especially communication technology, exposure of the youth population, the success of the previous five years' rule of the NLD government (2015-2020), and most importantly, the rise of economic with business interest gravitated during the 2010s and 2020s, will make it impossible for the military to go back to the days and silence the revolution. Either side cannot win the conflict through arms, or the civil war-like situation has left no chance for negotiation.

The discussion focused on whether the elections would take place in 2023 or not. The military wants to conduct the elections to gain legitimacy, but this will further sow the seeds of disunity. There is no question of free or fair elections, and there is speculation that the elections will be delayed. There seems to be no political solution, and one cannot rule out the possibility of the Balkanisation of the country. The opposition forces lack arms and equipment, and despite having a defence minister or an alliance minister, there is no coordination with the other EAOs. Therefore, at this moment, EAOs may be the most powerful stakeholder in the country. However, these EAOs don't have collective efforts and can't agree on a national leader. Furthermore, there is no central figure for negotiation within the opposition forces as the interest are polarised. Aung San Suu Kyi has been potentially kept out of politics with 33 years of imprisonment. And even her coming back to politics will not serve the opposition's interests as they fear that she will favour the Bamar majority interest.

While discussing India's options, it was stated that India's fundamental policy has not changed. The dual-track policy means that the Indian Government will deal with the Government of the day and also support the local people. However, it certainly doesn't mean an equal-track policy. India needs to keep border security and the safety of North East region as its priority. The insurgent groups in India are re-activated and are

taking shelter in Myanmar because of the gap left by the withdrawal of the military and the continuing conflict with EAOs. To summarise, India needs to re-establish the habit of talking through the military channel as it was done earlier. India should also keep channels open to certain Ethnic Armed Organisations, especially the ones bordering India, such as Chin and Kachin. India is also concerned with the rise in the influx of refugees, especially in Mizoram, and therefore, should soon deliberate on formulating our refugees and immigration policies.

India could also bring in external actors as well. A few options were deliberated during the discussion, such as Russia, Japan, Bangladesh, and the US could be explored. ASEAN plus framework could also be explored to reach a consensus. Finally, India needs to re-establish its people-to-people ties. The people of Myanmar consider India as a constructive, federal-democratic state *vis-a-vis* China, which is seen as an autocratic and extractive power. India should use this distinct advantage and reach out with humanitarian aid. Thereby the discussion underlined the need for having a detailed interaction on the Chinese strategy in Myanmar as well as in the region.

The discussion concluded by emphasising the need to have an accurate assessment of the situation in Myanmar and adopt a multi-stakeholder approach. The idea of collective leadership in this scenario could be a plausible option. Furthermore, India must keep its military channels open for security and stability at the borders. Finally, calibrated engagements with the people must be deliberated upon, and India should keep its channels of communication open.

## Prospects for West Asia in 2023

*Prepared by Hirak Jyoti Das*

*The West Asia Experts Group Meeting was held on 6 February 2023 by the Vivekananda International Foundation; the discussion was focussed on “Prospects for West Asia in 2023”. The key speakers for the session were Prof. Efraim Inbar, President, Jerusalem Institute for Strategy and Security and Dr. Uzi Rubin. The members attending and contributing were Amb. Anil Trigunayat (Coordinator); Amb. D P Srivastava; Amb. Arun Singh; Amb. Sanjay Singh; Dr. Meena Singh Roy and Director, VIF, Dr. Arvind Gupta.*

The West Asian states are carefully recalibrating their foreign policy objectives in light of US’ repositioning in the region. The military architecture however is not likely to change in the near future. The emphasis on Russia-Ukraine war and pivot to Indo-Pacific region has led to de-prioritizing West Asia in the US strategic thinking. The US disengagement has opened the space for Israel to expand its security cooperation with other West Asian states. Israel’s interests align with Saudi Arabia, the United Arab Emirates (UAE) and Bahrain to thwart Iran’s regional influence and nuclear and ballistic missile programme. Israel is keen to normalise ties with Saudi Arabia that shares similar concerns. Israel is coordinating with the US to create ground for Saudi Arabia’s entry in the Abraham Accords. Notably, covert relationship between Israel and Saudi Arabia has expanded over the years.

Israel fears that Iran is using the slow pace of nuclear talks with the US to increase its enrichment levels that could lead to weaponization. Iran's use of proxy groups in Lebanon, Yemen, Syria and Iraq is a common area of concern for Israel and the Gulf states. Iranian missile and drone industry has expanded developing sophisticated weaponry that could endanger the region. Tehran has proved itself resilient against the range of sanctions. Iran has intensified engagement with Russia and China to overcome the pressures from the western states. China is cautious about Iran's domestic and regional problems and in case of instability; it could hamper the planned economic and trade engagement.

Turkey's relations with Israel deteriorated since 2010s. President Recep Tayyip Erdogan's assertive regional policy has backfired. Turkey has preserved its sphere of influence in Syria and carried out military operations in Iraq. In the upcoming presidential election, it is likely that Erdogan will return to power due to disunity among the opposition parties to agree on an ideal candidate.

Egypt was the first Arab state to sign the peace treaty with Israel in 1979. The security coordination with Egypt is vital from Israel's strategic interests. The peace however has not percolated to people-to-people level and majority of Egyptians hold an antagonistic view towards the Jewish state due to its occupation of the Palestinian territories. Israel was deeply worried following the political developments post 2011 Arab Spring protests that witnessed the political resurgence of the Muslim Brotherhood. Israel's concerns subsided after Abdel Fatah Al Sisi removed the democratically elected Mohammad Morsi government and assumed power in June 2014. From Israel's perspective, stability is more vital than democracy in Egypt. Egypt's economic downturn, high rate of inflation, possibility of food insecurity etc. could flare up public unrest. Moreover, insurgency in Sinai Peninsula remains a cause of worry for Tel Aviv. Despite heavy repression, Muslim Brotherhood is still the best organized political force and in case of free elections, the group could return to power.

In the US, the wave of changes within the Democratic Party has heightened critical public opinion towards Israel's occupation of Palestine. On strategic level, the US will continue to remain the most crucial partner. Both Israel and the US share similar value system. Israel's trade and technological cooperation with China has increased. However, the pressure from the US has impacted Israel's recent engagement with Beijing. With regard to the Russia-Ukraine war, Israel's position is similar to India. Both India and Israel favour immediate end to the conflict. However both states have refused to favour one side against the other. Israel enjoys tactical relations with Russia which is crucial from its aerial operations against Iranian targets in Syria.

With regard to the Palestinian conflict, a large section of Israeli population sees it as an ethno-religious struggle that is likely to continue until one side gives up and accepts compromise. However the terms of the compromise remains uncertain. Israeli state's current priority is to manage the conflict and minimize casualties. The situation has aggravated due to the disunity among the Palestinian parties and refusal of groups such as Hamas to give up the path of armed resistance. Israel views the current Palestinian leadership as problematic partners of peace. Lastly, while Israel has managed to contain the conflict, it is sensitive to the international public opinion that has impacted the state's image.

## India and Central Asia

*Prepared by Dr. Pravesh Kumar Gupta*

*The Second meeting of the VIF Eurasia expert group was held on February 6, 2023. Dr. Arvind Gupta, the Director VIF, made the opening remarks, followed by Amb D B Venkatesh Varma, who also chairs this expert group. Other members of this expert group present for the discussion included Amb D P Srivastava, Amb P S Raghavan, Lt Gen Ravi Sawhney, Amb Skand R Tayal, and Amb Ajay Bisaria, Amb Ashok Kantha, Dr. Nandan Unnikrishan, Lt Gen Rakesh Sharma (Retd) and Dr. Pravesh Kumar Gupta.*

The formation of this group is motivated by a desire to generate a critical understanding of India's Eurasia policy. In addition, the expert group will focus on the integrative holistic view of India's Eurasia policy in the aftermath of the Ukrainian crisis. The group will also attempt to introduce a new strategic analysis of India's approach to the Eurasian region.

The participants agreed that improving ties between India and Central Asia should be one of the main objectives of India's Eurasia policy. The region is critical for India; formerly, Indian officials dealt with the region in silos. Nevertheless, in the recent years, there has been an attempt from the Indian side to bring together the conceptual framework while dealing with the concept of Eurasia. The experts stressed the need for a comprehensive framework to support India's Eurasia strategy.

The expert group members underlined that because India is hosting the

Shanghai Cooperation Organization (SCO) this year, the SCO presidency should be utilised to its full potential, notwithstanding China's dominance of the SCO. It should be determined how to effectively use India's SCO Presidency as a springboard to develop Eurasia policy while taking into account its limits. India must prioritise the promotion of digital connectivity.

Since connectivity is a basic constraint in India's Eurasia policy, it is necessary to work towards advancing the connectivity agenda. Notwithstanding the fact that transit through Iran is not sanctioned, India's connectivity initiatives have been delayed. This must be addressed seriously in order to sustain those initiatives. Finally, the participants agreed that India must prioritise building and strengthening bilateral ties with Central Asian countries as part of its Eurasian strategy.



## Global, Regional and National Economic Outlook for India in 2023

*Prepared by Prerna Gandhi*

*The Geo-economics Experts Group at the Vivekananda International Foundation held its third meeting on 08 February 2023 on 'Global, Regional and National Economic Outlook for India in 2023'. After initial remarks by Dr Arvind Gupta, Director VIF, presentations were made Dr SurjitBhalla and Dr Rajiv Kumar. It was attended by Lt Gen Sawhney (Retd), Ambassador KanwalSibal, Ambassador V Seshadri, Ambassador Anil Wadhwa, Ambassador Venkatesh Varma, Ambassador Arun Singh, Vice Admiral Satish Soni (Retd), Brig Vinod Anand (Retd), and Mr Anil Devli. The discussion raised a number of issues from tough global environment and growing salience of technology to concerns on energy transition and what constitutes the definition of developed economy. Some of the salient points made were:*

### **External Economic Environment**

Despite rhetoric, there is zero evidence to support that globalization is declining. India's trade to GDP ratio stands today at 45% of GDP. This mandates no option but to expand external engagement. From 2003-2011, when India grew at around 8.5%, world economy was also growing at 5.8%. But the challenge currently is how India can create external drivers of growth when international ambience is becoming increasingly unfavourable. Recent revisions of growth forecasts show global economic outlook may not be as negative as earlier perceived, but the situation still

remains uncertain. Despite interest rate hikes, a hard landing of the US economy may be imminent and will ensue with a recession. India needs to develop an overall vision on exports, and in fact on trade in general. There have been efforts to increase outlay for export promotion schemes in the recent budget.

### **Tense Geopolitics**

The most profound change in global geopolitical landscape has been the break between United States and China. The US sees China as the main political, military, economic and technological rival with strong bipartisan consensus on that matter. Recent technology sanctions and export blacklists by the US will lead China to be heavily squeezed on semiconductors that will form major driver of economic growth ahead. China grew at 10% for nearly three decades but that is now no longer possible. The Russia-Ukraine War has been tumultuous for both geopolitics and the global economy. It is very difficult to foresee the end of the war as it has now turned into a proxy war between the west and Russia. For India, we have to deal with an unprecedented situation of weak Russia, an aggressive China and an overextended US. There will be a strategic readjustment for India, but we have to ensure it happens on our own terms.

### **Whither Indian Economy**

The issue of quality of Indian data and statistics was strongly flagged with agreement on need to be timelier and technology friendly in our data. There is strong public sector bias in the government despite being repeatedly called out by Prime Minister Modi. Private investment as share of GDP has unfortunately come down in recent years. We must work towards improving investment climate for small and medium enterprises. We must also attract diaspora talent abroad to return to India as done by China, Korea and many ASEAN countries. In recent time, more than 150,000 High Net worth Indian individuals have left for Dubai and similar number for Singapore. Addressing inequity and inequality in growth remains an

utmost priority. Along with manufacturing, there is simultaneous need to boost services. Energy transition remains biggest challenge as all prosperity depends on stable and secure supplies. Renewable energy goals while laudable, bring more dependency on China in terms of rare earths and renewable technology. Privatization and asset monetization remain crucial to balance revenue expenditure.

### **Drivers of Indian Economy Ahead**

There is great potential in the Indian agricultural sector but there is need to move away from the biochemical input-based agriculture model, as states after states have shown that it has not led to doubling of farmers' income. We need to combine chemical-free agriculture with precision-based model as perfected by Israel. Despite contentions in the manufacturing vs. increase in productivity debate as way forward, manufacturing sector has large security connotations. Production Linked Incentives (PLI scheme) may prove decision in our efforts to increase our share in world trade and world manufacturing. But we should be wary of spreading ourselves thin with too many PLI schemes. We also need to let go of the notion that trade is an act of friendship. In 1950s and 60s, India cut itself from external and vibrant drivers of growth. We must not lazily assume that all trade with China has to be stopped. Import dependency in strategic sectors has to be consciously brought down, but where we can, we must capitalize on Chinese growth. Similarly, we also need the US for capital, technology, and markets. Shipping sector remains in a shabby state as 92% of our cargo is transported on foreign flagged ships.

### **Trade and Technology in India-US Relations**

India's National Security Advisor Ajit Doval and his US counterpart Jake Sullivan formally launched the US-India initiative on Critical and Emerging Technology (iCET) in January 2023. Some of the key technology sectors identified under the initiative include defence, semiconductor supply chains, space, and STEM. The initiative in addition identified areas such as

biotechnology, advanced materials, and rare earth processing technology. Indo-Pacific Economic Framework negotiations have also started with the second round being held in New Delhi in February 2023.

### **Climate Change and Economic Rules**

There is an emerging trend in terms of subsidizing industrial activity to meet climate targets within both the US and the EU with Inflation Reduction Act and the Green Deal Industrial Plan respectively. There are also indications that climate ambitions and efforts will become integral part of trade policy and trade agreements in coming time. The EU's carbon border adjustment mechanism will become functional in coming years. Under its G20 presidency, India needs to push for standards and harmonization of climate change standards to be more globalized rather than major powers taking unilateral stands. We also need to demand a more constructive role from the west in terms of climate finance.

### **Defining a Developed Economy**

Referencing Prime Minister's Modi vision of India of *Amrit Kaal* or becoming a developed economy by 2047, question was raised as to when India can call itself a developed economy. It was noted that there is limited academic work and no agreed upon definition of what constitutes a developed economy. One view raised was of how South Korea is the only country in recent time that has transitioned from being a poor economy to a developed economy. Its GDP per capital income in PPP terms in 1996 of \$13,000 can be used as a benchmark of becoming a developed economy. Another perspective was of using World Bank estimate of a high-income economy with a gross national income per capita of US\$13,589 (in 2022) or more. A third view was of OECD membership criteria of high income with a very high Human Development Index ranking. A fourth observation was on the need to focus on growth in per capita income of the lowest 10% of population and have their per capita income reach US\$ 5000 for developed country status. It was also noted that Angus Maddison's

argument of there being no comparison in GDP per capita based on dollar terms remains significant. There was consensus that potential growth rates needed to achieve vision of Amrit Kaal remain very doable, but require continuous focused efforts, with no space for complacency.

## Connectivity Strategies in the Indo-Pacific Region

*Prepared by Sweta Kumari*

*The Vivekananda International Foundation (VIF) organised a talk by Prof. Gulshan Sachdeva on “Connectivity Strategies in the Indo-Pacific Region” on February 13, 2023. Dr. Arvind Gupta, Director, VIF, chaired the session and made welcome remarks. Lt. Gen. R. K. Sawhney (Retd), Amb. Anil Wadhwa, Mr. Anil Devli, Mr. Kanav Monga, Dr. Udai Bhanu Singh, Brig. Vinod Anand (Retd) and members from the strategic community participated in this deliberation. The talk was followed by a discussion and Q& A session. The talk focused on various connectivity strategies in the Indo-Pacific region and how they interplay in the region.*

### **Background**

The current phase of globalisation is defined by geopolitics and geoeconomics of connectivity. The focus of all major players in the region is on connectivity and it is expected to be the same for the coming few decades. In the Indo-Pacific, which is an emerging economic architecture, every important player has their own connectivity strategies either individually or through multilateral frameworks. A number of multilateral frameworks including the World Bank and prominent think tanks are systematically tracking the investments and the infrastructure projects and progress that these connectivity strategies are making. Connectivity strategies have also become an important part of national and regional strategies for many countries. Some of them are also competing for both space and influence. Almost all connectivity initiatives have developmental and geopolitical

implications and also a very strong domestic political economy dimension. All connectivity strategies and major infrastructure projects must, therefore, be overviewed through these three dimensions and the interplay amongst them. Although there are various connectivity plans that are competing and have started with different orientations, there are chances that they may merge in the long run because of various economic factors at play.

### **Chinese Belt and Road Initiative (BRI)**

The discussion on connectivity strategies has been dominated by the Chinese BRI. As per the latest information from the government of China by December, 2022, 200 cooperation agreements have been signed under BRI with 150 countries, and with 32 international organisations. This initiative, which started earlier to cover Asia and Europe has now expanded into Africa, Latin America, and South Pacific. The fact that 150 countries willingly signed the initiative represents the significance of connectivity and the BRI. Between 2013 and 2018 just before the pandemic, the World Bank estimated that investment in BRI projects, including all energy projects, was about 575 billion USD.

Even though 2022 was not good for the Chinese economy, by November 2022, as per the Chinese government, they had about 1.8 trillion in trade with countries so they have their own list of BRI countries. India is also a part of this list. Between January and October, within China-Europe free trade, there were 82 routes in 204 cities in 24 European countries. Connectivity is not just only about some infrastructure projects but it is also linked with trade. The BRI, which began in 2013, had 6 corridors-New Eurasian Land Bridge; China-Central Asia-West Asia Corridor; China-Pakistan Corridor; Bangladesh-China-Myanmar Corridor; China-Mongolia-Russia Corridor; and China-Indochina Peninsula Corridor. These corridors initially focused on five areas: policy coordination; infrastructure connectivity, strengthening investment and trade relations; promotion of regional economic integration and financial integration and setting up financial institutions; and enhancing people-to-people contact.

The sixth principle, industrial cooperation, was added later.

The number of participants in the BRI forum including the heads of state and international organisations has significantly increased over the years. The number of corridors increased from six to 35. India's objection over the BCIM resulted in its removal. However, a number of India's neighbouring countries were added through other linkages. The international North-South trade corridor was also part of the new list of projects. The number of projects is largely concentrated in countries such as Indonesia, Russia, Pakistan, Vietnam, Cambodia, Malaysia, Ethiopia, Philippines and Laos. Apart from the number of projects, the value of projects is also critical. The largest number of value projects are located in Russia which amounts to around 220 billion USD. This is followed by Saudi Arabia, Thailand, Indonesia, Malaysia, Pakistan, Egypt, Nigeria and the Philippines. As per the World Bank, there has been an improvement in trade, foreign investment and living standards of many participating countries.

### **Europe's Approach towards BRI and its Connectivity Strategy**

The EU has been promoting connectivity linkages and aspires to lead in the same. The EU has been promoting the enhancement of Europe- Asia ties on economic, political security, social and cultural issues and the establishment of connectivity in respect of transport, digital links, energy, education, research, tourism and institutions and contributing to the UN 2030 agenda for sustainable development. Based on Europe's success through its own connectivity initiatives such as the Transport Corridor Europe Caucasus Asia (TRACECA), it has been trying to expand its linkages in the Indo- Pacific region.

Europe in the beginning had a soft approach towards Chinese BRI as they perceived that any connectivity would promote regional integration, regional cooperation and regional infrastructure would benefit all. However, later the perception changed and the European countries realised that China was spreading its own version of globalisation through BRI which was not serving their purpose.



In 2021, the Europeans came up with the Global Gateway Initiative to engage in efficient connections and networks between Europe and Asia and priority transport networks, digital links, energy cooperation, and other areas. The member states have been trying to mobilise funds for the strategy which will be implemented together by member states, the European Investment Bank, European Bank for Reconstruction and Development and the private sector.

### **US Connectivity Strategy in the region**

The United States was the first to announce a connectivity strategy in the region. In 2011, the then Secretary of State Hillary Clinton floated the idea of the New Silk Route Strategy. The idea was basically to link South Asia and Central Asian countries and Afghanistan through the network of trade transit and energy. The plan could not be materialised despite the political will because of the uncertainties in Afghanistan and also due to the lack of funding. In fact, many of the ideas were later utilised in the BRI.

The infrastructure projects and connectivity strategies are now being contested especially between the US and China and their respective partners. The official statements of the Quad countries and the EU are now highlighting the issues of global norms, financial responsibilities, transparency, debt burden, environment, sustainability and respect for sovereignty and territorial integrity.

The US has been trying to promote sustainable infrastructure in the region and to mobilise funds of 15 trillion USD by 2040. The US, Japan and Australia have started the Blue Dot Project in 2019 to audit and certify quality infrastructure projects that meet robust international standards. It will serve as a globally recognized symbol of the market-driven transparent path, Paris agreement line and financially, socially and environmentally sustainable infrastructure projects.

## **Japan's Connectivity Strategy**

Japan has been very active in infrastructure development for decades through their own development projects. It believes that investment in infrastructure leads to regional connectivity and attracts investment and manufacturing capacity of all those countries. Japan has tried to build on their own earlier infrastructure-related investment in Southeast Asia and East Asia. Under its free and open Indo- Pacific vision, it is focusing on building new connectivity partnerships which is called the high-quality, sustainable infrastructure in ASEAN, the Bay of Bengal and the South China Sea. It is also trying to improve their presence in Central Asia. Since Japan is totally dependent on sea trade, its policies are more focused on maritime routes.

Japan is actively engaged in ASEAN master plan projects and has identified 70 flagship projects to which it is going to contribute. With respect to the BRI, they have not rejected it but the engagement is limited. Within South Asia, the Japanese engagement is largely through the Asian Development Bank (ADB) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). With the EU, they have an EU-Japan connectivity partnership. With India, Japan has been working in the Asia - Africa growth corridor.

## **India's Approach to Regional Connectivity**

India's approach towards regional connectivities was also part of the deliberation. India has not announced any connectivity strategy, however, there is some development taking place in this direction including India's involvement with Asian Infrastructure Investment Bank (AIIB) of which it is the largest recipient. India's stance was expected to change towards the BRI after it's joining the Shanghai Cooperation Organisation but that did not happen. India is not part of BRI or the Regional Comprehensive Economic Partnership (RCEP) and has also not agreed to the trade pillar of the Indo- Pacific Economic Framework. India does not have an Indo-Pacific strategy document. However, it has been trying to build a road

connectivity narrative through its strategic partnerships, trade agreements and policies such as the Act East policy, connect Central Asia policy, Indian Ocean Association, Africa dialogues, engagements in Afghanistan, the Middle East and other areas. India has engaged in the International North-South Transport Corridor which began with Russia and Iran and other countries joined later. India has been a part of the Bangladesh-China-India-Myanmar Corridor, India-Myanmar-Thailand Trilateral Highway, Mekong India- Economic Corridor. Given the economic and geopolitical relevance of connectivity, the talk emphasised that India needs to evaluate the existing regional connectivity linkages and also develop its own connectivity strategy in order to play an important role in the Indo- Pacific region.

### **Infrastructure and India's G20 Presidency**

India under G20 leadership this year can push for the guiding principles of quality infrastructure and maximising the positive impact of infrastructure towards sustainable growth and development by raising economic efficiency, integrating environment, environmental consideration and infrastructure, investment, building, resilience against natural disaster, integrating social consideration, strengthening infrastructure, governance among others.

Apart from the above mentioned countries, various aspects of the connectivity strategies of South Korea and Russia were also outlined in the talk. South Korea under its New Southern Policy and the recently introduced Indo-Pacific Strategy has been trying to enhance connectivity in the region. Russia has been actively engaged in enhancing connectivity ties with Eurasia. The impact of the Russia -Ukraine war on connectivity and trade was also highlighted in the discussion. It is likely that the disconnect with Russia will make the Western countries move towards the Indo-Pacific region in which these connectivities are expected to play a critical role.

The talk overall emphasised that existing and emerging connectivity strategies and infrastructure projects are going to play an important role in the geopolitics and geo-economics of the Indo-Pacific region

## The Future of Air Warfare: A UK Perspective

*Prepared by Saroj Bishoyi*

*The war in Ukraine has signaled the future of air warfare where the advanced air defensive and offensive technologies such as drones, static and mobile counter-drones, missiles, rockets and fighter aircrafts are increasingly used. The leading powers race to develop and deploy critical and emerging technologies to shift military power to their advantage will further transform the future of air warfare. Meanwhile, Russia is competing with the US led NATO forces to maintain its sphere of influence in the Eastern Europe for its national security and geopolitical purposes. China is using its newly acquired emerging technologies to modernise its defence capabilities and expanding PLA's presence in the Indo-Pacific region to achieve its strategic interests. In this rapidly evolving geopolitical landscape of the 21<sup>st</sup> century, building a trusted strategic partnership for joint research, development and production of advanced defence technologies has become important. A trusted defence partnership will help strengthen efficiency and productive capability of domestic defence industries and will also ensure security of critical technology supply chain. In this context, the Vivekananda International Foundation (VIF), New Delhi organized an interaction with visiting UK delegation on "The Future of Air Warfare: A UK Industry and Government Perspective" on 16 February 2023. The UK delegation was led by British High Commissioner to India Mr. Alex Ellis who was accompanied by the Rolls Royce senior executives and technical specialists; UK Ministry of Defence*

*and Foreign Office officials; Industrial, technology and defence advisors. The officials from the Indian Army, Airforce and Navy in addition to senior expert groups from the VIF participated in the deliberation. Dr. Arvind Gupta, Director, VIF, chaired the interaction and made the opening and concluding remarks. The participants in the interaction dwelt on a wide range of issues relating to the future of air warfare and also explored the scope for Transfer of Technology (ToT) and opportunities for joint development and production of defence technologies.*

### **Air War in Ukraine**

The air war in Ukraine provides a glimpse to the future of air warfare. In the prelude to the war, it was expected that the Russian forces will capture Kyiv, capital of Ukraine, in a matter of days. However, the Russian forces failed to establish air superiority, capture major cities in northern Ukraine, the war in Donbas area locked in a stalemate, and it also failed to control the skies. In the process, Russia lost a large number of aircrafts that impeded its ability to provide support to the ground forces which eventually resulted in loss of many tanks and soldiers.

The war in Ukraine has witnessed the first full-scale use of new platforms such as drones, counter-drones, autonomous systems, cruise and ballistic missiles, and air defence missiles. The Russian forces are regularly using the Iranian Shaheed 131/136 kamikaze drones – which they renamed Geran-1 & Geran-2 drones - in the war in Ukraine of which about 90 percent gets destroyed by the Ukraine's air defence systems, supplied by the US and other NATO countries. The war is also testing the political leadership as well as the resilience of supply chain security issues. While the war has disrupted global supply chain, especially food and energy which significantly impacted the Global South. It has marked rapid innovation in the field of defence technologies, including drones, counter-drones and air defence technologies. Amidst Ukrainian President Volodymyr Zelensky's increasing demand for fighter aircrafts and entry

into the NATO membership, the US and other NATO member countries continue to provide security and military assistance to Ukraine, while they are very careful not to make Ukraine part of the NATO.

### **Indo-Pacific as the Centre of Global Power**

The Indo-Pacific region has emerged as the center of global power and the next 20 years will be very crucial. But this has come with domestic, regional and international challenges. China and India are rising powers, and Indonesia is also an important player in the region. Particularly, the rise of China and its growing assertiveness posing serious security threats to the region's peace, stability and prosperity. In fact, China with new military and space powers has become a genuine competitor. In addition, the geopolitical and technological competition between the US and China has further created uncertainties in the region.

The geopolitical and technological competition between the great powers, continuous global economic power shift from the West to the East, especially to the Indo-Pacific, and fast evolving technologies is changing the nature of war. In this competitive world, India's rise will not take place in a benign environment. China's growing military power and assertiveness pose serious challenge to India's rise. However, the world is increasingly becoming a multipolar. India is seen as a force for global good and its rise is expected to help balance China. It needs friends and trusted strategic partnerships to build its defence capabilities to play such as role. Under its G20 presidency, it is making efforts with other member countries to address the challenges to peace, stability and prosperity in the region and beyond. In fact, India is currently in a geopolitical sweet spot which offers opportunities to play a constructive role.

### **Air Defence, Counter Air and Ground Attacks**

The air war in Ukraine has witnessed increasing use of new platforms such as drones and counter-drones and air defence missiles. The lessons learned

from the Ukraine war is that 90 percent of drone attacks were ineffective, because of the strong air defence systems. Thus, it is important to maintain balance between air defence, counter air and ground attacks in future air warfare. Meanwhile, the jet engine technology developments are taking place with a rapid pace. The critical and emerging technologies such as advanced chips, artificial intelligence, data science, quantum information science and autonomous systems are used to upscale the air defence and counter attack systems. Indigenous development of these technologies are critically important to build future air capabilities. But this is a big challenge because of the technological complexities, high costs and dependency on global supply chains. Thus, there is need to build trusted partnership with like-minded countries where Intellectual Property (IP) Rights could be created for joint development and production of these technologies.

The global COVID-19 pandemic had caused the supply chain disruptions. To avoid such scenarios in future, the air warfare needs to address both the support elements just as much as the air combat elements. While developing next generation of aircrafts is important. Ensuring logistics support supply chain, training of pilots and operational readiness of advanced technologies are critical for future airborne warfare. The sustainment of air defence capability, both defence and offence, is very important. Therefore, there is need to develop much more resilient air capabilities to face the future aerial warfare.

### **Role of Critical and Emerging Technologies**

The leading powers are in race to develop and deploy critical and emerging technologies such as AI, advanced chips, autonomous systems, data science and quantum information science to further enhance their defence capabilities to shape the balance of military and economic powers to their advantage. These technologies are critical to modernize the air defensive systems as well as offensive air and ground attacks. However, no single



government can develop these capabilities alone, given the technological complexities, global supply value chain, and high cost of these advanced materials and defence technologies. The countries face domestic and international challenges including industrial capacity, logistics support, and supply chain security of critical materials and technologies.

### **Opportunities for Co-Development and Co-production**

The multirole fighter aircraft F-35 has one of the most advanced propulsion systems and is magnificent aircraft, but it's very expensive, technological complex and has lengthy production process. Similarly, the fighter aircraft F-22 is also very expensive. Given this high cost and technological complexity, no single government can produce it alone. There are also domestic and international challenges including industrial capacity, logistics support, supply chain security and tech talents. Hence, there is need to develop trusted and reliable strategic partnership to overcome these challenges.

On joint development of Gas Turbine Technology, the Rolls Royce has been in talks with the Gas Turbine Research Establishment (GTRE) for sometimes now and with the support of the Defence Research and Development Organisation (DRDO), Rolls Royce and GTRE are looking to initiate joint projects. The two sides are currently establishing building blocks for co-development and co-production of defence technologies. The DRDO itself is working on the development of aero gas turbine technology. It is important to note that China, despite its best efforts, has not yet developed world class Gas Turbine technologies. The development of future technologies such as nuclear propulsions, stealth, supersonic and space technologies are also important.

It was noted that India has indigenous capabilities and know how to collaborate on development and production of future defence technologies. It has huge advantage in terms of young tech talents. It also has big defence market and capital as well. Thus, there is enormous opportunities for

the British defence manufacturing companies to partner with the Indian counterparts for joint development and production of defence technologies.

### **Building Trusted Strategic Partnership**

Given the global nature of the air defence technologies where huge financial, technological and tech talents are involved, a single government cannot develop and manufacture the cutting edge technologies alone. There is need to develop collaborative and trusted partnership in these areas and also in areas of health techs and climate techs. Developing trusted partnership has become critical which can be leveraged for creating IP Rights for indigenous production of defence technologies in India. It was stressed that a true trusted partnership overcomes the issue of IP Rights and India has a great opportunity to develop such a partnership for joint development and production of advanced defence technologies. They need to develop a right kind of partnership so that they can have trusted defence partnership. Identifying specific technologies in defence domains, areas of existing challenges and capitalizing on the strengths will help implement joint projects and achieve results within a definite timeline.

However, it was noted that trust has many dimensions, not just building trusted partnership in defence technologies, but also in health to counter future global health crisis like COVID-19. Another area of building partnership is on climate trust where they can collaborate to develop green techs for combating climate change. It was pointed out that a trusted partnership is not only a partnership between government to government, or business to business, but it is a partnership across all stakeholders. It is a win-win for all. It was underlined that a strong democratic India is in interest of the UK and a robust India-UK strategic partnership is in interest of the people of the two countries and the world at large.

### **Scope for Transfer of Technology**

India looks to collaborate with foreign defence technology companies

for developing and manufacturing defence technologies in India. It aims to strengthen its domestic defence industries capabilities for indigenous technology development. While India has emerged as a big defence market for foreign defence companies. There is dismal record in joint development and production of high-end defence equipment as well as the transfer of technology. It was noted that the proposals for joint development and production of defence equipment come with some caveats and the real technology transfer is not happening.

However, India does not want to remain only an importer of defence equipment or an assembly workshop. It wants to become self-reliant in defence sector under its Make in India initiative. India's self-reliant in defence also depends on export of defence technologies. Hence, it was underscored that building a trusted strategic partnership is key for expanding the scope of defence partnership from joint development and production of advanced defence technologies to transfer of technology. Furthermore, it will pave the way for joint IP right that will enable indigenous production of defence technologies. Thus, in this geopolitical and technological power struggle, India looks to forge mutually beneficial defence and technological cooperation with its strategic partners.

### **Importance of Global South**

The global COVID-19 pandemic and the ongoing war in Ukraine has seriously affected the Global South. This has further aggravated the food, health, energy and financial related concerns. It was underscored that the countries of Global South need to work together to develop a coordinated approach to overcome the challenges such as food, health, energy, financial and climate change. While the developed countries such as the US, France, UK, and Germany can partner in addressing these challenges through building partnership in areas such as health tech, green tech where they can provide financial and tech support as well as support to restructure global financial institutions. However, the deep divide between

the West and Russia in addition to great power rivalry between the US and China create major obstacles in developing cooperation to address these challenges to humanity.

## Rumblings within Pakistan – Economic, Political and Security Implications

*Prepared by Aarushi Gupta*

*A meeting of the Pakistan Study Group (PSG) was held in hybrid mode on 17 February 2023. The main items on the agenda were the economic turmoil in Pakistan, the political developments, Army chief Asim Munir's secret visit to the US, rising terrorism in Pakistan against the backdrop of the Peshawar Mosque attack carried out by the TTP and reports about factions emerging within Taliban in Afghanistan.*

*The meeting was attended by the following: Dr Arvind Gupta, Lt Gen Ravi Sawhney (Retd), Ms Shalini Chawla, Shri Rana Banerjee, Shri CD Sahay, Shri Sushant Sareen, Brig Rahul Bhonsle (Retd), Gen NC Vij (Retd), Amb G Parthasarathy, Shri TilakDevasher, and Gp Capt Naval Jagota (Retd).*

### **Economic turmoil: IMF negotiations, Chinese investments, public sentiments**

Pakistan is facing an economic meltdown. The IMF team was in Pakistan from 31 January to 9 February to review the USD 1.1 billion bailout package. The IMF was firm with its conditionalities, especially to raise taxes to manage the cash-strapped economy. The IMF negotiations highlight three points: The US and Pakistan relations seem to be on a downward trajectory, the IMF will not deny Pakistan the loan but the loan itself will only be a short-term breather for Pakistan's economy.

Within its conditionalities for the loan, the IMF has raised questions about the transparency of the China-Pakistan Economic Corridor (CPEC) and

other development projects. Many Chinese companies are reluctant to continue their projects in Pakistan, owing to delayed payments, rising exchange rates and uncooperative behaviour of the state authorities. China has also closed the consular section of its embassy in Islamabad for an indefinite period of time due to “technical issues.”

The debt servicing of the federal government is more than its revenue at the moment. The IMF has asked Pakistan to increase its revenue base by cutting down on subsidies, increasing its interest rates, and raising taxes and fuel prices. Fulfilling the conditionalities is affecting the common man as it is significantly increasing the cost of living. Inflation and unemployment are rising steadily, industries are shutting down, and the flood-affected areas are nowhere close to recovery. The IMF program will end in June 2023. There will be new negotiations post that for new IMF loans. Pakistan requires debt rescheduling regardless of the country defaulting.

The public mood in Pakistan is sullen and angry in the flood-affected areas. The civil government and the military establishment are hoping to ride this phase out without giving much importance to the redevelopment of these areas. However, the Pakistan government is monetising the misery of the common people in the international community to secure more flood relief funds and financial assistance programs.

### **Political developments: local elections, Imran Khan, PPP and Bilawal Bhutto**

The Punjab and Khyber Pakhtunkhwa assemblies were dissolved on January 14 and 18 by the Imran Khan-led Pakistan Tehreek-e-Insaf (PTI) party as part of its bid to force early general elections in the country. The Supreme Court of Pakistan (SC) had said that elections for Punjab and Khyber Pakhtunkhwa’s dissolved assemblies must be conducted within 90 days of the day of dissolution of assemblies. Punjab elections are scheduled for 9 April and 13 April, while 15 April and 17 April are for

Khyber Pakhtunkhwa. There are limited provisions to delay the local elections in the Constitution. However, the Constitution has provisions to delay the general elections, which are scheduled for October 2023. Due to the economic and political turmoil, they might get deferred to March 2024.

Imran Khan's 'Jail Bharo' movement is seen to be a political gimmick to push for early elections and to keep his popularity momentum going. There have been reports of bench-fixing in the Pakistan courts regarding the Imran Khan cases. The judiciary's credibility has been questioned since the reports of bench-fixing emerged. Hence, Imran Khan may not walk away scot-free since the judiciary needs to save face. Due to public criticism of favouritism, the Lahore High Court then grew more stringent and asked Imran Khan to show up in the court, despite his medical condition.

On the other hand, Bilawal Bhutto Zardari, Minister of Foreign Affairs of Pakistan, has been modelling himself on the lines of his grandfather, Zulfikar Ali Bhutto, to be accepted by the Pakistan army as a possible hybrid alternative. The military and the Pakistan People's Party (PPP) leadership are working in tandem closely to possibly see Bilawal Bhutto become a reliable political alternative in the eyes of the army leadership.

### **Army chief Asim Munir's secret visit to the US**

There were reports about Pakistan army chief Gen Asim Munir visiting the US after his visit to the UK. However, Inter Services Public Relations (ISPR) Pakistan has refuted those reports. Pakistan and the US relations are under stress and strain. At the same time, Pakistan is desperate for US support during its time of crisis. Therefore, efforts are underway by Pakistan to bridge the gap and the trust deficit between the two countries.

Counsellor of the US Department of State Derek Chollet and a delegation of senior US government officials visited Islamabad on February 16 -17 to

strengthen the bilateral partnership. Derek Chollet met Gen Asim Munir and said that the US is willing to work with Pakistan on account of the threat of terrorism. However, no explicit details were shared from the meeting; neither were the details of the US intentions of helping Pakistan.

### **Terrorism and Afghanistan: Peshawar Mosque attack, TTP, Afghan Taliban factions**

On 30 January, Peshawar witnessed a terrorist attack on a mosque, which killed 101 people. The Jamaat-ul-Ahrar, a faction of the Tehrik-e-Taliban Pakistan (TTP), claimed responsibility for the attack. Pakistan has been struggling to control the rising terrorism but has been unable to negotiate or hold effective dialogue with TTP. Pakistan has three options to tackle with TTP. One, to effectively negotiate with the TTP, which has not been possible so far, owing to the radical positioning of the group. Second, ask Afghan Taliban to act as mediators between the Pakistan government and TTP, but given the tensions between the Afghan Taliban and the Pakistan government, this may prove to be difficult. Third, to conduct military operations to tackle the threat of TTP. However, the economic and political environment is not conducive for any military operation. The fallout of a possible military operation might be fairly significant and thus there may be reservations within the military establishment to take this route.

There have been substantial rumblings within the Taliban regime though a clear picture of the division of factions is yet to emerge. Interior Minister Sirajuddin Haqqani and his faction seem to be targeting Hibatullah Akhundzada, the supreme leader of Afghanistan. However, it is yet to be seen if these rumblings will lead to any splits within the regime.



## Understanding Africa's Relations

*Prepared by Samir Bhattacharya*

*On 9<sup>th</sup> January 2023, VIF organised the 3rd Africa Expert Group meeting. The meeting was chaired by Amb Rajiv Bhatia, Distinguished Fellow, Gateway House. The other members physically present in the meeting were Dr Arvind Gupta, Ms Ruchita Beri, Mr Kaushalendra Sinha, Mr Anil Devli and Ms Deepti Pant. The discussion started with the chair welcoming three new members to the Group: Professor Suresh Kumar, Delhi University; Dr Veda Vaidyanathan, ICS and Princeton; and Aditya Ghosh, Africa Desk, CII. This was followed by a short intervention from Dr Veda Vaidyanathan, an expert in China-Africa Studies on China's rising profile on the African continent, cutting across the political, economic and other aspects.*

Puneet Roy Kundal, Joint Secretary, MEA, former Ambassador of India in Tunisia and Consul General of India in Cape Town, in his remarks, highlighted Africa's strategic importance for India. He mentions that MEA considers the relationship with Africa as historical, and it forms the genesis of our current trade and people-to-people relations. India has always been present in Africa, whether during its anti-colonial struggles or post-colonial nation-building or capacity-building initiatives.

Given one-fourth of the human population will be from Africa by 2050, it is a continent of the future. Therefore, in addition to China, several other countries, such as Russia, UAE, Egypt, Japan, UK, US, are vying for more

African pies. India is well embedded in Africa and not directly competing with any of these countries. He mentioned India Africa Forum Summit as the overall superstructure of India-Africa relations. The 4<sup>th</sup> IAFS is expected to take place in 2023.

Africa is on the path of rapid development and requires financial assistance. Currently, the shortfall per year is about 100 billion dollars. Given this need for enormous investments for its development needs, China will continue to play a significant role. The USA has recently committed 55 billion dollars to Africa, to be spent over the next three years. Clearly, that would not suffice in Africa. And China would continue to leverage this point in different international forums by securing African votes. About \$153 billion in loans provided by China to different African countries have been used to build infrastructure and, to a large extent earned China goodwill. This is evident as many UN agencies are currently headed by the Chinese.

Africa's strategic importance for India stems from a few points:

- India's aspiration to enhance its global position. As the biggest voting bloc in different multilateral forums, 54 African countries represent 54 votes. The support of Africa will be crucial to improve India's global status.
- Given the rising population of India, more land will be required to ensure the food security of so many people. Unfortunately, most lands in India are getting used for infrastructure. Currently, Africa produces only ten per cent of the world's food that can easily be raised to fifty per cent. India-Africa's partnership on agriculture has a great future, given 65 per cent of arable land is in Africa.
- Africa is also important as a market for Indian goods
- Africa is the source of several critical natural resources and minerals, needed in India.
- Africa hosts 3 million, representing 12 per cent of the global Indian

diaspora lives in Africa. Going forward, as Africa continues to grow, many more Indians are expected to be in Africa, especially in the service sector.

Regarding the ITEC and other capacity-building programmes, JS regretted that most of India's work is underway in Anglophone Africa. However, the response is very low in Francophone West Africa, probably because of the language barrier. Surprisingly, the Lusophone countries in Southern Africa are also optimistic about India's programmes. And there is a need to understand why the response is not as expected in West Africa.

Some other important interventions were made by different experts in the room and online. Concerning China and Africa relations, it was shared that unlike most of the studies claim, the myth of one organised and coordinated China bursts. At the ground level, China is quite fragmented. Many Chinese working in Africa are unaware of Xi Jinping or BRI, and their sole motive for being in Africa is to earn from the land of opportunity and send money back home. There are also cases where Chinese public companies compete with another state-owned public enterprise. And therefore, China is not a monolith.

Today, China is the largest trading partner as well as the largest creditor for African countries. From 2001 to 2019, the number of Chinese financiers in Africa increased from 3 to 30. During the same timeframe, China invested 50.44 billion in FDI and accorded 1141 loans to 153 billion dollars. At present, China-Africa bilateral trade stands at 254 billion. Infrastructure remained dominant, with two Chinese Public Banks, China Exim and China Development Bank investing over 23 billion in infrastructure projects. In addition to infrastructure, mining is another area where China is extremely active in Africa; with a few Chinese companies dominating 30% of copper production, and 50% of cobalt production, it is clearly an oligopolistic market. And the aggressiveness that China is showing in the mining sector, in a few years, China may own almost all the copper mines

in Zambia or at least have a stake in it. Many young graduates consider Chinese-owned mines as learning grounds as a few years of experience in those mines improve their employability. One major difference between Chinese and Western aid is that while 65% of Chinese assistance is tied to infrastructure projects, West-led aids consisting of both grants and loans are primarily in social sectors such as health, education etc.

Africa is also geopolitically crucial for China. This is evident as they have maintained their 32 years old diplomatic tradition where the Chinese foreign minister always makes their first visit in the New Year to some African country. Many high-level Chinese leaders have been visiting even the poorest African countries, showing their interest in working with Africa while garnering and nurturing African votes at the international level. There are also some conscious efforts to link current Chinese activities with historical Chinese engagements. In many cases, issues regarding Chinese engagement in Africa, such as lack of trust and confidentiality, are often the reality. Concerning India's take on studying Chinese involvement in Africa, Africa needs immediate diversification from the monopoly of Chinese supply chains, and it is a huge opportunity for India.

In trade, although the volume of our trade is on the rise, it is primarily concentrated in very few countries. There is a requirement to expand the market by diversifying the import market and targeting the countries where bilateral trade is still low. Similarly, the export and import basket need some diversification. While we talk about connectivity, it is unfortunate that there is no direct shipping line between the two continents. India must be able to carry the goods in its own cargo. It becomes more important from the perspective of food security or access to the market.

Regarding aid, China spends a lot of money and effort to increase its visibility. This, in turn, improves their soft power. Indian approach regarding the promotion of its work is lacklustre. Sometimes, even successful Indian projects are not really known. India may take a blended approach by

promoting its good work without spending too much. Considering the offering of the LoCs, it is to be remembered that some countries already get more funds than they can absorb. In that case, it would be prudent not to offer LoCs to that particular country. The definition and significance of “Deemed University” were also raised.

Various suggestions to improve India Africa relationship came from the floor. One such idea is to establish a museum on India Africa historical ties. Another important suggestion was to simplify visa issues from both sides. There were also suggestions for the convergence of different Ministries and line departments working on Africa. This would make the work more efficient and reduce bureaucratic hassles. While it is important to increase private sector participation, it’s very important that we fix some regulation mechanisms. This was raised particularly concerning the recent tragic Gambia event where several children died consuming India-made cough syrup. While India’s work during the pandemic earned India the “Pharmacy of the World” title, one such incident can undo all the good work that has been done so far. Finally, how India can help Sahelian countries to combat terrorism and violent extremism was discussed. One specific suggestion was whether VIF can initiate a counterterrorism working to discuss counterterrorism operations. In that regard, it would be important to study what other powers like China, USA, France, Russia, Turkey and Egypt are doing.

## Africa and India Trade Relations

*Prepared by Samir Bhattacharya*

*On February 20, 2023.9th January 2023, VIF organised the 4<sup>th</sup> Africa Expert Group meeting. The meeting was chaired by Amb Rajiv Bhatia, Distinguished Fellow, Gateway House. The other members physically present in the meeting were Dr Arvind Gupta, Lt General R K Sawhney (Retd), Amb D.K. Shrivastava, GpCapt Naval Jagota (Retd), Amb Rakshpaul Malhotra, Mr Samir Bhattacharya, Prof Rajen Harshe, Ms Ruchita Beri, Ms Neha Sinha and Mr Goutam Ghosh. Ms Deepti Pant, Mr Aditya Ghosh joined the meeting online.*

The meeting started with brief discussion on the VIF Africa policy paper where the Chair invited each contributors to put forth any additional comments or remarks they may have with regards to the paper. Some new comments and suggestions came up such as there is a need to push Indian businesses in the eastern and central Africa, where the engagement is still not optimal. There is a requirement for trade financing. Many a time Indian company working in Africa got stuck due to the need of funding. In this regards, FICCI has conceptualised an idea of Africa Growth Fund (using escrow account). Some elements of the concept note can be incorporated as part of the current policy document. Other suggestions such as increasing the use of digital mode to enhance the collaboration, developing a preferential agreement, in the backdrop of AfCFTA came up. Finally, suggestion came related to regulation of India's pharma and healthcare industry.

The discussion was followed by a brief intervention by the High Commissioner of South Africa, His Excellency Mr JS Ndebele, and the Ambassador of Sudan, His Excellency Mr Abdalla Omer Bashir Elhusain. As part of VIF's "Connect Africa" programme, both the diplomats gave presentations on the status of India's relations with their respective nations and their prospects

In his speech, H.E. Mr JS Ndebele, Republic of South Africa, referred to 2023 as a unique year because it marks the 30th anniversary of formalising diplomatic relations between two nations. This year is also exceptional because South Africa will host the BRICS Summit, while India will host the G-20 Summit. He evoked the Bandung Declaration of 1955, the Group of 77, and the Non-Aligned Movement to appreciate India's contribution in Africa's liberation struggle.

South Africa and India have had a strategic partnership since November 22, 1993. The Red Fort Declaration of 1996, the New Delhi Declaration of 2003, and the Tshwane Declaration of 2006 outline significant areas of common purpose based on a shared agenda and reflect the broad level of bilateral engagement between South Africa and India. In Sub-Saharan Africa, South Africa is currently India's second-largest trading partner. The total trade value between the two nations is \$11.5 billion, with South Africa exporting about 4.7 billion dollars to India and importing 6.8 billion dollars from India. He stated that since 1994, India has invested roughly US\$8 billion in South Africa through Foreign Direct Investment (FDI), compared to US\$2 billion invested by South Africa in India. The most recent estimates indicate that over 130 Indian businesses operate in South Africa and employ about 18 000 South Africans.

He thanked the Indian government for the IITs and IIMs, which provide a platform for extending South Africa's technological, managerial, and educational strengths. Similarly, South Africa has contributed significantly to India's start-up boom by providing much-needed investment. He pointed

out areas for potential future collaboration, including agro-processing, pharmaceuticals and health care, mining equipment, defence procurement, retail, financing and insurance, and infrastructure development.

He specifically thanked the South African population of Indian descent, who have deep roots in South African society and have made substantial contributions to the growth and enrichment of South African society to emphasise people-to-people relationships. He concluded by expressing his optimism and happiness that the South African President will travel to India to attend the G20 Summit and that the Indian Prime Minister will visit South Africa this year during the BRICS Summit.

H.E. Mr Abdalla Omer Bashir Elhusain, Ambassador of the Republic of Sudan, evoked that the Sudan-India relationship is deeply rooted. He mentioned how Mahatma Gandhi's teachings motivated the Sudanese nation's struggle for freedom and eventual independence in 1956. Since Sudan's independence in 1956, diplomatic representation between the two nations has been exchanged and it is steadily improving. Both the nations have a diverse populations and economic prosperity. The two nations have always had friendly and cordial relations. A good illustration of this type of interaction between the two countries peoples is the Indian community in Sudan and many Sudanese of Indian descent.

He mentioned that Sudan is known as one of the world's food baskets and has a wealth of natural resources regarding economic opportunities. The largest fossil aquifer in the world, covering more than 2 million km<sup>3</sup> of groundwater, is located beneath Sudan, which makes up 43% of the Nile basin. Additionally, 10% of the world's arable land is in Sudan, and the country has a fertile rain-fed belt in the south. It also has a tropical climate suitable for farming all year round. There are enormous opportunities for establishing meat-processing, tanning, and leather-related industries because it has the second-largest livestock herd in Africa (more than 100 million heads).



Along with mining and the oil and gas industries, he said that Sudan's agriculture and animal production sector is one of the country's three main core competencies. Banking, telecommunications, transportation, and physical infrastructure are a few additional features of the services sector that still require significant investment to support the expansion and development of other economic sectors. He emphasised that Indian investors may pay particular attention to the pharmaceutical and solar energy industries.

When seeking a high education, Sudanese students frequently choose India. There are approximately 15,000 Sudanese students who came to India between 2016 and 2021. They rank fourth among all international students who simultaneously arrived in India, behind those from Bangladesh, Afghanistan, and Malaysia.

His Excellency made reference to medical tourism when he said that the majority of Sudanese nationals travelling for medical care are headed to India. It is estimated that 10,000 Sudanese nationals travel to India annually for medical care. He regretted that despite the excellent medical care the Sudanese citizens received at Indian medical facilities, they continue to experience problems because of the middlemen who typically arrange their acceptance for medical treatment in India.

He advocated for the development of close ties between civil society organisations in the two nations as a way to enhance bilateral relations. He also suggested that more scholarships should be given to Sudanese students who want to study at Indian universities. India can assist Sudan in restoring its existing agricultural research facilities and vocational schools. In regard to the admission of Sudanese students and patients into Indian universities and hospitals, he asked for additional measures to control the agents. Concerning issues with overstaying, he also expressed his concerns about the ease of immigration regulations. Finally, he anticipated India's cooperation in developing its pharmaceutical and solar energy industries.

This was followed by brief interactions between participants from the floor and the two ambassadors.

## **An Assessment of the New US-India Initiative on Critical and Emerging Technologies (iCET)**

*Prepared by Sweta Kumari*

*The Vivekananda International Foundation (VIF) organised a talk by Amb. Arun Kumar Singh on “An Assessment of the New US-India Initiative on Critical and Emerging Technologies (iCET)” on February 23, 2023. Dr. Arvind Gupta, Director, VIF, chaired the session and made welcome remarks. The event was attended by Dr. Suma Varughese, Director General MED, CoS&CS (MCC) at DRDO, Dr. N. Ranjana, Director, Directorate of Systems and Technology Analysis (DSTA), DRDO, Lt. Gen. Anil Bhatt, ISpA, Air Marshal Surat Singh, Col. Baljinder Singh, USISPF, Dr. C. Raja Mohan, Lt. Gen R.K. Sawhney, Gp. Cap. Naval Jagota and other members of the strategic community. Amb. Kanwal Sibal, Dr. Bhashyam Kasturi, Amb. P.S. Raghavan, Amb. Pankaj Saran, Lt. Gen Anil Ahuja, Prof. K.P. Vijayalakshmi participated virtually. The talk was followed by a discussion and Q&A session.*

### **Background**

The talk focused on the analysis of the US-India initiative on Critical and Emerging Technologies (iCET) which was formally launched on January 31, 2023, at Washington DC by Indian National Security Advisor Ajit Doval and his American counterpart Jake Sullivan. This initiative is the culmination of efforts made by the two governments and their agencies over the years. Prime Minister Narendra Modi and President Joseph Biden laid out this idea in May 2022. Given the changing security environment in the Indo-Pacific region, the collaboration in CET with the US will have

huge implications for India. The talk made an assessment of the prospects and challenges in cooperation between India and the US in these CET domains at the government, industry and academic levels and the way in which the implementation can be taken forward.

### **iCET : Genesis and Idea**

The work on iCET began two years back. There has been a growing strategic and political convergence in India-US relationship, however, the economic and technological dimension of the partnership is not of the same level.

The idea behind iCET has been to keep India at par with the undergoing technological revolution in areas such as artificial intelligence (AI), quantum technology, commercialization of space, biotechnology and semiconductors. The objective has been to keep India abreast in cutting-edge technology to make it self-reliant or *Atmanirbhar* as well as exploring the ways in which India- US partnership can contribute to this.

In the recent past, India and the US have not been able to finalise trade agreements because of the difference in interests. Hence,, it is important to build new frameworks of interaction, new partnerships in emerging technologies, and build a relationship of production sharing, and technology partnership in these areas. The norms and guidelines could be issued later so that there are no differences at the later stage.

### **Role of National Security Council**

Since the iCET is being coordinated by the national security councils of India and the US, that would be significant in bringing various government agencies, industry and academics together in this venture. The National Security Council has held consultations with relevant government departments such as the Defence Research and Development Organisation (DRDO), Indian space Research Organisation (ISRO), the Department of Science & Technology (DST) and the Department of Telecommunication

(DoT); with the Indian industry through National Association of Software and Service Companies (NASSCOM) and Confederation of Indian Industry (CII); with the American industry based in India through the American Chamber of Commerce; and with officials in the American Embassy in India and the US National Security Council. Think tanks including the VIF and Carnegie India have played important roles in promoting dialogues and discussions. Based on the opinions of various interlocutors, the opportunities and roadmap to the way forward were outlined. It was observed that there is a political willingness between the two countries and there also exists an opportunity for collaboration. There has been scientific collaboration with some diplomatic agenda between India and the US, but the involvement of national security councils and advisors has brought the national security perspective on iCET collaboration.

### **Opportunities for Collaboration in CET**

In AI, the US has strength in core technologies, while India is working in its application area. There is a scope for the cross-fertilisation of ideas. For instance, NASSCOM's Future Skill Programme is working on skilling people in the US in the application of AI.

In Quantum technology, IBM is funding various IITs to work in this direction. The leading universities in the two countries including the IITs and the MITs are discussing Quantum technology. Given the drastic transformation in technology, there is a need for change in academic syllabi. Similarly, industries are assessing the kind of manpower that would be required in future. This makes it an opportune moment for the Indian and American leading universities and industries to interact and collaborate. A co-developed syllabus in quantum technology could help in the smooth movement of trained manpower between India and the US.

In Space, ISRO and NASA have collaborated to some extent. However, there is a need to engage the private sector in this area. In India,

many Startup companies are now working in Space and engaging with US companies as partners. There is a need for incentivising and capitalising cooperation in the Space sector.

Similar opportunities are also available in technologies in 6G, biotechnology, cyber and semiconductors.

### **Assessment of Some Key Points in the US-India iCET**

A standing mechanism for emerging technologies has been created to resolve issues related to regulatory barriers. The US was not willing to share some of the new technologies with India under the Defence Technology and Trade Initiative (DTTI). Whether the US shares cutting-edge technologies with India would be a major test of the iCET. A High Technology Cooperation Group (HTCG) was set up in 2002 under which some technological cooperation took place. This initiative needs a mechanism to move beyond HTCG.

The US State Department's International Traffic in Arms Regulations (ITAR) is going to be a challenge in developing cooperation in the Space sector. The US would need to ease some of these restrictions for the Indian companies for the implementation of the iCET.

The White House fact sheet seeks to promote “collaboration on High-Performance Computing (HPC), including by working with Congress to lower barriers to U.S. exports to India of HPC technology and source code”. The US administration will need to address this issue by bringing up the US Congress on board.

There is a mention of signing a new Implementation Arrangement for a Research Agency Partnership between the National Science Foundation and Indian science agencies to expand international collaboration in a range of areas — including AI, quantum technologies, and advanced wireless infrastructure — to build a robust innovation ecosystem between India and the US. Since the agreement has been signed, the

NST and relevant Indian agencies such as the DST would now have to implement cooperation projects and address the barriers.

A joint Indo-US Quantum Coordination Mechanism with participation from government, industry, and academia would be established.

For furthering the DTTI objectives, a new bilateral Defense Industrial Cooperation Roadmap has been proposed.

For the promotion of tech Startups in both the countries, there is a need to establish new “innovation bridges”.

There is an emphasis on enhancing bilateral collaboration on resilient supply chains for semiconductors.

In Space ventures, cooperation in human spaceflight has been proposed. The collaboration of the private sector is to be promoted for this purpose. For instance, next year, NASA commercial lunar payload service companies are to convene a meeting with Indian private companies.

Some relevant agendas such as the initiating a new STEM dialogue, launching of a public-private dialogue on telecom, and the advancement of R&D in 5G and 6G among others have also been highlighted in the fact sheet.

## **The Way Forward**

With this initiative, the governments of India and the US have signaled that they are prepared to move forward in CET collaborations. However, now, the challenge is implementation of these ideas and agendas by the government agencies. Time is a crucial element in this venture as in the next year, there will be elections in the Presidential election in the US and the general elections in India. PM Modi’s expected visit to the US, President Biden’s visit to the G20 summit and the Quad summit this year would be an impetus to implement this initiative. The current US

administration has a favourable attitude towards India. But time is the essence in moving forward with the iCET. There is some concern among American industries if they wish to de-risk India in terms of investment or not based on the situations in Russia and China. However, the support to iCET by the two leaders is an important positive message especially when the US is blocking technology cooperation with China in various sectors. The fact that the US has signed this initiative with India in similar time along with other countries including Japan, South Korea, Australia, the European Union and Netherlands and has given similar or more thrust to India also shows United States commitment to this agreement.

In conclusion, the talk covered various facets of the India-US technological and defence cooperation. The challenges faced during the implementation of DTTI were thoroughly discussed by the participants. Some of the work that has been done by agencies such as the DRDO was also highlighted. The need for inclusion of the Indian private sector in areas such as space and defence was also deliberated upon. It was outlined that India needs to be mindful in moving ahead so that in the long run the larger national security aspect is not compromised. Overall, it was agreed that this new bilateral initiative is a very timely and relevant step forward in the India-US strategic partnership.



## Geopolitics and India: A Maritime View

*Prepared by Sweta Kumari*

*The Vivekananda International Foundation organised a talk by Vice-Admiral Satish Soni (Retd.) on the topic “Geopolitics and India: A Maritime View” on February 28, 2023. Dr. Arvind Gupta, Director, VIF, chaired the session and made welcome remarks. Lt. Gen. Gautam Banerjee (Retd.), Amb. D. B. Venkatesh Varma, Brig. Vinod Anand (Retd.), Lt. Gen. Rakesh Sharma (Retd.), Prof. Sujit Dutta, Gp. Cp. Naval Jagota (Retd.) and members of the strategic community were part of the deliberation. The talk focussed analysed the geopolitical developments happening in the Indian Ocean Region and emphasised India’s role in it. It was followed by a discussion and Q& A series.*

### **Historical Background**

India has a rich maritime heritage in shipbuilding. In past, Buddhist missionaries sailed from our eastern shores Sri Lanka, Myanmar, Indonesia and beyond to China, however, India was never muscular at sea. The only exception to a passive maritime policy was Rajendra Chola in the 11 th Century. India has largely been ‘sea-blind’.

In modern history, after the Second World War, the Indian Ocean became a stage for power play between the United States and the Soviet Navy. The ending of the Cold War witnessed an overwhelming US military presence in Saudi Arabia, United Arab Emirates and Afghanistan. The US has a major naval base across the Indian Ocean including Diego Garcia, Bahrain,

Seychelles and Djibouti. The US is also spearheading international efforts for maintaining stability in the region. Waters of the Indian Ocean, for generations, have been dominated by extra-regional naval powers. In the present scenario, the question remains whether India affords to continue outsourcing the security of these waters or if it is time to take the lead in developing an organic response supported by the littorals of the Indian Ocean.

### **Indian Ocean – An Arena of Contestation**

The unique feature of the Indian Ocean Region (IOR) is the abundance of its natural wealth and the sea lines of communication which transport the requirements of industrialized and developing countries. The region has 40% of the world's oil and gas reserves, 60% of the world's uranium, 98% of diamonds and 80% of the world's known gold reserves. The new 'Gold Rush' is in the rising demand for seabed minerals such as Polymetallic Nodules, Polymetallic Sulphides and Cobalt Crusts which are in abundance in the South West Indian Ocean.

Over 70% of the total traffic of petroleum products passes through the Indian Ocean, on its way from the Middle East to the Pacific. Given the spiraling demand for energy from India, China and Japan, the sea lines of communication (SLOCs) and choke points of the region have become strategically important for these countries.

Economic inter-dependencies have turned Indian waters into an arena of contestation. For India, these waters are of extreme importance. About 2000 ships of our merchant marine transit the Strait of Hormuz annually and over 3000 through the straits of Malacca.

### **US-China Rivalry at India's Doorstep**

The United States-China strategic competition is throwing up new security dilemmas and rekindling geopolitical rivalries reminiscent of the Cold War era. The South China Sea is the first to witness intense game play with

the Chinese developing military infrastructure on many artificial islands to dominate the first island chain.

The People's Liberation Army Navy (PLAN) has stepped up its activities in the commissioning of a permanent presence in Djibouti and the development of likely dual-use ports in Pakistan, Sri Lanka and Myanmar. With the rekindling of the QUAD initiative, the announcement of the AUKUS initiative and strident statements by the current US administration, the US appears to be more committed to the region. Whilst the US naval presence in the Indian Ocean is much superior, both qualitatively and quantitatively, the Chinese may be expected to enhance their maritime engagement and consequent naval presence exponentially. Given India's adversarial relations with China, it has no choice but to get involved in this contestation.

### **China's Naval/Maritime Capability**

With 2.2 million active duty personnel and 660,000 para-military personnel, China has one of the largest military forces in the world. In recent times, the Chinese army has reduced in size with both the Navy and Airforce increasing in numbers. PLA has achieved its 2020 goal was to achieving modernisation. The goal for 2027 is to achieve integration, mechanization, informatization and intelligentization of the armed forces and for 2035 the aim is to complete the modernisation of national defence and the military. It is working in the direction that by 2049 it achieves national rejuvenation by reforming the prevailing international rules-based system and changing the external environment through initiatives such as the 'Global Security Initiative' and 'Global Development Initiative' so that the People's Republic of China's concept of building a 'Community of Common Destiny' can be realised.

In 2021, China's defence budget increased by 6.8% to 261 billion USD. The military strategy remains on the concept of 'Active Defence'. In 2021, PLA started to discuss the 'Multi-Domain Precision Warfare' concept

which involves leveraging networks, big data and artificial intelligence. Within PLAN, there is a greater emphasis on developing expeditionary capabilities. By 2021, the Marine Corps expanded from two to six brigades. PLA also has a robust Integrated Air Defence system within 300 miles of its coast. PLA Navy's evolving focus from 'near seas defence' to 'far seas protection' reflects its interest in a wider operational reach. Cambodia, Myanmar, Thailand, Indonesia, Pakistan, Sri Lanka, UAE, Kenya, Seychelles, Tanzania, Angola, Equatorial Guinea and Tajikistan among other places where it is seeking military logistical facilities.

Additionally, China is the number one warship-producing nation in the world by tonnage in all naval classes, submarines, warships, and auxiliary and amphibious ships. PLA Coast Guard is the largest maritime law enforcement agency in the world. These further add to Chinese maritime capabilities.

### **Pakistan-China Collusion**

By 2030, the PLAN would be in a fairly good position to deploy and sustain a major naval contingent in the Indian Ocean Region comprising a Carrier Battle Group including modern destroyers/frigates, two SSNs, one SSBN, two LPDs (075 class), three Tankers/COSCO logistic ships, one Intelligence ship and over 1000 big vessels of the fishing militia. PLA would also be able to spare up to four Long Range Maritime Patrol Aircraft for surveillance of the Indian Ocean Region. These would be able to operate from Djibouti, Turbat, Gwadar and Karachi. Djibouti, Hambantota or Karachi could also be used as a naval base.

All ships on deployment are expected to be equipped with the most modern machinery, weapons and sensors in the PLA's arsenal. Pakistani navy is replacing the older frigates with four new acquisitions from China of which two have already been delivered. A significant addition of Yuan-class submarines may also be expected in the next few years. They would like to claim the operationalization of a sea-based nuclear deterrent as these

submarines could be capable of launching the Babur 3 short-range cruise missile armed with a nuclear warhead. Whilst Indian naval capabilities are robust and would be able to raise the threshold of intervention by any naval power, a Pakistan– China collusion at sea could pose a formidable challenge to India by 2030.

### **Non-Traditional Threats**

Blue Economy holds great significance for the Indian Ocean Rim Region. There is a symbiotic relationship between Blue Economy, Sustainable Development Goals (SDG) and Security, therefore, ocean governance has become critical to ensure the safety and security of economic assets and activities such as offshore oil platforms, protection of marine wealth, prevention of illegal fishing, and upholding national environmental regulations, thereby ensuring livelihoods of coastal populations as also enforcing national commitments to international agreements and initiatives such as the SDG 2030. Human trafficking, illegal fishing, and loss of biodiversity of the oceans are affecting maritime economics and influencing geopolitics. The COVID-19 pandemic has further reinforced the importance of cooperative mechanisms for better governance. The threat of Global warming can trigger several changes in ocean geochemistry, all of which affect societies of the littoral states.

### **The Indian Navy**

The Indian Navy currently has 130 ships and submarines which are combat-ready. India's self-reliance in naval capabilities is commendable. The percentage of indigenous content has been increasing over the years, currently being around 70-90%. The Navy has been managing the budget extremely well, however, the capital-to-revenue ratio of the budget is still 60:40. It needs more budgetary allocation to build capabilities.

The Indian Navy has engaged itself in shaping operations, making friends and spreading goodwill in the region. About five to six ships are always

on mission deployments ready to undertake any mission—from interdicting a belligerent to providing help for HADR. The Navy holds 90 Joint exercises, bilateral staff talks, and CORPATs to enhance interoperability with other navies. SAGAR deployments have been providing assistance in HADR. They also provided help to many countries during the COVID-19 pandemic.

Efforts have been made to enhance cooperation with other countries. The commissioning of the Information Fusion Centre in Gurgaon is an important initiative in this regard which has a world-class training infrastructure with 800 odd trainees from smaller navies. The Indian Navy have gifted ships, submarines and aircraft to neighbours. The Refit ships and the deputation of officers to hydrographic surveillance and EEZ patrolling have been provided for all small maritime states. Indian Navy has Reciprocal logistic agreements with many countries and Operational Turn around agreements with the island countries.

## **Recommendations**

- There is a need to redefine Primary and Secondary areas of maritime interest such as the Arctic, Antarctic, Indo-Pacific, South Western Pacific, and Mediterranean.
- In dealing with China, strategies such as Constant ‘Attribution and calling out’; building and sharing Domain Awareness with other countries; building capabilities and capacities of smaller states; and setting a good example of being correct could be effective.
- For India, engaging China and avoiding conflict is important but it is equally important to draw red lines and be prepared to take some positive retaliatory action.
- The Indian Navy, through its partnerships, is a dominant force in the IOR. It is a force capable of assuring all smaller states of being a ‘First responder’ to any crisis and a ‘Preferred security partner’.

It is also a ‘threat in being’. The extent to which it asserts itself will be determined by the country’s political will.

- No one country can dominate the IOR. Hence, there should be an emphasis to build bilateral and multilateral partnerships, especially between Navies/Maritime agencies with mandates. At the same time, cooperation overload is to be avoided.
- The idea of India having an Indo- Pacific Symposium can be assessed.
- There is a need to commence bilateral naval dialogue with China with an aim to build confidence and evolve an Incidents at Sea (INCSEA) agreement.
- There is a need to improve maritime governance in the Indian Ocean through Maritime Domain Awareness (MDA) and HADR. This would require greater confidence building amongst India and its immediate neighbours.

### **Future of Quad**

- Quad has been accepted with varying degrees of approval. It has sent an unambiguous message to China. In terms of security, the MDA is the only initiative that has been taken so far.
- For India, sharing of Indo-Pacific MDA may not be enough, an MDA in the western IOR will be more crucial.
- India needs to discuss with the partners the protection of critical undersea infrastructure and arrive at a strategy to safeguard them.
- Underwater Domain Awareness is another challenge that needs collaboration and discussion.
- There needs to be more emphasis on India taking a lead role in the IOR with a supporting role in the Western Pacific.

- The discussions on sharing technology among Quad countries are also very important.
- A HADR coordination centre in Andaman and Nicobar islands for the Indian Ocean as an initiative can help regional maritime countries. The presence of Quad countries could also be a deterrent to China.
- The Malabar Exercises should to further be taken to higher levels of interoperability.

Overall, the discussion focused on multifaceted security aspects in the Indian Ocean Region. It was also highlighted that the Indian Navy has a greater role in maintaining peace and stability in the region which would greater reforms.



## **About the VIVEKANANDA INTERNATIONAL FOUNDATION**

The Vivekananda International Foundation is an independent non-partisan institution that conducts research and analysis on domestic and international issues, and offers a platform for dialogue and conflict resolution. Some of India's leading practitioners from the fields of security, military, diplomacy, government, academia and media have come together to generate ideas and stimulate action on national security issues.

The defining feature of VIF lies in its provision of core institutional support which enables the organisation to be flexible in its approach and proactive in changing circumstances, with a long-term focus on India's strategic, developmental and civilisational interests. The VIF aims to channelise fresh insights and decades of experience harnessed from its faculty into fostering actionable ideas for the nation's stakeholders.

Since its inception, VIF has pursued quality research and scholarship and made efforts to highlight issues in governance, and strengthen national security. This is being actualised through numerous activities like seminars, round tables, interactive dialogues, Vimarsh (public discourse), conferences and briefings. The publications of VIF form lasting deliverables of VIF's aspiration to impact on the prevailing discourse on issues concerning India's national interest.



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