Vivekananda International Foundation

International Strategic Engagement Capsule

(IN-STEP)

March 26-27, 2024

Edited by Anurag Bisen

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Editor's Notes

The Vivekananda International Foundation (VIF) organised a two-day International Strategic Engagement Programme (IN-STEP) module on March 26-27, 2024, for 37 senior policymakers (both civil and military) including 29 from overseas. The overseas participants came from 21 countries, namely Argentina, Bangladesh, Brazil, Comoros, Guyana, Indonesia, Kazakhstan, Kenya, Madagascar, Malaysia, Maldives, Mauritius, Mozambique, Myanmar, Nepal, Oman, Seychelles, Sri Lanka, Surinam, Tanzania, and Thailand.

Curated by the National Security Council Secretariat (NSCS) along with Ministry of External Affairs (MEA) and the Ministry of Defence (MoD), the VIF attachment was part of a larger two week IN-STEP program, designed to strengthen India's outreach to friendly countries to build and sustain mutually beneficial partnerships. The VIF attachment provided an opportunity to the participants to engage with a wide cross-section of India's strategic fraternity.

The module was conducted over two days, in six sessions, and included a cross-section of themes such as India's Civilizational Ethos and its Strategic Approach, Emerging World Order, Global South and India's Vision, Energy Transition and Climate Change,

New Economic Order and Future of Indian Economy and Key Drivers of Indian Foreign Policy. Each session was presided by an eminent personality and the panel speakers included equally eminent and professional academics, diplomats, military officers, scientists, and practitioners. The participants engaged the panellists with sharp and incisive questions and the ensuing discussions generated a healthy and lively interaction. A summary of the session wise proceedings follows in the succeeding paragraphs.

Session I

India's Civilizational Ethos and Its Strategic Approach

Saudiptendu Ray

Shri S. Gurumurthy, Chairman, VIF commenced the first session of IN-STEP by delivering a lecture on "*India's Civilizational Ethos and Its Strategic Approach*". He commenced his talk by underlining India's status as an ecological and environmental marvel. Despite occupying only 2.4 percent of the world's land area, India sustains 18 percent of the global human population. Further, it harbours approximately 30% of the world's total cattle population and hosts around 8% of global species' diversity within its forests, which span 21% of the country's land area. The principle of *Vasudhaiva Kutumbakam*, which espouses the notion that the earth is shared by all living organisms and not just humans, underscores the mutual interdependence among them. India has consistently strived to preserve its ecological resources, with the dietary habits of its populace contributing significantly to this endeavour.

The ancient Indus Valley Civilization, dating back over 5,000 years, serves as the cornerstone of contemporary Indian culture. Vestiges of this civilization persist in present-day Indian society, showcasing the enduring continuity of religious, social, and cultural customs spanning millennia. Despite enduring numerous invasions and upheavals, India's civilizational essence has persevered, surviving centuries of foreign domination and influence. This uninterrupted

continuity of religious, social, and cultural traditions is unparalleled elsewhere in the world, underscoring the need for India to safeguard and preserve this heritage for the prosperity of future generations.

Shri Gurumurthy emphasized the stark disparities between India's traditional values of justice and equity, rooted in its civilizational ethos, and the unrestrained tactics employed by foreign invaders throughout history. He elaborated on India's stance within a global landscape where the powerful have consistently sought to dominate the weaker entities. Initially, dominance was achieved through military might, later transitioning to economic power derived from commerce and trade. In the contemporary world, both economic and military powers often operate independently of ethical and moral considerations, dictating the course that the world must follow.

Throughout history, the world has often seen the emergence of rigid ideologies based on religion and material culture, which tend to suppress dissenting opinions, fostering a sense of exclusivity. Each ideology asserts its own correctness while denouncing others, thereby widening the divides between them. In contrast, the Indian intellectual tradition stands apart by eschewing rigid ideologies. India is renowned for its philosophical traditions, known as *Darshanas*, which encourage dialogue and discourse among diverse viewpoints. This emphasis on dialogue, embodied in the concept of *Tarkashashtra*, has enabled the Indian intellectual tradition to persist peacefully for millennia, fostering an environment where ideas can flourish without resorting to violence. This commitment to dialogue has also facilitated the dissemination of Indian philosophical thought beyond the confines of the Indian subcontinent, devoid of any coercion.

In 1983, Paul Bairoch, a Swiss economic historian, stated that India was an economic power and dominated the world in the 18th century CE. India had a share of 25% of the world's GDP. On the

other hand, the combined share of Britain and the British colonies in America was about 2%. The situation changed drastically in the 19th century, when India's share was reduced to 1.8% under exploitative British rule. This shifted the centres of economic power, trade, commerce, technology and intellectual power from the orient to the occident. In 2001, Angus Maddison, a British economist, stated that from the 1st century CE to the 15th century CE, India was the leading economic engine of the world. From the 16th century CE to the 18th century CE, India and China were the top two economic powers.

In 1983, Swiss economic historian Paul Bairoch asserted that India held significant economic prowess and exerted dominance over the global economy during the 18th century CE. At that time, India contributed approximately 25% to the world's GDP, whereas the combined share of Britain and its American colonies amounted to around 2%. In 2001, British economist Angus Maddison remarked that from the 1st century CE to the 15th century CE, India emerged as the foremost economic powerhouse globally. Subsequently, from the 16th century CE to the 18th century CE, both India and China held the positions of the top two economic powers. However, this scenario underwent a drastic transformation in the 19th century, as India's economic share dwindled to a mere 1.8% under the exploitative rule of the British. Consequently, there was a notable shift in the centres of economic power, trade, commerce, technology, and intellectual influence from the East to the West.

In 1934, the Bank for International Settlements reported that up until the 19th century, India had amassed approximately 15% of the global surplus of gold. However, between 1929 and 1934, India saw a significant depletion of its gold reserves, losing approximately 60% of them to England. Concurrently, alongside its economic prosperity, the Indian subcontinent enjoyed a largely tranquil atmosphere.

According to R. J. Rummel, an American political scientist, between 500 BCE and 2000 CE, approximately 1.2 billion people worldwide fell victim to violent acts. Remarkably, prior to the 13th century CE, with the exception of the Kalinga war during Ashoka's reign, there were no widespread massacres in India. This prolonged period of peace in India played a pivotal role in fostering its economic growth.

Shri Gurumurthy said that the scientific community has found solutions to contemporary inquiries posed in quantum mechanics within the Vedas. Werner Heisenberg, a Nobel laureate in Physics from Germany, expressed that those familiar with Vedanta would no longer perceive quantum concepts as absurd. Vedanta posits the singularity of consciousness, asserting that all phenomena unfold within one universal consciousness, devoid of multiple selves. Erwin Schrödinger, an Austrian-Irish physicist, discovered parallels in the *Upanishads*, writing, "There is obviously only one alternative, namely the unification of minds or consciousnesses. Their multiplicity is only apparent; in truth, there is only one mind. This is the doctrine of the *Upanishads*."

Shri Gurumurthy highlighted the contrasting perspectives on forests between the West, which often views them as backward or undeveloped areas, and India, where forests hold a sacred significance and are revered as places where individuals attain profound communion with nature. Notably, the Vedas and *Upanishads* were cultivated in forest settings. The principle of *Vasudhaiva Kutumbakam*, depicting the earth as one family where coexistence is paramount, isn't merely a slogan but a tangible and operational philosophy in India.

He said that in terms of sustenance, crop farming plays a significant role, providing 83% of India's calorie intake, while livestock farming contributes the remaining 17%. Moreover, crop farming supplies 63% of the protein consumed, with livestock farming accounting for

the remaining 37%. Despite a substantial portion of the population consuming meat, it typically supplements the cereal-centric diet prevalent in India. However, if India were to shift towards a predominantly meat-based diet, it would necessitate six times the current agricultural land.

Alexander's invasion of India was a breakpoint in Indian strategic thinking. Shri Gurumurthy highlighted the interaction between Alexander and Kautilya that took place at Takshashila University after Alexander's invasion. Kautilya told Alexander that, in our tradition, a kingdom with a powerful army cannot go ahead and keep invading its weaker neighbours. Invading a country without any proper reason is *adharma*. Kautilya realised that enemies like Alexander would never be ethical or have a moral code of conduct. It was after this encounter with an immoral enemy that Kautilya wrote the *Arthashastra*, which became the foundational thinking of the next ten centuries of empire-building in India. The *Arthashastra* directed the Indian political elites to build their empires**.** Noble warfare would not fit well with an ignoble enemy. Chatrapati Shivaji was aware of this and built a guerilla warfare system in the 17th century. *Arthashastra* and Chatrapati Shivaji saved the Indian civilisation from getting completely ruined.

Shri Gurumurthy said that Alexander's invasion of India marked a pivotal moment in Indian strategic thought. He emphasized the significance of the encounter between Alexander and Kautilya, which occurred at Takshashila University following the invasion. Kautilya conveyed to Alexander that, according to Indian tradition, a kingdom possessing a formidable army should refrain from incessant conquests of weaker neighbouring states. Conducting unwarranted invasions constitutes *adharma*, or unethical behaviour. Kautilya recognized that adversaries like Alexander lacked ethical principles or a moral code. It was this encounter with an unscrupulous

enemy that prompted Kautilya to compose the *Arthashastra*, which subsequently served as the foundational doctrine guiding empire-building in India for the next ten centuries. The *Arthashastra* advised Indian political leaders on the methods to establish and expand their empires, recognizing that honourable warfare was incompatible with dishonourable foes. Aware of this principle, Chatrapati Shivaji developed a guerrilla warfare strategy in the 17th century. The teachings of the *Arthashastra* and the strategic insights of Chatrapati Shivaji played a crucial role in safeguarding Indian civilization from complete a complete ruin.

Shri Gurumurthy stated that after independence, India under Prime Minister Jawaharlal Nehru contemplated the idea of not having an army. The military weakness of India was advertised in the defeat of India in the 1962 war. India recalibrated its military strategy and conducted its first peaceful nuclear explosion in 1974. In 1998, India conducted a nuclear test for combat purposes, which changed India's military strategy. India's economy started rising on the foundation of this shift in military strategy, despite the harsh sanctions placed on India by the West. From there, India has only moved forward, and today, India is not a country that can be pushed aside. At the same time, India doesn't have the desire to dominate anyone. India wants a collectively managed global order in which everyone can have their own contradictory views.

Shri Gurumurthy concluded the talk with a quote from Hans Küng, a Swiss Catholic priest and theologian: "There will be no peace among the nations without peace among the religions. There will be no peace among the religions without dialogue among the religions. No dialogue between the religions without investigation of the foundation of the religions."

The Revolt of 1857 and subsequent revolutionary movements against British rule led Mahatma Gandhi to conclude that Indian society

would not accept violence as a means to achieve its objectives. Gandhi transformed non-violence into a potent weapon, rallying public opinion against colonial power based on certain principles, thus contributing significantly to India's journey towards independence.

Shri Gurumurthy stated that, following independence, India, under Prime Minister Jawaharlal Nehru, contemplated the idea of forgoing a military. However, India's military vulnerability was exposed during the 1962 war, prompting a reassessment of its military strategy. India conducted its first peaceful nuclear explosion in 1974, followed by a nuclear test for combat purposes in 1998, which altered its military strategy. Despite facing harsh sanctions from the West, India's economy began to ascend, anchored on this shift in military strategy. Since then, India has made significant strides, positioning itself as a formidable global player without harbouring desires for domination. India advocates for a globally managed order where diverse viewpoints can coexist.

Shri Gurumurthy concluded his discourse with a quote from Hans Küng, a Swiss Catholic priest and theologian, underscoring the importance of peace among nations and religions, emphasizing the necessity for dialogue and understanding among religious traditions to achieve lasting harmony.

Session II

Emerging World Order, Global South and India's Vision

Dr Arpita Anant

Moderated by Director, VIF, Dr. Arvind Gupta, the panel of speakers in the session included Amb. Venkatesh Varma, former Ambassador of India to Russia and Dr. Rudra Chaudhari, Director, Carnegie India.

Introducing the theme of the Session, Dr. Arvind Gupta explained that emerging world order is characterised by the rise of the Global South. In the present context, one needs to understand if the Global South is just the erstwhile Third World or is it much more? It is also important to identify the institutions or the mini- and plurilateral mechanisms that represent the Global South. And finally, it is important to highlight the issues that the Global South needs to be focused on if it needs to bring about a change in the governance of the emerging world.

In his presentation, Amb. Venktesh Varma characterised the present era as one of global instability. He attributed this instability to four factors, namely the transition from a unipolar to multipolar world, de-globalisation, emergence of new disruptive technologies and traditional and non-traditional threats. As a result, the world today exhibits five notable characteristics. Firstly, there are big power conflicts; one between longstanding adversaries the West

and Russia and the second between technology powers the US and China. Secondly, the UN has weakened and as a result, the norms it upholds have also lost sheen. Thirdly, the big powers are no longer influential in the ongoing conflicts in different regions of the world such as Syria, Yemen, Gaza etc. Fourthly, there are systemic conflicts resulting from the shift towards multipolarity. Fifthly, the framework for conflict management has become fragile.

It is in this world that the Global South is negotiating its rise. The Global South is a product of multipolarity. It is not one entity, there are several clusters making up the Global South. Unlike the erstwhile Third World it is richer, better organised, mostly democratic and has better leadership. So the challenges to the rise of the Global South are manifold.

During discussions, Amb. Varma highlighted the unique manner in which India handled its presidency of the G20. To its credit, India's deviated from the tradition of adopting declarations that were a mere supplement to the G7 declarations and produced a Declaration that reflected the issues of the Global South. It moved the narrative away from controlling emissions to sustainable consumption through the principle of Lifestyle for Environment (LiFE). It broke new ground on digital public infrastructure, traditional medicine, women's empowerment and sustainable development goals.

Dr. Rudra Chaudhuri in his presentation focused on how India fares as a prominent country of the Global South. India is deeply affected by both the big power conflicts identified by Amb. Venkatesh Varma, namely the war in Ukraine and the US-China competition. India's concerns related to the war in Ukraine are in the nature of food security, oil imports and its military dependencies on Russia. Its concern regarding the US-China competition is the manner in which de-risking from China will impact India. To address it, India has geared up in several ways. First, it has upgraded its industrial

policy and has rolled out many schemes incentivising production in high technology sectors such as semiconductors. Second, it has deepened its ties with countries with technological prowess mainly the US, Russia and France. The benefits are many, for instance the agreement with the US on critical and emerging technologies has loosened export controls that enables India to receive artificial intelligence, quantum, jet engine and industrial technology. Third, it has diversified its diplomatic engagements in minilaterals such as the QUAD. The seven working groups in the QUAD including on economic and technical cooperation are creating standards in several emerging areas of cooperation. Fourth, India has also taken the path towards a recovery of multilateralism. During its G20 presidency, India pulled off a genuinely People's G20. It produced substantial documents on reform of the multilateral development banks, making available digital public infrastructure for people in the emerging economies. Outside of the G20, India is part of the Global Partnership of Artificial Intelligence (AI) where it pushes for access of small countries to AI.

During the discussions, Dr. Chaudhuri underscored the fact that India is taking the effort to harmonise the Global South in many ways so that it speaks with a stronger voice on issues that matter the most to them such as debt servicing.

The session thus provided and Indian perspective on the emerging world order, the situation facing the Global South, a case study of India as it engages with the present predicament and India's vision of a new world.

Session III

Energy Transition and Mitigating Climate Change

PK Khup Hangzo

The session was moderated by Dr V.K. Saraswat, Member NITI Aayog and Former DG DRDO, and the panel of speakers included Amb. A. Gopinathan, Former Indian Ambassador and UN Permanent Representative, Amb. DP Srivastava, Distinguished Fellow, VIF and Dr J.R. Bhatt, Distinguished Fellow, VIF.

Amb. Gopinathan argued that an elaborate "game of deception" has entered global climate change negotiations. He highlighted that there has been a gradual dilution of the principles of equity, responsibility and respective capability that are enshrined in the 1992 UN Framework Convention on Climate Change (UNFCCC) which have undermined the propoer implementation of the Convention. According to Amb. Gopinathan, there has also been concerted efforts aimed at undermining faith in climate science. Climate skeptics representing vested interests often spring into action every year just before the UN climate change conference and sow seeds of doubt by questioning if climate change is real at all and if concerns over climate change are overblown. Furthermore, some countries have also sought to deliberately exclude emissions of certain categories from climate change negotiations. For example, despite their considerable share in global greenhouse gas emissions, military emissions have never been included in the calculations.

Amb. Gopinathan also observed that developing countries have lapped up slogans such as net zero "lock, stock and barrel" without first examining its feasibility in their national context. Similarly, he also outlined his misgivings about carbon offsets and credits. The provisions of offsetting unavoidable emissions are often misused and options to purchase carbon credits vary in levels of credibility, especially those purchased from the so-called voluntary markets. Amb. Gopinathan also made the case for according due acknowledgement and recognition to India's contribution to the climate change discourse. India, he contented, was at the forefront of articulating the concerns of developing countries during global climate negotiations. The most notable example being the "polluter's pay" principle that India strongly argued for during the 1972 United Nations Conference on the Human Environment in Stockholm, the first world conference to make the environment a major issue. India has also been at the forefront of making the case for linking climate change with poverty and equity. Finally, Amb. Gopinathan called for doing away with sophistry and doublespeak and called for more purposeful and meaningful action. That, he believed, would lead to desired results and agreed outcomes.

According to Amb. DP Srivastava, there is global consensus that climate change is real and that it requires urgent action by all countries. As such, net zero emissions have largely been accepted by most countries. Net zero means cutting greenhouse gas emissions to as close to zero as possible. On the face of it, net zero looks like the ideal solution to climate change. However, there are several limitations. For example, net zero pledges have overlooked the historical responsibility of developed countries and China. The US for example has historically contributed 25% of all emissions, the EU contributed 22, and China contributed 12.7%. India on the other hand has historically contributed just 3% of all emissions. Ideally, developed countries and China should be doing more to

cut emissions and reach net zero earlier than they have pledged. At present, most developed countries aim to reach net zero by 2050 and China aims to do so by 2060. India has set the target to reach net zero by 2070 as it started from a low point of development trajectory and therefore needed more time to reach the goal. Net zero has overlooked the cumulative historical emissions and the historical responsibility of developed countries and China and instead put the burden of climate change mitigation equally on all countries. Amb. Srivastava then shifted his focus to one of the key outcomes of the 2023 United Nations Climate Change Conference or COP28 i.e. to triple renewable energy capacity by 2030. However, he cautioned against excessive reliance on renewable energy sources such as solar and wind because they are intermittent and are highly vulnerable to climate change hazards. He argued that nuclear energy can become a key source of low emissions electricity that is available on demand to complement the leading role of wind and solar renewables, in the transition to electricity systems with net zero emissions. Amb. Srivastava also cautioned India against the EU's Carbon Border Adjustment Mechanism (CBAM). CBAM, which will be effective from January 1, 2026, is EU's tool to put a price on the carbon emitted during the production of carbon intensive goods that are entering the EU. However, it could potentially impact certain exports from India.

Dr. JR Bhatt opined that excessive and unsustainable consumption in developed countries is one the primary causes of climate change. Unlike those living in developing countries, people in developed countries are assured clean drinking water, food, health, sanitation, energy as a matter of right. It is therefore undeniable that the lifestyle of those living in developed countries is the main trigger for climate change. Despite this, developed countries are wary of addressing the issue. Instead, they want developing countries to contribute as much to climate change mitigation even when they

have contributed the least to the problem. With regards to carbon budget i.e. the maximum amount of carbon emissions that can be released while restricting global temperature rise to a certain temperature threshold, Dr. Bhatt stressed that the carbon budget for remaining within the 1.5°C warming threshold is 500 billion tons and that for the 2°C threshold is 1,350 billion tons. Against these, India's annual emissions is just 2.6 billion tons. And the entire South Asia region accounted for just 4% of cumulative emissions from 1850-2019. Even then, developed countries have pushed countries in South Asia and beyond to commit to achieving net zero emissions by 2050. However, the declared commitments of developed countries to reach net zero by 2050 did not match reality. Ideally, for a 50% chance of limiting global temperature rise to 1.5°C, the US should be aiming for net zero by 2025 instead of 2050. And Germany should be aiming for net zero by 2030 instead of 2045. The EU 28 on the other hand should be aiming for net zero by 2031. Dr. Bhatt also contended that developed countries have constantly been shifting the goalpost. Net zero by 2050 is one such example. The other is methane. Developed countries are now increasingly pushing for global methane cuts. And that does not bode well for India. India's methane emissions, primarily from rice cultivation and cattle, is just 14% of the country's total greenhouse gas emissions. Any attempt to bring methane under the ambit of global emissions reduction plans therefore has the potential to harm India's economy. That is because India has the highest cattle population in the world and it is the world's second largest exporter of rice. The bulk of rice in the country is produced by small and marginal farmers for whom their methane emissions is "survival emissions." Finally, Dr. Bhatt cautioned against the growing interest in geoengineering in developed countries. Geoengineering techniques such as spraying aerosols high up into the stratosphere, ocean acidification, etc. are potentially harmful and developing countries should cast a wary eye on their deployment.

Session IV

Implications of Emerging and Disruptive Technologies

Dr Saroj Bishoyi

The session was chaired by Dr Gulshan Rai, India's first National Cyber Security Coordinator and currently Distinguished Fellow, VIF. Three eminent speakers made their presentations during the Session,: Lt Gen Raj Shukla (Retd), former GOC-in-C ARTRAC and Member UPSC, spoke on "Implications of Emerging and Disruptive Technologies in Defence"; Prof. Hari Babu Srivastava, former DRDO Scientists and Distinguished Fellow, VIF, talked about "Science and Technology in India: An Overview"; and Prof. Manan Suri, Associate Professor, Department of Electrical Engineering, IIT Delhi, made a presentation on "A Perspective on Next Generation Computing: The Future of Intelligent Systems".

Gen Shukla highlighted that the disrupting technologies are those that shake up established patterns and create new paradigms. A cluster of interconnected technologies, including AI, ML, Robotics, Chips, big tech, Autonomous military systems, and biotechnology, are emerging and appear to be converging. They straddle the boundary between military and civilian applications, particularly evident in areas like space. The discussion underscored the pervasive influence of technology, especially emerging and disruptive ones, which affect us in various ways, both positive and negative. These technologies have penetrated into our social, economic, political,

and security spheres, fundamentally altering the concept of national security. Consequently, their impact is substantial.

It was pointed out that the integration of these technologies into economy and security have changed the entire landscape of those sectors. It was highlighted that the incorporation of these technologies into the economy and security sectors has fundamentally transformed their entire landscape. This transformation is fuelling economic expansion, with businesses of all sizes, including MSMEs and startups, increasingly leveraging cloud and data analytics to foster growth. These technologies have become critical part of the digital economy and are now seamlessly integrated into civilian and military products such as watches, phones, laptops, cars, aircraft, and drones. They have also spurred changes in business models and altered employment dynamics, leading to shifts in both the quantity and nature of jobs available. Consequently, the high impact of these technologies is driving changes in business models, employment patterns, and operational processes.

The emergence of disruptive technologies is also spawning numerous strategic challenges. For example, the introduction of the UPI payment system in India has significantly transformed the landscape of FinTech within the country. With over four billion daily occurring transactions in India, mobile payments have become highly convenient. However, from a strategic standpoint, UPI has raised concerns regarding policy formulation, jurisdictional matters, and regulatory frameworks, in addition to exacerbating cybersecurity issues.

The majority of new technologies rely heavily on software design, where altering the software leads to changes in the system. Wherever there is software, security concerns inevitably arise. The global rise in cyber-attacks has resulted in billions of records being leaked. Particularly concerning is the use of generative AI to produce

artificial images. AI algorithms serve various purposes, yet they also raise legal issues as they operate virtually, across borders, and anonymously. Determining the origin of cybercrime has become crucial. While international laws exist, their applicability to these emerging and disruptive technologies remains a significant concern. Many countries have enacted privacy laws, but their compatibility and effectiveness in addressing privacy concerns amid these technological advancements are major issues. During the COVID-19 pandemic, hospitals became prime targets for cybercrime.

Cyberspace has evolved into a fifth domain, distinct from the natural domains of land, air, sea, and space. As technology innovations are integrated into this dynamic domain, its complexity increases, resulting in strategic impacts on national security and economic aspects. Shri S. Gurumurthy, Chairman of VIF, highlighted in the inaugural address the link between economic security and national security. Today, India is actively engaging with emerging technologies due to their strategic significance. Nations are leveraging these technologies to shape their policies, ensure privacy, and establish export controls to regulate their usage. India is therefore prioritising the development, utilisation, and promotion of these emerging technologies, collaborating with the public sector, industry, and academia in a coordinated effort to address challenges and foster their development.

India has invested around US $ 11 billion on emerging technologies. It has an established startup ecosystem having more than 1.25 lakh recognised startups. Of these, there are 120 unicorns and 11 thousand startups are engaged in the emerging technologies, engaged in AI, semiconductor, Quantum and next generation of communication systems. There is increased emphasis on cyber management systems due to the comprehensive impact of cyber threats on the entire system. The startup sector is generating about 12 lakh employment

in India.

Additionally, as life increasingly transitions into the digital realm, the use of emerging technologies generates vast amounts of data. While generating data has become effortless, managing it presents significant challenges. The complexity of the data issue is multifaceted, influenced by various factors. There are four key aspects associated with the data challenge: i) the Quest for a Digital Empire, ii) the characteristics of our physical world, iii) the drive towards developing Intelligent Machines, and iv) the inherent nature of technology itself. These aspects are closely intertwined with the evolution of semiconductor technology. Consequently, there is a need for a fundamental shift away from the traditional Von Neumann computational model to address the bottlenecks encountered in data-intensive real-time applications. Non-Von Neumann (NVM) semiconductor technology emerges as a solution, offering a range of innovative applications including data storage, low-power bio-inspired computing, and cyber-security. Indian startups are actively engaged in the development of NVM semiconductor technology.

India is currently prioritizing nine key sectors including AI, ML, Blockchain, Robotics, Quantum technology, and autonomous systems. Robotics is extensively utilized across various financial sectors in India, including the stock market, insurance market, and banking, employing robotic autonomous systems. This development isn't solely for India's economic benefit but also for global advancement. The software industry has surpassed a yearly revenue of US $200 billion. Today, nearly every Fortune 500 company has either an R&D centre or a development centre focused on emerging technologies. India's focus extends to areas such as quantum computing, quantum algorithms, and quantum communication, putting it on par with global standards in the crypto system domain. Additionally, emphasis is placed on biotechnology and skill development within

the country, which are crucial for sustaining economic growth. Other areas of focus include hypersonic technology and semiconductor development, among others.

The government of India has been increasingly emphasising on the use of science and technology for addressing 21st century challenges, including health, environment, energy, education, cyber, defence and security. These technologies can deliver economic growth, create jobs and help achieve defence and strategic priorities. The S&T played critical role in the agriculture sector and aggrotech brought various revolution in India such as Green (Food-Stock), White (Milk), Blue (Fisheries), Purple (Lavender). In the health sector, India is largest vaccine manufacturer and major exporter of pharmaceuticals. Technology has improved the governance in India and digital India program has empowered the citizens and transformed their life.

The profound implications of emerging and disruptive technologies are reshaping national security, deterrence, and warfare dynamics in equal measure. In what could be likened to a Cold War 2.0 scenario, the competition primarily revolves around technological prowess. China currently leads in 37 out of the 44 emerging technologies and their subsets, thereby playing a pivotal role in shaping this new phase of competition. It's imperative to not only acknowledge but also take decisive action in response to this reality. While discussions surrounding these technologies abound in various forums, the time for action has arrived. The race for supremacy in space has already commenced, and nations equipped with the capacity and capability in emerging and disruptive technologies stand to gain a significant advantage. Conversely, those lacking in civil space technology also lag behind in space-based military capabilities. Therefore, there is a pressing need to recognize both the opportunities and risks inherent in this domain.

Understanding not only the science and technology themselves but also the comprehensive impact of the packages in which these technologies are delivered is crucial. Notably, science, technology and innovation more profoundly affecting the character of war today than at any other point in recorded history. The AI revolution, characterised by rapid advancements in computing systems, has a immense impact on defence capabilities. In their book, "The Age of AI and Our Human Future," Henry Kissinger, Eric Schmidt, and Daniel Huttenlocher, representing the realms of diplomacy, technology, and computing respectively, assert that AI's significance surpasses even that of the Renaissance, which catalysed the birth of art and science in Europe. Consequently, AI is reshaping every facet of society, economy, politics, and security. NVidia's recent unveiling of the Blackwell chip, boasting a fortyfold increase in power and twentyfold improvement in energy efficiency, underscores the rapid pace of technological advancement. Hence, there is an imperative for the holistic development and management of emerging and disruptive technologies, wherein India and countries of the Global South can collaborate to achieve sustainable development and enhance the quality of life for their citizens.

Session V

New Economic Order and Future of Indian Economy

Prerna Gandhi

The two speakers of the 5th session were Dr Rajiv Kumar, Former Vice Chairman, Niti Aayog and Prof Nagesh Kumar, Director, Institute for Studies in Industrial Development (ISID), New Delhi. Some of the salient points of their presentations are narrated below.

In the nearly eighty years since gaining independence, India has consistently experienced a steady increase in economic prosperity. Lately, it has emerged as the fastest-growing major economy worldwide, earning recognition for its stability and strong macroeconomic fundamentals. Moving from the fifth largest economy by GDP, it is on track to become the third largest. Significant strides have been made in reducing poverty, with an estimated 500 million people lifted out of deprivation. Additionally, notable advancements have been achieved in healthcare, education, and the provision of essential services. India has also taken a leading role globally in certain key sectors such as generic pharmaceuticals, vaccines, two-wheelers, compact cars, and ICT software. However, numerous challenges persist, including the issue of jobless growth, widespread informality in employment, and ongoing poverty. The country struggles to generate sufficient quality jobs and transition people away from low-productivity occupations. Agriculture continues to employ 46% of the workforce but contributes only

15% to the GDP. This is primarily due to a structural shift towards services while neglecting the manufacturing sector.

India is seen as the only possible counterbalance to China in the Indo-Pacific region. Rising geostrategic advantage for India was exemplified by the success of G-20. India is a member of numerous regional arrangements such as the BRICS, SCO, Quad, etc. A number of bilateral and regional economic cooperation agreements have been signed and several are in the pipeline. There is a strong Indian diaspora globally totaling about 30 million- USA- 4.9 million; UAE- 3.4 million, Saudi Arabia-2.6 million, UK-1.8 million etc. The diaspora creates favorable conditions globally and becomes a potential source of investment and frontline technology.

The way forward for India would be to achieve OECD- comparable Human Development Indicators at a substantially lower per capita income. That will include promoting GDP growth while minimising depletion of natural capital and protecting the environment. The next step involves creating employment opportunities in local communities by leveraging cutting-edge technologies to minimize migration and narrow the gap between rural and urban areas. Lastly, there will have to be a 'bottom-up' estimation methodology starting with districts and decentralising economic decision making.

India is the 7th most vulnerable country in terms of climate vulnerability. Indian carbon emissions presently stand at four billion tons and are expected to rise to 14 billion (CSE Study). There is also lack of inclusion and social discrimination. India ranks 106th in the inclusiveness index out of 136 nations and 115th in the social progress index out of 168 nations. There is also strong income inequality with 10 percent of Indians holding 57 percent of total National Income; half the population holds just 13 percent. These challenges necessitate an innovative way forward. Business as usual on borrowed models will simply not do.

There has been a worldwide pivot toward manufacturing spurred by the emergence of industrial policy. In fact, the contemporary notion of the New Washington Consensus revolves around industrial policy. The United States, for instance, is committing substantial sums through various Acts to rejuvenate manufacturing, including the $280 billion CHIPS and Science Act, the $737 billion Inflation Reduction Act, and the $550 billion Infrastructure Investment and Jobs Act. The European Union is also following a similar trajectory. Countries, including the US, are resorting to strategic measures such as incentives, subsidies, protectionism, and mandates for domestic content to stimulate local production. Additionally, there is an ongoing restructuring of supply chains with a focus on reshoring as part of global companies' strategies to mitigate risks. The Productivism Paradigm reflects a global shift towards prioritizing production, employment, and localization over finance, consumerism, and globalisation.

However, the external context has turned less benign. Post-Global Financial Crisis, globalisation has turned into '*slowbalisation*'. Growth rates of world trade and FDI inflows have declined from around 20% per annum in the pre-Global Financial Crisis period to under 5% now. There has been a slowdown of world trade that has also been marked by trade wars, stalling of multilateral trade negotiations and rise of FTAs and bilateralism in trade policy. There have been asymmetric gains from globalisation. Only a few countries have benefitted from globalisation. China has been the biggest beneficiary with its share in exports rising from 1.79 percent to over 14.36 percent over 1990-2022. India has seen her share in global exports rise from 0.52 percent to 1.81 percent in the same period. There were modest gains for Latin America and the Caribbean (4.48 to 6.06 percent). But Sub-Saharan Africa lost its share from 1.99 percent to 1.78 percent. Yet, *slowbalisation* is bad news for economic growth. Slowdown of world trade and investment has affected GDP

growth worldwide. India may be losing at least 1 percent point in GDP growth rate because of slow trade and investment.

India's manufacturing strategy can be segmented into three distinct phases. Initially, there was the era of Import-Substituting Industrialisation spanning from the mid-1960s to 1990. During this period, high tariffs reaching up to 350 percent, stringent import and industrial licensing regulations, and a restrictive foreign direct investment (FDI) policy regime, including the Foreign Exchange Regulation Act (FERA), were prevalent. While this phase facilitated the development of a diversified industrial base and fostered the growth of dynamic enterprises, laying the groundwork for industries like generic pharmaceuticals, vaccines, and automobiles, it also led to reduced reliance on imports. However, it was marred by issues of poor competitiveness and technological obsolescence.

The second phase commenced with the economic reforms of 1991, marked by extensive economic liberalization and global integration. The implementation of the New Industrial Policy abolished the industrial licensing system and eased restrictions on FDI inflows. Tariff rates were gradually lowered to align with ASEAN levels, and many quantitative restrictions were eliminated. Exchange rate management became more flexible, and amendments to patent laws in accordance with TRIPs (Trade-Related Aspects of Intellectual Property Rights) spurred significant industrial restructuring. During this period, some domestic production of consumer goods was outsourced, leading to early signs of deindustrialisation and production 'hollowing out'. Despite a growing trade deficit and increased import dependence, the manageable Balance of Payments situation was sustained by the rising exports of services, particularly in the ICT sector.

The third phase, initiated with the Make-in-India campaign and the revival of industrial policy since 2014, has focused on improving

the ease of doing business through the removal of outdated regulations and simplification of compliance procedures. FDI limits have been raised, and investment promotion measures, along with a single-window approach, have been implemented. Furthermore, production-linked incentives have been introduced for 14 sectors to encourage localized production, complemented by the launch of sector-specific missions.

India has developed a diversified manufacturing base that is fifth largest globally. For reference the biggest manufacturing countries in the world- China - 28.7 percent, United States - 16.8 percent, Japan - 7.5 percent, Germany - 5.3 percent and India - 3.3 percent.

Technology-intensive sectors are rising in importance within manufacturing and displaying greater productivity improvements. The contribution of total factor productivity (TFP) growth to India's economic growth has been at the rate of 26 percent (average) and is in line with that of other countries. The manufacturing sector has contributed substantially to TFP growth.

India's share in global merchandize exports remains small but has increased from 0.52 percent to 1.81 percent between 1990-2022. The export structure has become quite diversified over time but is dominated by moderate complexity products. Growing exports of machinery, transport equipment, and pharma have helped to improve the economic complexity of the export basket. India's participation in the global value chains is moderate compared to other Asian peers but is rising.

Economic reforms, a growing domestic market, and other advantages have helped improve India's attractiveness to FDI inflows. India's rank in Ease of Doing Business Index has moved up steadily from 134 (2014) to 100 (2017), 77 (2018), 62 (2019). India occupies the top rank for promising business destination in JBIC Surveys (2022),

and the 2nd spot among emerging countries in AT Kearney's FDI Confidence Index 2023. India's share in global FDI inflows is also growing. Among the top recipients of FDI in emerging countries, India is now touching the levels of peers. Also, India has emerged as the top destination for greenfield FDI projects. Indian subsidiaries of MNCs are doing better than their parents. However, India has yet to fully harness FDI's potential for its industrial transformation.

The share of FDI going to modern manufacturing sectors has been low but is rising. The bulk of FDI remains focused on the domestic market. India is yet to emerge as a global export platform. The ongoing restructuring of Supply Chains by Global Corporations on China+1 basis, coupled with Production-linked Incentives (PLI) under Make-in-India is likely to help.

The prospect of a major export-oriented manufacturing strategy would appear challenging in view of global trends. Subdued growth in the advanced economies and world trade has become a new normal. There is also rising protectionism in advanced economies and huge underutilised capacities in the East Asian countries. Restructuring of supply chains by global corporations on a China+1 basis does confer India advantages and places it in a geopolitical sweet spot. There is also a demographic sweet spot with abundant low-cost labour and skills, lower production costs, infrastructure gaps being closed etc. There is need to consolidate India's competitiveness through productivity enhancement in traditional sectors e.g. textiles & clothing, leather goods, gems and jewelry, food processing, generic pharma & vaccines, automobiles & components etc. Targeting a marginal 0.5 percent increase in world trade over the next 4-5 years would create new exports of US$100 billion ($150 billion of MVA). To translate opportunities of making for India, for the world and the new sunrise industries, India's Manufacturing Sector could grow to US$ 1 trillion by 2027 and to US$ 7.5 trillion by 2047.

There are projections of US$ 400 billion in annual imports by the middle of the decade. India is targeting a US$ 1 trillion digital economy by 2025. There are highly successful experiences in building Digital Public Infrastructure such as with the India Stack. In terms of mobile handset manufacturing, India is already a net exporter with $ 1 billion in exports per month. But there is a need to move forward to deepen the value-addition. India can leverage its leadership in software development and chip design with the US$10 billion Semiconductor Mission.

Efficient logistics and industrial infrastructure are critical for manufacturing competitiveness. Several initiatives are underway to improve industrial and logistics infrastructure. One notable effort involves the establishment of 11 industrial corridors, strategically situated throughout the country. Additionally, there is the Gati Shakti Masterplan for Multimodal Logistics, which amounts to US$ 1.2 trillion. The National Infrastructure Pipeline and the revamped Special Economic Zones (SEZs) scheme are also significant projects aimed at enhancing infrastructure.

A manufacturing-oriented transformation could help India realize its development aspirations through job creation, reviving growth, and sustainable management of balance of payments. Make-in-India and *Aatmnirbhar* Bharat are timely initiatives. There is a revival of industrial policy for leveraging the large and growing domestic market to foster competitive manufacturing and exports. To exploit the new opportunities presented by green and digital revolutions, there is need to adopt a strategic approach and implement it in a coordinated manner to harness the potential of manufacturing. India should work with other developing countries to harness the potential of South-South trade, investment, and technology transfers to accelerate their development.

India has also moved up the global innovation rankings from 81 in 2015 to 40 by 2022. India has emerged as an important base for R&D by MNCs, hosting 1600 global capability centers (GCCs). Thanks to its leadership in ICT software, India's AI preparedness is relatively high. Start-Up India Mission is fostering technology-driven entrepreneurship with over 100,000 recognized start-ups and the third largest ecosystem for start-ups globally. However, at 0.7 percent of GDP (although an underestimate), India's R&D expenditure is rather low compared to other emerging countries. Indian industry needs to scale up R&D activity sharply if it is to emerge as a significant player as a manufacturing hub and to leverage new technologies such as Artificial Intelligence and Machine Learning. Two new initiatives may help to change the landscape: The Rs 50K crores National Research Foundation (NRF) and The Rs 100K corpus for 50-year zero % loans for in-house R&D.

Session VI

Key Drivers of Indian Foreign Policy and Major Initiatives

Hirok Jyoti Das

The sixth session was moderated by Amb. Kanwal Sibal, Chancellor, Jawaharlal Nehru University, New Delhi. The speakers in the session were Amb. Pankaj Saran, Former Deputy National Security Advisor; Jayadev Ranade, Member, National Security Advisory Board and Dr. C Raja Mohan, Senior Fellow with the Asia Society Policy Institute. The key points that emerged during the presentations and discussions are given below.

- There is a pressing need for a thorough assessment of India's contemporary mindset, particularly since 2014, which marked the beginning of a period characterised by a majority government. This period has witnessed a fundamental transformation in the approach to decision-making regarding foreign and strategic policies. Historically, India's strategic perspective revolved around viewing Pakistan and China as the primary dual threats. However, there has been a notable revaluation of this perspective, with the notion of a "two-front challenge" being reframed into concerns about both continental and maritime threats.

- In the midst of rapid transformation on global level, India is seeking to engage with all parts of the world; play an active role in shaping the world order; deal with global issues; UN Security Council reforms; climate justice; international trade

regulations; political, financial, trade architecture. India is aware that certain changes in global order cannot be shaped by itself alone such as UNSC reforms. India cannot influence the rise and fall of great powers.

- At the sub-regional and bilateral levels, India's strategic focus is centred on fostering relations with major powers and actively engaging with neighbouring sub-regions. There has been a notable improvement in relations with the United States, marked by enhanced trade and financial connections. Similarly, there has been an expansion of trade and financial ties with the European Union (EU), while India's partnership with Russia has remained steadfast and reliable. Regarding sub-regional engagement, prioritizing relationships with neighbouring countries is paramount.

- The overarching objective of India's 'neighbourhood first' approach is to promote the integration of the subcontinent and mitigate the externalities arising from India's development and growth. Key principles such as pluralism, multiculturalism, and democracy are seen as contributing to political stability, regional peace, and predictability.

- India possesses both the capability and the willingness to leverage technology for economic and social transformation, poverty alleviation, advancements in the health sector, and facilitating the transition to a greener economy, thereby contributing to global welfare.

- India is seeking deeper engagement in East Asia, South-east Asia, West Asia and Eurasia. This would require a customised approach to each sub-region and state. It is country-specific, region-specific and culture-specific.

- The current source of instability is emanating not from the

global south but from the developed European states. In India's future trajectory, it would play a pro-active role in finding solutions and act as bridge between East and West and North and South.

- The distribution of power is a crucial factor in the international system, and commonly held assumptions about it are rapidly evolving. Despite China's rapid economic growth, indications suggest that it is unlikely to assume the top position in the near future. The linear projection of China's ascent and the US's decline is under significant strain. While the US is managing reasonably well in terms of economic growth, China's GDP has experienced a decline. Politically, the US is facing challenges in tipping the balance in favour of Ukraine, enforcing a ceasefire in the Gaza Strip, and its exit from Afghanistan was abrupt. It's becoming evident that economic power does not necessarily equate to political power. The anticipated calculations are not unfolding as expected, highlighting the need for greater focus on how power is distributed and wielded.

- India's position in the international system is on the rise, particularly with its projected $4 trillion economy. The growth of large economies with substantial populations such as India, Indonesia, Brazil, Nigeria, the Philippines, and Thailand is reshaping and transforming the system. The traditional notion that a small group of states dominates global affairs is undergoing change, evident in the shifting list of top 10 economies. Several non-Western states are poised to assume greater influence, thereby altering the distribution of power.

- The shifts in power distribution will give rise to new geopolitical landscapes. It's important to recognize that our understanding of geography is inherently political. Terms like South Asia, Southeast Asia, West Asia, and the Indo-Pacific are constructs that reflect political realities. As power dynamics evolve and new

countries emerge, these geopolitical constructs will also change. For instance, the growing influence of the Persian Gulf region may lead to the emergence of new geographical concepts.

- Moreover, there are significant changes underway in global financial centers, which are reshaping the monetary geography. Additionally, the designation of small island states as "Large Ocean states" is reflective of the expansive Exclusive Economic Zones (EEZ) they possess, underscoring the evolving nature of geographical classifications.

- The post-Cold war assumptions about unipolar world dominated by free market and liberal values have shattered. The great power conflict is re-emerging with conflict in Europe; fear of war in Asia; military buildup in South China Sea; Gaza conflict etc. In global politics, conflict is inevitable which needs to be navigated tactfully. The conflict may not be in any one's control. In great power competition, there is option for states of not choosing sides; asserting their own interests and leveraging from their geographical positions. Great powers are competing to earn allies and partners. Developing and smaller states have more agency to operate with greater confidence.

- The landscape of globalisation is being redefined in light of shifts in trade dynamics. China has effectively leveraged the World Trade Organization (WTO) system, originally shaped by the US and its allies, prompting Washington DC to reassess its position. The US is now seeking to amend the rules because China has demonstrated adeptness in navigating global trade dynamics. The previous assumption that the established norms of global commerce would persist has been challenged. Furthermore, if Donald Trump were to be re-elected, it could further disrupt the norms of global commerce. China aims to increase global reliance on its resources while diminishing dependence on other nations, prompting a re-evaluation of

assumptions about economic globalisation.

- The profound influence of the technological revolution on global politics warrants careful consideration. If the anticipated Artificial Intelligence (AI) revolution materializes, its impact on the economy, society, and politics will be highly significant. Currently, the majority of technological advancements originate from the US, while India is striving to integrate into this technological revolution by focusing on areas such as semiconductors and quantum computing. It is feasible for states to adapt to the technological revolution based on their respective capabilities. Different states have the potential to capitalize on their strengths and geographic positioning to partake in and benefit from the technological revolution.

- Environmental challenge should be seen through the lens of energy-economy relationship and who pays the cost. The distribution of domestic costs will create difficulty. Technological revolution could create new ways to efficiently extract energy that reduces the stress on the environment. It could alter the logic of energy economics and fundamentally change the way climate issues are understood.

- The United Nations Security Council (UNSC) lacks the capacity for self-reform. The reliance on the UNSC to resolve security issues is being questioned, as the structure of the UNSC is not configured to effectively manage the actions of major powers. The ineffectiveness of global institutions has led to the emergence of alternative arrangements and smaller groupings such as QUAD, CHIP 4, AUKUS, Mineral Security Partnership, and ARTEMIS Accords.

- The resurgence of the state: The idea that supranational organizations such as the UN would resolve issues, and the dominance of the free market economy, are outdated. Progress

cannot occur without the state's involvement, as it plays a crucial role in regulating new technologies, preventing their misuse, mediating conflicts between various groups, and safeguarding resources and societies from exploitation by external forces. The state is the primary entity equipped to handle the complexities of the world. Ideally, a capable governing state should be grounded in democratic principles.

- Strategic analysts and policymakers have been heavily focused on how India navigates its relationship with the rising power of China. The Galwan conflict has significantly altered the dynamic between the two nations, heightening deep-seated distrust. China presents various challenges to India, encompassing territorial disputes, maritime tensions, diplomatic frictions, and environmental concerns. Currently, there remains an absence of equilibrium in how New Delhi and Beijing will engage with each other, and how China will respond to India's evolving landscape. Chinese perspectives vary widely, ranging from downplaying India's growing capabilities to viewing it as a subordinate ally of the US with little autonomy in decision-making. China's stance towards India is a complex mix of historical interpretations, national aspirations, competitive instincts, and elements of jealousy.

- Beijing has demonstrated its readiness to employ force and has disregarded treaties signed with New Delhi in its efforts to constrain India. India has long misinterpreted and misunderstood China's intentions, possibly choosing to overlook their differences. China aims to surpass the US as the predominant power in the Indo-Pacific region, a goal that cannot be achieved without subjugating India. India and China are on a path toward significant clashes of interests or even military confrontation. Apart from border disputes, there is a rivalry over influence, supremacy, and regional order that

encompasses South Asia and neighbouring regions. India has launched initiatives such as *Atmanirbhar*, or self-reliance, to reduce reliance on supply chains dominated by China. In this process, India could emerge as an alternative source of supply.

- China holds a central position in global foreign policy deliberations and deliberations. Following the 2008 global financial crisis, China positioned itself as a major power, expressing a strong interest in collaborating with the US to safeguard global interests and influence international regulations. However, the US rejected China's aspirations. The situation evolved significantly after the 18th Party Congress, particularly with Xi Jinping assuming the presidency, exhibiting a more assertive and determined pursuit of power. Xi Jinping is dedicated to communist principles and is motivated by the desire to restore China to its former greatness.

- In 19th Party Congress in 2017, Xi Jinping announced the rejuvenation of Chinese nation plan indicating reunification of not only Taiwan but other claimed territories such as Senkaku Islands, Spratly Islands. China has set the goal to emerge as a technological power by 2035 and leading global pioneering power by 2049 indicating its influence to alter orientation of the existing multinational organisations or set up new institutions.

- During Donald Trump's presidency, sanctions were imposed that impacted China's interests, contributing to a deteriorating relationship between China and the US. In response, China has pursued various strategies to achieve its objectives, including the Belt and Road Initiative (BRI), aimed at connecting production centres in China with sources of raw materials through a network of infrastructure projects. Xi Jinping has leveraged surplus Chinese manpower by sending workers abroad, utilised the unused capacities of state-owned enterprises to construct infrastructure, and financed recipient countries in US dollars,

thus generating capital for China. However, several states are now expressing concerns about the growing debt associated with BRI projects, leading to doubts about its sustainability beyond Jinping's tenure.

- The prominence of the BRI in China's political discourse has diminished, as evidenced by reduced mentions in the National People's Congress and Party Congress, indicating internal differences. Meanwhile, Jinping's rhetoric aligns with that of Russia, focusing on themes such as challenging the existing world order and advocating for a fairer global system. In contrast, China's vision for a Beijing-led world order, characterised by terms like global civilisational development and a community of common destiny, faces obstacles due to the emergence of multiple centres of power and reluctance among other states to accept Chinese or any other great power's dominance. China's disputes with countries like India, Japan, Taiwan, the Philippines, and other Southeast Asian states are likely to impede its ambitions.

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