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10th
Anniversary Issue
A decade of
independent thought

TOWARDS HARMONY AND PROSPERITY IN ASIA'S GLOBAL SOUTH

Monsoon Rains Unite China, India, and ASEAN in a Common Sustainable Destiny

Dr. Xu Jianchu, Chinese Academy of Sciences

Indonesia is ASEAN's Natural Leader, and Central to the Indo Pacific Concept

Dr. Dewi Fortuna Anwar, Leading Indonesian foreign policy influencer, Chair, Habibie Center, Academician at Social Science Commission-Indonesian Academy of Sciences (AIPI)

From FTA to a Common Market: A Tale of India and the ASEAN

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Pursuing a Fair Geopolitical Deal, the Global South Seeks an Inclusive World Order

Tan Sri Datuk Ong Tee Keat, Chair of the Centre for New Inclusive Asia, doyen of Malaysian politics.

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By **Dr. Geoff Heriot** of the Australian Institute of International Affairs, Tasmania, one of Australia's oldest think tanks, is a distinguished former foreign correspondent and executive with the Australian Broadcasting Corporation

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By Dr. Geoff Heriot, veteran foreign correspondent, is author of *International Broadcasting and its Contested Role in Australian Statecraft: Middle Power, Smart Power*, Anthem Press (London and New York)

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Globalising Infrastructure in the 21st Century

By Isabel Liu, Non-Executive Director of Schroder Oriental Income Fund Limited and Gresham House Energy Storage Fund Plc

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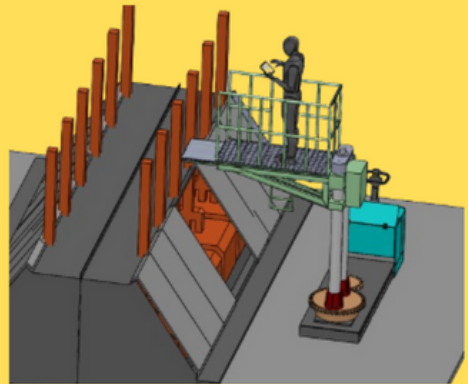
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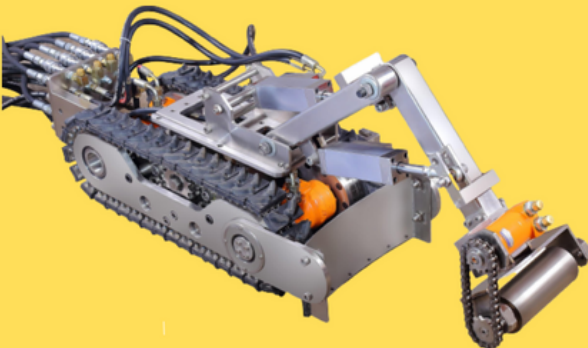
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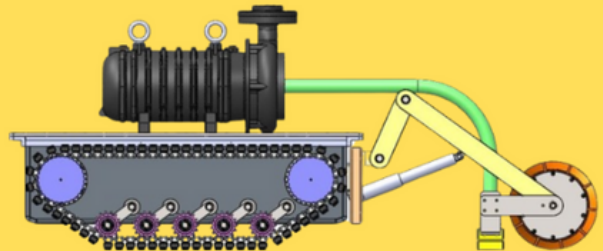
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The Global South's ASEAN Fulcrum to Smoothen India-China Ties

Recent geopolitical developments suggest that the interests of the stable, prosperous trading bloc known as the Association of Southeast Asian Nations (ASEAN) is critical to the strategic ambitions of Asia's giants, China and India, and by extension, the Global South.

The potential for enhancement of economic ties already exists in various facets — from shared benefits of natural resources, and cultures built on the interaction of their people over a millennium.

Among trading partners, China after recent years of strained bilateral relations is now only the third largest for the US, behind Mexico and Canada. For ASEAN, China and then the US are first and second largest respectively. For India, its largest trading partner is the US, and then China.

China, India and ASEAN, even as they bid to overcome bilateral discord, can vastly improve their trading volumes through practical measures, through revival of ancient ties and allowing for political pragmatism.

These ties have been fashioned over centuries by Hindu, Buddhist and other spiritual impulses; reflected in physical form from Borobudur in Indonesia to Ankor Wat in Cambodia to Prambanan in Myanmar.

In trade too, their links go back over centuries, from fleets of India's Chola kings to Admiral Zheng He's Chinese armada.

A desire to revive these ancient links appears to burn strongly across these lands, including the strategic arenas of the Mekong Delta, Melaka Strait, the Indian Ocean, and Bay of Bengal.

These factors provide ASEAN the credentials to be a spiritually-based, independent force, built on a foundation of economic vigour.

This force can subsequently also foster enduring political harmony.

Those who later formed ASEAN have in fact been historically linked to efforts of the newly decolonised to seek unity of purpose following World War II.

It was in Indonesia's Bandung city that independent nations of Africa and Asia came together for a conference that developed into the Non-Aligned Movement of neutrality in the Cold War years.

Now, in the post-Cold War era, the region is again at the epicentre of adversarial concepts such as Asia Pacific and Indo Pacific in the struggle of the great powers to continue their global domination.

It is also not a coincidence that regions of the Pacific and Indian Oceans are at the core of global prosperity, heralding a shift in economic power from the Atlantic.

From this base, these nations can reach out to the Northern hemisphere and its allies in the South to create a just universal society through reform of the existing multilateral, economic and political institutions; as well as a West-conceived 'rule of law'; to build an inclusive global society rid of the vestiges of colonialism.

In the process, it may even mend a fractured global polity that manifests itself in conflict — from the Ukraine to Palestine, and includes as well the South China Sea, the borders at the Himalayas and across Africa.



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Greetings from the Institute for Security and Development Policy (ISDP), Sweden

On behalf of the Institute for Security and Development Policy (ISDP), I would like to extend my congratulations to a first decade of success for Global Dialogue Review (GDR) / Global Dialogue Forum (GDF). In the shadow of increased international war and political tension, not least the Russian invasion of Ukraine, there is a need to promote an unbiased understanding of international relations. GDR/GDF has fulfilled this critical function for a decade, not only from an Indian perspective but also by allowing authoritative authors from the Global South and North to share their insights. It is with great anticipation I look forward to the next decade of success of GDR/GDF, which promises to be an inspiration for all readers.



Dr. Niklas Swanstrom
Director

Greetings from the Australian Institute of International Affairs (AIIA), Tasmania, Australia

Of many things that can be said of the past decade, never has the mission to promote an understanding of and interest in international affairs been more important. That remains the principal purpose of the Australian Institute of International Affairs (AIIA) and the basis of its regard for the Global Dialogue Forum (GDF). Founded in 1933, the AIIA is Australia's oldest private research institute concerned with international relations and politics. Like the AIIA, the GDF proclaims its non-partisanship, just as Global Dialogue Review (GDR) represents not just Indian perspectives but also those of authoritative contributors from across nations of the Global South and North. We share your celebration of GDR's first decade of publication and look forward to the next.



Ms. Kim Boyer
President

Greetings from the Center for Economic and Sustainable Development (CESDAsia), Malaysia

On behalf of the CESDAsia team, I extend my warmest congratulations to you and the entire team at the Global Dialogue Forum on the 10th anniversary of the Global Dialogue Review. The success of Global Dialogue Review is a testament to the collective talent, creativity, and hard work of your entire team. From your pool of talented writers and editors to skilled designers and photographers, each individual has played a crucial role in shaping the magazine's identity and ensuring its continued success. As you celebrate this significant milestone, I want to express my admiration for your achievements and the impact you have made in the fields of geopolitics, journalism, and sustainable development, among others. I look forward to witnessing the continued growth and innovation of the Global Dialogue Review.



Mr. Sathya Moorthy
Chairman

Greetings from The Energy and Resources Institute (TERI), India

On behalf of The Energy and Resources Institute (TERI), I extend heartfelt congratulations to you and the entire Global Dialogue Review (GDR) team on the momentous 10th anniversary. Over the past decade, GDR has been a beacon of intellectual engagement, fostering insightful analysis of international issues and enriching our understanding of global affairs. The commitment to delivering high-quality content has further strengthened GDR's standing as a trusted source of information and analysis. We applaud the team for their unwavering commitment to intellectual rigour and excellence, attracting authoritative contributors and providing a forum for diverse perspectives. We appreciate GDR's invaluable contribution to the in-depth analysis of international affairs and eagerly anticipate its continued success. As we mark this milestone, we eagerly look forward to the next chapter in the GDR journey, confident that it will continue to be an inspiration for informed discourse.



Dr. Vibha Dhawan
Director General

Greetings from Malaysia

To uphold integrity in the analysis of international affairs has never been easy, more so amid rising geopolitical rivalry between the big powers. To rise above partisanship in the discourse is no doubt an equally tall order for any independent media. What's more when the element of social justice has to be observed with due emphasis. Ten years on, the Global Dialogue Review (GDR) , founded in India, has proven its mettle in striking the right balance by providing a quality forum for diverse perspectives across the world through in-depth intellectual engagement.

We are hopeful of and confident in GDR's renewed commitment to delivering a balanced forum for international discourse that is reflective of the contemporary dynamics of multipolar global governance.



Tan Sri Datuk Ong Tee Keat
Former Deputy Speaker
House of Representatives
Parliament of Malaysia

Greetings from Aarna Law, India

We at Aarna Law congratulate GDR on its successful and fruitful 10 years of existence. I am personally proud to have been a part of a rewarding journey, gaining from its intellectual endeavours and commitment to promote diverse opinions and voices from across the globe; bias free and high in academic content. It has lived up to its promise of excellence in its choice of content and writers.

I look forward to the future. May GDR continue on its path, and grow from strength to strength.



Mr. Shreyas Jayasimha
Founder

Indonesia is ASEAN's Natural Leader, and Central to the Indo Pacific Strategy

Indonesia's style of leadership within ASEAN has been to an extent credited with its success as a regional grouping. While many of ASEAN's important milestones were achieved due to Indonesia's inputs, the country has refrained from asserting itself within the association, let alone try to play a hegemonic regional role. Indonesia has also taken a leadership role in pushing ASEAN to take an active part in the discourse over the 'Indo Pacific' strategic concept.

By Dr. Dewi Fortuna Anwar



ASEAN Post ministerial conference with European Union in Jakarta, Indonesia in July, 2023

Indonesia, Association of Southeast Asian Nation's (ASEAN's) largest member nation, is usually regarded as the 'first among equals' within the 10-member association; and as its natural leader.

Earlier, when the association was growing and had only five members, Indonesia made up two-thirds of ASEAN in terms of population as well as its geographical expanse. In 2022, Indonesia's population of over 275 million was nearly half the total of ASEAN's population of around 666 million people. Indonesia is also the world's largest archipelagic state, with shores bordering both the Indian and the Pacific Oceans, controlling critical sea lanes of communications. With these and other physical attributes – including its rich natural resources – it is unsurprising that, for better or worse, Indonesia has had a significant impact on its immediate external environment in Southeast Asia.

In particular, Indonesia has played a leading role in the formation and development of ASEAN. Notwithstanding its many shortcomings, ASEAN is undoubtedly one of the most successful regional organisations after the EU. ASEAN has become the focal point for intra-regional relations in Southeast Asia, and a major determinant in the region's relations with the rest of the world. For all members of the regional organisation, including Indonesia, ASEAN has become a cornerstone of their respective foreign policy.

Indonesia's style of leadership within ASEAN has to some extent been credited with its success as a regional organisation. While many of ASEAN's milestones were achieved because of Indonesia's intellectual inputs, the country has refrained from asserting itself within the association, let alone play a hegemonic regional role.

Indonesia, mindful of the neighbourhood's sensitivities after its aggressive confrontational policy under President Sukarno (who served from 1945 to

1967), deliberately adopted a low-profile foreign policy and a style of 'leading from behind' throughout President Suharto's rule (Indonesia's second and longest serving President, from 1968 to 1998).

This style of low-keyed leadership by the largest member of ASEAN is considered necessary to ensure regional harmony within a regional organisation in which important decisions are made through deliberations and consensus. Indonesia's most important contribution to the advancement of ASEAN has not so much been its ability to push ASEAN to follow a particular course, but rather Indonesia's willingness to restrain itself when ASEAN members follow policies contrary to Jakarta's interests.

INDONESIA'S STYLE OF LEADERSHIP WITHIN ASEAN HAS TO SOME EXTENT BEEN CREDITED WITH ITS SUCCESS AS A REGIONAL ORGANISATION. WHILE MANY OF ASEAN'S MILESTONES WERE ACHIEVED BECAUSE OF INDONESIA'S INTELLECTUAL INPUTS, THE COUNTRY HAS REFRAINED FROM ASSERTING ITSELF WITHIN THE ASSOCIATION, LET ALONE PLAY A HEGEMONIC REGIONAL ROLE.

In recent years, with ASEAN's enlargement and growing diversity, Indonesia's 'leading from behind' leadership is encountering challenges. Growing criticism of ASEAN's ineffectiveness in dealing with regional challenges, such as the myriad political and humanitarian crises in Myanmar, have led to calls for Indonesia to be more assertive.

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Indonesia has tried to find a balance between maintaining regional harmony — which entails making decisions through deliberations and consensus — and the need to push ASEAN in particular directions in responding to both internal demands and external imperatives.

The Formation of ASEAN and the Role of Indonesia

Before the formation of ASEAN, Southeast Asia was often compared to the Balkans because of numerous conflicts and disputes among its regional constituents. Indonesia's aggressive policy towards its neighbours was one of the major causes of regional instability.

Between 1963 and 1965, Indonesia carried out a confrontation against Malaysia, which then included Singapore. Malaysia and the Philippines who were also claiming Sabah, East Malaysia. At the same time, the Vietnam war was at its peak, and there were fears Southeast Asia would completely fall under communist rule.

The establishment of ASEAN on August 8, 1967 was the direct result of a re-orientation of Indonesia's domestic priorities and external outlook. President Sukarno had regarded 'neo-colonialism' and 'neo-imperialism' as Indonesia's greatest enemies, leading to a flirtation with communism and communist countries. Reversing this trend, Indonesia under President Suharto, from the mid-1960s, viewed communism as the greatest threat to national security.

In this outlook, the new regime in Jakarta, known as the New Order, regarded China as an immediate threat due to its support for the Indonesian Communist Party and for communist-inspired national liberation movements in other countries. The New Order government believed the means to ensure security was through political stability and economic development.

These objectives, it concluded, could only be achieved if Indonesia lived in harmony with its neighbours, thereby presenting neighbouring territories from being used to subvert Indonesia's national interests.

Earlier attempts at regional associations had little success mainly because Indonesia did not support them. A precursor of ASEAN, known as Association of South East Asia (ASA), was formed by Malaya, Thailand and the Philippines in 1961, but this association never really took off. In 1963, Indonesia, Malaya and the Philippines established Maphilindo in an attempt to thwart the looming dispute over the formation of the Federation of Malaysia (as a successor to Malaya), but the 'confrontation' soon after doomed this regional grouping even before it began.

In contrast, ASEAN has enjoyed the complete backing of the Indonesian government from the beginning. In fact, throughout its development, Indonesia has taken pains to nurture the association, including adopting a low profile in ASEAN interactions. The reason for ASEAN's success, particularly in its early years, can largely be attributed to the positive role Indonesia has played in it. Indonesia's strong support for ASEAN may be attributed to a number of factors.

The New Order government's stability and economic development priorities necessitated developing friendly relations with other countries, particularly in the west, that were the source of most of its economic aid and investment. Therefore, it had to abandon Sukarno's radical nationalist and overtly anti-western foreign policy. Indonesia also needed a peaceful and stable regional environment for the government to focus its attention on domestic issues. Towards that end, Indonesia had to develop harmonious relations with its close neighbours, and, in the wake of any confrontation, it was felt

necessary to establish a regional body promoting regional cooperation and understanding.

Equally important was the need to restore Indonesia's tarnished regional and international image due to its bellicose foreign policy of the past. ASEAN was designed to demonstrate Indonesia's commitment to good neighbourly policies and to remove suspicions of its regional ambitions.

In a nutshell, ASEAN was seen as a means to 'tame' Indonesia and positively transform relations with its smaller neighbours. It is important to note, however, that the most important factor in helping Indonesia co-found ASEAN with Malaysia, Philippines, Singapore and Thailand was the fact that all of them were allies of Western powers, and therefore had a common, convergent security outlook.

From being a close associate of Beijing throughout the Sukarno period, Indonesia under Suharto's New Order government became vehemently anti-communist, sharing the fears of its neighbours that China was supporting communist subversions in Southeast Asia.

ASEAN was regarded as a shield against any possible communist expansion from the north. Members of ASEAN believed the way to contain communism was through economic development, and not by developing a regional military bloc that invited suspicion and aggression from outside.

Thus, while the ultimate objective of ASEAN was to ensure the security of Southeast Asia, during its early years, the grouping did not put in place cooperation in security fields at a regional level. ASEAN cooperation primarily focused on economic issues, and trust-building diplomatic activities to create a peaceful and stable regional environment that would be conducive for carrying out economic development in the respective member countries. It must be noted at the outset that ASEAN was not intended to create regional integration, let alone the

establishment of a supranational authority, since its members jealously guarded sovereignty.

In fact, in its first 25 years of existence, ASEAN was essentially a loose, minimalist regional organisation, giving little power to the ASEAN Secretariat, while cooperation was based on the lowest common denominators. Intra-ASEAN trade remained modest, while sensitive issues were discussed bilaterally, rather than in open, regional forums.

In the past two decades, however, ASEAN has incrementally become more regionally integrated. The ASEAN Free Trade Area, first proposed in 1992, came into effect in 2002.

THE NEW ORDER GOVERNMENT BELIEVED THE MEANS TO ENSURE SECURITY WAS THROUGH POLITICAL STABILITY AND ECONOMIC DEVELOPMENT. THESE OBJECTIVES, IT CONCLUDED, COULD ONLY BE ACHIEVED IF INDONESIA LIVED IN HARMONY WITH ITS NEIGHBOURS, THEREBY PRESENTING NEIGHBOURING TERRITORIES FROM BEING USED TO SUBVERT INDONESIA'S NATIONAL INTERESTS.

The emergence of various transnational issues that must be tackled at the regional level has also led to a greater tightening of ASEAN as a group. In 2015 the grouping formally announced the establishment of the ASEAN Community – consisting of three pillars that were first proposed in 2003; ASEAN

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Economic Community (AEC), ASEAN Political and Security Community (APSC), and ASEAN Social and Cultural Community (ASCC). It also adopted the ASEAN Charter in 2007, which came into effect after ratification by all member states in late 2008.

The charter has transformed the nature of ASEAN from a loose association into a more rules-based regional organisation with shared principles and values, and conferred a legal personality on it.

Indonesia's Role in the Political Development of ASEAN

Indonesia's leading role in ASEAN has been most notable in the political and security fields. Its foreign policy and strategic outlook have greatly influenced ASEAN's regional stance, particularly in its relations with major external powers.

Indonesia's 'free and active' foreign policy doctrine, its non-aligned stance and its strong belief that regional members should bear primary responsibility for regional security free from external interventions shaped ASEAN's drive for regional autonomy and its centrality.

Indonesia's internal political dynamics, first as the military-dominated New Order regime under President Suharto, and later as a vibrant new democracy after his fall in the wake of the 1997 Asian financial crisis, also greatly contributed to ASEAN's evolution as a regional organisation.

ASEAN has now evolved from a 'minimalist' regional organisation that emphasised non-interference in each other's internal affairs, notwithstanding the human rights violations that might occur in a particular member-state, to one that begins to putting some importance on democracy, constitutional government and respect for human rights.

When Indonesia joined the four other states, Malaysia, the Philippines, Singapore and Thailand in forming ASEAN in 1967, Indonesia was the only non-aligned member of the new regional association. With its 'free and active' foreign policy doctrine, Indonesia is forbidden to enter into military alliances. One of the charges levelled against President Sukarno was his close alliance with China, which culminated in a Jakarta-Beijing axis, that was regarded as violating Indonesia's foreign policy doctrine.

President Suharto was sensitive to the accusation that he would also be violating Indonesia's non-aligned stance by joining the other four ASEAN member states that were all allied with the Western powers. Philippines and Thailand were militarily allied with the US, while Malaysia and Singapore were still close allies of Britain.

Thus, Indonesia exerted influence to ensure ASEAN and the Bangkok Declaration that established the grouping stipulated that foreign military bases could be only temporary in nature and not to be used against other ASEAN member states.

For decades ASEAN also refrained from engaging in an ASEAN-wide multilateral military cooperation to avoid being regarded as a security alliance.

Despite the importance attached by its founding members to ASEAN, its first summit was only held nine years after its establishment. Concerns over the security implications of the communist victory after the defeat of the American forces and their withdrawal from Vietnam in late 1975 led to the holding of the first ASEAN Summit in Bali, Indonesia in February 1976. Through the Bali Concord I, ASEAN's leaders agreed to strengthen economic and functional cooperation, but still avoided political cooperation as being too sensitive. Crucially, ASEAN accepted the Indonesian concept of mutually reinforcing national and regional resilience, that each

ASEAN country must carry out comprehensive internal development to foster its resilience against all challenges, while also closely cooperating with its neighbours to develop regional resilience.

The New Order's developmental approach to peace and stability, rather than reliance on military strength or security protection from an external power, also came to be adopted as ASEAN's comprehensive security strategy.

Indonesia also played a leading role in promoting norms and values in formulating the so-called 'ASEAN Way'. One of the fundamental tenets governing intra-ASEAN relations is non-interference in each other's internal affairs. Observance of this rule has in fact been the key to the relatively peaceful relations among the ASEAN members, in contrast to the pre-ASEAN period when countries became involved in the conflicts taking place in neighbouring states.

Its decision-making through deliberations to reach a consensus is adopted from the Indonesian practice of *musyawarah-mufakat* or consensus-building. The most important legal framework for maintaining peace and stability in the region is the 1976 Treaty of Amity and Cooperation in South East Asia (TAC), also adopted at the first ASEAN summit in Bali. Under the TAC, ASEAN members are committed to settle disputes through peaceful means, renouncing the use of force. The inclusion of all 10 South East Asian countries in ASEAN has further strengthened regional peace and stability. Though still a long way from developing into a full-fledged security community, it is increasingly inconceivable for wars to break out between ASEAN's member states. The presence of ASEAN has also enhanced the sense of regional security vis-à-vis threats from outside the region. Being co-members of ASEAN has given the member states more self confidence

and a greater sense of security when faced with external threats.

ASEAN has been able to create a set of rules of conduct to protect the region from external military threats, such as transforming Southeast Asia into a Zone of Peace, Freedom and Neutrality (ZOPFAN), and making South East Asia into a Nuclear Weapons Free Zone (SEANWFZ).

Non-regional powers with interests in Southeast Asia are invited to sign the protocol to TAC, thus binding them to the commitment to resolve regional disputes through peaceful means.

Indonesia's 'free and active' foreign policy, with its long-term non-aligned stance and support for peaceful coexistence, has also been a prime driver for ASEAN's activism in developing an open, inclusive regional architecture.

Considering its constant preoccupation with preventing any single power or a concert of powers from exercising regional hegemony on one hand and ensuring ASEAN's centrality on the other, Indonesia has led in developing an inclusive regional architecture where contending powers balance each other.

The East Asia Summit (EAS), launched in December 2005, was first conceived as the continuation of the ASEAN Plus Three (China, Japan, South Korea). But Indonesia was concerned that China would come to dominate such a grouping.

Therefore, Indonesia, together with Singapore, proposed a widening of EAS memberships to include Australia, India and New Zealand, thus broadening the geo-political contours of East Asia, to ensure the development of a 'dynamic equilibrium'. Indonesia was also keen for both the US and Russia to join the EAS.

The membership of Russia in the EAS had to wait until the US acceded to the TAC, so that both

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countries could join at the same time. This finally took place in 2011, during Indonesia's chairmanship of ASEAN. Indonesia has also taken a leadership role in pushing ASEAN to take an active part in the discourse on the new 'Indo Pacific' strategic concept. Because Southeast Asia is located at the geographic centre between the Indian and Pacific oceans and all the lands in between, ASEAN must, in Jakarta's view, continue to retain its centrality in the evolving construct.

ASEAN's centrality is regarded as essential in ensuring the development of a truly open, transparent and inclusive Indo Pacific regional architecture that would try to bridge rather than accentuate differences. At their 34th Summit in Bangkok in 2019, the grouping's leaders officially endorsed Indonesia's proposal on the 'ASEAN Outlook on the Indo Pacific', after 18 months of intensive lobbying by Jakarta.

FOR INDONESIA, THE EVOLUTION OF AN ASEAN THAT IS MORE ALERT TO DEMOCRATIC PRINCIPLES AND GOOD GOVERNANCE IS CRITICAL TO ENSURE THERE WOULD NOT BE A DISCONNECT OR DIVIDE BETWEEN THE TRANSFORMATION THAT HAS TAKEN PLACE IN INDONESIA AND THE REGIONAL 'MILIEU'.

Indonesia's domestic political changes have also had an impact on its foreign policy, both in the decision-making process and the foreign policy agenda.

agenda. Since the onset of democratisation, there have been more actors involved in foreign-policy making, including parliament and civil society, resulting in more varied viewpoints. One of these is the increasing pressure on the Indonesian government to be more active in promoting democracy within ASEAN, and to take a firmer stance against human rights abuses committed by any ASEAN member.

When Indonesia took over the chairmanship of ASEAN in 2003, it proposed the establishment of an ASEAN Security Community (ASC) – later renamed ASEAN Political Security Community (APSC) – as one of the three pillars of the ASEAN Community. Besides re-emphasising the key treaties and agreements of ASEAN which have governed inter-state relations since the establishment of ASEAN in 1967, the APSC for the first time also talked of democracy and human rights as being part of the core values of ASEAN, as well as being goals for all members.

Indonesia also took the lead in the adoption of the principles of democracy, human rights and good governance in the ASEAN Charter in 2007. Abandoning its formerly rigid stance on the principle of non-interference in each other's internal affairs, the Indonesian government since *Reformasi* (political and military reformations that began with Suharto's fall) played an active role in pushing the Myanmar military government to open up its political system, and in offering it technical assistance in its transition to democracy.

For Indonesia, the evolution of an ASEAN that is more alert to democratic principles and good governance is critical to ensure there would not be a disconnect or divide between the transformation that has taken place in Indonesia and the regional 'milieu'. When their military again overthrew the democratically elected government in Myanmar

February 2021, thereby ending the country's brief transition to democracy, Indonesia convened a special meeting on Myanmar in Jakarta in April 2021, though the ASEAN chair at the time was held by Brunei. The Jakarta meeting — that was also attended by Myanmar's ruling military junta — agreed on the 5-Point Consensus: ending of violence; appointment of an ASEAN envoy; access of the ASEAN envoy to all parties; inclusive dialogues; and access to humanitarian assistance. Though not much progress has been made so far, the 5-Point Consensus remains

EQUALLY IMPORTANT WAS THE NEED TO RESTORE INDONESIA'S TARNISHED REGIONAL AND INTERNATIONAL IMAGE DUE TO ITS BELLICOSE FOREIGN POLICY OF THE PAST. ASEAN WAS DESIGNED TO DEMONSTRATE INDONESIA'S COMMITMENT TO GOOD NEIGHBOURLY POLICIES AND TO REMOVE SUSPICIONS OF ITS REGIONAL AMBITIONS.

the primary platform agreed to by ASEAN and the international community as as the starting point for resolving Myanmar's latest political crisis.

High expectations have been placed on Indonesia to achieve a breakthrough on Myanmar during its ASEAN chairmanship in 2023, following Jakarta's successful G 20 presidency in 2022, despite being beleaguered by divisions among the members, caused by the Russian invasion of Ukraine in February 2022.

Conclusion

Due to its size and political weight Indonesia can be regarded as a natural born leader of ASEAN. In fact,

Indonesia played a critical role in the establishment of ASEAN as well as in the its subsequent development. Many of ASEAN's milestones were reached during Indonesia's chairmanship of ASEAN.

Indonesia also often took important initiatives even when it did not hold the ASEAN rotating chairmanship. Its leadership role in ASEAN has been most notable in the political and security areas.

Indonesia's multidimensional crisis following the Asian financial crisis in the late 1990s and early 2000 also had a direct impact on ASEAN. For a time, ASEAN lost some of its international status as a stable and economically dynamic sub-region in the world. For a short time, as it grappled with myriad internal problems, such as restoring law and order, consolidating its democracy and promoting economic recovery, Indonesia also lost its pre-eminent position in ASEAN.

With improved political stability and economic recovery, Indonesia has again become an active regional and global player, though under President Joko Widodo (2014-2024), Indonesia has been more focused on economic diplomacy.

While Indonesia's leadership role in ASEAN now faces many challenges, it must be admitted that no other country within the association can be regarded as the 'first among equals' or the natural leader of ASEAN.

Note: The article was submitted for the delayed 10th anniversary issue before the current upheavals in Gaza.

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Monsoon Rains Unite China, India and ASEAN in a Common, Sustainable Destiny

Addressing sustainability challenges including climate change in China, India, ASEAN and beyond requires a determined and concerted effort from all stakeholders to progress toward achieving the SDGs, while living in peace with our neighbours, and saving our planet.

By Dr. Xu Jianchu



Photograph: Wikipedia

Wind Farm in Shanxi, China

Regions are areas that are made up of imaginary boundaries, but with specific physical dimensions.

The Monsoon Asia region or the countries of South, Southeast and East Asia, home to more than half of humanity, has distinct monsoon and wind patterns with heavy summer rains and dry winters.

This region comprising of vast array of cultures, languages, religions, settlements, industries, and farming systems includes many of the world's fastest growing economies – China, India, and some Association of Southeast Asian Nations (ASEAN) member states.

Here, climate change is exacerbating not just water scarcity, but also storms, floods, and extreme weather conditions. Unsustainable practices have led to environmental degradation that threatens to undermine social and economic development.

The Intergovernmental Panel on Climate Change (IPCC 2021) report warns the Monsoon Asia region is warming at a rate greater than the global average, as we move towards 2050 and beyond.

In spite of subregional variation, rising temperatures and associated changes in precipitation and evaporation are predicted to lead to reductions in soil moisture, river flows, glacial mass, and groundwater. These changes are impacting people, communities and countries that are dependent on water; and countries are urgently seeking plausible and sustainable approaches to build resilience.

Despite these serious concerns, this region of rich heritage and cultural diversity can collaborate to address common challenges to the Sustainable Development Goals (SDGs); but in reality, their efforts fall far too short.

The Power of Scale and Interlinkages

The significance of the mega Monsoon Asia region, which includes the Hindu Kush Himalaya (HKH),

tropical rainforests and an array of revered biodiversity hotspots, cannot be overstated. Climate change and other pressures are pushing the region and the world to breach Earth's ecological system's boundaries.

Together, China, India and the ASEAN member states exercise a major global influence. Given the power of interlinkages among these countries, collaboration may be the answer to global sustainability.

The HKH is highly vulnerable to climate change, and its impact is already being felt in the form of melting glaciers, changing precipitation patterns, and frequent and intense natural disasters, such as landslides. These changes have implications for the region's ecosystems; and for the 240 million people who directly depend on them for their livelihood and wellbeing.

In addition to providing water and fresh soil to 1.9 billion people downstream, the HKH's rich biodiversity plays a critical role in regulating global climate.

Deforestation in Asian tropical rainforests can have a negative impact on hydrological processes and contribute to increased greenhouse gas emissions. These tropical rainforests play a critical role in the water cycle by absorbing rainfall and releasing it gradually over time; a process that helps to maintain water availability, prevent soil erosion, landslides and flooding, and purify water. Converting tropical forests into monocultures, such as rubber and oil palm, may be economically profitable but ecologically problematic when overdone.

The Sundarbans, a vast mangrove forest that spans India and Bangladesh, is home to a range of plant and animal species such as the Bengal tiger, the saltwater crocodile, and a number of fish species. This biodiversity hotspot faces a range of threats—

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wildlife trafficking, overfishing, mangrove destruction, and climate change.

THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC 2021) REPORT WARNS THE MONSOON ASIA REGION IS WARMING AT A RATE GREATER THAN THE GLOBAL AVERAGE, AS WE MOVE TOWARDS 2050 AND BEYOND.

Wildlife trafficking is a significant threat in the region, with many animals and their parts being illegally traded for use in traditional medicines, food, and other products.

Overfishing is a concern too, as many fish species are being harvested at unsustainable levels, an activity that can impact the ecosystem.

Mangrove destruction is another major threat to the Sundarbans, with large areas of the forest being cleared for agriculture, aquaculture, and other forms of development. This has a negative impact on the ecosystem, resulting in increased erosion, reduced habitat for wildlife, and decreased protection from storm surges and natural disasters.

What happens in the future for China, India, and Southeast Asia is crucial for global sustainability. China and India are two of the largest trading partners of ASEAN countries. In fact, 15 percent of China's total trade is with ASEAN.

Significant market value chains involve production and distribution of goods and services across borders, with countries having their own areas of specialisation. China and ASEAN countries are involved in value chains in electronics, automotives,

textiles, food and fibre. For example, China is a major producer of electronic components that are assembled into finished products in ASEAN countries such as Vietnam, Thailand, and Malaysia.

Similarly, ASEAN countries are major suppliers of raw materials such as palm oil, rubber latex, and timber; as well as tropical fruits such as durian, banana, and mango for China's manufacturing industries and emerging middle-class consumers.

India and ASEAN nations are also connected via a range of value chains like textiles, automotives and pharmaceuticals.

For example, India is a major producer of generic drugs, which are distributed and sold in ASEAN countries. Similarly, ASEAN nations such as Indonesia and Vietnam are major suppliers of raw materials for India's textile industry.

Overall, the market value chains between China and ASEAN, and India and ASEAN are complex and interdependent. These connections have enabled economic growth and development in the region, but have also posed challenges related to trade imbalances, intellectual property rights, and environmental sustainability.

China, India, and ASEAN countries are major players in the global economy, but their economic growth has contributed significantly to greenhouse gas emissions and climate change. China is the world's largest emitter of greenhouse gases, accounting for approximately 28 percent of global emissions in 2019. Its rapid economic growth and heavy reliance on fossil fuels, particularly coal, have been key drivers of its emissions. India is the world's third-largest emitter of greenhouse gases, accounting for approximately seven percent of global emissions in 2019. Like China, India's economic growth has been fuelled by fossil fuels, particularly coal, that has contributed significantly to its emissions.

ASEAN countries collectively account for approximately five percent of global greenhouse gas emissions. While their emissions are relatively small compared to China and India, their economic growth are dependent on industries such as manufacturing and agriculture.

China, India, and the ASEAN countries are taking steps to address climate change. China has a target of reaching peak emissions by 2030 and achieving carbon neutrality by 2060. India targets a reduction of emissions intensity by 33–35 percent by 2030 and increasing the share of non-fossil fuels in its energy mix to 40 percent by 2030. ASEAN countries are also targeting a reduction of emissions and increasing the use of renewable energy.

These countries, despite their significant contributions to greenhouse gas emissions and climate change, have recognised the need to address climate challenges; and are implementing policies and initiatives to promote sustainable development.

Potential Collaboration Pathways

To address the challenges posed by climate change and globalisation, countries in the region could collaborate in a range of ways.

One way is through scientific collaboration in the sustainability sciences.

China, India, and ASEAN continue to co-author environmental publications, even as their funding for scientific research expands. However, there are insufficient mechanisms for coordinating joint research that transcends borders.

Agendas for ‘trilateral and multilateral’ scientific collaboration could include stepping up existing cooperation. For example, between China and India in HKH, building on efforts promoted by organisations such as the International Centre for Integrated Mountain Development (ICIMOD);

between China and mainland Southeast Asia in the Mekong Region; and between India and Southeast Asia on coastal habitat protection, to strengthen links between scientists and institutions.

A broader agenda could be framed around environmental challenges that have regional patterns. Coordinated and collaborative research has the potential to improve the environmental performance of China, India, and ASEAN countries, with positive implications for global sustainability. Countries could share knowledge and expertise on climate change mitigation and adaptation, including best practices to manage the impact of changing Asian monsoons on water, food and energy security.

The Monsoon Asia region is also experiencing high rates of deforestation and habitat loss due to a variety of factors, including agricultural expansion, logging, mining, and infrastructure development. ASEAN can learn from China’s ecological redlines and forestry restoration programs, as well as India’s national agroforestry policy, which incorporates trees on farms to improve agricultural livelihoods.

OVERALL, THE MARKET VALUE CHAINS BETWEEN CHINA AND ASEAN, AND INDIA AND ASEAN ARE COMPLEX AND INTERDEPENDENT. THESE CONNECTIONS HAVE ENABLED ECONOMIC GROWTH AND DEVELOPMENT IN THE REGION, BUT HAVE ALSO POSED CHALLENGES RELATED TO TRADE IMBALANCES, INTELLECTUAL PROPERTY RIGHTS, AND ENVIRONMENTAL SUSTAINABILITY.

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Lessons learned and good practices for sustainable intensification in agricultural systems could be shared among China, India and ASEAN countries.

They could work together to develop and implement strategies for landscape restoration, to enhance biological and cultural diversity, and to mitigate the negative impact of climate change, such as in reducing losses from natural disasters such as landslides and flash floods from extreme weather events in the mountains.

Rivers like the Mekong-Lancang, Brahmaputra, Red, Salween-Nu, Ganges and Indus are crucial for local livelihoods, national development, as well as being important for regional stability and cooperation. Globalisation and environmental change, potentially leading to ‘tipping points’ in natural systems, pose new and uncertain risks in these basins. These uncertain risks have become the normal context in which regional water governance takes place. Problems that demand solutions are lack of participatory dialogue across stakeholder groups (both upstream and downstream), and the low capacity to consider transboundary frameworks for regional peace and security. The potential for cascading effects from mountain tops to oceans, leading toward tipping points – critical thresholds at which small perturbations may determine future large-scale ecological functions – also increases the pressure to act now to minimise future risks.

Green and sustainable value chains for carbon neutral products and sustainable production starts with the sourcing of raw materials from sustainable land use, and the use of renewable energy in the manufacturing process.

ASEAN is important in the supply chains for oil palm and rubber for China and increasingly for India. The sustainable green rubber standard could be

developed at pilot level for carbon neutral products and create increased opportunity for businesses to differentiate themselves in the marketplace to appeal to environment-conscious consumers.

However, it is important to note that achieving a truly carbon neutral product can be challenging and requires significant investment and collaboration across the entire supply chain. It also requires ongoing monitoring and verification to ensure that emissions are accurately measured and offset.

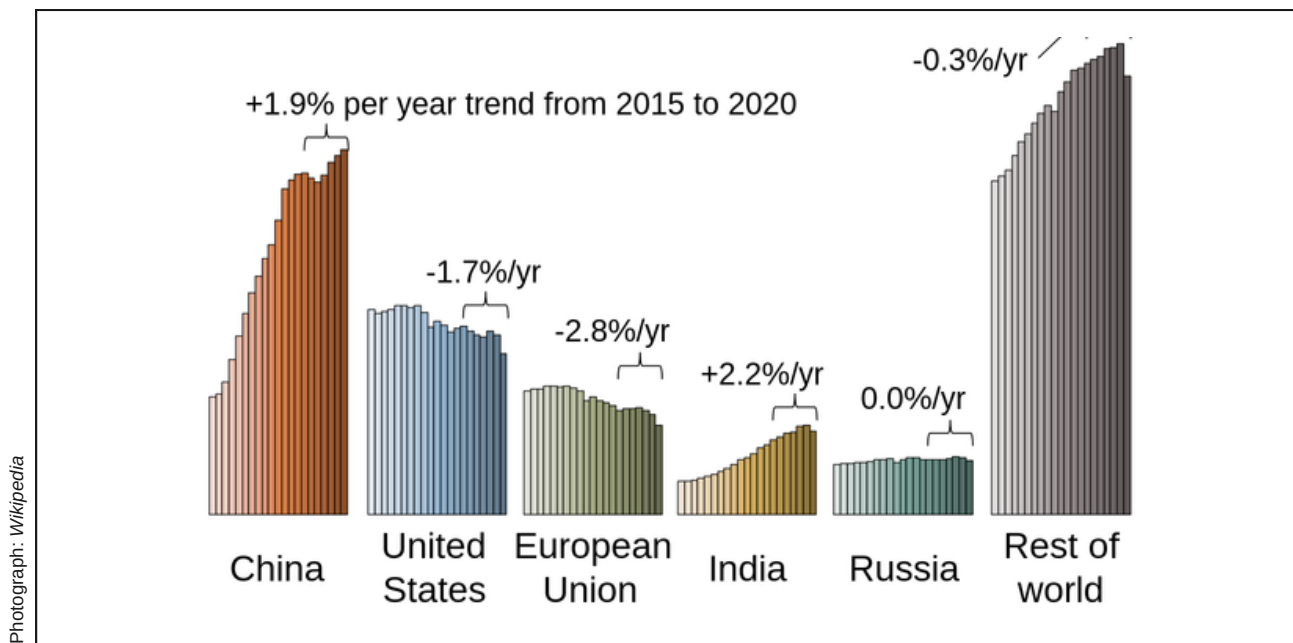
China has made significant progress in developing and implementing green and renewable energy technologies, such as photovoltaics. These technologies have the potential to help India and ASEAN countries decarbonise more rapidly. China's green and renewable energy technologies can be applied in India and ASEAN through more investment and collaboration.

China has already invested in renewable energy projects in several ASEAN countries, such as Laos, Cambodia, and Indonesia. These investments are helping to increase access to renewable energy and reduce greenhouse gas emissions.

China's expertise in solar panels and wind turbines manufacturing could also be leveraged to support the development of renewable energy infrastructure in India and ASEAN. For example, China could provide low-cost solar panels or wind turbines to help drive down the cost of renewable energy generation. Another way that China's technologies could be applied in India and ASEAN is through more knowledge-sharing and capacity-building.

Overcoming Barriers

Political barriers can hinder collaboration amongst China, India, and the ASEAN countries in addressing sustainability and climate change challenges.



Total fossil fuel emissions in 2000-2020

Firstly, because of cultural and linguistic differences, and the history of geopolitical tensions, cooperation in sustainability sciences between China and India has been limited.

Secondly, some ASEAN countries may be wary of China's growing influence in the region, which could affect their willingness to work with China.

Addressing these political barriers will require sustained diplomatic efforts and willingness to engage in constructive dialogue and compromise. It will also require persistent attention to building trust and mutual understanding.

However, the Covid 19 pandemic has further highlighted human vulnerability to environmental disasters, while reinforcing the importance of collaboration and coordination as vital factors in resolving this century's pressing, interrelated challenges in public health, water, energy, food,

climate, biodiversity and ecosystem services.

A refreshed agenda of science diplomacy could lead to greater collaboration and coordination among China, India, and ASEAN on common concerns, such as the HKH glacier melting, hydropower development in Mekong and Brahmaputra, sea-level rising, and urban flash floods; can enable personal and institutional linkages can enable.

Broadening of interactions, around issues of shared environmental threats and solutions-seeking, can be envisioned. Identification of common interests is just the beginning of a new phase in international collaboration, which should include acknowledging inequalities, such as lesser funding for research in India and ASEAN. Scientists should lead this heightened collaboration process, whether it is through governmental channels, academic and research institutions or NGOs.

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The Way Forward

Improving collaboration across the Monsoon Asia region to address shared challenges, requires a multi-faceted approach that involves multiple actors including academia, governments, businesses, and civil society. Here are some steps that can be taken:

Governments in the Monsoon Asia region need to do more in developing and implementing policies that promote sustainable land use, trade and development and reduce greenhouse gas emissions from land use, transportation, energy, and infrastructure. This includes setting targets for renewable energy, implementing carbon pricing mechanisms, and promoting energy efficiency.

Businesses can play a crucial role in reducing emissions and promoting sustainable practices. Governments can incentivise private sector engagement through carefully calibrated tax breaks and other innovative measures that encourage investment.

Governments can invest more in public research and development to promote the development of new technologies that can help reduce emissions and mitigate the impacts of climate change.

Governments can do more to promote public awareness of the impacts of the climate change and the importance of taking action.

IDENTIFICATION OF COMMON INTERESTS IS JUST THE BEGINNING OF A NEW PHASE IN INTERNATIONAL COLLABORATION, WHICH SHOULD INCLUDE ACKNOWLEDGING INEQUALITIES, SUCH AS LESSER FUNDING FOR RESEARCH IN INDIA AND ASEAN.

IMPROVING COLLABORATION ACROSS THE MONSOON ASIA REGION TO ADDRESS SHARED CHALLENGES, REQUIRES A MULTI-FACETED APPROACH THAT INVOLVES MULTIPLE ACTORS INCLUDING ACADEMIA, GOVERNMENTS, BUSINESSES, AND CIVIL SOCIETY.

This can include revitalising public education campaigns, media outreach, and other forms of communication.

China, India, ASEAN member states – and other countries in the Monsoon Asia geographic region – can work together more to develop regional policies and initiatives that better promote sustainable development and reduce emissions. This can include sharing of best practices, coordination of policies, and enhancing regional cooperation on climate change.

Overall, addressing our many sustainability challenges, including climate change, in China, India, ASEAN and beyond requires a more determined and concerted effort from all stakeholders if we are to make essential progress towards achieving the SDGs, living and learning in peace with our neighbours, and saving our planet.

Dr. Xu Jianchu, an influential environmental voice in China and listed by Reuters among the world's top climate scientists, is with the elite Chinese Academy of Sciences, Principal Scientist, World Agroforestry Centre and Professor, Kunming Institute of Botany.

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Pursuing a Fair Geopolitical Deal, the Global South Seeks an Inclusive International Order

What the Global South sought over all these years was nothing more than an egalitarian and inclusive international order where vital human concerns can be addressed even-handedly.

By Datuk Tan Sri Ong Tee Keat



Photograph: Wikipedia

Kibera in Kenya is Africa's largest slum

The world, notably the developing Global South, seeks a coherent, effective system of global governance.

A critical step in this direction is to build an Asian Common Market, where the continent sees rising use of domestic currencies in trade and investment. Such a market can protect developing nations from the dictates of the World Order; especially on issues of environment including climate change.

Indeed, these issues constitute the key concerns of the day for humanity amid the growing drumbeat of geopolitical conflicts.

As the reigning hegemon is reeling from its 'anguish of displacement' in the wake of its waning primacy, the world is bifurcated into the West and non-West ideological camps, much to the detriment of international cooperation in the face of multiple existential challenges.

The heightening belligerence between the power blocs is edging the world to the brink of a catastrophic Armageddon. No amount of political euphemism and semantics can conceal the hard reality that the post-World War II global order is now vulnerable, with international governance in disarray.

**CRISES OF MILITARY CONFLICTS
PROVOKED BY THE MILITARY-
INDUSTRIAL COMPLEX FOR ITS GAIN,
IN ADDITION TO THE DOUBLE
WHAMMIES OF CLIMATE CHANGE
AND GLOBAL HEALTH EMERGENCIES
HAVE CREATED THE PERFECT
STORM TO IMPOVERISH MANY
EMERGING ECONOMIES IN THE
SOUTH.**

The developing Global South, having unshackled itself from its colonialism past, is now bearing the full brunt of multiple existential threats. Many of the Global South countries in Asia, Africa and Latin America remain mired in insecurities.

The Ghost of Conflict

Generally, the Global South is known to be blessed with an abundance of resources. Nevertheless, large parts of the South remain poor and relatively underdeveloped as resources are still largely in the grip of proxies backed by their past colonial masters. Economic sovereignty remains a distant dream to many of these newly independent states after World War II. At the same time, they have not been truly allowed to exercise their new found political sovereignty.

Governance in young nations continues to be stuck in political instability, which in many cases erupts into conflict, thus turning them into war zones where economic development takes a backseat.

The last decade marked an era of ordeal for many of these politically unstable countries in the South. Crises of military conflicts provoked by the military-industrial complex for its gain, in addition to the double whammies of climate change and global health emergencies have created the perfect storm to impoverish Global South's many emerging economies.

As a consequence, Its economic development is often rendered unsustainable.

In fact, a feature of extreme poverty reduction, underscored in the 2030 UN Sustainable Development Agenda, has been a noticeable backsliding in progress on this key initiative since 2017.

The daunting task of bringing the global extreme poverty rate below three percent by 2030 is unlikely to meet its targeted timeline.

OPINION

The gloomy scenario is evidenced in the World Bank's 'Poverty and Shared Prosperity 2020' report which reveals that more than 40 percent of the extreme poor are located in conflict zones.

The World Bank report further exposes a sharp, two-fold rise in abject poverty in West Asia and Northern Africa between 2015 and 2018, following conflicts in Syria and Yemen, that resulted in humanitarian disasters.

This mayhem is certainly not the first or the last in such kinds of humanitarian disasters. It reminds us of the tragic and massive suffering in Iraq, when the country was invaded by the US in 2003, and the pervasive famine in Afghanistan in 2022 following the fall of Kabul after 20 years of occupation by the US military.

Time and again, mayhem was perpetrated in Asia to serve the geopolitical interests of powers from outside the region. Without fail, nations of the Global South were consistent targets of aggression under the prevailing order, clothed in the rhetoric of the 'rules-based order'.

The Pandemic Test

The coronavirus outbreak in 2020 witnessed a global health emergency that stalling much of human activity worldwide. Without exception, it wreaked havoc on global sustainable development. In its wake, developed economies were preoccupied with indiscriminate scrambling for disaster-relief resources for themselves, neglecting the backslide in poorer populations.

In 2020 alone, pandemic-induced poverty figure had alarmingly breached the 88 million mark.

The outbreak of the Covid-19 pandemic has put global health governance to a severe test. After more than three years of the fight against the contagion, millions in the developing Global South still remain

unvaccinated. It reflected a world that is in a state of 'vaccine apartheid', as was lamented by Tedros Ghebreyesus, the Director General of the World Health Organisation (WHO) in May 2021. The appalling truth revealed by him was that the Global South, comprising the poor, underdeveloped and developing countries, that made up half of the world population had received only 17 percent of the required doses of the Covid vaccine.

In the same vein, it is equally outrageous then, according to what was cited by Winnie Byanyima, Executive Director of United Nations Programme on HIV/AIDS (UNAIDS), in a critically-worded article, it quoted the People's Vaccine Alliance as saying "Empty promises will not save the world from Covid-19. World leaders have made big promises, but only 13 percent of the 1.0 billion doses promised by the G7 leaders had been delivered as of September 2021."

On the other hand, under COVAX (the worldwide initiative aimed at equitable access to COVID-19 vaccines) implementation, WHO could only ship out 68 million doses to the developing world, falling acutely short of its target of 2.0 billion doses scheduled for 2021.

The Climate Change Woes

The crunch is in realising the UN 2030 Sustainable Development Agenda is getting even more acute when the global warming-induced fallout looks set to push the poverty figures further up by 68 million till 2030. The Sub-Saharan region and South Asian countries are identified as the key areas to bear the brunt. Again, the Global South is not spared from climate change woes. Be that as it may, the Global South has never ceased to be a scapegoat for excessive carbon emission and environmental degradation purportedly caused by their pursuit of economic development through industrialisation. Yet,

on the other hand, many rich nations remain recalcitrant in not fulfilling their monetary pledge at the United Nations Climate Change Conference-Conference of the Parties (COP), thus leaving the multilateral international cooperation in addressing climate change in the lurch. Vulnerable nations, notably those from the Global South, are again deprived of the monetary resources needed to mitigate the impact of climate change, where extreme weather has resulted in crop failures and the consequential food insecurity.

Tokenism versus Aspiration

While the world at large upholds the principle of human rights in our global governance, the primordial existential rights of humanity must first be given due priority. The right to sustainable development in a peaceful environment is particularly significant to the developing Global South which pursues a laudatory trajectory of nation building and good governance.

The aspirations and choices of the people of the South must be accorded due respect, though at times it may be inconsistent with the interests pursued by the West. Their voices and priorities must be recognised and heard in terms of global governance.

Multipolarity characterised by the emergence of new centres of power is now the dominating paradigm on the world stage.

Accordingly, the Global South has every right to refuse to become pawns in geopolitical contests.

The dire need of the Global South is for sustainable development and an inclusive system of global governance under a cohesive UN that collectively shuns tokenism borne out of political expediency.

Reigning and aspiring hegemons must learn to accept the hard fact that a West-centric global order can no longer meet the growing expectations and aspirations of large sections of the world.

THE OUTBREAK OF THE COVID-19 PANDEMIC HAS PUT GLOBAL HEALTH GOVERNANCE TO A SEVERE TEST. AFTER MORE THAN THREE YEARS OF THE FIGHT AGAINST THE CONTAGION, MILLIONS IN THE DEVELOPING GLOBAL SOUTH STILL REMAIN UNVACCINATED.

Structural reform of world bodies is absolutely necessary to rectify the present under-representation of the Global South in the multilateral institutions. Nonetheless, US President Joe Biden's administration in calling for an expansion of UN Security Council is regarded by the Global South as too small a token to address the current scale of multi-dimensional imbalance in favour of the Global North. The pledge to increase the seats of permanent and non-permanent members on the Security Council may appear appealing to some Global South countries. But such a charm offensive-like engagement is no more than a reactive move of expediency, serving the interests of great power rivalry.

Learning from past experience, the Global South should by now be seasoned and mature enough not to be enmeshed again in the web of geopolitical power play. All in all, what the Global South has been yearning for all these years is nothing more than an egalitarian, inclusive international order where their concerns are addressed even-handedly.

After all, both the Global North and South alike have a shared future and intertwined interest on this planet that is home to all of humanity.

Tan Sri Datuk Ong Tee Keat is the founding Chairman of the Centre for New Inclusive Asia (CNIA)

Whither the Global South : A View from Australia

Levels of Australia's active engagement with nations of the Global South have varied considerably according to circumstance and the policy inclinations of centre-left and centre-right governments respectively. But there is good reason to think that Australia's contemporary interests will demand more consistent engagement with 'the south' – or sections of it.

By Dr. Geoff Heriot



Thinking about Australia's outlook towards the Global South is a little like reflecting on the incongruity of nature. When scientists of the European North first saw the carcass of a platypus from southern Australia, they declared it to be a fake. How else to make sense of a duck-billed, beaver-tailed and otter-footed mammal, which laid eggs? Surely, they mused, the specimen had been assembled deceptively from several unlike animals sewn together.

That oddity of mammalian historiography comes to mind when former diplomat and international scholar, Geoffrey Wiseman, writes that Australia is 'a tentative middle power struggling with its role and responsibilities in the region and the world at large'.

Geographically, it is of the south, situated contiguous to the post-colonial zones of Southeast Asia and the Southwest Pacific. Demographically, it is increasingly a Eurasian society and a trading economy tethered to Asian markets. Yet strategically and in its dominant cultural conventions, Australia remains intimately aligned with the North. Over decades, it has been complicit in Western strategic misadventures, from the 1956 Suez crisis to US-led military calamities in Vietnam, Iraq and Afghanistan.

Even so, the iron laws of geography have always bound Australia to 'the south', often reactively and sometimes more in fear than innate confidence. Indonesia has substantially framed the nation's outlook to Association of Southeast Asian Nations (ASEAN) or Southeast Asia; indeed, as observed by the late journalist and one-time Australian High Commissioner to India, Bruce Grant, volatile relations with Indonesia have 'provided the crucible of modern Australian foreign policy'. Likewise, to the east of a land border with Indonesia, the former Australian territory of Papua New Guinea looms large in the policy outlook relating to Australia's engagement with the island nations of the Southwest Pacific.

Levels of Australia's active engagement with nations of the Global South have varied considerably according to circumstance and the policy inclinations of centre-left and centre-right governments respectively. But there is good reason to think that Australia's contemporary interests will demand more consistent engagement with 'the south' – or sections of it – notwithstanding that the post-colonial Group of 77 has evolved as a highly disparate collective of 135 nations.

GEOGRAPHICALLY, IT IS OF THE SOUTH, SITUATED CONTIGUOUS TO THE POST-COLONIAL ZONES OF SOUTHEAST ASIA AND THE SOUTHWEST PACIFIC. DEMOGRAPHICALLY, IT IS INCREASINGLY A EURASIAN SOCIETY AND A TRADING ECONOMY TETHERED TO ASIAN MARKETS. YET STRATEGICALLY AND IN ITS DOMINANT CULTURAL CONVENTIONS, AUSTRALIA REMAINS INTIMATELY ALIGNED WITH THE NORTH.

One fundamental reason is the global shift in economic and political power structures, not least for the period the world remains without a settled order or central organising principle. While Australia is an Indo Pacific nation, it has interests in both the North and South. Insofar as one common grievance is that of relative exclusion or under-representation of the south in global institutions, middle power Australia



The trilateral Maritime Partnership Exercise of Indian Navy, Royal Australian Navy and Indonesian Navy in September, 2023.

ONE FUNDAMENTAL REASON IS THE GLOBAL SHIFT IN ECONOMIC AND POLITICAL POWER STRUCTURES, NOT LEAST FOR THE PERIOD THE WORLD REMAINS WITHOUT A SETTLED ORDER OR CENTRAL ORGANISING PRINCIPLE. WHILE AUSTRALIA IS AN INDO PACIFIC NATION, IT HAS INTERESTS IN BOTH THE NORTH AND SOUTH.

will need to take a position. Internationally, it would be advised to counter perceptions of Western hypocrisy. In doing so, it will be addressing domestic as well as foreign constituencies.

The Hobbesian atrocity of Israel and Gaza provides

a current example where conflicting expressions of fury challenge the political class to be considered and clear in its espoused values, policies and public communication. Judeo-Christian Australia was one of the first countries to recognise Israel following its establishment in 1948. The government in Canberra claims still to enjoy a close commercial and people-to-people relationship. Today, however, Jews make up just 0.4 percent of the Australian population, while the Muslim population has grown to be more than 3.0 percent, much of which is concentrated in certain key electorates.

Geography and demography continue to forge Australia's destiny here in the south.

Dr. Geoff Heriot is an independent media consultant and author with extensive experience in the Asia-Pacific region.

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An Indo Pacific of Harmony and Inclusivity

The Indo Pacific or Asia Pacific is home to major religions, from Hinduism to Buddhism to Christianity to Islam to Sikhism. It is a unique spiritual foundation on which to build a harmonious and prosperous region.

By Dr. Roy Anthony Rogers



Photograph: commerce.gov/ipef

Summit-level meeting on the launch of the Indo-Pacific Economic Framework, 2022

The Indo Pacific is a vast expanse between two oceans – the Indian in the east and the Pacific in the west. It originates in South Asia and goes through Southeast Asia, East Asia, the Pacific Islands, and up to the west coast of the US.

This is a term often used lately. It is attributed to Japan's former prime minister, Shinzo Abe, who called an integrated Indian and Pacific Oceans a 'Confluence of Two Seas', in an address to the Indian Parliament in 2007; and in 2016, in a speech "Toward a Free and Open Indo Pacific" at the Sixth Tokyo International Conference on African Development (TICAD VI) in Nairobi, Kenya.

The US responded by renaming its 'Pacific Command' as the 'Indo Pacific Command'. This term now reflects an alliance of Japan and US representing the Pacific Ocean region, while India represents the Indian Ocean region. But it is Southeast Asia that is located in the middle of the Indo Pacific.

Haushofer's Indo Pacific

The Indo Pacific concept is not new. Scholars and researchers think it can actually be traced back almost a hundred years.

Karl Haushofer (1869–1946) from the Weimar Republic in Germany first used the Indo Pacific term. A Geography professor specialising in geopolitics and oceanography, his writings became the basis for the Indo Pacific concept at that time. They include *Geopolitics of the Pacific Ocean* (1924), *Building Blocks of Geopolitics* (1928), *Geopolitics of Pan-Ideas* (1931), and *German Cultural Politics in the Indo-Pacific Space* (1939). He was associated with the Nazi movement primarily through his student Rudolf Hess, once Adolf Hitler's close aide.

Karl Haushofer's argument can be divided into two main themes.

The first theme was political, where he argued

against colonial ideas, because the Indo Pacific region at that time was under British rule in India, as erstwhile Burma, now Myanmar, Singapore and the former Malaya; while France held Indo China, the Netherlands had Indonesia and the US was in the Philippines.

Haushofer contended that the people of these regions would rise up and be liberated, pursuing the principle of self-determination.

THE US RESPONDED BY RENAMING ITS 'PACIFIC COMMAND' AS THE 'INDO PACIFIC COMMAND'. THIS TERM NOW REFLECTS AN ALLIANCE OF JAPAN AND US REPRESENTING THE PACIFIC OCEAN REGION, WHILE INDIA REPRESENTS THE INDIAN OCEAN REGION. BUT IT IS SOUTHEAST ASIA THAT IS LOCATED IN THE MIDDLE OF THE INDO PACIFIC.

This same principle in the modern era of neocolonialism could see India, China and Germany work together towards an Indo Pacific rid of external influences.

Haushofer's second theme stated that the Indo Pacific was an extraordinary region in terms of oceanography, marine biology, ethnography and linguistics. Indeed, this region has over the ages attracted traders, travellers, envoys, religious teachers and texts – such as *I-Ching* (an ancient Chinese divination text that is among the oldest of the Chinese classics), Ibn Battuta, the scholar and explorer who travelled extensively in Afro-Eurasia,

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and Admiral Zheng He, the Chinese mariner, explorer, diplomat, and fleet admiral of China's early Ming dynasty.

In fact, even Marco Polo, the Italian merchant, explorer and writer from Venice, travelled in the area now known as Indo Pacific. The region received strong influences from China, India and West Asia before the advent of Western colonialisation.

Contemporary Indo Pacific

However, in the present day, the term Indo Pacific differs from Haushofer's definition. In the past, the Indo Pacific concept aimed at ridding the region of colonial powers such as Britain, France and the US. Now it refers to a 'free and open Indo Pacific', championed by the US, with Australia, Japan and India.

In this scenario, a central question arises over China's position in the contemporary Indo Pacific concept. After all, China along with the US are superpowers of the Indo Pacific. There are fears the Indo Pacific concept of the US and its allies aims to promote an anti-China sentiment. This raises concerns in many countries of the region having no desire to be drawn into big power conflicts.

This concern was reflected at the 34th conference of the Association of Southeast Asian Nations (ASEAN) in 2019. There an ASEAN Outlook statement on the Indo Pacific (AOIP) stressed the need for conflict to be resolved through dialogue, cooperation, inclusivity, a rule-based framework, and avoidance of hostility.

Though AOIP accepts in principle a free and open Indo Pacific, it couples this with considerations of 'inclusiveness', that is against attempts to exclude China.

Hence, the need for the Indo Pacific concept to be adapted to conform with 'indigenous' or 'Asian' aspirations. The concept should be tailored to the

opinions and responses of India, China and countries of Southeast Asia, and the wider Global South, and not outside influences.

IN THE PAST, THE INDO PACIFIC CONCEPT AIMED AT RIDDING THE REGION OF COLONIAL POWERS SUCH AS BRITAIN, FRANCE AND THE US.

Asia Pacific and Indo Pacific

Regardless of whether what currently prevails is the concept in its original form, as conceived by Karl Haushofer, or a contemporary adaptation, the result should not be an Indo Pacific region that becomes an arena for hostilities between the great powers.

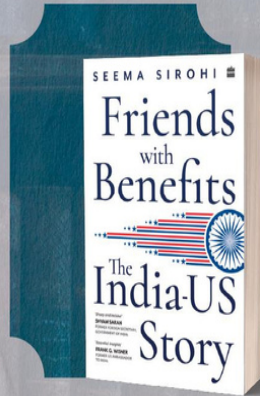
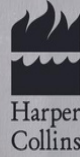
Further, it should be emphasised that apart from the Indo Pacific, the concept of Asia Pacific is still relevant.

Both concepts are mutually complementary to ASEAN, which does not intend to choose one over the other. In the enthusiasm for the Indo Pacific, we should not abandon the Asia Pacific concept which has functioned very well with the existence of Asia Pacific Economic Cooperation (APEC) and the Regional Cooperative Economic Partnership (RCEP). Additionally, the region, whether called Indo Pacific or Asia Pacific, should be rooted in foundational spiritual values that spring from its religious roots in major world religions — Hinduism, Buddhism, Christianity, Islam and Sikhism.

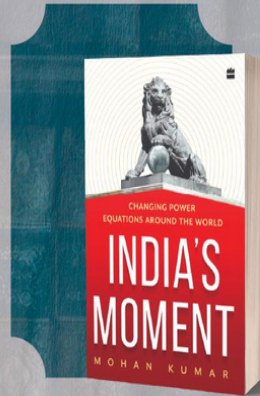
Therefore, the priority is in building a harmonious and prosperous region for future generations.

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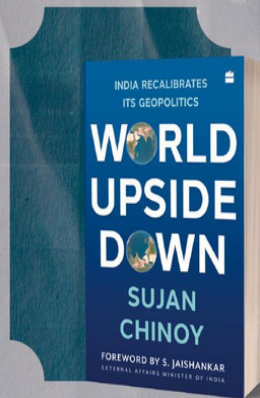
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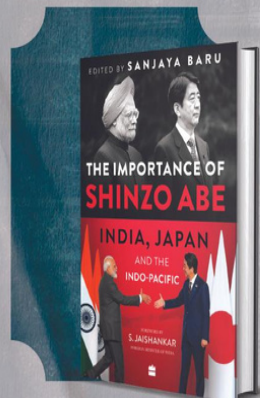
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World Upside Down



*The Importance Of
Shinzo Abe And A New
Cold War*

Bay of Bengal Community: Bangladesh's Significant Role

South Asian states must take into account both historic trade linkages as well as contemporary developments in order to create a common market. In this endeavour, Bangladesh can play a crucial role in facilitating economic integration between South and Southeast Asian states to form a platform for nations on either side of the Bay.

By Mansura Amdad and Dr. Rashed Uz Zaman



Photograph: pbs.twimg

Bangladesh Prime Minister Sheikh Hasina and Indian Prime Minister Narendra at the 2023 G20 Summit in New Delhi

Rising interaction among people of the world has led to the coining of the term ‘connectography’ by globalisation specialist Parag Khanna. It refers to functional spaces of the world where people use boundaries made by political geography.

In this regard, the world’s seas and oceans, along with the tangible nature of political geography, have played a vital role in functional geography over centuries. This importance of water bodies is going to increase in the days ahead.

Subsequently, South Asia’s poverty eradication is hinged on people-to-people connections, particularly over spaces that foster modes of communication as well as enhance trade and exchange of goods and services; while transporting people, their values and culture.

Akin to French historian Fernand Braudel’s depiction of a maritime region evolving over a length of time, the Bay of Bengal harbours diverse and distinct political entities, linked by maritime and land routes from ancient times.

Geographically, the littoral states located along the Bay are India, Bangladesh, Sri Lanka, Myanmar, Thailand and Indonesia. Beyond these basin countries, are states with an indirect connection to the Bay, like landlocked Bhutan and Nepal; and the island nation of Maldives in South Asia; while similarly in Southeast Asia are nations such as Malaysia and Singapore; while East Asia has Japan and China. It makes the Bay a natural connecting force for a number of states.

The history of the Bay shows how inter-regional trade has been shaped by the relative ease of maritime communication.

Since the Bay has given easy access to trade among various Southeast Asian states for centuries, unsurprisingly, the legacy endured for a South Asian country like Bangladesh. Here, the concept of intra-

regional trade within South Asia, and linkages with Southeast Asia are more pronounced due to the influence of natural geography.

SINCE THE BAY HAS GIVEN EASY ACCESS TO TRADE AMONG VARIOUS SOUTHEAST ASIAN STATES FOR CENTURIES, UNSURPRISINGLY, THE LEGACY ENDURED FOR A SOUTH ASIAN COUNTRY LIKE BANGLADESH. HERE, THE CONCEPT OF INTRA-REGIONAL TRADE WITHIN SOUTH ASIA, AND LINKAGES WITH SOUTHEAST ASIA ARE MORE PRONOUNCED DUE TO THE INFLUENCE OF NATURAL GEOGRAPHY.

Regionalisation Unravelling

In the era of globalisation, transnational interdependence reflects the growing influence of multinational corporations (MNCs), intergovernmental organisations (IOs), and non-governmental organisations (NGOs). It has led to a multiplicity of actors dominating the regional scenes in economic activities.

Across the world, supranational organisations like the EU operate at a meso-level of government, between the state and local administration, managing the integration of their territories into markets spanning continents.

Influenced largely by the EU, similar attempts have been undertaken across the world, with varying degrees of success.

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The South Asian Association for Regional Cooperation (SAARC) has Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka, while the Association of Southeast Asian Nations (ASEAN) comprises Laos, Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

This has led to attempts to define 'region', 'regionalism' and 'regionalisation'.

Some scholars define regions as geographically proximal states that interact extensively, and possess a shared perspective of various issues, while others point out the existence of regions as 'politically made'.

Hence, there are disagreements over definitions of regionalism and regionalisation. Here, regionalism is 'defined as a political process marked by cooperation and policy coordination'; while regionalisation focuses on 'economic processes in which trade and investment within member states develop more rapidly than the region's trade and investment with non-members'.

Regionalisation seeks economic cooperation via agreements that enable a degree of commercial preferentialism without the harmonisation of domestic rules or obligations for common action in international affairs.

It also encapsulates the aspiration for formal regional integration through which states can go beyond removal of obstacles to interaction among themselves to create a regional space, governed by common applications of rules.

Institutions like EU create incentives for member states to cooperate among themselves.

The new political economy approach takes cooperation further, by assuming that regional trade agreements – customs unions, free trade agreements – have significant redistributive consequences that

are usually harmful towards non-members, while agreements create both winners and losers within the member states, thereby emphasising group politics.

As the global economy and social system take an increasingly complex and integrated turn, its technocratic management has grown as the norm in specific sectors including health, postal services, and communications.

British historian and political theorist David Mitrany's *A Working Peace System* (1943) prepared the path for the functionalist cause, while American political scientist Ernst Haas took matters a step further with *The Uniting of Europe* (1957) and *Beyond the Nation-State* (1964), outlining a neo-functionalist logic underpinning institutional and integrational efforts.

A key driver behind cooperation is alignment of economic interests of states. Here, economic regionalism provides a backdrop for institutional arrangements that facilitate a free flow of goods and services and coordinate foreign economic policies between the states of a geographic region.

A precursor of economic integration is the creation of free-trade zones: allowing free trade among member states without a common tariff system.

Economic integration then typically follows the route of a customs union – creation of a common tariff barrier against non-member states, while granting free trade opportunities to member states; and then seeks to transform itself into common markets – common tariffs and free-trade zones, leading the way to free movement of resources such as capital and labour between its member states.

Regionalisation and South Asia

At least three attributes make the South Asian region well-suited for economic regionalisation by

connectivity and trade: the highest population density in the world, linguistic and ethnic overlap across borders, and the presence of large numbers of cities close to the borders.

South Asian states are hemmed in by the Indian Ocean, Himalayas, and the Hindu Kush Mountains. Therefore, connecting and building themselves and their neighbours is an imperative for regional development.

The idea of connective arteries was prominent in South Asia well before the advent of European colonialism. It took the form of the Grand Trunk Road connecting South Asia with Central Asia for 2,500 years; and also branching sea lanes of the Silk Road. These were among the world's oldest trade routes.

AT LEAST THREE ATTRIBUTES MAKE THE SOUTH ASIAN REGION WELL-SUITED FOR ECONOMIC REGIONALISATION BY CONNECTIVITY AND TRADE: THE HIGHEST POPULATION DENSITY IN THE WORLD, LINGUISTIC AND ETHNIC OVERLAP ACROSS BORDERS, AND THE PRESENCE OF LARGE NUMBERS OF CITIES CLOSE TO THE BORDERS.

Challenges in South Asian efforts at Regionalisation

Regionalisation seems to be unable to take off in the region, despite long traditions. With a vision for a gradually transition towards a South Asian Economic Union characterised by a Common Market and Customs as well as Economic and Monetary Union, SAARC had facilitated the inception of a South Asian

Free Trade Area (SAFTA), operationalised in 2006.

But after nearly two decades since its initiation — and despite multiple bilateral Free Trade Agreements (FTAs) — intra-regional trade still continues to elude South Asia. Today, regional trade accounts for only 5.0 percent of South Asia's trade, whereas, in East Asia, it accounts for 50 percent of its total trade.

In the last two decades, ASEAN's total merchandise trade has multiplied almost 3.5 times, reaching over USD \$2.6 trillion in 2020. On the other hand, trade among South Asian countries currently totals just USD \$23 billion — far below an estimated value of at least USD \$67 billion.

South Asia's trade with the rest of the world has increased manifold, but regional trade as a proportion of total trade remains at five percent, as it was 25 years ago.

A reflection of this dearth can be seen in tables 1 and 2, which depicts the trade of Bangladesh with SAARC and ASEAN nations.

Within SAARC and ASEAN, Bangladesh's bilateral trade with India has an asymmetric form, while only three of the two groupings — Nepal, Maldives and Philippines — have a trade deficit with Bangladesh.

Bangladesh's graduation from a least developed country to a developing country in 2026 may see the country lose its preferential market access to the tune of 11 percent at USD \$6.0 billion. Thus, regional trade offers enormous untapped potential for South Asian states such as Bangladesh to optimise their common economic interests.

A series of stumbling blocks hinder regional economic cooperation in South Asia. In the World Bank's eyes, the greatest barriers stifling the potential of intra-South Asian trade are the absence of viable infrastructure, the state of land and maritime ports and lack of harmonization of customs processes.

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Constraints include protective tariffs, real and perceived non-tariff barriers, restrictions on investments, and a broad trust deficit throughout the region hinders regionalisation efforts.

Another fact is that South Asian countries discriminate against their neighbouring countries, favouring trade with the rest of the world more than they favour trade with their own neighbours.

Table 1: Trade between Bangladesh and SAARC countries in 2020-21 (figures in million USD) [As of 29 March 2022]

	Afghanistan	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Export	8.64	6.89	1279.67	6.02	68.66	82.71	47.32
Import	20.46	38.83	8593.5	2.95	4.81	502.7	117.72
Trade Balance	(-) 11.82	(-) 31.94	(-) 7313.83	(+) 3.07	(+) 63.85	(-) 419.99	(-) 70.40
Major Export Items	Medicaments for both retail and non-retail sale, antibiotics, and sweet biscuits.	Manufactured iron or steel, juices (except cranberry), and bread.	Vegetable fats, cotton t-shirts and trousers, rags, fishes, and jute.	Potatoes, rusks and toasted products, waters, nuts and seeds, and cotton t-shirts.	Oil-cake and residues of soya bean, jute, urea and potatoes.	Jute, hydrogen peroxide, rags, tobacco and jute.	Medicaments for both retail and non-retail sale, textile and textile articles, chemical, mineral and wood products.
Major Import Items	Vegetable products, textile and textile articles, and chemical products.	Mineral, vegetable, and chemical products.	Cotton, cereals, vehicles (except for railway rolling stock), and parts of nuclear reactors.	Prepared foodstuffs, plastic and rubber articles, and chemical products.	Vegetable products, live animals and animal products, and prepared foodstuffs.	Cotton, salt, sulphur, edible vegetables, and inorganic chemicals.	Machinery and mechanical appliances, textile and textile articles, chemical and mineral products.

Bilateral Trade – SAARC, Dhaka Chamber of Commerce and Industry, accessed July 08, 2023, <http://dhakachamber.com/bilateral-trade/saarc>.

Table 2: Trade between Bangladesh and ASEAN countries in 2020-21 (figures in million USD) [As of 29 March 2022]

	Brunei	Thailand	Indonesia	Malaysia	Philippines	Vietnam	Singapore	Myanmar
Export	1.76	39.00	68.22	306.57	74.52	61.29	116.57	31.40
Import	34.66	765.4	1845.6	1573.50	49.72	678.6	2468.0	97.06
Trade Balance	(-)32.9	(-) 726.4	(-) 1777.38	(-) 1266.93	(+) 24.8	(-) 617.31	(-) 2351.43	(-) 65.66
Major Export Items	Juices (except cranberry), food prep goods, mixes and doughs.	Cotton t-shirts, trousers, sesamum seeds, mounted objective lenses, and shrimps and prawns.	Jute and manufactured jute products, cotton t-shirts and trousers, and jerseys.	Cotton t-shirts and trousers, juices (except cranberry), and sweet biscuits.	Juices (except cranberry), sugar confectioneries (not containing cocoa), cotton t-shirts and trousers, and tobacco.	Manufactured iron or steel, scrap plastics, leather, and jute and jute products.	Cotton t-shirts and trousers, food prep goods (not containing cocoa), preserved vegetables, and potatoes.	Medicaments for both retail and non-retail sale, live eels, antibiotics and cotton t-shirts.
Major Import Items	Mineral products, chemical products.	Salt, sulphur, earths and stone, plastics, and vehicles.	Edible fats, mineral fuels, and salt and sulphur, and cotton.	Mineral fuels, prepared edible fats, and plastics.	Base metals and articles thereof, vehicles and associated transport equipment, and prepared foodstuffs and beverages.	Salt, sulphur, electrical machinery and equipment, and cotton.	Mineral fuels and oils, prepared edible fats, parts of nuclear reactors, and iron and steel.	Vegetable products, wood and wood articles, live animals and animal products.

Connectography and the ASEAN Example

Connectography floats the tantalising idea of infrastructure alliances: physically connecting across borders and oceans through tight supply chain partnerships.

An example can be seen in Japan’s view on Bangladesh and other areas to its south as a single economic zone. Even though situated beyond the Bay’s ambit, Japan vows to promote the Bay of Bengal-Northeast India industrial value chain

“Bilateral Trade – ASEAN,” Dhaka Chamber of Commerce and Industry, accessed July 08, 2023, <https://www.dhakachamber.com/bilateral-trade/asean>.

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concept, in tandem with Bangladesh and India to foster growth of the entire region.

In tandem also with the Government of Bangladesh's Indo-Pacific Outlook, projects like Matarbari deep sea port, the development of southern Chattogram region including Chattogram-Cox's Bazar highway, and the establishment of the Moheskali-Matarbari Integrated Infrastructure Development Initiative point to the importance of connectivity in the creation of spillover effects to sustain the growth of Bangladesh's economy.

The benefits of Bangladesh have immense potential for cross-border trade between other neighbouring countries. For instance, India's eight north-eastern states – Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim – are land-locked and access to the Bay is crucial for their development.

India is involved in four major on-going projects – Ashuganj inland port, Ashuganj-Akhaura road, Akhaura-Agartala rail link, Belonia-Feni rail link – besides having permanent access of land, riverine and sea ports. The Indian government's flagship initiatives – 'Make in India' and 'Self Reliant India' – are efforts to make India a manufacturing hub.

Southeast Asia's upper hand in bilateral trade with Bangladesh is an example of the increasing emphasis on regional trade fostering poverty eradication and facilitating regionalisation, visible by the rise of the ASEAN Economic Community (AEC). Introduced at the end of 2015, the AEC envisions ASEAN's strategic objective of economic integration.

The focus of AEC lies on a single market and production base, with high competitiveness within the region fostering equitable development and complete integration within the dynamics of the

the global economy. As a result, the free movement of goods, services, investment and skilled workers with a higher degree of capital movement is possible within the region.

This is great integration on the paths of the ASEAN Free Trade Area (AFTA). South Asian states should take this contemporary development into cognisance while being mindful of the historic trade linkages; so as to utilise their full potential by the creation of a common market.

In fact, Bangladesh, as a springboard overlooking regions united by the Bay, can play a key role in facilitating economic integration between South and Southeast Asian states.

Concluding Remarks

Under Sustainable Development Goals (SDGs), promotion of inclusive, sustained economic growth is tied with eradicating global poverty in all forms. In this regard, building resilient infrastructure and promoting inclusive industrialisation, while fostering innovation are crucial aspects of the SDGs.

It is also clear, that the spillover impact of cooperating in a common market opens up opportunities for greater and productive employment.

Therefore, it is imperative for Bangladesh, as well as for other South Asian states, to pursue regionalism and overcome structural and psychological constraints to foster regional economic cooperation.

Dr. Rashed Uz Zaman is from the Department of International Relations, University of Dhaka and Ms Mansura Amdad is faculty at Security and Strategic Studies of Bangladesh University of Professionals (BUP).

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From FTA to a Common Market: India and ASEAN

It is crucial for India to focus on establishing stronger and broader relationships with ASEAN countries with higher GDP growth rates. Thereby, India can have better market access to ASEAN countries by transitioning from their current Free Trade Agreement (FTA) setup to a Common Market – a free trade area with relatively free movement of capital and services.

By Dr. Veena Jha and Mr. Vipin Kumar



Photograph: wikipedia

Signing Ceremony of the Treaty of Rome at the Palazzo Dei Conservatori, on Capitoline Hill, Rome in 1957

India's exports have not increased significantly since the establishment of ASEAN INDIA Free Trade Area (AIFTA) in 2003. Rising Non-Tariff measures (NTMs) could be one reason.

So, it is crucial for India to focus on establishing stronger and broader relationships with ASEAN nations with higher GDP growth rates.

India can have better market access to ASEAN countries by transitioning from the current Free Trade Agreement (FTA) setup to a Common Market – a free trade area with relatively free movement of capital and services – which may lead to increased scale of operations and specialisation.

Firstly, free trade association eliminates barriers to trade, whereas a common market helps in trading, as well as labour and capital mobility.

Secondly, integration into a common market can make India a more appealing destination for foreign investors from ASEAN countries, resulting in a boost in foreign direct investment (FDI) inflows.

Between 2015–2021, cumulative FDIs from ASEAN to India was USD \$117.88 billion, out of which Singapore's investments in India were most, at USD \$115 billion.

Thirdly, participation in a common market enabled Indian industry to engage in regional supply chains and production networks, that in turn would lead to improved efficiency, productivity, and competitiveness

The India-ASEAN Free Trade Agreement (FTA) has facilitated increased trade in goods and services; and enhanced competitiveness for Indian industries in sectors such as textiles, chemicals and automotive components.

On the flip side, transitioning to a common market requires adaptation and adjustment by Indian industries. This may be expensive and disrupt existing business practices. Indian industry may also be at a disadvantage when compared to the ASEAN

countries, as the latter have well-developed industries with a global competitive edge.

THE INDIA-ASEAN FREE TRADE AGREEMENT (FTA) HAS FACILITATED INCREASED TRADE IN GOODS AND SERVICES; AND ENHANCED COMPETITIVENESS FOR INDIAN INDUSTRIES IN SECTORS SUCH AS TEXTILES, CHEMICALS AND AUTOMOTIVE COMPONENTS. ON THE FLIP SIDE, TRANSITIONING TO A COMMON MARKET REQUIRES ADAPTATION AND ADJUSTMENT BY INDIAN INDUSTRIES.

A common market could lead to trade imbalances, which India is already facing. It could entail regulatory harmonisation with the ASEAN Economic Community (AEC), with numerous mutual recognition arrangements for various sectors.

This in turn could affect India's policy autonomy in certain areas. Most importantly, a common market between ASEAN and India would entail a common market with China too, as ASEAN has very deep FTAs with China.

In this context, it would be moot to examine what it would entail to move from an FTA to a common market.

First of all, it tries to set the parameters of a common market using the EU as an example. Then it examines India's trade with ASEAN, focusing on its deficit. Thirdly, it examines whether there has been trade diversion from China through the ASEAN. Lastly, it sets out the feasibility and desirability of a cooperation, if not a common market with ASEAN.

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Moving to a Common Market

The European Union's transition from a free trade agreement to a common market setup required a number of steps, which are enumerated below:

Treaty of Rome (1957)

The Treaty of Rome set up the European Economic Community (EEC), bringing together Belgium, Germany, France, Italy, Luxembourg and the Netherlands. Its common market included free movement of goods, people, services, and capital.

The customs union that was created abolished quotas and customs duties between its six signatories and established a common external tariff on imports from outside the EEC.

Single European Act (1986)

It amended the Treaty of Rome to enhance economic integration by removing barriers to the free movement of goods, services, capital, and labour; and included several other members.

European Commission's White Paper on Completing the Internal Market (1985)

This outlined the vision and strategy to achieve completion of the internal market within the EU.

Examples of nations transitioning from a free trade agreement to a common market setup

Mercosur: Mercosur is a regional trade bloc in South America, which began as a free trade agreement in 1991 among Argentina, Brazil, Paraguay, and Uruguay. It aimed to harmonise economic policies and eliminate barriers to trade and movement of goods, services, and people.

Caribbean Community (CARICOM): CARICOM began as a free trade agreement in 1973 with four countries. The community, with 15 member states –

Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St Lucia, St. Vincent and the Grenadines, Suriname and Trinidad & Tobago – aims to remove trade barriers, coordinate economic policies, and facilitate the free movement of goods, services, and people.

Eurasian Economic Union (EAEU): The EAEU started as a free trade agreement in 2010 with Belarus, Kazakhstan, and Russia. Since then, Armenia and Kyrgyzstan have also joined it. The EAEU aims to develop into a common market, harmonising trade policies and facilitating the free movement of goods, services, capital, and labour.

East African Community (EAC): The EAC is an intergovernmental organisation in East Africa. It started as a free trade agreement in 2000 among Kenya, Tanzania, and Uganda. Many positive strides have been made in the integration process, with achievements of the Customs Union (2005), Common Market (2010) and the signing of the Monetary Union Protocol in 2013. Burundi and Rwanda joined later, and the EAC aims to evolve into a common market promoting free movement of goods, services, capital, and labour in the region.

India's FTA with ASEAN

India's trade with ASEAN has shown a varied trajectory over the past eight years. India's exports declined by 21 percent in 2015–16, but rebounded in subsequent years, peaking at USD \$37.47 billion in 2018–19.

However, there were falls – in 2019–20 by 15.82 percent and 2020–21 by 0.19 percent – followed by notable growth of 34.43 percent in 2021–22. Imports displayed fluctuations but also demonstrated significant growth of 43.57 percent in 2021–22, surging to 28.62 percent in 2022–23.

Despite increasing its total trade volume, India's trade deficit persisted throughout the period,

SEAN markets compared to India's under ASEAN Trade in Goods Agreement (ATIGA), placing India at a disadvantage.

Table 1: The trade figures in respect of ASEAN region for the last seven years (April – March) (in USD Billion)

India's trade with ASEAN	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Export (USD Billion)	25.13	30.96	34.20	37.47	31.55	31.49	42.32	44
% Growth	-21.00	23.19	10.47	9.56	-15.82	-0.19	34.43	3.96
Import (USD Billion)	39.91	40.62	47.13	59.32	55.37	47.42	68.08	87.57
% Growth	-10.75	1.77	16.04	25.86	-6.66	-14.36	43.57	28.62
Total (USD Billion)	65.04	71.58	81.34	96.80	86.92	78.90	110.4	131.57
Trade Balance (USD Billion)	-14.78	-9.66	-12.93	-21.85	-23.82	-15.93	-25.76	-43.57

Source: Ministry of Commerce, Government of India

indicating consistent imports over exports to ASEAN countries, reflecting a trade imbalance.

What is needed for Transition to a Common market

Tariff Rates: India implemented tariff reductions on 75 percent of its tariff lines. However, Indonesia, the largest ASEAN economy, only eliminated tariffs on 50.4 percent of its lines.

India prioritised protection for its agricultural products, while ASEAN economies did not lower tariffs for sectors such as base metals, machinery, vehicles, and miscellaneous manufactured articles, where India had capacity strengths.

Additionally, the ASEAN-China Free Trade Agreement provided China with deeper access to

Market Access Issues

India needs to ensure full tariff elimination in areas in which it has export strengths and capacities. It will not be easy since ASEAN as a group and as individual nations have entered into several extensive FTAs.

Under the Regional Comprehensive Economic Partnership (RCEP), ASEAN countries have undertaken significant levels of tariff elimination and reduction, covering over 90 percent of tariff lines and 92 percent of the goods trade among the parties. Should India seek a similar level of ambition in the ASEAN markets, there will be reciprocal requests from the ASEAN countries.

Another objective would be to include certain elements under the supply chain resilience pillar of

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the Indo Pacific Economic Framework (IPEF) in ASEAN India Trade in Goods Agreement (AITIGA).

The US in turn has launched the Indo Pacific Economic Framework for Prosperity (IPEF), with Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand and Vietnam where they aim to contribute to cooperation, stability, prosperity, development, and peace in the region.

INDIA PRIORITISED PROTECTION FOR ITS AGRICULTURAL PRODUCTS, WHILE ASEAN ECONOMIES DID NOT LOWER TARIFFS FOR SECTORS SUCH AS BASE METALS, MACHINERY, VEHICLES, AND MISCELLANEOUS MANUFACTURED ARTICLES, WHERE INDIA HAD CAPACITY STRENGTHS.

Rules of Origin (ROO)

Rules of Origin (ROO) determine the country of origin of a product, that in turn helps implement trade policy measures such as tariffs and quotas.

It may be time to discard the dual requirement of having a minimum regional value addition of 35 percent; and a change in tariff subheading as stipulated in AITIGA. ROO should comprise a single criteria of a minimum value addition set at 40 percent.

Product specific rules should be defined for key exports like refined petroleum products and cut and polished diamonds to ensure eligibility for tariff concessions. Flexibilities for non-originating preservatives are also necessary to prevent disqualification of Indian marine exports.

Thirdly, the question arises whether India should agree to a cumulation provision that allows an exporting ASEAN party to use inputs from other ASEAN parties, irrespective of whether the input itself satisfied the origin criteria. It may also enable formation of supply chain units in India that have backward integration inputs coming from countries such as China, Korea and Japan.

Simplifying the process of ROO Certification and Declaration

India has had some issues on the verification of ROOs. In 2018-19, there was suddenly a spike in imports from Singapore and Vietnam, raising doubts about FTAs being misused for declaring third country goods as originating goods from FTA parties.

Trade and Customs Facilitation

The trade facilitation provisions currently in AITIGA are essentially confined to a single Article 14 on customs procedures and are couched in best endeavour terms emphasising transparency and simplification in customs procedures and prompt clearance of goods. In contrast, all recent FTAs, including India's own FTAs with the UAE and Australia, have separate chapters with detailed provisions on this issue.

Trade facilitation is also an area in which ASEAN countries generally do well; and a common market would enhance that.

Objectives on Standards and Regulations

AITIGA is very brief with a single Article 8 devoted to non-tariff measures, basically requiring compatibility with WTO agreements on technical barriers to trade and sanitary and phytosanitary measures.

A common market should provide sectoral mutual recognition for future negotiations. India seeks fast-tracked procedures for pharmaceutical mutual recognition, which a common market can provide.

Additionally, there is potential for mutual acceptance of testing by authorised agencies, including for organic product exports. India's agricultural exports to ASEAN have improved, but require greater predictability and consolidation, given the proximity and shorter transit time to these markets.

The Big Bottleneck in India-ASEAN Common Market

The biggest obstacle to an India-ASEAN Common

Market is the possibility of Chinese goods being diverted to India through ASEAN. While with an ATIGA as well, this possibility exists, a common market would make such trade diversion much easier.

As Table 2 below shows, the top imports from ASEAN for India also coincide with the top imports of ASEAN from China. Further, these imports have been growing at over 40 percent in most cases and those from China to ASEAN also show huge growth.

Table 2: India's Imports from ASEAN and ASEAN Imports from China (Millions of USD)

HSCode	Commodity	India's imports from ASEAN			Growth during 2020-2022	ASEAN's imports from China			Growth during 2020-2022
		2020	2021	2022		2020	2021	2022	
	Total	44052	64700	88959	102	298609	386666	460962	54
85	Electrical machinery and equipment and parts thereof.	7047	8000	10148	44	102790	128474	140773	37
84	Nuclear reactors, boilers, machinery and mechanical appliances.	4493	6114	7482	67	49132	61937	69580	42
39	Plastics and articles thereof.	1955	3493	3933	101	12933	17435	19486	51
29	Organic chemical	1845	3413	3730	102	5853	8604	13179	125
38	Miscellaneous chemical products	1105	1656	1916	73	5303	7599	10777	103
28	Inorganic chemicals; or inorganic compounds of precious metals	597	1091	1815	204	2743	4157	5284	93

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Table 2: India's Imports from ASEAN and ASEAN Imports from China (Millions of USD)

90	Optical photographic cinemetaographic measuring, checking precious, medical or surgical inst...	1055	1488	1687	60	6258	7897	8113	30
87	Vehicles other than railway or tramway rolling stock	556	901	964	73	5709	8481	11614	103
76	Aluminum and articles thereof.	465	604	856	84	4465	6355	7898	77
73	Articles of iron or steel	533	796	779	46	9493	11926	14219	50
31	Fertilizers	362	306	743	105	1525	2430	2778	82
55	Man-made staple fibres	164	260	326	99	3290	3763	3937	20
52	Cotton	25	27	207	728	2013	2363	3210	59
54	Man-made filaments	92	189	205	123	3077	3905	5667	84
78	Lead and articles thereof	132	127	170	29	36	77	136	278
59	Impregnated, coated, covered or laminated textile fabrics..	86	151	161	87	1642	2064	2384	45
88	Aircraft, spacecraft and parts thereof.	33	54	118	258	536	436	442	-18
86	Railway or tramway locomotives, rolling-stock and parts thereof.	7	10	21	200	273	485	1186	334

Geopolitical Issues Hinder Deeper ASEAN-India Economic Cooperation

China is an important player in ASEAN. India's recent border issues with China may become more confrontational in future. In ASEAN, while countries like Cambodia and the Philippines may favour Chinese investment and geopolitical support, Vietnam is uncertain in political-security spaces such as the South China Sea.

The ASEAN-India dynamics have been further complicated by the emergence of the Quadrilateral Security Initiative (the Quad). The Quad which was initially a trade group at the WTO could emerge as a significant security institution in the region, possibly to counter China. ASEAN does not wish to be entangled in a possible power transition taking place in the Indo-Pacific region which may force a choice between China and India.

UNDER THE REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP), ASEAN COUNTRIES HAVE UNDERTAKEN SIGNIFICANT LEVELS OF TARIFF ELIMINATION AND REDUCTION, COVERING OVER 90 PERCENT OF TARIFF LINES AND 92 PERCENT OF THE GOODS TRADE AMONG THE PARTIES. SHOULD INDIA SEEK A SIMILAR LEVEL OF AMBITION IN THE ASEAN MARKETS, THERE WILL BE RECIPROCAL REQUESTS FROM THE ASEAN COUNTRIES.

Conclusions and Way Forward

While a common market may be a distant dream, there are specific steps which can be taken to deepen ties between the two. India and ASEAN need to have greater e-commerce and digital connectivity. Countries such as Vietnam, Indonesia, Malaysia and Thailand have booming digital economies with high-growth and domestic innovation in sectors such as e-commerce, ride sharing, mobile gaming and financial technology. India too has a vast and burgeoning start-up sector with a digitally proficient human capital base. For example, India's Aadhaar system can be replicated in the ASEAN region.

India intends to build 100 smart cities and ASEAN intends to create a network of smart cities. Some cooperation is already underway to this end. For instance, Singapore's government-owned consultancy service, Surbana Jurong is assisting with a smart city development in Maharashtra, India.

The two sides can also develop an ecosystem like that in Silicon Valley to promote new ideas, new technologies, and new businesses. On climate change and sustainability, India and ASEAN can cooperate on technologies and solutions to combat climate change, and leverage competitive advantages in sectors such as renewable energy, waste management, pollution control and disaster mitigation, among others.

Lastly, both India and ASEAN can cooperate on security issues and thus build goodwill and deepen existing relations between the governments and the people on both sides.

Dr. Veena Jha is CEO of IKDHVAJ Advisers LLP. Mr. Vipin Kumar is a former Research Associate with IKDHVAJ Advisers LLP.

India's Northeast Reaches out to the Far East

Though Northeastern India suffers from geographical isolation and socio-cultural contrasts to mainland India, it does share geographical and ethnic congruities with nations of Southeast Asia, making it a cultural gateway and an economic bridge to the Association of Southeast Asian Nations.

By Dr. Dona Ganguly



Photograph: Wikipedia

Gomoti river that flows through north-eastern Indian states of Tripura and the district of Comilla in Bangladesh

India's relations with Southeast Asian countries in the post-Cold War era were dominated by its Look East Policy (LEP). This policy, conceived as a plank of India's foreign policy, was initiated in the early 1990s against the backdrop of extensive national economic reforms, the end of the Cold War and its bipolar power structure, coupled with the demise of the Soviet Union, India's major trading and defence partner.

India-Southeast Asia bilateral ties have blossomed in relatively recent times, but their linkages go back to ancient times in terms of history, culture, economy and faith. Religion – Buddhism, Hinduism, and to a lesser extent Islam – as well as widespread interactions involving traders, scholars, migrants, and labourers have been the leitmotif of this political and economic landscape.

India's geographical proximity to Southeast Asia further reinforces these ties: India's second longest border (land and maritime) passes through Northeast India and across Myanmar. Both sides of their border are linked through ancient, ethno-historic lineages.

While flourishing economic and cultural relations between India and the countries of Southeast Asia were disrupted during the colonial period, subsequent freedom struggles in India and in other Southeast Asian nations resulted in their re-engagement.

Even before India attained independence in 1947, eminent scholar-diplomat K.M. Panikkar, remarked that “the political future of the countries of Southeast Asia,— in relation to their economic development and security – are indissolubly bound with India.” He even advocated creating a collective security system for the defence of Southeast Asia; based on mutual interdependence between them.

Look East Policy — Phase I (1992–2000): Robust Institutional Linking with Southeast Asia

India's External Affairs Ministry clearly stated in its 1992–93 Annual Report: “India decided to give a special policy thrust to relations with ASEAN (Association of Southeast Asian Nations) and desired improved relations with individual countries in ASEAN region and with ASEAN as a collective.”

LEP's significance, based on this report, is summarised as follows–

First, the initiation of LEP signaled reorientation of India's foreign economic policy approach in the post-Cold War era by accelerating the process of transition of India's closed economy towards freer market policies driven by Foreign Direct Investment (FDI) and competition. Thus, LEP was used as an economic tool to attract greater investment and spurring domestic economic development.

Second, India's ‘Look East’ was geared to explore economic ties with the East Asian economies due to geographical contiguity (India shares land and sea borders with these countries), cultural proximity and shared common linguistic, religious and ethno-cultural legacies with nations such as Myanmar, Thailand and Cambodia.

Third, the rediscovery of nations of the Far East as dynamic, prosperous and developing economies inspired policymakers to emulate a similar path of growth and development for India.

Finally, better economic ties with East Asia spurred India's free trade negotiations in early 2000's.

Although driven by economic imperatives, LEP in its Phase I primarily focused on harnessing institutional collaborations at the political and diplomatic level; and in initiating confidence-building measures. Initial progress in the Indo-

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ASEAN relations received a boost in 1992 with India becoming a sectoral dialogue partner. In the ASEAN scenario, a sectoral dialogue partnership recognises the usefulness of collaboration along a designated dimension, primarily economic, with a possibility of moving towards full dialogue partnership in 1995.

Look East Policy Phase II (2000-2013): Northeast Focus

LEP Phase II was characterised by many features absent in Phase I.

First, LEP, in its early years aimed at improving ties with Southeast Asia. But in its second phase, it had a more multi-faceted approach, seeking to cultivate strategic partnerships, evolve closer political links, and develop strong economic bonds with the broader Asia Pacific region, keeping ASEAN at its pivot.

Second, in Phase II, LEP exhibited greater sensitivity towards the economically weak and politically vulnerable states of Southeast Asia — Cambodia, Laos, Myanmar and Vietnam (CLMV). Domestic ethnic strife, unemployment, problematic demographic changes, environmental issues, and food insecurity reflected in economic backwardness prevented their entry into ASEAN till the late 1990s.

Consequently, it also prevented India from developing better economic and strategic links with these countries. But their entry into ASEAN (Vietnam in 1995, Laos in 1997, Cambodia in 1999) gave India an opportunity to rethink its policies toward these countries. India was now keen on rejuvenating the ethno-cultural linkages it once had with them.

Third, India's effort to move closer towards these poorer nations was driven by an objective to address economic underdevelopment in India's seven land-locked Northeastern states mired in identity and insurgency movements. It was hoped geographic contiguity and ethno-cultural bonds between the

Northeast and CLMV would establish physical connectivity linkages to aid the economies to develop infrastructure, logistics, agro-businesses, investment and other commercial activities.

Finally, LEP Phase II specifically concentrated in mending ties with Myanmar, the closest neighbour of the Northeastern states. By seeking out Myanmar as a gateway to Southeast Asia, New Delhi sought to transform its northeast from militant unrest to economic prosperity.

The LEP in its phase II has therefore emphasised 'geography as an opportunity', a term popularised by then External Affairs Minister of India Pranab Mukherjee in 2007 in the context of Northeast India. Accordingly, policy makers have looked to the region as a geo-political land bridge to spur economic integration with its extended neighbours at various levels.

On one hand, the Northeastern region presents a huge untapped reservoir of rich natural resources and biodiversity, as well as hydro-energy potential comprising oil, gas, coal, and pristine forest-wealth like fruits, vegetables, flowers, herbs, aromatic plants besides being an attractive tourist destination.

On the other hand, international borders with Bhutan and China in the north, Bangladesh in the southwest and Myanmar towards the east of Northeast India bring with them their own challenges in the form of insurgencies, ethnic insurrections, illegal migration, drug trafficking, and other forms of transnational crimes that must be overcome for lasting peace and prosperity to prevail in the region.

All this reinforces Northeast India's strategic and economic significance to India. Viewed from this perspective, it is moot whether LEP is a means to strengthen Northeast India or if it is the other way round. It is accepted that connectivity linkages between India and ASEAN via the Northeast can

the Northeast can enhance subregional cooperation arrangements such as the Bay of Bengal Initiative for Multi sectoral Co-operation (BIMSTEC) and the Mekong Ganga Cooperation (MGC). India's focus on transit and connectivity at subregional levels include these initiatives:

- India-Myanmar Friendship Road from India's Moreh, into Tamu, Kalaymyo and Kalewa in Myanmar
- India-Myanmar-Thailand Trilateral Highway
- Trans Asian Highway
- Kaladan Multimodal Transit and Transport Project (a USD \$484 million project connecting the Kolkata port with Sittwe seaport in Rakhine State, Myanmar by sea)
- Inland Water Transit and Transport Protocols
- Rhi-Tiddim Road Development Project (connecting Zawkhathar in Mizoram, India with Mandalay in Myanmar)
- Rail links between Tripura, India and Bangladesh
- Development of Ashuganj Port in Bangladesh.
- Indo-Myanmar rail link Projects
- Border trading posts

THE INDIAN GOVERNMENT HAS ALSO SIGNIFICANTLY EXPANDED THE GEOGRAPHIC SCOPE OF INDIA'S LEP BY DEEPENING ITS TIES WITH AUSTRALIA, JAPAN AND OTHER SIGNIFICANT PLAYERS IN EAST ASIA.

Look East Policy Phase III / Act East Policy of Modi Government: Revamping North East Corridor

Indian Prime Minister Narendra Modi's foreign policy approach is both proactive and innovative, deeply

intertwined with concern for the nation's rapid economic development and prosperity. economic development and prosperity.

At the Indo-ASEAN Summit in 2014 in Myanmar, Modi said the LEP had been rechristened Act East Policy, with ASEAN its pivot.

The course of India's relations with ASEAN countries has come to be dominated by the 3 Cs – Commerce, Connectivity and Culture – with emphasis on encouraging ASEAN members to participate in “Make in India”, “Digital India”, “Skill India” and “Smart Cities” projects. It also seeks ASEAN investments in infrastructure development, manufacturing, agriculture, skill development and urban renewal.

Besides, India has also offered a Line of Credit of USD \$1.0 billion to enhance physical and digital connectivity between India and ASEAN. Emphasis on connectivity has paved the way for enhanced trade between India and ASEAN.

ASEAN is India's fourth largest trading partner, accounting for 10 percent of India's total trade. India in turn is one of ASEAN's largest trading partners. India's trade with ASEAN has increased from USD \$65 billion in 2015-16 to USD \$70 billion in 2016-17, while India's exports to ASEAN have surged from USD \$25 billion in 2015-16 to USD \$30 billion in 2016-17.

The Indian government has also significantly expanded the geographic scope of India's LEP by deepening its ties with Australia, Japan and other significant players in East Asia.

It has, also, reaffirmed the centrality of ASEAN in building a stable and prosperous order in East Asia and the Indo Pacific. At the same time the government has showcased a potential role India can play as security broker in the Indo Pacific amidst troubles among the major powers including US, China and Japan.

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Japan's Increasing Investment in Northeast India

It is also notable that India's Northeast – bordered by China, Nepal, Bangladesh, Bhutan and Myanmar – has emerged as a geographical space of pivotal significance in India-Japan relations.

A major objective of Japan's rising investment in Northeast India is to utilise the region as a connecting gateway to Southeast and East Asia. Complementing ideologies of India's Act East policy and Japan's Free and Open Indo-Pacific have made it convenient for both nations to build their natural ties, with the primary focus being connectivity.

In 2021, Japanese ambassador to India, Suzuki Satoshi visited Northeast India, where he spoke of the importance of the strategic India-Japan partnership, and its focus on India's Northeast – especially Assam, to shape future Asian connectivity by linking the landmass across the Arabian Sea to the South China Sea region.

Assam is identified as a fulcrum of such connectivity plans based on historic linkages with East Asia.

Obstacles for Look East/Act East at Regional and National Levels

However, Northeast India has serious internal and external issues that undermine its value in making the Look East and Act East policy a success.

Internal challenges emanate from both regional and national levels.

First, at the regional level, its states suffer from unemployment, poverty, weak transportation and communication infrastructure, and in tapping natural resources.

Second, smuggling of illegal weapons and drug trafficking have been detrimental to the growth of local industry.

Third, identity politics has led to growing local

calls for varying degrees of autonomy to protect the interests of the indigenous people, sparking several conflicts.

Finally, insurgency movements threaten security, while slowing down the region's economic growth and development.

At national level, developmental policies introduced by the Centre in the region to serve the national economy have resulted in disturbing the environmental balance as well as livelihoods.

Second, the imposing of regulations empowering the Armed Forces to secure law and order and counter insurgency; coupled with poor governance in developmental activities have aggravated an anti-mainland sentiment in the region.

Finally, a growing sentiment among people of the region of being exploited and marginalised by the mainland has resulted in discordant voices over LEP.

Further, ambivalent relations between India and the ruling Myanmar junta, the issue of illegal immigration from Bangladesh to Mizoram state in India, as well as the Indo-Bangladesh discord on river water sharing and territory contribute to challenges to the development of the region under the Act East Policy.

Second, insurgency movements have intensified due to monetary assistance from ethnic and fundamentalist groups in nations bordering the region.

Third, China influence in Myanmar and in Bangladesh are seen as stumbling blocks towards development of the Northeast.

Policy Initiatives in Developing the Northeast

To successfully execute the Act East policy, India has to create an amicable ambience in the Northeast by adopting more sensitive policy initiatives towards the region. Instead of imposing developmental models to

serve the national economy, the Centre needs to improve governance and initiate other measures.

They include development of infrastructure and entrepreneurial skills as well as create favourable conditions for employment.

Secondly, to promote environmentally sustainable small-scale industries.

Thirdly, strict vigilance of Central funds released for economic and infrastructural development of the region in order to ensure their proper utilisation and arrest the growth of corruption.

Fourthly, Central expenditure on the region should not depend on ruling political parties in the state and in the centre.

Fifthly, interstate communication and the flow of the economy, coupled with inter-state cultural coordination and collaboration among the Northeastern states, must be encouraged in order to promote a spirit of brotherhood and toleration among them.

Sixthly, the government should concentrate on establishing more hydro-thermal projects for power generation, state-funded academic institutions to impart technical education, and colleges and centrally-funded institutions.

Seventhly, women's empowerment should be encouraged by promoting more local NGO and financing cottage industries.

Eighthly, the cooperation of Japan and economically developed Southeast Asian countries in technical and infrastructural fields should be encouraged for the development of the Northeast.

Finally, in the entire spectrum of India's LEP, discord between India and neighbouring countries such as Myanmar, Bangladesh and China is at alarming levels, on borders, river water sharing, insurgency, drug and human trafficking, and illegal migration.

THE AMBIVALENT RELATION BETWEEN INDIA AND MYANMAR JUNTA, THE DISCOMFITED ISSUE OF ILLEGAL IMMIGRATION FROM BANGLADESH TO MIZORAM (INDIA), THE INDO-BANGLADESH BILATERAL DISCORDS ON RIVER WATER SHARING PROBLEMS AND TERRITORIAL DISPUTES, COMPRISE THE CORE EXTERNAL CHALLENGES TO THE EFFICACY OF THE REGION IN THE ACT EAST POLICY.

Conclusion

It can be concluded a successful implementation of India's Act East policy faces challenges from unstable relations with bordering nations on various issues.

Consequently, India could enhance efforts to explore diplomatic avenues of negotiation with the bordering countries to minimise the intensity of internal and external strains on the LEP, leading to greater economic engagement with ASEAN. On one hand, the Look East initiative is dependent on establishing connectivity between India and Southeast Asia via the Northeastern gateway.

On the other hand, development of the North-east is possible if the Look East and Act East policies effectively combine to involve the local population to focus on exposing markets of India's Northeast to Southeast Asia.

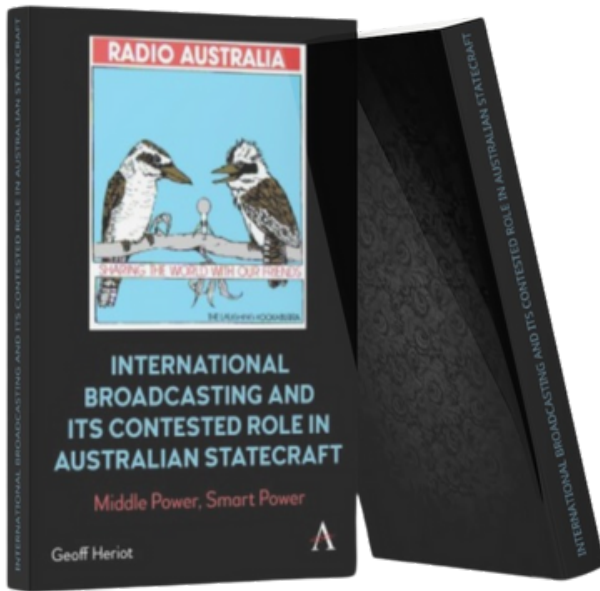
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New Media, Timeless Principles in a World in Disarray

Much has changed in the world since the previous era of great power confrontation and tumult during the Cold War. But the utility of media in statecraft and the fundamental principles of inter-cultural communication have retained timeless relevance.

By Dr. Geoff Heriot





International Broadcasting and Its Contested
Role in Australian Statecraft
Middle Power, Smart Power
By Dr. Geoff Heriot

In a world of overt conflict, geostrategic competition and shifting alliances, little scope remains for arbitrary distinctions between ‘hard’ and ‘soft’ power. Any form of power projection, after all, serves the purpose of contesting certain interests or ways of thinking. The more conflicted the circumstances, the sharper the contest.

Today, the stresses of a fragmenting geostrategic world order are intensified by the need to resist or build resilience against the pervasive marks of cyberspace. These entwine everything, from critical infrastructure to the media of political and social discourse. But even in this era of magnified information chaos, a conceptual through line may be drawn between practices of the 20th century and those of today.

When writing *International Broadcasting and its Contested Role in Australian Statecraft*, therefore, I looked back to the late Cold War experience with one eye squinted to the present.

The first half of the book reshapes consideration of former US Assistant Secretary of Defense for International Security Affairs, Joseph Nye’s soft-hard-smart power concept with reference to the role of state-sponsored international media as purpose-driven instruments of discursive power. The second half tests that strategic perspective against the political history and flawed success of Radio Australia as an instrument of democratic statecraft.

Soft, Hard and Smart Power

An inherent risk in deeming ‘soft’ to be the binary opposite of ‘hard’ power is to neglect the importance of a nation state’s relative strengths and weaknesses in context. The elements or attributes of a nation’s soft power resources comprise a milieu, along with its economic status and hard power assets, on which reputation is founded. That is, the milieu expresses who we are, how we behave, and the serendipity of circumstance. That which is attractive in one cultural or political context may be repulsive in another. For policymakers, the cardinal question is how to draw on such attributes and capabilities to achieve actual influence or ‘smart’ power.

More important than the ostensible nature of an asset is its purpose and application in context. A quintessential hard power asset, such as a naval ship, may perform soft power or humanitarian services to a community impacted by natural disaster. What ostensibly may be a soft power asset, such as a media channel, can be used for benign or hostile purposes, to build trust or to instil fear and wage psychological warfare.

BOOK COMMENTARY

The conduct of each instrument, in its way, serves to frame discourse and affect what people think about and how they think about issues or about the actors they encounter.

As discussed in my book, the challenge of engaging foreign publics, and predisposing them to your influence, becomes greater when they are of unlike cultures and circumstances; when tensions are high; and if your objective is to influence attitudes or beliefs deeply held rather than superficially engage. For example, American and British broadcasters in the Middle East and North Africa found they could attract very large audiences with the quality and entertainment value of their services – even though audiences remained highly critical of US and UK government policies.

Multi-platform international broadcasters, as instruments of statecraft, must satisfy three basic prerequisites: a clarity of purpose; the technical capacity to gain access to audiences of strategic interest, even if local authorities try to deny access; and development of a shared lifeworld with audiences through relevant content and services, and production norms that engender trust within a given cultural, sociolinguistic and political context.

TODAY, THE STRESSES OF A FRAGMENTING GEOSTRATEGIC WORLD ORDER ARE INTENSIFIED BY THE NEED TO RESIST OR BUILD RESILIENCE AGAINST THE PERVASIVE MARKS OF CYBERSPACE. THESE ENTWINE EVERYTHING, FROM CRITICAL INFRASTRUCTURE TO THE MEDIA OF POLITICAL AND SOCIAL DISCOURSE.

Media Platforms and Actors

As in other respects, the Russo-Ukrainian war has given sharp relief to issues of discourse power. Here the conceptual through line from 20th century international political communication is evident. Political objectives find expression through contemporary media platforms and actors (most impactfully through the performance of Ukrainian president Volodymyr Zelensky).

In part, the BBC World Service responded to the war environment via the legacy technology of shortwave radio transmissions, restarting a Ukrainian service to overcome disruptions and blockages of digital media by Russian authorities. According to the BBC ‘shortwave remains an enduring tool in the global fight against disinformation’ because of its long-distance reach and capacity to bypass local censorship. By comparison, Finnish newspaper *Helsingin Sanomat* responded to censorship by embedding news reportage about the war in an online game said to be used by about four million Russians.

Other non-state actors have created video games sympathetic to Ukraine: the self-described ‘propaganda game’ of *Death From Above*; and one aiming to convey the experience of bombardment, called *What’s Up in a Kharkiv Bomb Shelter*. On the other hand, trolls are reported to have taken images from video games, such as *Arma 3*, and used them in fake videos claiming to show items captured during the Russian invasion. Whether such gamesmanship has the effect only of transitory entertainment, I cannot tell.

Widening the focus from these disparate examples, which illustrate an array of government and non-government actors at work, my analysis of international (multi-platform) broadcasting as a form of discursive – rather than soft – power can be tested

against the conditions of growing competition between the global giants of China, India and the US. Specifically, I note the tensions between global competition and inter-dependence in the information age.

Interests rather than Values or Ideology

Reflecting notions of multi-alignment, Ilan Manor and Guy Golan (Ilan Manor is a digital diplomacy scholar at the University of Oxford and Guy J. Golan is an associate professor in the Bob Schieffer College of Communication of Texas Christian University) in their book *The Irrelevance of Soft Power* argue that soft power has lost its relevance because nations will create short-term strategic alliances to bargain their interests in a world governed by competition rather than cooperation. Unlike the Cold War, they argue, nations might collaborate with different ‘giants’ towards different ends, disbanding once goals are achieved. Interests rather than values or ideology would therefore predominate in the affairs of state. In some measure, Manor and Golan align with US national security adviser, Jake Sullivan, who speaks of a security architecture that is more flexible, ad hoc and sometimes more temporary than permanent.

I counter that, at least for nations other than the three ‘giants’, their crosscutting dependencies and shifting interests will necessitate engagement with various unlike counterparts over time. Even transactional relationships require a foundation of credibility, based upon perceptions of expertise, goodwill and trust. In that situation, the timeless intercultural requirements of international political communication remain valid, as discussed from a media perspective in my book.

Innovation Power

A second imperative linking past and present arises

from the complex dynamics of cyberspace. As James Lewis, an expert and commentator on cyber security matters, acknowledges in the introduction to *Evolving Cyber Operations and Capabilities*, the need for nations to protect critical infrastructure and grey zone defences must also take account of ‘political and social resilience’. That presents a very difficult challenge as technological innovation races ahead of social institutions and corrodes the foundations of shared reality.

Former chairman and CEO of Google, Eric Schmidt, describes ‘innovation power’ as the defining new force of international politics. Artificial intelligence and other digital technologies both establish and enable the means of power projection to be weaponised. They also enable and empower the framing of strategic narratives. This does not just involve continuous processes of technological development. At the ‘softer’ end of the power spectrum, it calls for much more than fact-checking and the post-facto repudiation of false narratives. Competition in the international marketplace of ideas remains core business for both government and non-government actors.

Much has changed in the world since the previous era of great power confrontation and tumult during the Cold War. But the utility of media in statecraft and the fundamental principles of intercultural communication have retained timeless relevance. It was with that proposition that I framed my book of contemporary analysis and political history: *International Broadcasting and its Contested Role in Australian Statecraft*.

Dr. Geoff Heriot, veteran foreign correspondent, is author of International Broadcasting and its Contested Role in Australian Statecraft: Middle Power, Smart Power, Anthem Press (London and New York).

The New Expeditions

Globalising Infrastructure in the 21st Century

Isabel Liu

Infrastructure — power, water, roads, rail, airports, ports, telecommunications networks — is the backbone of every economy, whether advanced or developing. Because infrastructure projects are capital-, resource-, and policy-intensive, we are now witnessing their globalisation. Today's cross-border flow of capital, technological expertise, and soft skills of structure, regulation, and management are of a fundamentally different scale and pattern than in previous eras. In colonial times, the flow was from what is called the advanced economies as infrastructure was built by colonial powers or their private enterprises as they penetrated new territories. The flow continued from advanced industrialised economies to the less developed economies in the post-World War II era of widespread growth, complemented by domestic funding from both the public and private sector.

Nowadays, even governments of rich countries need to bring in capital from private and foreign sources to fund infrastructure requirements. Emerging market countries that have developed their infrastructure rapidly alongside other industries are now looking to deploy capital and operating resources in the rest of the world. Investors in infrastructure today carry a wide variety of flags and are exploring new frontiers.

A number of factors are driving these new expeditions:

- The global gap in infrastructure
- The rise of infrastructure funds
- The growing participation of sovereign wealth funds and pension funds
- The search for stable investment returns
- The search for growth
- The diversity of expertise.



Isabel Liu is a global infrastructure director who has been a key executive in starting up infrastructure investment businesses and funds, including a \$1 billion fund in Asia and a \$1 billion fund in Europe. With masters degrees from Harvard and the University of Chicago, she has served as a board director of airports in Australia, Canada, UK and the Americas.

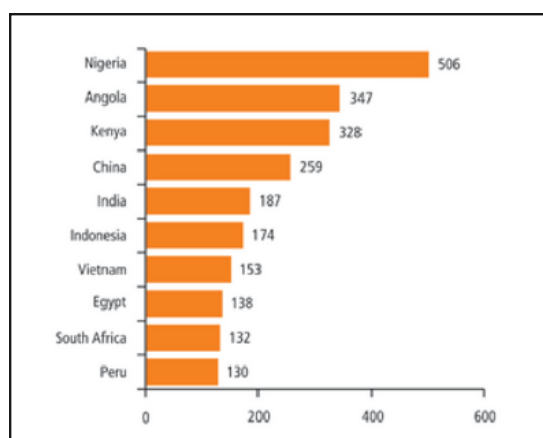
Analysis

Global Infrastructure Gap

First, in both developed and emerging economies, infrastructure needs to be built, refurbished, expanded, or, more importantly, converted to meet new technological and environmental requirements. Around \$50 trillion is needed worldwide by 2030, according to the OECD¹. This figure is driven by fast-growing, increasingly urban, populations, particularly in developing countries. The existing state of infrastructure and historical low rates of investment in most emerging markets points to a yawning gap and high growth potential. A study² by the Royal Bank of Scotland and Cambridge University Judge Business School forecast infrastructure needs for 40 emerging markets in the 20 years to 2030. This demand is expected to triple to \$1 trillion annually. Demand for infrastructure is forecast to reach \$15.8 trillion in Asia, \$1.3 trillion in emerging Europe, \$2.3 trillion in Latin America, \$0.7 trillion in Africa, and \$0.2 trillion in the Middle East.

Figure 1.

Top 10 Emerging Market Future Growth in Infrastructure Spending Needs, 2011-2030 (%)



Second, where infrastructure has historically been in place, it is deteriorating through lack of maintenance. The American Society of Civil Engineers 2013 report card³ gives the state of US infrastructure a D+ and estimates \$3.6 trillion is needed by 2020 to upgrade America's infrastructure. Third, new projects and sources need to be installed to adapt to changing technological demands and environmental requirements. Examples include broadband and telecommunications networks for internet and mobile communication; supply facilities for vehicles powered by biofuels, electricity or natural gas to reduce carbon emissions; and renewable energy—industries that did not exist on any comparable scale a generation ago. Solar and wind power generation projects, in turn, trigger the need to add sub-stations and upgrade transmission networks to handle intermittent power supply from geographically dispersed sources. The shale gas boom in the US means existing pipelines, which are mostly one-directional, will need to be converted or supplemented, and new transport links built to take output from the sparsely populated new producing fields of North Dakota to transport, processing and industrial hubs in the rest of the country. The March 2011 Fukushima disaster has forced Japan to re-think and reverse its historical reliance on nuclear energy. Already highly dependent on imported fossil fuels, the focus of political and corporate attention has turned sharply to renewable energy. Japan's trading and financial houses have adopted the strategic objective to learn the technology, construction, operation, structure and management of large-scale renewable energy. In particular, offshore wind has the potential to be deployed in the island country as Japan is too densely urban for on-shore wind. The Japanese must obtain experience from the

world, but there are only a handful of projects worldwide in this young industry. In the two years since Fukushima, Japanese investors have actively competed to get into projects: Marubeni Corporation spent £200m to acquire a 49 per cent stake in the operational 178MW Gunfleet Sands offshore wind farm in the UK in 2011. Mitsubishi Corporation acquired stakes in offshore transmission links to three UK and two German wind farms. In 2013 Mitsubishi entered a 50 per cent partnership with Eneco, sharing in the Dutch utility's domestic offshore wind farms, one in operation and one to be built, and looking at investing in Eneco's other offshore wind projects in Belgium and the UK. In mid-2013 Sumitomo acquired stakes in an operational Belgian offshore wind farm and two sister projects to be built for a total cost of 1.5 billion. PensionDanmark, a €18.5 billion Danish pension fund, has developed a familiarity with wind since the country has been using wind power generation for many decades and is home to leading turbine manufacturers Vestas and Siemens. It is bringing that familiarity from its home country, where it acquired stakes in two offshore wind farms, to the US where wind power is less established. PensionDanmark acquired 130MW Papalote Creek I and II in Texas and 53MW Stony Creek onshore wind farms in Pennsylvania in 2012. In mid-2013, the pension fund pledged to lend \$200m for the \$2.6 billion offshore wind farm Cape Wind in Massachusetts, a project that has been 12 years in development.

Infrastructure Funds

The last decade, especially since the mid-2000s, has seen the rise of infrastructure funds. Most of these are private equity funds – unlisted entities with a defined amount of money from a set of legally

committed investors, to be invested as equity in a specified range of eligible sectors and geographies over a fixed timeframe, typically invested over five years and wound up at the end of the following five to seven years. Aggregate capital commitments raised by the 298 unlisted infrastructure equity funds operating internationally from 2005 to 2012 is close to \$207 billion.⁴

In addition there are unlisted infrastructure debt funds and listed infrastructure equity funds. Roughly 40 listed infrastructure funds worldwide were trading as of the end of 2012, on exchanges such as Australia, London, New York, Singapore, and Toronto.

All infrastructure funds essentially raise capital from investors of one sector (usually financial institutional investors such as pension funds and insurance companies) and deploy it in another sector like infrastructure. The rise of infrastructure funds has facilitated globalisation by moving capital cross-border from investors to assets.

Figure 2.

Breakdown of infrastructure investors by region

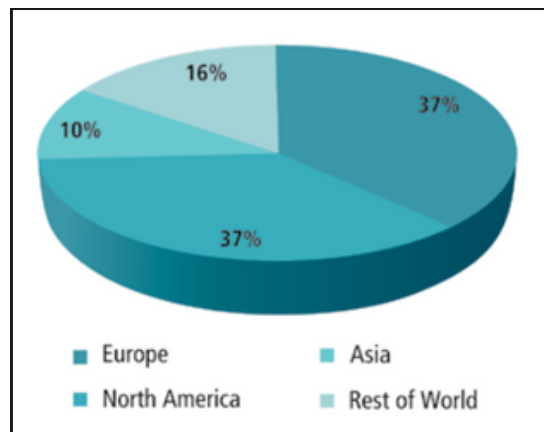


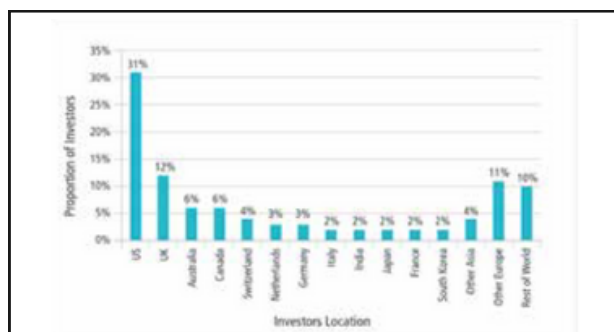
Figure 2 shows the regional breakdown of financial

investors in infrastructure as tracked by Preqin Ltd. Public and private pension funds, insurance companies, and asset managers make up 51 per cent of this financial investor universe, so they are mostly participating through infrastructure funds, although some invest directly in infrastructure projects as well. These investors come from all regions of the world.

The chart of investors shows the nationality of financial investors by head office location. US institutional investors have come into infrastructure investing more slowly than their counterparts in Canada and Australia, but their numbers have leapt in recent years.

Figure 3

Breakdown Of Infrastructure Investors By Country



The Australian-managed Capital Partners Global Infrastructure Fund is one example of how infrastructure funds channel investments across many borders. Investors in the fund comprise pension funds, sovereign wealth funds, and university endowments from China, South Korea, New Zealand, Denmark, the Netherlands, the UK and the US. The fund has invested in roads in the US and Australia, airports in Denmark and Switzerland, and utilities in the UK. Another Australian-managed fund, Macquarie Everbright Greater China Infrastructure

Fund, has channeled capital to infrastructure projects in China from its investors who are pension funds from Korea, the Netherlands, and local authorities in the UK.

Sovereign Wealth Funds And Pension Funds

The increasing participation of pension funds and sovereign wealth funds, whether indirectly through funds or directly, is also globalising infrastructure investing. Preqin tracks 38 sovereign wealth funds who invest in infrastructure, with collectively \$2.5 trillion in assets under management. Thirty-nine per cent of them are based in the Middle East, 29 per cent in Asia, 11 per cent in North America, 5 per cent in Europe, and 16 per cent in other countries. Sovereign wealth funds naturally invest first in their home countries, but are increasingly active abroad in order to obtain diversification.

In 2012 an investment arm of China's State Administration of Foreign Exchange, which manages the country's foreign currency reserves, bought a stake in Universities Partnerships Programme in the UK along with Dutch pension fund PGGM. The £1.4 billion company provides universities with on-campus accommodation of 28,000 rooms, and plans to invest £1 billion over 2013–2014 for more building and renovation.

Pension funds are widely considered to be a core source of finance for infrastructure, as they seek long-term investments to match their liabilities⁵. In infrastructure, Canadian pension funds have invested more money, for longer, and farther afield than their American counterparts. Pension funds from the provinces of Ontario, Alberta, and British Columbia have acquired stakes in toll roads, electricity transmission grids, and water utilities in Chile. In mid-2013 the \$75 billion Public Sector Pension Investment Board of Canada (PSP), the Montreal-

based manager for the Royal Canadian Mounted Police and military, acquired the airports portfolio of German construction company Hochtief. Athens Airport is the potential core of a €1.5 billion business that includes airports in Hungary, Germany, Albania and Australia. PSP regards airports as resilient cash flow businesses that fit its long-term horizon.⁶

Search for Stable Investment Returns

The recent attention and growing participation in infrastructure, across developed country borders and even emerging market borders, is driven by investor demand as well as economic need. Investors, particularly institutional investors such as pension funds and insurance companies, are seeking consistent returns that fit their long-term obligations. Infrastructure is being identified as a new asset class distinct from other real, alternative asset classes such as property and commodities. Infrastructure business is often monopolistic with high barriers to entry. Revenues and returns are often stipulated through regulation and long-term contracts. Returns from infrastructure investments come largely from income distribution rather than purely from disposal and so are more regular. Volatility risk is considered lower, which appears particularly attractive in the aftermath of the 2000 dotcom bust and the 2008 global financial crisis⁷.

The sudden change in realities from the financial crisis and the global monetary easing in its wake have sharpened investors' concern about the ability of traditional investments in listed equities and bonds, including sovereign debt, to meet their risk and return objectives. Bond yields are at or near historic lows. The prospect of inflation and the flight to assets perceived as low-risk has driven returns net of inflation into negative territory. Facing a new world of greater uncertainty and likely lower

growth, investors are turning to infrastructure as a stable source of income in weak markets and a source of growth in strong markets⁸.

In a 2012 survey by Preqin⁹, 75 institutional investors cited their main objectives for investing in infrastructure as a hedge against inflation, diversification, return, portfolio stability, and long-term growth.

Search For Growth

Spain's leading construction groups— ACS and Abertis, Ferrovial, OHL, Sacyr Vallehermoso — long ago expanded from construction to investing and operating infrastructure concessions in order to stabilise income. The Spanish have been applying their concession structuring and operating experience to the Americas to offset their depressed home market. Outside Spain, Abertis is focusing on France, Brazil, Chile, Mexico, Canada and the US, and won highway concessions in the US territory of Puerto Rico. In 2013 Ferrovial's highways unit Cintra won the \$2 billion refurbishment and expansion of the North Tarrant Expressway in Texas in conjunction with Meridiam Infrastructure Fund and the Dallas Police and Fire Pension System. More recently other construction groups have followed the Spanish example by moving into infrastructure concessions and going abroad. Dutch contractor Royal BAM Group is using a joint venture with pension fund PGGM to expand further into roads and schools in Ireland, Germany and the UK as well as in its home market.

New corporate and financial players are entering energy logistics infrastructure—tanks and pipelines for the storage and transport of petroleum and chemical products. Mercuria Energy Group, a trader, evolved from customer to owner of storage

tanks in Belgium, the Netherlands and Estonia. In 2012 Mercuria brought in Chinese state oil company Sinopec as a 50 per cent partner to expand the tank storage arm further afield into such markets as Brazil.

Diversity Of Expertise

Over the last several years emerging markets such as India, China and Turkey have developed major infrastructure operations from a low base through public-private endeavours. Leading business groups from these countries have applied their management skills to help their country's infrastructure catch up with rapid industrial growth. They are now at the forefront of applying their experience around the world. Based in Bangalore, GMR Group is India's largest private airport developer and operator, with Delhi and Hyderabad Airports. GMR, along with Turkish infrastructure group Limak and Malaysia. Airports, has expanded Istanbul's low-cost airport Sabiha Gokcen to rank among the world's fastest growing airports with 15 million passengers. Its Turkish peer TAV Airports won the concessions to expand and run Istanbul, Ankara, Izmir and Gazipaza Airports. TAV has been actively bidding around the world, and now invests in and operates Tbilisi and Batumi Airports in Georgia, Monastir and Enfidha Airports in Tunisia, Skopje and Ohrid Airports in Macedonia and Medinah Airport in Saudi Arabia.

Conclusion

The need for infrastructure, investment, return, growth, and expertise is global. So are the new expeditions in the 21st century.

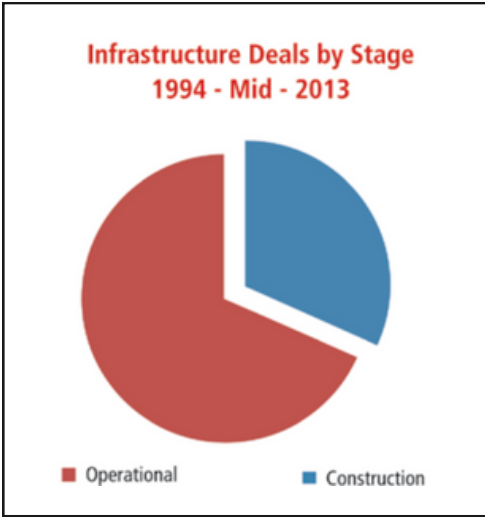
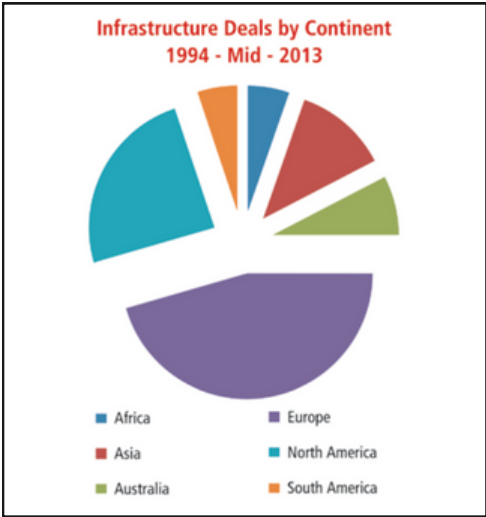
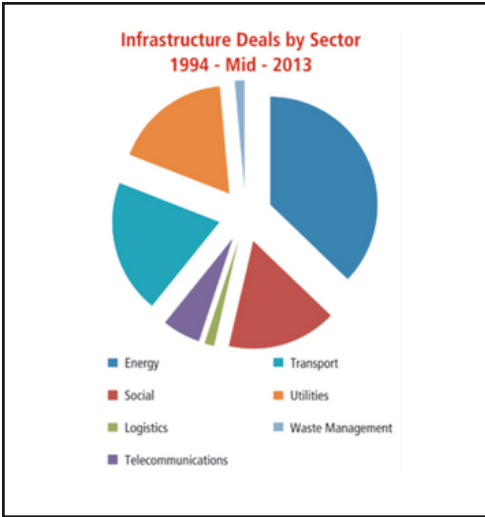
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9. *The Preqin database covers primarily transactions undertaken by financial investors. While it includes transactions that also involve industrial corporations, as for example co-investors or sellers, the extensive investments made by industrial corporations and utilities tend to be underrepresented in this database.*

ARCHIVES

A Decade of Discovery: Infrastructure Deals at a Glance

Infrastructure investments have ballooned in type, size and location over the last decade. Their reported size ranges from \$3m to \$15 billion. Here is a snapshot of the great variety of infrastructure investments around the globe.



Source: *Preqin*⁹

Global Dialogue Review Events



Afghanistan President Hamid Karzai being interviewed by GDR Chairman Mr. Moses Manoharan in Kabul



Ms. Cherie Blair QC addresses a GDR investment seminar in New Delhi



1. Chief of Defence Staff of the Indian armed forces, General Bipin Rawat and Chief of Army Staff, General Manoj Mukund Naravane with Mr. Moses Manoharan, Chairman, Global Dialogue Forum (GDF) and Editor-in-Chief, Global Dialogue Review (GDR) with the latest issue of GDR



A GDR event with reputed historian Dr. Swapna Liddle discussing her book on Delhi with Mr. Kamalesh Sharma GCVO, former Secretary General of the Commonwealth of Nations



Memorandum of Understanding (MoU) signing with representatives of two premier Chinese government entities - China Council for the Promotion of International Trade (CCPIT) and Chinese Academy of Social Sciences (CASS) to set up the China India Cooperation Centre. In the middle are Mr. Li Shijun, General Secretary, CCPIT, Hunan province and Mr. Moses Manoharan. On the right is the CASS Representative, Mr. Zhou Xiaomao



The GDR debate on SAARC in the studio of Nepal's largest private TV channel in Kathmandu.

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