CONSORTIUM OF SOUTH ASIAN THINK TANKS
COSATT
BRIDGING POLICY RESEARCH IN SOUTH ASIA

KONRAD ADENAUER STIFTUNG

# POLICY PAPER

## Indo-Pacific
## Democracy, Security, Development

May 5, 2019


Max-Weber-Institute of Sociology & Institute of Political Science
Heidelberg Univeristy, Germany

## About the Workshop

The 'Indo-Pacific' is a vast geographic and maritime space with flexible boundaries. With the United States laying out its vision for a 'free and open Indo-Pacific', the term has gained a global resonance. As a concept, the Indo-Pacific is used by countries, each emphasizing a different package of values and interests. It is likely to metamorphose, as South Asian nations begin strategizing costs and benefits of this new concept. Given the multi-national nature of the endeavor, there are various strategies at work, some seeking to engage while others trying to avoid balance of power politics. As a result, the Indo-Pacific is in urgent need of collective effort to promote a rule-based order, freedom of navigation and economic governance, dynamics of competition and contestation, and most of all, democracy, development and security. The workshop, with diplomats, civil society, leaders of South Asian think tanks, and academics from Singapore, several countries of South Asia, and Germany explored the process of enhancing peace, stability and welfare in this vast region.


Consortium of South Asian Think-Tanks (COSATT) wishes to thank the Political Dialogue Asia Programme of the Konrad-Adenauer-Stiftung and Heidelberg University for their support to this workshop.

## Welcome Remarks

**Dr. Subrata Mitra**
Max-Weber-Institute of Sociology,
Heidelberg University

Prof. Mitra introduced the main objectives of the conference. He emphasized the heterogeneity of the region along the Indian and Pacific Oceans. Its nomenclature is conceptualized differently amongst countries, most recently as referred by the USA- "Indo-Pacific". He mentioned that countries highlight their preferred package of values and interests and strategize on the costs and benefits of the concept. He continued to raise several questions: Does the concept of Indo-Pacific mean the same in South-east Asia and South Asia? Is it Indo-centric? Why has attention shifted from 'South Asia', 'Asia-Pacific' and 'South-East Asia' to the Indo-Pacific? He stated that the main objective in the region should be enhancing regional stability.

Professor Mitra, also drew the attention of the participants to the synergy between academics and decision-makers from the real world that the workshop presents. In a world full of problems and contestation, he asked, 'who are we and what should we do?' The group of participants seeked to strike a balance between the real world and abstract theory. There is a need of collaboration of diplomats, decision-makers and research scientists for effective policy analysis. What is the room for maneuver that decision-makers have? What kind of liberty do they have to bring theory back in? Decision makers and theorists can learn from one another. To understand differences between China and India, for example, theory is fundamental. This is where the real world meets the academia.

**Dr. La Toya Waha**
Political Dialogue Asia Programme,
Konrad Adenauer Stiftung

Dr. Waha in her welcoming remarks stated that the Indo-Pacific concept is of great relevance to cooperation and multilateralism, which are pillars of the Konrad Adenauer Foundation.

**Dr. Nishchal N. Pandey**
Centre for South Asian Studies (CSAS), and Convener of COSATT

Dr. Pandey thanked Prof. Mitra for agreeing to collaborate for this conference in the world rekowned Heidelberg University. A great dilemma imposed by the concept of the Indo-Pacific has led to nations interpreting their own versions on it and this is especially true of South Asia. For citizens of the region long accustomed to call ourselves 'South Asians', there is a problem of identity. The new terminology does not deny the reality that China is rising, but India also will hedge its bet and will retain its strategic autonomy.
Smaller countries are in no position to challenge the giants and they have to take the benefits offered by the BRI as well as the Millennium Challenge Corporation Compact (MCC) funds as part of the Indo-Pacific Strategy. Sino-Indian relations under Modi 2.0 will also influence smaller South Asian countries attitude with regards to the Indo-Pacific, Dr. Pandey felt.

**Keynote address by**
**Prof. Dr. Aurel Croissant**
Institute of Political Science, Heidelberg University

Prof. Dr. Aurel Croissant presented some empirical details of the state of democracy in Asia. He mentioned democratic backsliding in Asia and challenges to democracy, which can even be called 'democracy under siege.' The global status of democracy improved; however it is in decline in countries like Brazil, Hungary, as well as in the West, and the USA. Dr. Croissant, referring to the unpublished 'BTI 2020 Asia-Pacific Data', remarked that 30 years ago, in 1990, there were only four democracies in Asia: India, Philippines, South Korea and Japan. Only the last was democratic and prosperous, since Korea and Philippines had just come out of military rule. Bangladesh had just started the transition. Today, the number of democratic countries have tripled to 11 in 2018. The data is to be published in September 2019.

Dr. Croissant noted that the index is divided into five categories: Stateness, political participation, rule of law, stability of democratic institutions and political & social integration. The rank goes from 1-10, from democratic to hard autocracy. 127 countries are in the analysis, but it does not assess OECD democracies such as Germany, USA and Japan.

Concerning the presentation, Prof. D. Suba Chandran, NIAS, Banglaore questioned if democracy is a political or a cultural construct and if it can be the same in Europe and in South Asia? What is the baseline used to translate democracy into numbers? He stated that comparing countries in any axis is complicated. Is democracy a means or an end? He also stressed that the rise in populism seen in India is a global trend, but if you take the regions within India you will see different numbers. Dr. Croissant pointed out that people all over the world have a good reason to believe in democracy. It is also a universal construct, an agreement about the instrumental value of democracy.

Mr. Abdul Ghafoor, foreign secretary of The Maldives asked why is it that often when people speak of research, smaller countries like The Maldives are ignored? Dr. Croissant pointed out that there is a practical difficulty of finding information and the number of experts to analyze about smaller countries. For Timor Leste, for example, it was already difficult.

## Part I: Development
### Chair: Dr. Nishchal N. Pandey

**11:45 Prof. Dr. Markus Pohlmann and Dr. Jivanta Schoettli**
Max-Weber-Institute of Sociology, Heidelberg University

Prof. Pohlman's and Dr Schoettli's study asks what the mindset behind new capitalist countries is, as they are not into protectionism but new

managerial, transnational capitalist elites could allow capitalism to develop in spite of the absence of protectionism. Global elites (15 top managers) were surveyed to identify the mindset. Dr. Mitra read some of parts of the study, emphasizing the following hypothesis: H1 – Global economic elite is emerging, a world-class of management structure with high income, reputation and mobility. They pursue a borderless career, free circulation and freedom of choice in the place that attracts them the most: a new transnational class is identified, the top managers don't follow a single career but are free to choose, pioneered by globalization. H2: Neo-liberal convergence in terms of attitudes of the transnational elites, new orientation and new managerial concepts. Neo-liberal mindset emanating from the USA to programs of liberalization in the domestic level. Top managers are the driving force behind the ideas. The findings were presented as follows: career path of Indian CEO relied strongly in employee loyalty, recruitment and mobility. Indian top managers are highly qualified and undertake business and management programs abroad. The younger generation has a strong chance to stay abroad for higher education (especially in business degrees). There is also a weak financial market orientation among managers who are classified as neo-liberal and the older industrial-entrepreneurial belief that companies can run on "gut decisions" is prevalent as well as the perception of need to nurture loyalty and trust.

**Mr. Asanga Abeyagoonasekera**
Director General, Institute of National Security Studies of Sri Lanka (INSSSL)

Considering the recent terrorist attack in Sri Lanka, Mr. Abeyagoonasekera mentioned the state of fear and shock of the country due to ISIS and radical incursion. He referred to the situation as 'national security under threat'. In this regard, when the state has an existential threat and internal political fued continues, it tends to become a crisis situation. Out of 71 years, the country has fought a brutal terrorist war for 40 years and now extremism is a new threat to be fought with. Some opine that dismantling of military apparatus helped the perpetrators of this heinous crime on April 21st. Our intelligence community reports that powerful groups could be behind these attacks. Pakistanis indicate that this could be an Indian operation. Indians feel that it is an attack supported by Pakistan. Thus, geopolitical tension is palpable.

On the issue of the Indo-Pacific strategy, similar confusion reigns within Sri Lanka. Infrastructure demand in the Pacific region has increased as a result of geo-economic and geo-strategic compulsions.

The BRI has potential to address the missing gap of Sri Lanka by providing infrastructure support to the war ravaged island. Official development aid coming from China is being met with concerns by scholars in the region (Japan, India, US).

Mr. Abeyagoonasekera stated that as India turns east, there are a series of counterbalancing moves such as those from Japan, US, and UK. Sri Lanka is sitting at a geopolitical shadow. As a sovereign nation, Sri Lanka should not be constrained by India or China to convert commercial relations into military engagements.

**Dr. Geeta Madhavan**
International Law and Strategic Analysis Institute, Chennai

Dr. Madhavan pointed out that Chennai has a more peninsular perspective than that emanating from New Delhi. The Indo-Pacific strategy is still a work in progress. This geographical vision was meant to be a collective effort in south-east Asia, including big players such as India and Australia, and external ones like the US. Among its key themes are freedom of navigation, law and commercial exploitation of natural resources. Among the agreements are the principles of: connectivity, counter proliferation, counterterrorism and human assistance and relief. She argued that, in reality, the Indo-Pacific effort has been to focus on China's interest and policy in the region. In this regard, she presented several questions that have risen in light of the strategy.

What is really at the center of the Indo-Pacific? Who are emerging as the masters in the region? What is the ultimate effect on smaller countries that do not have the same means and resources? Is it actually promoting rule of law or rather spurring competition in the region? A form of Asian-NATO or containment of Chinese policies? What is India's role in the new thrust? Does this lead to imbalance in trade, investment and cultural exchange? What credible alternative does the Indo-Pacific strategy offer to the South Asia?

Dr. Madhavan referred to India's official external policy: India's guiding principles are strategic autonomy and non-alignment. Following this principle, the engagement has been two-fold: with US, Japan, Australia and Europe on the one hand and China and Russian Federation on the other. India will engage with China and also compete with it, whereas with Russia, the relations is time tested and has remained steady over time.
Dr. Madhavan points out India's quest for freedom and prosperity. India seeks a future that is interlinked for which Indo-Pacific is not directed to a particular country.

**Comments:-**

Regarding Mr. Abeyagoonasekera's presentation, Mr. Shafqat Munir, BIPSS, Dhaka extended his sympathy by saying that Bangladesh understands Sri Lanka's problems, since Bangladesh too has faced terrorist attacks in the recent past, although not in the scale of the Easter bombings in Sri Lanka.

Dr. Suba Chandran took the moment to stress that India's bilateral trade with China has increased in the last few years, as well as under the aegis of BRICS nothwithstanding the fact that India has not joined the BRI.

## Part II: Democracy
## Chair: Dr. La Toya Waha

**Mr. Mohammed Abdul Ghafoor**
Foreign Secretary of The Maldives

Mr. Abdul Ghafoor first stated that he has been a regular participant of COSATT events. But nowadays since re-joining government, he does not have the same freedom of speech as before. He turned to democracy from an Indo-Pacific perspective and what it means for The Maldives. It started in 2004 with the Constitution having separation of powers. Prior to that there was 30 years of autocratic rule.

The concept of democracy is quite alien to The Maldives, since it was run for many years as a sultanate. In July 1965, it became independent and in 1968 its Constitution was promulgated. The name changed to a Republic, but the practices and political culture did not change. Mr. Ghafoor described the shift of power along the 2000s, culminating with a party associated with dictatorship once again achieving the majority around 2013. Due to the inability of the largest party to form a coalition, the years from 2013 to 2018 were seen as backsliding, with government practices that led to social injustices and the state economy motivated by vested interest. Infrastructure was prioritized, some progress has definitely been seen but cost was overinflated.

He then turned to a more objective question: what does this mean to be The Maldives, in the Indo-Pacific strategy? He said that cooperation under the Indo-Pacific will benefit the country. But one cannot choose one's neighbors; you

can choose your friends. The Maldives has never wanted a competition between India and China, and never aspires to play off India against China. If both are in friendly terms, it is good for The Maldives as well. It would be difficult being a country that depends on tourism if any kind of instability affects the region.

**Dr. D. Suba Chandran**
International Strategic & Security Studies (NIAS), Bangalore

Dr. Chandran first directed a question to the room, what are the interests of each player in the Indo-Pacific region, and what does democracy have to do with it? In a follow-up question, he asked what needs to be done in order to make democracy an integral part of it. Do democracies come together because we have some intrinsic similarity amongst us? Does common interest outside of the democratic contexts makes people come together? When new ideas come to place, do they change the order or sustain the status quo? Does Indo-Pacific strategy aim at democracy as the new order ?

The USA sees Indo-Pacific as a template. Dr. Chandran argues that US strategy is to let others deal with their problems and reap the benefit (not only in Indo-Pacific but also in the EU). But is Delhi going to be a willing player in this game?

Concerning Indo-Pacific as a strategy, Dr. Chandran commented that despite progress in the domain of Indo-US relations in the past 10 years, there is still a long way to go. Indo-Pacific is a conception, an idea looking for a geography. Whereas BRI is already a project on an implementing stage, he opined.

**Shafqat Munir**
Head of Bangladesh Centre for Terrorism Research, Dhaka

Mr. Munir first pointed out that Indo-Pacific can succeed by not making it a binary choice for smaller nations. Why should we choose between China and the US? There is also the issue of constant name change and conceptual confusion. Is the Quad at the center or a separate construction from the Indo-Pacific strategy?

He said that competition between India and China within South Asia is being played out and sometimes this is visible, but at times this remains subtle. Strategic rivalry of the two has cast a shadow over the region. He also referred to democracy in a sense that South Asian countries have watched a return of democracy but the retreat of it is also true in other parts of the world. With populism on the rise and the US's retreat from many of the international rules; the athoritarian dispensation may become more attractive.

Mr. Munir asked where is the ownership of the Indo-Pacific concept and suggested that there is a need to find areas of functional cooperation and a structure (secretariat, HQs) for the Indo-Pacific. Areas of cooperation and opportunities for collective effort could be the the fight on terrorism as an example. He concluded by reminding that it is important to meet common challenges, including traditional and non traditional threats to security.

Extremist use of social media and jihadist narratives are not irrational at all. There is a lot of thought put behind it because they reach the masses. We need to build a counter narrative since we are dealing with the symptom, but not the genesis. And this is where the Indo-Pacific strategy could become handy.

## Part III: Security
## Chair: Mr. Hernaikh Singh

**Dr. Salma Malik**
Department of Defence and Strategic Studies, QAU, Islamabad

Dr. Malik said that foremost foreigners tend to think that Pakistan is still a military regime, but in actuality the civilian government is making crucial decisions. Prof. Malik believes there is a democratic churning taking place in Pakistani society but terrorist attacks and incidents weigh heavily and requires coordination with all government agencies. All of us are aware that the country faces internal conflict. The civilian court

feels threatened and incapacitated to deal with issues related to terrorism which has resulted in the military dealing with these issues. Hence, she stressed that the linkage between governance and internal security has brought Pakistan closer to China. One project is the CPEC which is under the BRI umbrella with grandiose plans of infrastructure development. Pakistan has assured to all international actors that they will not build a naval base under China's influence. China has its grand ambitions and Pakistan is a point of linkage with the Middle East, the source of oil. CPEC can be a win-win situation for Pakistan. But, what options does Pakistan have as it is not part of the Indo-Pacific region?

Pakistan suggested negotiations with the "good" Taliban after 9/11 but was instead seen as trying to get more strategic space in Afghanistan. Nowadays everyone has come back to this same strategy and Taliban may now even be legitimized as a stakeholder in Afghanistan. Pakistan has a large number of Afghan refugees and increasingly this is becoming irreversible; nobody believes that all of them will be re-settled back to their country in the short or the medium-term. The international community underestimates the Taliban: they are an indigenous population, know the power of violence, use religion to their advantage, which proves to be the most potent force. Above all, they have a knack on economic issues and are working with international partners.

Turning to relations with India, she feared that there is a chance of higher threshold if border conflict escalates since the rules of the game have changed. PM Modi is seen in Pakistan as more dangerous than his predeessors if not, just as reckless. Reducing the risks of Indo-Pak conflict will require more attention and proactive diplomacy by the international community. She concluded by saying that regional initiatives such as Indo-Pacific Strategy cannot be selective/ exclusive. Exclusion of Pakistan from the Indo-Pacific or other such joint ventures may push Pakistan to other alternatives, bringing in newer challenges to stability in the region.

**Maj. Gen. AKM Abdur Rahman**
Director General, Bangladesh Institute of International and Strategic Studies (BIISS), Dhaka

Maj. Gen. AKM Abdur Rahman speaking purely from a Bangladesh perspective said that the emerging world order and the shifting balance in the power structure is a result of growing US-China strategic competition. The change of the terminology in 2017 from 'Asia-Pacific' to 'Indo-Pacific' brings a large area into focus but responsibility brings forth complex set of questions. It is clear that the US wishes to outsource its superpower duties of maintaining order in this vast region to its regional allies like India, Japan and Australia. The US Defense Secretary has already stated, "great power competition has reemerged". As a result, this region has been the locus of the animosity and rivalry between the US and China. Therefore, Free and Open Indo-Pacific (FOIP) and Belt and Road Initiative (BRI) have now been portrayed as rival strategic frameworks for these two great powers.

Gen. Rahman also commented that any strategy needs to have means, ways and ends. He felt that FOIP is still in its inception phase, whereas BRI is already providing much needed finance to the countries in this region for their development. As of now, BRI presents itself as an opportunity, until anyone else offers a better one, or at least a similar one.

In the midst of this great power interest, where does Europe stand? he asked. Europe's domestic policies have been affected due to massive refugee inflow but despite of the internal issues, prosperity of Europe is intertwined with Asia's fate. On the other hand, an arms race is brewing up in Asia in the form of the rapid modernization of armies. Full-fledged confrontation is a serious (and real) threat to the region. Considering Bangladesh's interest, Gen. Rahman added that they are in a positive development trajectory and that the whole country is moving forward towards socio-economic development like no time in the past. Bangladesh has touched new benchmarks in social indices such as healthcare, life expectancy, preventing gender-based violence, etc. Bangladesh has made tremendous

progress on infrastructure development and upgrade. By 2041, it is expected to become a developed nation. He reiterated that without conducive political environment and peace in the immediate neighbourhood, countries cannot move forward even if they are provided with the resources. Therefore, all of us need to emphasize cooperation, rather than competition.

**Dr. Mitra and Jiawei Mao**
Max-Weber-Institute of Sociology, Heidelberg University

Dr. Subrata Mitra stated there is a monumental misunderstanding that Kashmir is the source of the problem between India and Pakistan. It is not. It would exist in spite of Kashmir. It started at the end of the British rule when India was selected as a template of the European rule of state: Westphalian peace. Islam emerged as the core of the nation-state idea of Jinnah. Later on, the trauma of losing East Pakistan resurfaces in Pakistani thinking. Indo-Pak conflict endures as Pakistan cannot afford to lose and India cannot manage to win. Left to themselves, India and Pakistan cannot reach an equilibrium. Some peaceful theorists suggested 'Chindia', a big powerhouse could come to life and with it Pakistan will come onboard. Trade, aid, diplomacy, military -would these incentives suffice for a new Asian equilibrium? The South Asian security dilemma will continue unless there is mediation but India is not positive in bringing outsiders to resolve border issues.

In his turn, Mr. Mao first mentioned about a 14th century novel and Sino-Indian relations. China and India, in his view, have better relations than it seems at first glance. PM Modi and President Xi Jinping have met at least 10 times, either in their own countries or abroad. Personal affinity between the two leaders is a fact. Together, they have laid guiding principles on social and economic areas. There has been a phenomenal increase in trade relations between both countries, although trade deficit is noteworthy. There is also an imbalance of relations regarding antidumping regulation and Chinese goods in India. There are plenty more promises of Chinese investment in India and even the armies have engaged in joint exercises, although symbolic. There has been a

booming of civic engagement, city-relationships, cultural bonds and agreements on sister states, at least 40 flights per week between both countries and more business opportunities. Mr. Mao also highlighted that the trade volume between China and India is still very small when compared to other partners, i.e. Germany, Japan, Brazil etc. Hence, there is plenty of room for enhanced ties in all spheres.

## Closing Remarks

During his final remarks, Dr. Mitra thanked all who were present and felt privileged to share some key takeaways of the discussions. The idea of Indo-Pacific is a concept looking for a body and remains contested as to what it means, politically and geographically. Nonetheless, many of the problems of specific countries in the region are not exclusive to them, but are shared, and hence the group has to think about embodying the Indo-Pacific concept. Can there be a meta-body for Indo-Pacific? Is South-Asia moving out of South Asian region and into IORA or BRICS? How does external politics impact this trend?

Collaborations and sharing of different perspectives provided by COSATT amongst scholars and decision-makers, has proved very productive and the Heidelberg University as a venue has proven to be a perfect setting for this intellectual exercise, he said.