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The U.S., China, and India balancing act in the Indo-Pacific

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(MUSIC)

PITA: Welcome to Intersections, part of the Brooking Podcast Network.

I'm your host, Adrianna Pita. With us today as a special guest is Tanvi Madan, a fellow and director of our India project here at Brookings. She is going to be interviewing Shivshankar Menon, Distinguished Fellow in Foreign Policy and Joshusa White, Nonresident Fellow in Foreign Policy here at Brookings, as they examine the picture of economic and political cooperation and competition across the broader Asian Pacific region, and breaking down how the U.S., as least, has commonly drawn the regional distinguishes between East Asia, Southeast Asia and South Asia. They'll be taking the particular focus on China and India's expanding influence in the region, and what happens where they intersect.

MADAN: I'm your host for today's episode, Tanvi Madan, Fellow in the Foreign Policy program and Director of the India Project.

We've heard a lot about the term Indo-Pacific lately, this idea of the Indian Ocean and Pacific Ocean space as being connected, and almost thinking about it as one broad space. We've had this in newspapers and articles, but also from President Trump who has hailed the idea and from the Chinese Foreign Minister recently who dismissed the concept.

So, what is the Indo-Pacific as both a concept and a strategy? What is it not? Where do things stand between the U.S. and India to of what former Secretary of State Rex Tillerson called Democratic anchors of the Indo-Pacific Region? And what is this quad thing that everybody keeps talking about, this quadrilateral involving not just India and the U.S., but Australia and Japan, as well?

To discuss this, we have with us Ambassador Shivshankcar Menon, Distinguished Fellow at Brookings, and Dr. Joshua White, Nonresident Fellow at Brookings as well as an associate professor at the Johns Hopkins School of Advanced International Studies.

Josh, we'll start with you. You served in the Obama Administration as Director for South Asian Affairs at the National Security Council, as well as before that as a Senior Advisor for Asian and Pacific Security Affairs in the Office of the Secretary of Defense.

During the Obama Administration, you used the term "Asia, Pacific and Indian Ocean Regions" and DOD used to use the rather unwieldly Indo-Asia Pacific. So, now we are at this

Indo-Pacific stage. What is it and why is the administration, as well as leaders in the region, why are they using it and talking about this term?

WHITE: Thanks, Tanvi. It's good to be with you today. I think we can all be grateful that we have decidedly dispensed with the Indo-Asia-Pacific, and moved to something a bit more comprehensible.

When I think about the Indo-Pacific, I think about it in three different ways. I think about it first conceptually as a way of recognizing that Asia is no longer separated into spheres, South Asia, Southeast Asia, East Asia. There is a growing connectivity among those sub-regions. It has taken us a while to get to this place conceptually, but I think that China a belt in the road. India is look East and then act East, growing economic integration. Even the political transitions in Memumar, stunted as they are, have all contributed to a view here in Washington that we need to think about Asia more holistically. And the Indo-Pacific is a perfectly reasonable moniker for doing so. It's a framework for doing so.

Second, I think the Indo-Pacific, I think for this administration, is a brand to replace the rebalance, because everyone needs a brand. In this particular case, I think it does something that we weren't able to do in the Obama Administration, which is to present a view of a return focus on Asia in a way that integrates the role of India and the wider Indian Ocean region comprehensively.

In the Obama Administration, we had internal debates about whether the rebalance included India and whether it included South Asia broadly, and the awkward consensus after a period of time was that it included India but not really the Indian Ocean. This was in part due to beauracratic turf battles and concerns about resources and so forth, but where we ended up was that the rebalance sort of went to Menemar hopped over the Bay of Bengal, included India. This is a good brand. At this point it's mostly a brand. We can talk more about what it might become.

Third, I think the Indo-Pacific is a helpful shorthand for the somewhat larger phrase, the free and open Indo-Pacific, which refers largely to a set of shared principles held by like-minded countries, the United States, India, Japan, Australia, and others, that alludes primarily to 2 different kinds of sets of norms, one a set of maritime norms related to freedom of navigation, the law of the sea, things that have been challenged by China in the South China Sea and elsewhere. And second, a set of investment norms that relate to transparency, debt sustainability, and environmental protection, sovereignty and the localization of investment.

These are sort of norms that Japan has propagated, that India has taken up, and the United States has accepted. So, in those free frames, we have a phrase that is evocative of where we are intellectually, where we are from a branding   prospective, if you will, and where we are substantively in thinking about the kind of values that we share and how they're implemented.

MADAN: Ambassador Menon, you served as India's National Security Advisor between 2010 and 2014, and prior to aht in 2006 and 2009 as Indian Foreign Secretary. This was the time when we heard Japanese Prime Minister Shinzo Abe talk about the confluence of two oceans. We had then Secretary of State Hillary Clinton use the term "Indo-Pacific" as well, as well as call for India to kind of act East, which is the term that has been embraced now by the Modi government in India.

You expressed when you were in office some skepticism about the practicality of the term Indo-Pacific, or the region Indo-Pacific. Today, how do you see the concept, both in intellectual and operational terms and the reasons for your skepticism then? Do they see continue today?

WHITE: Well, I think what's happened is that frankly, the term seems to mean different things to different people, depending on when you talk to them and where you talk to them. My own initial skepticism about it was frankly, it's useful in a hollistical conceptual sense as Josh said, because it's true.

Maritime security can't be broken down into little bits and pieces. You can secure the Indian Ocean but not the Seas near China or the Western Pacific and so on. But the fact is these are three very different bodies of water. The geography is different. Their security needs are very different.

The Western Pacific is fundamentally a U.S. lake. It's dominated the U.S., by a U.S. Naval park. Seas near China have changed their nature. They are closed geographically. They are only a few points and it's hemmed in by the first island chain.   There are only a few points of ingress and egress. China has tried over time to convert certain areas of the South China Sea to a Chines lake. The Indian Ocean has always had an open geography. There are about 10 choke points around it. Nobody ever in history has managed to control all 100 at the same time, not even the British Empire or the Royal Navy at its height.

So, this is a very different kettle of fish. If you look at the security problems in these oceans today, what you're dealing with. Yes, there are some common factors, freedom of navigation of the high seas and some of the world's greatest maritime paths and the biggest trading paths are all involved in this.

So, it makes sense to talk of freedom of navigation in this area, to deal with these issues, but if you actually want to address security, I think you need to break it down into smaller manageable and realistic chunks.

Now, it's a good goal to set yourself, a free and open Indo-Pacific. Is it reasonable? Will it happen? You know, that's something that you need to think about rather seriously.

So, I'm very happy to see a discussion of these ideas. I don't mind what label you use. You can call it Indo-Pacific. You can call it Asian Pacific. Whatever it is, India is part of it. It is in reality and has been for a long time.

I think this was first evident with the tsunami in 2004 when the Indian Navy, the U.S. Navy cooperated in bringing relief to people across this whole top.

So, for me it's an idea which is useful, but I'd like to see actually much more concrete work done on what we mean by a free and open Indo-Pacific, whether it's done in the quad, whether it's done bilaterally, whether it's done separately, but in parallel. Frankly, that's something that is a choice of means. But the ends, I think, are well worth pursuing, of a free and open Indo-Pacific, which also reflects, I think, the dependence all of us have on this body of water from the Western Pacific all the way through the Indian Ocean.

MADAN: We've talked about now, this idea of -- the concept has been laid out. We understand it. The ends have been laid out. You talked about kind of going from a brand, to the strategy, to the operational side.

What would you like to see? What have you seen the Administration already do? Perhaps lay out and where would you think more needs to be done in terms of mechanisms, but also kind of coordinated action, et cetera?

WHITE: It's a great question. Before I got into the foreign policy business, I worked in software development actually. There is a term in software development called vaporware, which is when a company announces the next version of their product far in advance, and then the product never quite arrives, or it never arrives as advertised. There is certainly a risk here of vaporware.

The benefits of vaporware for a company is that you can try to retain your market share until you roll out actual substance so it can be defensive. It can get other players on board, but it also has reputational costs. So, in this case, there is now a very compelling brand, at least from the United States' point of view, with a very strong set of partners, but the follow through is quite significant.

I think there are a couple of domains that are under discussion for bringing substance to the brand. One is in the maritime space. And here, it's not entirely clear what the wider frame, as the investor refers to, gets you in the maritime space, that thinking more narrowly about South Asia and Southeast Asia and Northeast Asia doesn't.

There are already platforms for cooperation. The Maribar Exercise has had a number of these countries involved. There are already efforts at interoperability and I think we could see more in that space, but the United States, from its prospective, looking at the defense environment, is still largely focused on Asia and Southeast Asia. The Indian Ocean is a transit environment, more than anything else, and our cooperation exercise has happened in transit in the middle East over to East Asia.

The United States also has to think about the fact that any engagement on multilateral or mini-lateral exercise may take away from U.S., India bilateral exercises, because of the capacity constraints within the Indian system.

The second domain where I think people are giving this some thought is on the investment side as a response to what China is doing with its very ambitious belt and road. Here there are also challenges.

If you think about the quadrilateral grouping that you mentioned, those four countries really only Japan has the ability to mobilize significant amounts of capital. The United States doesn't have the political will to do so now. India is seeking external capital flows. So, the question is to what extent are these countries actually going to coordinate, and is Japan, which is a country that is able to mobile capital, willing to dilute some of the soft power benefits that it receives from its bilateral assistance programs, to do so in a more coordinated way.

Structurally, the United States is also not set up to do collaborative infrastructure finance. Our organizations that do this within the U.S. government are very much focused on bilateral engagements and on supporting U.S. companies.

So, if the United States is serious about this, it needs to think structurally about its institutions. It needs to think about where it is on the spectrum of where it is on the spectrum of cooperation to collaboration, or deconfliction to active collaboration on infrastructure finance. Then, at the very least, it needs to be set down with, like minded partners, and prioritize those countries across the Indo- Pacific in my view that are most at risk of losing their foreign policy independence due to China's engagement and investment. This doesn't mean they should not take money from China. It doesn't mean that any country should choose between the United States and China, but we should be able to identify together which countries are feeling pressure from Chinese investment and Chinese leverage and focus our investment on making sure that they can remain independent actors in the Indo-Pacific.

MADAN: Mr. Menon, Josh mentioned going to the economic side of the Indo-Pacific. In thinking about this, one could think about it as a rebound plus minus. On the minus side, the trans-Pacific partnership, the U.S. has withdrawn from that. So, that's gone away.

But you have seen on the plus side, and I have heard this from Indian analysts and officials that the Administration is seen as more forward leaning on things like freedom of navigation operations in the South China Sea, just much more consistent, more explicit about the fact that great barrel competition is going to be a reality, if not today, in the future, as well as kind of China's economic influence, and that it's also been kind of more vocal about expressing concerns about the belt and road initiative, which Josh mentioned.

For India, the kind of concerns about the belt and road, India has its own connectivity initiatives, alone and in collaboration with Japan et cetera. The major concern has been in the South Asian Region, some of these projects that China has been undertaking. Perhaps kind of one could think of it is, it's not that China hasn't been involved in these countries, but the scale and the kind of speed of Chinese economic investment has been quite large in recent years.

How do you see China's role in South Asia? We've seen this discussed now in quite a bit recent articles about which way these countries are going to align in the future. What are the concerns that India has about Chinese economic involvement in the region, and what can India do about it?

MENON: Well, for India, I think the initial reaction to the belt in road was also conditioned by the fact that the China economic corridor runs through Indian territory, or what's occupied by Pakistan and Kashmir and therefore represents the Chinese investment and a stake in maintaining Pakistani control over that territory which India regards as its own. So, this is a sovereignty problem. That, I think, is the hard core of the Indian objection to the CPCN.

Now, the other parts of the belt in road initiative, quite frankly, China has been involved in infrastructure and in trade investments in South Asia for a long time. This is not a new phaneromania. The worrying part is when there are investments which don't make economic sense or contribute economic development or create a debt trap and so on.

I like to use the example of Sri Lanka. Columbo Port, the expansions, 5, 6, were all done by China with Chinese money. China manages some of those piers. Eighty-three percent of what goes through the port is to or from India. We use it for trans shipment.

Now, that, for me, is not a bad model. China spends the money. China puts in the effort, builds infrastructure which we get to use and the port makes money. The port pays back whatever it has to. But then China also builds Hambantota, which is less than 100 miles away, further down the same coast, big port, empty. I mean nobody will go to Hambantota if you have Columbo next door. So, it can't repay the debt. So, then that debt is converted to equity. Now, China owns the same debt that couldn't pay back the debt. How does she justify it to herself?

The only way you can justify it then is by putting the PLA Navy in or using it as a military port. Otherwise, it doesn't make economic sense. So, for me, the worrying part is the belt in road projects, which have no economic justification, no internal rate of return, which justify the effort and the investment. Those are the parts, I think, that would cause the most concern.

Gwadar, for instance, doesn't have any economic justification. It's too close to Karachi and to other ports through the Gulf. It's those kinds of investments which lead one to suspect that there are large parts of this initiative which are strategic rather than all, at least meant to project China's political presence through the region, rather than just being connectivity, developmental, and generally a good thing, because it's not that India objects to connectivity nation. In fact, we've been pushing for it, trying to do some projects ourselves, working with others, Japan, now maybe with the U.S. Let's see.

But when you look at it in the larger context of the Indo Pacific, it's an interesting fact that there is an infrastructure gap in terms of institutions through what used to be called the Asia Pacific, that when Japan tried at various stages, the DPJ government in 2009 and so on, it was the U.S. which actually talked her out of it and said let's stick to the older institutions, what we already have. There is no Asian infrastructure fund until the Chinese then.

So, in a sense there is a gap there which China is is filling today, but you know, China also does not have -- it might have deep pockets, but it's not unlimited. Let's see which ones China chooses to concentrate on and work with the ones that work for us and worry about the other ones and see what we can do about the ones that don't promise a return.

I think that's maybe the sort of will. Will it change the Indo Pacific and the situation in the Indo Pacific? I think we shouldn't start anticipating huge changes until we actually see these projects being undertaken on the ground. You look at the CPC, for instance. It's low hanging fruit which promise early returns, which actually have been implemented, some of the strategic ones, but there's a large chunk of that, now 72 billion dollars' worth of investment which was promised, which hasn't happened yet.

MADAN: Josh, you spent time working in Pakistan as well. How do you sense the current mood in Pakistan on their China-Pakistan economic corridor came in with much promise? We have heard some concerns recently from Pakistanis about looking at the Sri Lanka example, debt, et cetera, and from the Chinese on the security front. There have been a couple of serious incidents recently.

So, anything you have to say about that, but also, as we think about not just South Asia, but you talked about kind of linking the South or kind of raising the line between South and

Southeast Asia because that's what's happening on the ground, both bureaucratically and conceptually here.

You and I were in Singapore recently for a conference. We did hear concern from the kind of Southeast Asian prospective by where they fit into the Indo-Pacific. One could think of it as the hyphen in the Indo Pacific. It's not possible without the Southeast Asians, but there's concern about where would they fit in. What about ocean centrality, et cetera? Where would you say they fit in, kind of from a U.S. prospective?

WHITE: To start with Pakistan, it is really remarkable the way in which the public debate in Pakistan about China, about its relationship with China, about investments from China, has shifted and become more overt over the last couple of years. This doesn't mean that the lofty rhetoric, the higher than the mountains, sweeter than honey, stuff has dissipated. But it does mean that there's a debate in the English press and increasingly in the Urdu press about the implications of Chinese investments for Pakistan, for its financial health, for the way in which ethnicities and ethnic groups and provinces are able to flourish.

I think that is a healthy debate and it's one that has been catalyzed, in part, by Pakistani's observing what happened in Sri Lanka and elsewhere. Now, Pakistani's relationship with China is much closer and much different than Sri Lanka's, but I think it's been a healthy debate. At the same time, there is a quiet angst developing in China about the ways in which China is increasingly going to be send as one of Pakistan's only remaining important friends in an environment in which the United States is distancing itself from Pakistan and is seeking in various ways to isolate Pakistan in the international community.

This is awkward for Beijing. It means that every time Pakistan needs someone to defend it in the security council, it's going to be looking to China in ways that are increasingly uncomfortable for Chinese leaders. I think that this is only going to get more uncomfortable for Beijing. It may eventually result in greater quiet pressure being put on Pakistani leaders to be more responsible with respect to certain militant groups. We'll see on that front.

You raise a great question on about ASEAN. I agree that the angst in Southeast Asia is palpable with ASEAN centrality. I think it's important to recognize -- and I say this as someone who was in the Obama Administration for a while -- that the Administration's focus on

Southeast Asia was in many ways something of an aberration. It's intents, interest, the amount of time that it spent, its investment in institutions, was unusual. It was born in part, I think, from the President's own personal story, from certain personalities in the Administration, Ben Rhodes and others. It did come at a moment where the United States had an interest in building a set and solidifying a set of ASEAN plus institutions, PAS, the East Asian Summit, EDMN plus, that the United States could be involved in.

But taking a longer view, if you ask someone, what are the United States' core interests in Southeast Asia that would drive sustained engagement, investment, time, and funding, you'll get a range of answers, but you won't get a clear answer in this town, particularly from the Trump Administration. It could be counterterrorism, worrying about returning fighters. It could be about cultivating relationships to help balance a rising China. It could be about economic opportunities, but those are all relatively diffuse at the moment.

I think Southeast Asia is very important but that case is not being actively made by this Administration. It is not being coherently made, at least from where I sit here in Washington, from the countries in ASEAN. So, I understand that Southeast Asian countries are anxious about where they fit in the Indo-Pacific. This is a question that doesn't yet have a clear answer, given that this administration, with all of its chaos, is still trying to figure out the basic contours of its policies in Northeast Asia, with China, with key allies, and in many ways I think it hasn't gotten around to doing deep thinking about its equities in Southeast Asia.

MADAN: We did see Indian Prime Minister Modi of India's Republic Day where India invited all the leaders of the Southeast Asian countries that form ASEAN and where he laid out the centrality of the countries in India's ACT FOR PEACE policy and perhaps, we will hear him lay out kind of what this concept of Indo Pacific means when he speaks at the Sri Leader log later this year.

One of the reasons we've heard a lot of Southeast Asian concerns though, is because, just because, I think because of timing, Indo Pacific has gotten conflated with this thing called the Quad and the quadrilateral. If the Indo-Pacific and of speech were laid out in about October or so, and then the Quadrilateral, the idea of these four countries meeting. It was just a working meeting at the official level that was held on the side lines of the APEC Summit in mid-

November in Manilla.

That generated a lot of sense that basically the two terms were conflicted, that Indo-Pacific equals Quad. Then obviously a lot of countries are left out. Mr. Menon, you were Foreign Secretary at the time the Quad was tried the first time around, also in Manilla, exactly 10 years before. There has probably been more writing generated on this, than actual discussions or things that have happened operationally. What is this quadrilateral? Why does it make sense to try or not and where do you think it goes from here?

MENON: Yeah, I think somebody very unkind called it 4 characters and such of a role, but I think it is actually more than that. The reason why we tried in 2008, I think it's instructive. You've written about this, also about why it didn't work that time around. I think there was a sense among some of us, certainly, Japan, India, the U.S. to a certain extent, that we were now dealing with a whole new set of security agenda issues like counterterrorism, maritime security, cyber security, for instance, things which were no longer dealt with satisfactorily, either individually or just bilaterally. These were things that needed a larger framework.

Now, the Quad was never at that stage meant to be somehow an exclusive gathering of just 4 people. The idea was just to explore whether there were things we could do. Australia, at that time, entered the Quad, but then I think developed cold feet for various reasons. There is all kinds of speculation about why they thought it wasn't a very good idea, but maybe it was before its time then. Maybe its time has come now, because again, I think most of the issues we're dealing with in the region in the Indo-Pacific. Today, actually are new security agenda issues, rather than the old bilateral ones.

Even on things like nonproliferation, I think there are things that countries in the region need to do. We've tried through ARF, through the ASEAN defense ministers, plus, plus, in East Asia Summit as well, none of these have actually developed a role. So, maybe it's easier to do it bottom up. A few people who are willing to work together, find concrete things to do, work together and then let other people join as they feel comfortable and those who want to work their way in.

That would be my approach to actually building out the Quad, but I think it's time that the Quad now, given its history and what happened in 2008, I think it's time that the Quad actually did something concrete and showed what it was capable of doing. Also, I think that would be a form of reassurance to other people who might feel left out and think what is this. I think you're right. This conflation of Indo-Pacific -- I think that doesn't serve either, either the larger idea of the Indo-Pacific or the actual functioning of the Quad.

But I think what it needs to aim at is actually outcomes, rather than more declaratory statements. I think we have enough of them.

MADAN: Well, it was striking that there wasn't one declaratory statement at the end of the Quad meeting.

MENON: I think that's good. For me, that's actually its strength.

MADAN: But it does reflect that you can have this umbrella with different perspectives. What are some of those -- or even just one concrete thing that they could do together that would serve as that kind of reassurance?

MENON: Well, I think one is maritime domain awareness. It is something that we are all concerned about. As I said, you can't draw out official boundaries about what you need to know. That's something that we could certainly work on together.

Counter terrorism is the other, which I think is already happening in bits and pieces, in various ways. I think that's something that I think is worth bringing up, because it does bother a lot of people in ASEAN, in South Asia, certainly.

MADAN: Speaking of bothering, the Quad does seem to get under China's skin a little bit, though some of the push back seems to be more for effect.

MENON: I think that's the declaratory part, which is why I think it's important that it start doing something concrete. I think that would in itself answer most of the criticism. I think most of the criticism is actually fear of the unknown. They think it may be. I think that's part of the problem. Until it defines itself and starts showing what it's doing, I think there will be reactions.

MADAN: Josh?

WHITE: I absolutely agree. The greatest value will be in tangible action. I would just make two points about the Quad. First is that tangible action may come slowly, because I think back to the experience of the United States, India and Japan forming a trilateral, which has now produced a number of collaborative activities, but it took quite some time before those meetings, which I'm sure everyone imagined in conspiratorial terms were actually interesting and actually generated useful cooperation's. So, I would encourage people to be realistic about how quickly this will move.

The other thing I would say is that although I completely agree that this is an idea whose time has come and it's a welcome development, in some ways, one of the most striking and interesting things about it is what it says about the disposition of the 4 countries involved. To some extent, there was a theory that was operative for some time, I think among all 4 countries to varying degrees, that self-restraint would begat self-restraint, that if these countries made an attempt not to look as if they were acting in response to China, that China would exhibit a measure of self-restraint in return.

I think the new theory, which is again shared in various ways by various countries, but is emerging, is that she will do what she wants to do.

MADAN: She being -- Jinping, the Chinese President.

WHITE: She being Jinping, the Chinese President.

MENON: Not she, China.

WHITE: Not she, China. But that on approach of seeking self-restraint, in order to engender self-restraint, not only hasn't worked, but that we see in the region, a very assertive China. We see China doing what it wants to do, and that in fact a failure to respond, to react, to coordinate where coordination is needed and welcome, is in fact an abdication of our collective interests in advancing the kinds of principles that we share, the kinds of like minded principles that we've talked about.

And I think that shift in orientation is significant because all of these countries in the Quad will still say we are not doing this to contain China. This is not about China, but it is demonstrating an assertiveness and a view that we can no longer expect the kind of reciprocity and we're going to act in our own interests, to secure our own interests. I think that's significant and I think that attitude will bleed into other domains of cooperation with the Quad and with likeminded countries in the coming year.

MENON: There is an interesting problem here. The more sensitivity China displays to the Quad, the more likely it is that other people who are so inclined will use the Quad for their dealings with China. So, I'm not quite sure how far the Chinese want to push this. They are just handing a lever to those who are very worried about what China is doing in the region.

MADAN: Ambassador Menon, you served as India's Ambassador to China and know it well. Jinping has announced its intention to continue beyond the two terms. Does this have implications that we should think about for its external behavior, some of the assertiveness that Josh has talked about. It is preceded she, but does it have implications for how it might behave abroad. There also has been kind of concern in the U.S. in the past, and this is true about India's concern about the U.S., as well, this question of some form of G-2. India's been concerned that the U.S. and China will strike a deal and it will be left out, but G-2 will have implications. The U.S. is concerned that India will be concerned about not doing certain things with the U.S., so as not to provoke China.

So, India and China have not quite announced, but seem to have suggested that they are going to try to get their relationship back on an even keel. There has been some kind of concern here that that means India is going to put blinders on about Chinese behavior. How do you think we should think about this effort to get back on an even keel for the 2 countries?

MENON: Well, it's a triangle and it's impossible that one side of the triangle contains no communication whatsoever. Whatever India does with China is much less than what the U.S. does with China. So, I mean, that should reassure the U.S. to a certain extent, but the fact is that India-China relations have always -- now for many years, had this combination of competition and cooperation at the same time. The precise balance between that has shifted, depending oddly on what China does, but also on India and its own definition of interest. Both countries have grown so fast, have redefined their interests also and expanded their definition of their interests.

You asked about the removal of term limits on President Chi. I'm not sure that everything we see if only personality driven, some of the manner of its presentation, perhaps, but a lot of it predates 2012 when he came to power. A lot of it is structural to what China is undergoing right now internally and to the adjustments that she has to make. She is in a sense a victim of her own success. I think in both China and India, you have leaderships that are convinced that their future prosperity growth and security depends now on their being actively involved in shaping the world around them.

That was not true 20 years ago or 30 years ago. So, that's a very different mindset and will lead to what we call an assertive China or maybe even an assertive India, to a much greater extent than we are used to in the past. So, I wouldn't see that as being something that necessarily is purely attached to President Chi Jinping's own personality. Maybe it goes along with it certainly. He is the most outspoken advocate of China playing its role in the international society of China as a model for the first time in the 1930 Congress for other developing countries to follow.

So, that is a big shift. Term limits, I don't see that as changing Chinese behavior right away.

MADAN: Josh, strategic convergence in China has been kind of one of the drivers of the U.S. and India relationship, though officials, at least, will never publicly say it in that way. We've seen kind of Bush Administration, Obama Administration, essentially frame it as that, that India is raised American interests and definitely it should be supported, and the kind of unstated message is that India just being India, in and of itself, it doesn't necessarily have to do something for the U.S. in the short term, though that would be nice. It's a long term investment, that it will be by being a democratic strong, prosperous country, serve as both a balance but a contrasting model to China.

A year into the Trump Administration, there is a lot of uncertainty a year ago. So, where do you think U.S. and India relations stand? We are expecting a 2 plus 2 in mid-April. We'll see if Secretary of State designate Michael Pompeo is confirmed by then, but we are expecting a 2 plus 2, a U.S.-India at the ministerial level which means that the defense and foreign minister is meeting with their counterparts here. It's the only one of its kind that India has and it is expected to be an annual dialogue.

But beyond that, kind of, what do you think the state of the U.S., India relationship is today? What do you think of the challenges ahead for the 2 countries?

WHITE: You mentioned the deep logic of the U.S.-India relationship, at least over the last 20 years. I think that continues to hold. The view here in Washington is that the United

States will support India's rise and will facilitate India's rise, not because India provides near term benefits to the United States. It often provides some near term angst to the United States, at least to the U.S. bureaucracy, but because over the longer term, a prosperous, capable, democratic India helps provide a favorable balance of power in Asia.

That holds, but that said, I think to some extent, the assumptions that underpin that have eroded somewhat over the last year from the point of view of those looking here in Washington. This may not be permanent, but at least it is notable.

The first way that we see this being eroded are, I think, growing questions about what India can and will do as a "nut" security provider in its region. The premise here, particularly in defense circles which has been where a lot of the energy in the U.S., India relationship has come from, was that a more capable India, more militarily capable India, will be able to manage security in the wider Indian Ocean and on the periphery of the Indian Ocean and eventually have a security role beyond that. That's been the premise of a great deal of U.S. investment in India. I think in the last year or two, we've seen some real questions about India's capital investments in its defense enterprise which are quite low and not going up. We've seen real concerns about India's ability to manage a coherent defense procurement process. We've seen India, to some extent, on the defensive in its own neighborhood in places like the Maldives and Nepal.

These might be transitory. These might be very surmountable kinds of challenges, but they do raise questions here about the kind of India that is going to emerge on the back end of significant investment over the course of years or decades.

The other dynamic that has generated attention is on the trade side where the United States and India have for a long time had a contentious relationship and tried to keep much of that contention behind closed doors. It's now spilling out into the open in new ways. This goes across sectors, from agriculture, medical devices, intellectual property, services, a whole range of issues. The Trump Administration initiated its first WTO case this week as of the time of this broadcast, and it was against India for unfair subsidies. A lot of these disputes are now coming into the open. This has always been there.

In part, this is driven by President Trump's strange obsession with trade deficient in goods and specifically in manufacturing and what I would consider an unhealthy obsession with that particular metric. But this is causing certainly some drama in the relationship. You layer this with the Indian government's move toward a more protectionist trade agenda, the U.S. government's move toward a more protectionist trade agenda, the view that to make an India's initiative really has a significant protectionist dimension to it.

I think this could create some choppy waters in the coming years. I'll just end by saying this. Those in the U.S. and Indian governments who see themselves as the stewards of building this relationship, I consider myself to be one of those, have often sought to grab the attention of senior policy makers to drive it forward, the Defense Secretary, Secretary of State, and certainly the President, and the same on the Indian side. That's the only way to mobilize the energy and attention of the bureaucracies to get anything done.

In this environment with President Trump and his particular interest in manufacturing trade deficient and so forth, there has actually been an attempt at diversion at trying not to elevate the relationship too frequently or too obviously to the leader level, less to get caught up in pubic debates about the tariff on Harley Davidsons. This is a new environment and it creates real challenges.

How do you manage a relationship when senior level attention is not always helpful? This is something that the relationship managers are now trying to navigate but they are not going to be able to avoid the difficult economic questions and they're not going to be able to avoid what is being felt here in Washington as a measure of concern or disappointment about what India is doing today to bolster its ability to be that security provider, at least in the Indian Ocean.

MADAN: Ambassador Menon, that was the view from Washington. How is the scene from --

MENON: My own sense is that I actually agree with Josh. It's on the economic and the trade side that I think it's going to be harder to move forward and to move this relationship forward, partly because there is a rise in protection as more contilla sentiment on both sides and both countries. This, I think, is a fact of life, and we'll have to find a way of dealing with it. It's not going to be easy, especially today when you see the basic structure of trade and of investment flows, financial flows in the Indo-Pacific as a whole change fundamentally. So, I'm not sure that either side has a handle on how it's going to deal with this.

On the security side, I think we're used to being accused of freeloading. This has been going on for years, but that's exactly the accusation the U.S. used to face, and faced even after the first World War, even until after the Second World War. I think that's an inevitability. It's part of the stage of development we're at. We're not going to be able to do what everybody wants us to do. The U.S. would like us to do the hard work in balancing and we would like the U.S. to do it, naturally. I think we should be grateful to the U.S. for the global of public goods in terms of security in the Indian Ocean where it is Pakistan and so on that the U.S. has provided.

But I don't think we are today, are or should want to be in a position to try and replace those functions, even though it might suit the U.S. to get us to do those things.

The other worry, I think, in India, which you mentioned earlier, was about a possible G-2, about a U.S., China sort of condominium. What we've seen happening over the North Korean nuclear weapons program in the South China Sea should have reassured people in India about that, about the large strategic drivers of the relationship still being in place.

For me, that strategic congruence between India and the U.S. is as strong, and the logic for the relationship is that strong. People might see it, not see it, choose not to see it, you know, in order to gain some temporary negotiating advantage at any moment. That's part of the game, but for me, at the strategic level, I think, the argument to take that relationship forward is as strong as it ever was, and the kind of support it has in India across the political spectrum is really unprecedented.

I cannot think of a time in the last 50 years when it's had this kind of support. We have to learn how to deal with this new situation in Washington. I think the deeper the relationship, the more friends we'll have and the more parts of the U.S., we'll deal with directly with States, with whichever institutions work with us, with corporations, with whoever. I think we need to learn how to do that. As India, we need to up our game a bit.

MADAN: So, optimism, but not euphoria seem to be the buzz words. At a time when we see a lot of ups and downs in relationship, it has been a remarkably stable relationship on the U.S., India side and thankfully missing from tweets. Let's hope it continues that way.

Thank you, gentlemen, for giving us this overview of the Indo-Pacific, but also U.S., India relationships, China, and South Asia and Southeast Asia and a number of other topics. You can follow Josh and Ambassador Menon's word at Brookings EDU. You can also follow them at Twitter. Ambassador Menons at Shiveshankcar Menon. I'm going to spell that out because there is a missing R in there. It's S-H-I-V-S-H-A-N-K-A-M-E-N-O-N and Josh is @joshuatwhite. You can follow me on twitter at Tanvi_Madan as well. Thank you very much.

PITA: Thanks for listening. You can find related materials and the show notes at Brookings.EDU/intersections, and don't forget to follow us on the rest of the Brookings Policy Network on Twitter at Policy Podcasts.