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How India and China are reshaping their neighborhood
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(MUSIC)

PITA: Welcome to Intersections. The podcast where two experts explore and explain the important policy issues in the world today. We are part of the Brookings Podcast Network and I am your host, Adrianna Pita.

As China extends its influence, south and west through the One Belt, One Road initiative, India's Act East policy looks to increase connectivity to Southeast Asia and strengthen security relationships throughout the Indo-Pacific. With us today to discuss how those regional countries are reacting to the expansion of both China and India and the role that they all play in the regional balance of power with regard to China's rise are Dhruva Jaishankar, a Fellow with our Brookings India office and Rush Doshi, a new Postdoctoral Fellow here with us in Foreign Policy. Rush and Dhruva, thank you so much for being here today.

DOSHI: Thank you.

JAISHANKAR: Thank you.

PITA: So, regarding the Indo-Pacific and India's turn to the East, I won't ask you to belabor this too much because our colleagues Tanvi Madan, Shivshankar Menon and Josh White, discussed this in a past episode of Intersections. But perhaps you could speak briefly, Dhruva. There has in the past been a pretty strong regional divide between South and Southeast Asia. With the rise of this Indo-Pacific concept, how are other countries in the region starting to react to this and the bridging of that divide?

JAISHANKAR: Well, in some ways the Indo-Pacific is a natural outgrowth of China's increased role in the region. Not just in the Western Pacific in the South -- the South China Sea and Southeast Asia but also increasingly in the Indian Ocean region. China opened its first

overseas military facility in Djibouti in 2017. It is developing port infrastructure around the Indian Ocean basin from Pakistan to East Africa to Myanmar. And so, in some ways what the Indo-Pacific represents is a recognition that the Indian and Pacific Oceans are becoming a single strategic space.

There are differences in terms of how exactly that is defined. The US officially defines it, basically, as the US-Pacific Command, now renamed the Indo-Pacific Command's area of responsibility, which extends from the western coast of India to the United States and the entire Pacific. Others define it in slightly different terms. But I think the main -- the central logic is basically threefold. One, that these parts of the Indian and Pacific Oceans constitute a single strategic space. Two, by defining the region by the oceans, it emphasizes the maritime component and how important the seas are for both commerce and for security. And then to a lesser degree, I think, indirectly it elevates the role of India, at least in the US and other countries' strategic calculus's. Just even though the Indo and Indo-Pacific refers to the ocean, not the country.

And we have seen a few different parallel Indo-Pacific strategies come up. Japan, I think, was actually probably the progenitor of it and in some way Prime Minister Abe really led the effort. He gave a speech in the Indian Parliament in 2007, where he talked about the confluence of the two seas. He didn't use the exact term Indo-Pacific. Australia adopted it quite quickly and that's only natural because it's a country that has an Indian and a Pacific Coast.

The Trump Administration has adopted it as of last year and elaborated upon it, most recently, Secretary of State, Mike Pompeo. And then India has embraced as well. But so have other countries as well including Indonesia amongst others. So, I think, more and more countries are buying into this concept of the Indo-Pacific and I think it's in some ways a natural outgrowth of

these developments.

PITA: Rush, Dhruva mentioned about China's expansion into the Indian Ocean. Has this changed how they are thinking about this as the holistic region? Has it drawn any reaction from them that other countries are starting to put those areas together?

DOSHI: Sure. Well, I think, it's fair to say that China has thought about the Indian Ocean region and for a quite bit of time. This actually predates Xi. We hear a lot about it under the Xi tenure. But it's actually nothing new. In the 1990s there is evidence that Chinese analysts thought a little bit the Indian Ocean, were concerned a little bit about the Indian Navy there. But that time China's reliance on sea lines of communication they were not nearly as significant as they eventually became.

Under the Hu administration, well before Xi, as early as 2003, so nine years before Xi took power, President Hu talked about the importance of China's Malacca Dilemma. In other words, he was concerned that a number of Chinese exports and commodities passed through waters, over which it didn't yet actually exercise any kind of sea control. Subsequently, he talked about the importance of New Historic Missions for the PLA, that is the People's Liberation Army, specifically the People's Liberation Army, Navy, that would be focused on the Indian Ocean as well.

But China really didn't have the capability to do anything until a bit later. I think after the 2008 Financial Crisis we really see China commit more to that, kind of, Blue-Water Navy that's capable of plying the far seas or the [Renhai] in Chinese terms. And really we see in 2009, the decision to finally begin the process of refitting the Varyag aircraft carrier and plans later on for a larger Chinese carrier Navy.

I mention all this to say that literally everything I have just, sort of, chronicled happened

before Xi took power. So, Xi in many ways is inheriting a China that was already thinking, as Dhruva mentioned, of the Indo-Pacific as one joined strategic area. And it is still under Hu that we see in, you know, defense white papers and other top fairly authoritative documents, the importance of China becoming a Maritime Great Power. So, it was in that larger context, I think, that when China talks about being Maritime Great Power, it's thinking primarily about the Indian Ocean more than it is thinking about, say, the Atlantic Ocean or even the Arctic, which remains a topic of hype but now yet a subject where strategic interest can easily be asserted.

So, I think the Indo-Pacific term is very much a, sort of, maritime Western, Indian, Japanese concept but within China it's been implicitly guiding their strategies for quite a while.

PITA: I want to set or set forth the subject matter for the rest of the conversation. There was a really great quote from Shivshankar Menon in that last episode, where he said that in both China and India you have leaderships which are convinced that their future growth and prosperity and security depends on their being actively involved in shaping the world around them. That was not true 20 to 30 years ago and will lead to an assertive China or an assertive India to a much greater extent than we are used to.

Dhruva, you have been travelling extensively over the last couple of years throughout the region. As you have been to these other countries which are the ones which China and India maybe seeking to shape, I am wondering if you can start talking to us a little bit about what you have observed, how they are reacting to this growth? I realize that's a really big question. So, maybe start with some of high points and then we can drill down.

JAISHANKAR: Sure. Well, I mean, I think that that's clearly a fact and it's very much again a natural consequence of the economic growth of China and to a lesser degree India. Just to give

some context to that. About 30 percent of global growth since 2000 -- global economic growth has really come from China. Actually more than that. And if you take China, the United States and India, which are actually the three largest, that's almost 60 percent of the global growth has really come from China, the United States and India in terms of GDP.

And it's only natural that as this has happened, both China and India have been traditionally inward looking societies, inward looking economies, have become more globally integrated. So, this shows up in the number of Chinese tourists in Southeast Asia. It shows up in trade volumes. China is now the largest exporter of any country. It shows up in the number of internet users. China and India are number 1 and number 2, both surpassing the United States now. So, again, we have two societies, two economies that are just now, for the first time in a century or two, really sort of, making their presence felt in various ways.

Now, this is having a few affects and then there is a, kind of, learning process, I think, in many of these. To a great degree many parts of the region are welcoming of a lot of this. They are seeing economic opportunities. They enjoy having larger number of tourists. They have export destinations now in the way of growing markets for -- starting with raw materials but also manufacturing goods both in China and India.

But I would say the key difference is that China's rise which has been sharper, it's been much greater than India's, it's now almost five times the Indian economy. It is also leading to a good deal of anxiety, in a manner that India's rise is not really -- maybe with the exception of Pakistan or a maybe a few other countries in its immediate vicinity. And that anxiety regarding China's rise is largely, I mean, I would put it in four different categories. And they play out differently in different countries.

One, is the consequence of opaque decision-making process. I mean, the United States as a global power makes decisions that other countries don't like. But at least there is a knowledge of where that's coming from. You have, you know, opening hearings on the Hill and open debate in the press. And in China, I think, the absence of that often leads to decisions, [address] decisions being seen with much greater concern than maybe sometimes it's required. Again, this is a system of governance that made sense for a much more inward looking country but for a rising global power it's increasingly at odds with the reality.

A second area is basically a mercantilist economic policies, which relate to the role of state-owned enterprises in the system of national champions that have been identified and a lot of that's being exported as part of the Belt and Road Initiative, leading to a non-transparent bidding for contracts for unsustainable debt and so forth. A third difference is, I think, is territorial revisionism which is playing out in the South China Sea, playing out in the Himalayas with India and Bhutan, where even though, I mean, China is not alone in having territorial disputes in the region, but the use of sometimes civilian, you know, road building or island building activities in the South China Sea, undercuts the diplomatic efforts. So, at least the perception of good faith diplomatic negotiation.

And finally, I think, there are certain norms that are being eroded which have become widely accepted in the international community, freedom of navigation being one, cyber security being another, which again has given rise -- all of these tend, somewhat in contrast to India's rise, which, you know, the economic diplomacy has been led by the private sector rather than state-owned enterprises, with the exception of, say, oil and certain resources. There is a much more transparent decision-making process on the Indian side.

You haven't had the same level of territorial revisionism when India and Bangladesh had a maritime dispute it was settled -- it was international arbitration and India accepted the results. And then you see on, you know, India actually changing its position on freedom of navigation on cyber security, more in line with the positions of the United States and other countries. So, I think, that this actually shows, in some ways, a bit of a disparity between how China's rise has been perceived than India's rise.

PITA: Rush, on these questions of these anxieties of how other people are reacting to China, is China seeing any of that and thinking about whether to adjust, whether it's the opacity or whether they should be maybe working with more cooperative international organizations, in terms of dispute settling and that sort of thing or is that not on the table for them?

DOSHI: Yeah. I think that China has always been aware that it faces a unique risk. It says it in its own documents that it's a country with a large number of neighbors. Larger than most other countries, perhaps, I think, of all countries. And so, as a result of that fact there has always been concern about instability for it across borders. But also about encirclement that those countries wary about China's rise might work together against it, in consort with United States, in particular.

And you see this dating back, you know, more than 20 years. In fact China's decision to join regional institutions and to tie itself a little bit to the ASEAN Regional Forum, to join APEC, to join other organizations too, throughout the region, to, sort of, it found the Shanghai Cooperation Organization, was based on the idea that if it did these things maybe it's neighbors would trust it more. They had see it playing a responsible, almost liberal role by joining institutions and claiming to adhere to norms. And they would feel a little bit more reassured.

The reality was always more complex. China joined these institutions not just to reassure

neighbors but also because it didn't want the US to use them to set the norms in terms of, basically, the Asian order. And so, of course, it would try to stall some of these even as it joined them. But the bottom line is that was one area, a clear political area, where China was trying to reassure its neighbors and that began in the 90s.

At the same time, there was also an awareness that certain Chinese military investments could rattle neighbors and, I think, an awareness that production of Chinese aircraft carrier in the 1990s would be a very inflammatory step, even though the Chinese have said for a very long time that such a tool would be useful in some of the territorial disputes that they faced. Now we may have different views on whether it would be useful but they certainly thought and have written that it would be. And yet they didn't pursue it for a very long time as well.

So, I think, you could argue that China's practice of policy is somewhat restrained at times in the 1990s, especially in 2000s, but that did not endure to the present. Especially after the 2008 crisis, as I mentioned, I think, some of those concerns about the region working against China began to subside and you see in the informal discourse, a greater awareness that China exercises asymmetric economic leverage over its neighbors, which means it has less to worry about. That exercises overwhelming military power, relative to its neighbors.

In fact, in the last few years, China was responsible for, I think, something like half of all military spending in Asia. That's a conservative estimate, if not more and that includes, you know, Japan, includes Indonesia, that includes a lot of large countries. I think that includes India, Dhruva is saying. So, yeah that specific estimate is a fairly conservative one and it's still quite surprising.

So, what do we see happening now? Well, there has been pushback in some of these areas. There has been pushback about China's use of economic coercion. There has been

pushback on the Belt and Road. There has been concern about China's increasingly capable Blue-Water Navy. And so, I think, that you know, China recognizes that. You can see, for example, quite recently President Xi Jinping held a seminar on the Belt and Road, kind of, celebrating the fifth year anniversary.

And in it there were some surprisingly new language about how the Belt and Road wasn't an exclusive economic club or it wasn't a China club. Basically, trying to suggest that it was open to all. And that may or may not be true. Certainly the bidding process doesn't always seem open to all. Some Western companies are able to participate, not all of them. And more importantly a lot of the projects, on how they are picked, we don't quite understand. But there is an awareness, I think, within China that they are, sort of, losing the regional narrative, at least for now. And that they are going to try to have to readjust.

I want to say one last thing. Dhruva, had a really interesting, sort of, explanation of where regional anxieties are coming from. And, I think, you know, opacity, mercantilism, territorial issues and norms, those are excellent. To that I would just add, capability as another area. I mean, China is vastly more capable than what I was in the 1990s. And even if it were a liberal democratic power, it would still be somewhat unsettling to its neighbors. But, I think, the fact that it's an autocratic one that's opaque, sort of, amplifies fears that would already be laid.

PITA: Sure. And they have such deeper financial capabilities than any of the other countries and that's what's driving the Belt and Road initiative is that they have access to all this financing, that even Japan and the US, who do some development work, can't tap these kind of resources. Can you talk a little bit about that financial angle?

DOSHI: Yeah. Absolutely, that's exactly right. So, it's really interesting that we talk about

the Belt and Road as a Xi Jinping initiative and that's not, sort of, an accident. Xi Jinping wanted it to be his, sort of, signature initiative. But, sort of, the logic behind the Belt and Road precedes it. Like I have said about, you know, a lot of Chinese strategy. I think there is a little more continuity and there is discontinuity. And if you look after the 2008 Financial Crisis again, you see President Hu in 2009, gives a speech where he talks about having a more active diplomacy to, kind of, contrast it with what his predecessors had pursued and what, China's one of its great leaders Deng Xiaoping had, sort of, advocated, this more active policy had an economic component.

It was pretty clear in Hu's remarks and he says it explicitly, that China needed to use infrastructure around its region, in its periphery, sort of, to tie the region together and to tie to China. And that infrastructure needed to inter-operable with Chinese infrastructure. So, implicit within that is the idea that Chinese standards should, sort of, be exported so that other economies naturally, sort of, link in with China's. And that may mean, in some cases, they don't link in as well with other economies, including the American economy. Especially, you know, engineering standards that's particularly a concern.

So, I think that the Belt and Road has this, sort of, precedence. It precedes, clearly, Xi Jinping. In addition on trade and on finance, it is worth talking briefly, because the Belt and Road, sort of, sucks up a lot of the oxygen. But on trade, we see a, sort of, turn to willingness to use its economic leverage that's asymmetric against neighbors, you know, more aggressively, as early as 2009, 2010. We see it exercised perhaps against Japan, against The Philippines, against Norway. And all that's before Xi takes power. And, of course, Xi has exercised it against South Korea because South Korea dared to host THAAD within its borders.

But the bottom line is that, I think, this greater activism has really, sort of, maybe been

accentuated by Xi but really precedes him. On the financial side, the Renminbi as a currency is always fun to predict. Will it ever become important enough to, sort of, displace the Dollar? And there is a lot of hype to that and not a lot of substance. But, I think, where there is some substance is that the Renminbi is, sort of, becoming increasingly prominent in Asian transactions, especially those involving China and that offers China some financial power.

You know, a lot of American financial power comes from our ability to cut countries off access to dollar-denominated system, through secondary sanctions or the manipulation of certain financial architecture. China is a long way from being able to do that as easily and as effectively, but in the long run that could happen and, as many scholars have noted, great power that aspire to regional hegemony need to have great currencies too.

PITA: I mean, to stick on the trading and economic point, Dhruva, to ask you about, India is looking to expand some of their local economic ties. Or maybe to expand, might not be the right word, but maybe more reinvigorate. And the local area around the Bay of Bengal is particular area of focus. There is these three or four or five countries, in and around this area, and there is an existing organization that's slightly unwieldy yet, for us to say BIMSTEC acronym, but it hasn't really gone anywhere for a long time and India is trying to reinvigorate that. Can you talk a little bit about that and what it's trying to do in the local area?

JAISHANKAR: Sure. I mean, I think, one of the challenges that has come up is that, one has to, sort of, take a step back and, sort of, assess India's role in the broader region. The political and security relationships have actually been progressing quite quickly. Not just with the United States, we had the first two-plus-two dialogue, but with Japan where there are now regular military exercises. There will probably be a logistics agreement signed this year between India and

Japan.

With Australia, with several Southeast Asian countries and India provides quite a bit of technical assistance, military assistance, training, to several Southeast Asian countries now. Diplomatically as well, there has been a much more aggressive engagement. The leaders of all ten Southeast Asian countries came to India this January, for a big India-ASEAN Summit on India's Republic Day, which is, sort of, the national day celebrations. President Moon Jae-in was just in India. Prime Minister Abe does an annual summit with his Indian counterpart.

So, diplomatically and in security terms there has been a good deal of engagement. The area that's been very underwhelming, relatively speaking, is on the economic and trade front. And when I go to Southeast Asia, I mean, something you hear very regularly is, sort of, why isn't India able to step up on economic trade links, where it still punches below its weight in these areas.

There are many reasons for that. Partly it's that the Indian economy is not structured to be a big exporting economy. It's very much services-oriented. It's not as manufacturing-intensive. It is, even within trade, India actually trades much more to its west, with advanced economies and with even the Middle East and also with parts of East Asia and Southeast Asia. There are many reasons for that absence. But, I think, the lack of economic integration is understood. It's just overcoming some of those challenges is proving very difficult. The fact that India's economy is largely private sector-led, makes it even trickier. Indian investors don't want to invest in, sometimes, markets that they are unfamiliar with or that they deem risky.

Now when it comes to institutional cooperation, India had invested quite a lot in, something called SAARC, South Asian Association for Regional Cooperation, which includes India, Pakistan, Afghanistan is now a member, eight South Asian countries. That hasn't really gone

anywhere. It was started in the 1980s. It hasn't really gone anywhere, largely because of differences between India and Pakistan. India has become more integrated with the ASEAN-led institution. So, it's now a member of the East Asia Summit. It's a member of the ASEAN Regional Forum. It's not yet a member of APEC, although the US has periodically backed India's entry in APEC as well.

BIMSTEC has come up. It was started in 1997. It was really a brainchild of the then Thai leader, Thaksin Shinawatra, and his Indian counterpart. And it was a way of, kind of, linking Southeast Asia and India. From India's point of view it includes the right constellation of countries. It's Thailand, Myanmar, Bangladesh, Sri Lanka, Nepal, Bhutan and India. And so, India is by far the largest economy. It does not include China, it does not include Pakistan. And now, even though it was set up in 1997 and it has a Secretariat, it wasn't able, really, to do very much and partly because it decided to apply itself to some 20 different areas of technical cooperation, without necessarily the backing.

What happened was, two years ago, when there was a BRICS Summit in India, India also invited the leaders of all the BIMSTEC countries as well. And basically tried to resurrect the organization. The second such summit was held just about a month ago in Kathmandu and so, again it's an effort of reviving it. They have now seemed to have narrowed down the issues that this organization will work on. So, hopefully this will give it a bit more focus. Security being one of them and the first BIMSTEC military exercise as well, will actually be held this year. But largely this will be on improving connectivity and trade. And the idea, again, is to bridge South Asia, and at least the right countries in South Asia from India's point of view, with parts of Southeast Asia.

DOSHI: Yeah. Just on that point, I had a quick question. I recall -- maybe I saw this in the

news the other day, that Nepal has, sort of, pulled out of the BIMSTEC exercises but its retaining exercises

JAISHANKAR: With China.

DOSHI: -- with China. So, it sort of seems to suggest, if there is any kind of Chinese direction to that or perhaps an agreement between China and Nepal to do something like that or is it entirely something that Nepal has chosen to do for unrelated reason? It's unclear, to me, at least.

JAISHANKAR: Yeah. I am not sure. I don't know the details regarding that particular decision. But I think a few trends are indicative of some of the changes that are taking place. Nepal, unlike a lot of other countries in South Asia, is actually still is very much economically dependent on India. So, almost 90 percent of trade goes through or to India. There is an open border between India and Nepal. Nepalese don't need work permits. It's a more open border than the United States and Canada. There are seven regiments of Nepali soldiers in the Indian Army.

So, it's a much more integrated relationship than, I think, people often appreciate. Right now they have just had elections. They have just transitioned into a democracy and a republic. But the two largest parties are communist parties, and one of them in particular retains very strong ties with Beijing. And so, we see China now playing a much more active political role there. There is talk about now extending railway lines from Tibet into Nepal and also other kinds of major Chinese investments in Nepal, in a manner that we have not seen before.

I still think that a lot of this leads to a great deal of alarmism in India, and the idea that Nepal is now, sort of, a Chinese proxy or something, I think, very much overstates the case just

because there are much closer ties between India and Nepal. But this is indicative of, in some ways, different kinds of growing Chinese influence in South Asia. In places like Sri Lanka, it's taking on primarily an economic aspect. In Nepal, more political. In Bangladesh, it's much more defense-oriented. So, most of Bangladesh's major defense imports come from China.

So, in different ways, we are seeing China playing a much bigger role in South Asia and this is obviously causing a great deal of concern in India. But I do think that there is also a tendency sometimes on the part of the Indian press and commentary, to exaggerate some of this. Overstate the relationships that India does have structurally with many of these countries.

PITA: I do want to turn to the security cooperation front. Dhruva, you had mentioned the cooperation with Japan. I think, India is starting to see some more increased cooperation with South Korea as well. They are also turning to France, talking about relations with them. Can you talk a little bit more about, sort of, how they are viewing the security relationships and, sort of, the growth in that area?

DOSHI: Sure. You know, India has the largest standing Army of any country now, I mean, after China's. It's not necessarily a good thing. China is actually shrinking its military as part of PLA reforms, part of its modernization process. But India does have the largest standing Army in the world. It has a Blue-Water Navy. It's a nuclear-armed power. Much of this has been focused really on defense. And it's only now that India is appreciating the value of defense diplomacy and using some of these tools to improve in, in very concrete terms sometimes, partnerships with a number of other countries.

And this is playing out in terms of information exchanges, both intelligence and strategic assessments. And so, you have high-level dialogues involving the Defense Ministers or other

senior defense officials. It's playing out in terms of exercises and inter-operability, with different militaries in the region. And it's playing out in terms of capacity building efforts. And India is the world's largest arms importer. It actually imports arms from United States, Israel, Russia and France, amongst others.

The key countries for India, I think, are the United States. I think it's increasingly emerging as the most valued defense partner. Russia remains important, particularly, as a defense supplier and it still has over 50 percent of India's defense imports come from Russia. Japan is emerging as another partner. There is a logistics agreement. There is major maritime exercise that's now held a US-Japan-India trilateral maritime exercise called Malabar. Australia, I think, we are seeing -- for the first time we will see Army, Air Force and Navy exercises held over the next year between the two countries.

France actually plays a remarkably underappreciated role in the Indian Ocean. It has territory in Reunion in Southwestern Indian Ocean. It has a base in Djibouti and in Abu Dhabi, as well as in the Pacific, in New Caledonia and all. So, for first time ever, and this may seem like a very odd grouping of countries, but there was a dialogue between France, India and Australia. And again, this will seem, sort of a slightly odd combination of countries. But the three of them actually between them have active maritime operations, that cover a pretty large swathe of the Indian Ocean. France in the Southwest Indian Ocean, India in the center and Australia in the Southeast. And so, it actually makes -- when you think about it in those terms, it actually makes much more sense.

So, with each of these countries, you see India actually deepening its defense relations across these different dimensions like inter-operability, capacity building and information

exchanges. Obviously some are taking or moving much faster than others. But a lot of this is motivated and driven by growing concern about China's activities in the Indian Ocean region, particularly submarine activities. And the concerns, in the near future is, as Rush mentioned that, we may see aircraft carrier groups deployed in the Indian Ocean region.

PITA: Sure. Rush, in 2014, President Xi had started promoting this idea of Asia for the Asians. And particularly it was not only in economic component but also had a security component. I think the line was that, in the final analysis, it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia. Given that, how does that square with their concerns about encirclement and here is, you know, India and other countries in the area starting to see to their own security and how does China view that?

DOSHI: Yeah. I think, that speech at CICA really got a lot of attention. People said that it was a, sort of, major shift in Chinese foreign policy that began with that speech. But there is evidence that China had made similar remarks, actually in preparatory meetings for CICA, four or five years before that 2014 address. It's very rarely discussed and some of those documents are only available to us because they have been leaked.

But there is some evidence that this isn't really a new line and the, sort of, Chinese approach to thinking about regional security architecture. And, in fact, even before this in the 90s and 2000s, the Chinese had put forward a new security concept, which in part, held as one of its planks, a reduction in US alliances and their, sort of, salience within the security architecture.

But, I think, the best way to think about what China wants out of the regional security architecture is to just read their own white paper. In 2017, China put out a white paper on that very topic and in, sort of, buried within it, is an interesting line about different paths to Asia's

regional security architecture. And they, sort of, note explicitly that one path could be ASEAN-led and typically we have always talked about the importance of ASEAN's neutrality or whether that should be dismissed or whether a certain power is adhering or not adhering to that principle. So, that's a fairly well known path. And indeed ASEAN has been at the center of a lot of multilateral efforts.

A second path is, sort of, an alliance-led path. And that's the US with its hub and spokes model, increasingly putting a tire around those spokes, so those spokes are in dialogue with each other. Some of that is implicit in what Dhruva was mentioning earlier was, sort of, the plurilateral, multilateral explosion within Asia, especially with respect to security cooperation. And the third model, they didn't quite put it like this, but was organizations like the SCO, which you could think of that as a, sort of, China-led path.

And the China-led path, it's not getting as much attention within Beijing or even outside of Beijing. In other words, there is only so much they can do to, sort of, foist that concept on others. But there is only so much they can do and whatever they can do they are, sort of, doing. And on the one hand if you think about CICA, what makes that institution unique is that it doesn't include the US and it doesn't include Japan and ASEAN isn't central to it. So, if you wanted to take an organization and elevate it, it's a good candidate.

China offered to lead it well before 2014, as early as 2012. It was approved when they inherited the leadership, they sort of pushed more than any other leader had for institutionalizing it. And at that very speech you mentioned in 2014, their security concept didn't just call for, sort of an Asia for Asians but parts of it were explicitly anti-alliance, suggesting maybe a long-term agenda is to stigmatize to some degree, US security cooperation with its allies.

Now, that's hard to do today but as we saw with South Korea, it's a long-term goal that you can eventually get to. And even in Malaysia today when Mahathir was criticizing, the Malaysian leader was criticizing China, there were some opposition parties that were saying to him, well, you really shouldn't do this because, you know, we saw what they did to South Korea. And if that's implicitly there on rhetoric, you can imagine it could easily be applied to behavior, including security behavior.

So, I think that the regional architecture in Asia is very much still being negotiated. And the idea that you would elevate an organization that doesn't include your rivals, isn't unique to China. To some degree, BIMSTEC is about that as well. As Dhruva mentioned, you know, BIMSTEC was founded, in part, by the Thais, just like CICA was by the Kazakhs. But in the end, what made both organizations unique to the parties that elevated them was it didn't have their rivals. BIMSTEC, I don't think has Pakistan or China and, of course, CICA doesn't have Japan and the US.

So, this kind of competitive regionalism will probably intensify. And what does that mean to the US, very quickly. I think the US should be involved wherever it can, when it comes institutions, wherever decisions are being made about the future of Asia, the US should try to get a seat at the table. And it also applies to China and India. Nobody wants to be left out of a club.

PITA: Dhruva, can you talk a little bit -- I was wondering, when I had read this line, whether there had been a resonance of that idea with other countries around Southeast Asia and East Asia. Like, yes, yes we still need Japan and South Korea and probably still welcome in the US nuclear umbrella and everything. But did other people view that as great, yes Asia for the Asians, we should be strengthening our economic and security ties. Or would they be more looking at [scans] of China, and go yell, like, we know what you are talking about when you are talking that Asians

should be promoting our own security area?

JAISHANKAR: I haven't seen too much evidence that that has a lot of takers. For a few reasons and a few very seemingly odd reasons. So, one is, I think, there is an appreciation of the US alliance amongst US allies. Not just Japan and South Korea, which are the most obvious examples. And I think those have been reinforced. But, I think, just the very possibility with Donald Trump's election as President and there were, you know, open questions about these alliances. I think, a lot of people realized that maybe, you know, maybe it's not such a bad thing after all that the US is there.

So, you did see, for example, Japan, you know, Prime Minister Abe make an effort to try and ensure that there was no rupture or any kind of further doubts cast on the alliance. In fact, I think, the military to military contacts have actually become much stronger in the last year or two between the US and Japan. In countries like The Philippines, which have been on the fence on a lot of issues, on the one hand while you have President Duterte criticizing the US quite frequently, when there was this incident in Marawi in the south, when the town became overrun by ISIS-affiliated groups, the Philippines got assistance from both China and the United States, including US Special Forces, which actually helped in retaking the town.

Other countries in Southeast Asia that are not allies are worried about such groups undercutting ASEAN's neutrality. I think that that's still an article of faith amongst many. And then for countries like India and Australia, which are sometimes seen as on the periphery of Asian institutions, I don't think they are comfortable with the idea also of an Asia for Asians. There is also slightly odd, sort of, historical backdrop to it, which is, that was in some ways a rallying cry of Japan before World War II. And again, in some countries more than others, that carries a slightly

negative historical resonance.

So, for all of these reasons -- I would add one more, which is I think looking at Chinese behavior in the South China Sea, particularly in the aftermath of the arbitration in 2016 that went very much against China and that we subsequently see in the militarization of some of those islands. So, I think, if you look at all of these factors, and again, some of them apply more of some countries than others, I think there is a growing skepticism if anything of the value of Asia for Asians.

The one area, I think, where this may play out a little bit is in trade negotiations, specifically the Regional Comprehensive Economic Partnership, which is a trade agreement that will include the United States but would include countries like Australia, New Zealand, India and China, Japan, South Korea and ASEAN and that may be concluded by the end of this year. And so, that's one area which you will just a little bit of that rhetoric crop up.

PITA: Okay. While we are on the point of the US and security arrangements, I should ask about the two-plus-two and with their Secretaries of Defense and State, came over to India to meet their counterparts. Can you a little bit about the outcomes from that meeting?

JAISHANKAR: This is the plus two-plus-two dialogue that the US and India have had. This is a cabinet-level meeting between the Foreign and Defense Ministers and their counterparts. So, General Mattis, the Secretary of Defense and Mike Pompeo, Secretary of State, went to India on September 6th for the first meeting. This is a format that the US has with Japan and Australia, amongst other countries. And it represents, I think, the highest level institutionalized strategic conversations now that are taking place between the US and India. So, in that sense, I mean, simply the fact that it happened, I think, it's quite significant.

In terms of some of the takeaways, the most important thing was Communication Security Agreement was concluded. This has been almost over a decade in negotiation. This would help to secure communications between military platforms between the two sides. They have announced the first tri-service exercises between the two countries. And for India that's a big deal because the Army, Air Force and Navy are very separate institutionally. So, it will represent only the second time that India has done a tri-service exercise with another country. They did one with Russia recently.

There are a number of other takeaways from it. But I would say those are some of the most important ones. And amongst other things, I mean, the statement released by the Cabinet officials on Afghanistan, on North Korea, on a number issues, represented quite a clear alignment of interest. Of course, there are important differences, including on Russia, on Iran, on trade and to some degree on Pakistan still as well. But overall, I think that what it did was reinforce how much this is a deepening security partnership between the US and India.

PITA: One other, sort of, news item question was that, as China is looking to expand its relationships with many of the other countries in this area, Indonesia, Malaysia -- it's always had good relations with Pakistan. But are any of these other countries -- Bangladesh too -- which are predominantly Muslim, has there been any blowback given China's increasing surveillance and/or oppression of its Uighur Muslim population?

DOSHI: Yes. So, it's interesting. There hasn't been as much as you would, sort of, hope given the severity of the problem there. But recently in the news we saw that in Malaysia, I think, Anwar Ibrahim had criticized China for its policies in Xinjiang and he had suggested that, the reason others aren't criticizing more is that perhaps they are concerned about the economic

leverage that China has.

So, going back to Dhruva's point about, there aren't that many takers for an Asia for the Asians, but in some ways it doesn't matter if people fully endorse the norm, if the economic leverage, and perhaps even the military leverage is behind scenes. It can still shape different behaviors in different states. An important component of that is, sort of, self-censoring, including on this topic, which we see to some degree, but other topics across the world. And so, just in the way that -- Anwar Ibrahim anyway, who may eventually succeed Mahathir as the leader of Malaysia at some point, the fact that he has brought this issue up is really quite surprising. It's just not happening much in the region and maybe it will create space for others to do the same. We will have to see. It's all very fresh right now that -- that specific pushback.

PITA: So, we are running long on time. So, I just want to wrap us up with one last, sort of, really big picture question. From the western perspective, the last couple of years, we have been talking a lot about how removing from a period of the post-war institution building that came after World War II, and then the expanding of multilateral cooperation in the decades after, to return to the great power competition that really characterized the late 19th and the early 20th centuries. And I am wondering if both of you can weigh in on whether this picture is the same in East Asia and South Asia or how they would characterize, sort of, the regional and global power dynamics, if they had to give it a big framework identity like that?

JAISHANKAR: I happen to have some rather strong views on this. You know, I think one is a lot of this in the US at least is shaping up to a debate on the liberal international order. And many of our Brookings colleagues have weighed in on that debate including Bob Kagan, Tom Wright, many others have weighed in very thoughtfully on this. I come on this on from a slightly

different perspective, which is I think -- this is somewhat reflective of many Indian views on this. Which is, I think, there is a little bit of Panglossian, sort of, nostalgia when thinking about the past liberal international order.

And from much of it really applied to Western Europe, and to a lesser degree to Japan, which were areas that US allies that economically prospered in the post-World War II period, that democratized. For much of the rest of the world, it wasn't really that rosy. You did have this very strong great power competition between the Soviet Union and the US. And that played out quite violently in much of the rest of the world, including in South Asia, in Africa, Sub-Saharan Africa and in the Middle East and Latin America, Southeast Asia and elsewhere.

So, I think, there is a tendency sometimes from American liberals and the real internationalists to fall back on a slightly idealized view of this past, which overlooks, I think, the severity of some of that great power competition. At the same time, some of the criticism being leveled overlooks, I think, some of the remarkable trends that have taken place in the post-Cold War period, where you have really seen democracy take root in Southeast Asia and parts of South Asia. For the first time you have elected governments in all South Asian countries. This has never been true in the past. Less so, in the Middle East and parts of Africa and all of Latin America largely or most of Latin America.

And so, for much of the rest of the world, really that phase of democratization took place in the post-Cold War period. At the same time, I think it is -- many people would say, quite cynically, that great power rivalries never went away. That Russia was bound to bounce back in some way, shape or form. That the 90s were an aberration, and from the point of view of many Russians, an embarrassing period in their history. China's rise would lead to a certain degree of

security competition with the United States and these tensions would arise.

And there were periodic reminders of this, whether it was, you know, after Tiananmen Square, the Taiwan Straits Crises in the mid-1990s, the Hainan incident. And so, there were always these echoes of it. And in some ways, many people would deem it somewhat naïve that people thought the great power competition was going to completely dissipate. So, that's how I could come out on that question.

PITA: Okay.

DOSHI: Yeah. It is an important question. It's a big question. It's a very abstract question. And a lot of it can be, sort of, lost in the broad analytical brushstrokes with which these debates unfold. I would simply say that, I agree that the liberal international order is, almost by definition, idealized. But on the other hand in defense of some aspects of American hegemony, I would say that, you look at the end of the Second World War and you look at the concentration of power that the United States held, the nuclear weapon, its cities were unblemished and totally fine, industrial production was huge. And GDP, you know, as a percentage of the world, it was 50 percent, if not more. Maybe even as high as 60, depending on how you count it.

And very few countries with that kind of power over any sort of part of the world -- no country has had that over the globe but -- or any sort of part of the world, have exercised it responsibly. And so, I think, that the idea that some of it should be institutionalized through multilateral norms institutions. In many ways, people say that external orders are a reflection of your internal ones to some degree. The US, sort of, externalized what it knew best. The Nuremberg Trials to try Germany, were sort of inspired by the US judicial system and, sort of, the importance of the rule of law.

And so, the bottom line is that -- for this point anyway, that there is a lot to, sort of, value in that order. Now, the question whether great power competition ever ended or to what it degree it existed in the past is an important one. Of course, this bipolar order meant that you had great powers competing. But, I think, after the collapse of the Soviet Union you did have a period where great power competition hadn't ended but it was temporarily perceived, perhaps wrongly, to be on hold.

Certainly, right after the collapse of the Soviet Union, Russia starts moving towards China. They have meetings on the importance of multi-polarity and other countries are still kind of wary about the United States but very few had the capability to do much about it. I think, the Chinese, kind of, had the model of this few -- this time in world history, correct when they said, sort of, there is one superpower and many great powers. And that, sort of, did put a damper on great power competition. And Chinese were right, they were always looking to see to what degree other great powers were resisting the United States.

So, I sort of would share the view that, the liberal international order had quite a bit of good. That great power competition wasn't necessarily as strident in the last 20 or 30 years. And that it's going to get far more strident going forward. And on that point I would simply say that, you know, the United States' relative power has declined a bit. Other countries have greater capabilities.

And what are we seeing them do? We are seeing them -- and this actually ties back to how you began the conversation to some degree, so hopefully this is a nice way to partially end it. We are seeing these states rise and want to shape their regions. Want to shape the world, right? As they have more power, they have an interest in, sort of, reshaping their neighborhoods. And so,

one arena in which great power competition is going to play out is, to degree to which these regional orders in East Asia, South Asia, Eastern Europe, perhaps the Middle East, sort of, collide with a global order that was intended to be more universal. So, as countries stress their geographic prerogatives in these parts of the world, what does that do to, sort of, liberal values?

So, I think, that bottom line is, yeah, great power competition is, to some degree, back and we haven't really prepared for it in a long time. So, you are seeing an attempt to, sort of, grapple what that means for US policy going forward, a rediscovery of some of Cold War tools, a rediscovery of the Anglo-German rivalry and periods of, you know, multi-plurality Europe. And then in the long-term, I think, those analytical lenses will be quite useful.

PITA: All right. Well, thank you very much for tackling that and for the whole conversation today. I would remind our listeners, we will link to other writings from the both of you, as well as, the materials from an event that we had today about India's Foreign Policy, in the show notes, as always. And that they can follow you both on Twitter. We will also have links too. And if you can follow the Brookings Podcast Network @policypodcasts for more great content. Dhruva and Rush, thank you very much.

JAISHANKAR: Thank you.

DOSHI: Thanks so much.