



DIALOGUE

MARCH 1-3, 2016

# Conference Report 2016



सत्यमेव जयते

MINISTRY OF EXTERNAL AFFAIRS  
Government of India





D I A L O G U E

MARCH 1-3, 2016

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Design: **Anil Ahuja** (anilahuja17@gmail.com) [www.texpex.com](http://www.texpex.com)

Layouts: **Puja Ahuja** (puja.ahuja@gmail.com)

Typesetting: **Tanay Jain**

Copy Editing: **Udita Chaturvedi**

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**MINISTRY OF EXTERNAL AFFAIRS**  
Government of India

**ORF** OBSERVER  
RESEARCH  
FOUNDATION



**T**HE Raisina Dialogue is India's flagship conference engaging with geopolitics and geo-economics. It is designed to explore and examine the prospects and opportunities for Asian integration as well as Asia's integration with the larger world. It is predicated on India's vital role in the Indian Ocean Region and how India along with its partners in the region and beyond can build a stable and prosperous world order.

The focus of the 2016 conclave was on Asia's physical, economic, human and digital connectivity and attempted to discover opportunities and challenges for the region to manage its common spaces, as well as the global partnerships needed to develop common pathways in this century.

This conference was structured as a multi-stakeholder, cross-sectoral conclave involving policy and decision-makers, including cabinet ministers from various governments, high-level government officials and policy practitioners, leading personalities from business and industry, and members of the strategic community, media and academia.

The inaugural dialogue was hosted from March 1st to 3rd this year in New Delhi and witnessed participation of more than 100 speakers from over 35 countries.

ORGANISING PARTNERS



MINISTRY OF EXTERNAL AFFAIRS  
Government of India



## Contents

Outcome Statement	5
Inaugural Address by <b>Smt Sushma Swaraj</b>	10
Agenda	15
Inaugural Panel	19
Session1 <b>Whither European Union?</b>	23
Session II <b>Connecting a Continent: An Asian Union</b>	27
Session III <b>Competing Globalisation: Managing Economic &amp; Trade Regimes in Asia</b>	30
Inaugural Address by <b>Mr Hamid Karzai</b> , Former President of Afghanistan	33
Session-IV <b>Asia's Strategic Order</b>	39
Session V <b>A Line in Water: Underwriting Asian Security</b>	43
Inaugural Address by <b>Mr Abul Hassan Mahmood Ali</b> , Minister of Foreign Affairs, Bangladesh	45
Keynote Addresses	50
SessionVI <b>India's Strategic Posture and Possibilities for Partnering with Key Liberal Democracies</b>	54
SessionVII <b>Waters of Asia</b>	57
SessionVIII <b>DiplomaShe: Gender, Policy and Politics</b>	64
Session-IX <b>Securing Digital Asia: Threats &amp; Opportunities for a Smart Realm</b>	67
Inaugural Address by <b>Ms Chandrika Bandaranaike Kumaratunga</b> , Former President of Sri Lanka	70
Session-X <b>Light on Asia: The Future of Energy</b>	75
Session-XI <b>South by South-West: The Threat in Neighbourhood</b>	78
Keynote Address by <b>Mr James Mancham</b> , Former President of Seychelles	81
Session-XII <b>Asia@Africa</b>	84
Session-XIII <b>Pathways: The New Development Landscape</b>	87
Session-XIV <b>Challenges &amp; Opportunities for Regional Cooperation on Border Management</b>	90
Director's Message	93



## ORGANISERS

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# Outcome Statement



## **OUTCOME STATEMENT: RAISINA DIALOGUE 2016**

The inaugural edition of the Raisina Dialogue saw the participation of over 120 delegates from close to 40 countries.

The interest in and discussion on issues broadly related to the advance and security of “Asian Connectivity” – the theme of the conference – helped focus attention on key challenges of our age, and also provide a uniquely Indian-owned platform for conversations on issues that have resonance across the continent, as well as globally.

The conference agenda was carefully constructed to explore various elements that would allow us to respond to the central impulse: investigating and discussing, critically, the importance, buy-in and enthusiasm for the project to connect Asia and Asia’s peoples.

The second purpose was to understand and respond to the bigger questions on various, sometimes parallel and sometimes intersecting, projects that are today under-

way and attempting to integrate Asia. There are efforts being driven out of Beijing, India’s own project in its South Asian neighbourhood, traditional linkages in West Asia, new projects that are underway in Central Asia and Eurasia, and trade compact negotiations in South East Asia and Asia-Pacific. The motivation was to try and posit India’s interests in this larger framework and draw global attention to India’s role in these endeavours.

Based on the conversations at the Raisina Dialogue, the keynote speeches and panel discussions, the sense of the house is captured as under:

1. From the inaugural session itself it was apparent that connectivity and infrastructure linkages in South Asia and beyond are desired by all stakeholders. These are seen as a political and economic necessity by all stakeholders. It was also emphasised that political differences, often bilateral ones, are preventing this




Countries would be advised to refrain from running political agendas on economic projects as an era of multipolarity is here to stay. The Asian challenge, therefore, is to keep the corridors of trade free from the cargo of politics.

from happening. Therefore, the central question remained: how could political cleavages be bypassed or overcome in order to create robust economic and trade linkages? The emphasis was on pursuing ambitious projects on these aspects with the largest group of countries invested in this idea.

2. Many of these projects have embedded political objectives as well. It was suggested that these political objectives detract from the importance of connectivity. Countries would be advised to refrain from running political agendas on economic projects as an era of multipolarity is here to stay. The Asian challenge, therefore, is to keep the corridors of trade free from the cargo of politics.
3. Besides political and ideological differences, the second challenge to the Asian project comes from religious extremism, terrorism and state spon-





sorship of terror. In many ways the very use of terror is an expression of being against the idea of connectivity and globalisation. The phenomenon of terror creates rigid borders, and makes flows of peoples, goods and services, of value and wealth, prone to suspicion. Terrorism is a driving factor in countries deciding to partake in minimal globalisation. India's western neighbourhood has seen this phenomenon on an immeasurable scale; in many ways the sense of the house was to encourage and impose responsible state behaviour in managing the phenomenon of terrorism.

4. The digital realm is the fastest Business to Business (B2B), Government to Government (G2G) and People to People (P2P) bridge under construction. There was consensus that Asia would be well advised to use this opportunity to create a virtual/digital Asia that could overcome brick-and-mortar challenges of connecting the real world. To this effect, there must be an earnest conversation within the continent and other stakeholders working in and with Asia on issues like cyber security, internet governance, access to technology, and other digital posers that can catalyse the emergence of this new Asia in the cyber realm.
5. A multipolar Asia is most acutely felt in its waters. The challenge for Asia that emerged strongly from the conversations

at the dialogue remained one pertaining to arrangements: which one will manage the maritime commons in Asia? Will it be a single country, or a set of countries or institutions that will be tasked with providing common security and preserving the sea lanes of communication, as well as ensuring that trade and economic linkages are not disrupted on the high seas? It was also clear that the political and ideological differences mentioned previously were most visible and acute in Asia's waters. Asia's maritime story has the potential to become one of contests and conflicts. Alternatively, if it gets its act right in creating a liberal and democratic institutional framework, there could be great opportunity for many countries now undergoing long-term periods of social and economic transformation.

6. Connecting Asia is as much about empowering people and providing access to energy as it is about creating concrete roads and tunnels, ports and railroads and related infrastructure. The availability of energy is a prerequisite for Asia's emergence as a viable unit. In turn, it is predicated on Asia's billions being able to access modern and sustainable commercial energy. Asia will be the largest contributor to progressive, 21st century compatible clean energy in the global energy basket. The political leadership in Asia will need to discover ways so that the

bottom of the pyramid, with its teeming millions, is allowed access to affordable energy. A mix of gas, coal, nuclear and renewables will need to be found, a mix that is both responsive to the planet and to its people.

7. Half the Asian sky is held up by women. One of the central themes of the Raisina Dialogue was to bring women to the forefront in the next stage of global interconnectedness. This could be achieved by empowering women, making them co-owners of the economic process and development trajectories and infrastructure pathways. Aside from special

sessions on such themes, the conference was marked by its abolition of all-male panels. Women were both a focus of the Raisina Dialogue and as well as contributors to its design and deliberations.

Post a successful inaugural Dialogue, it is these debates and more that we wish to explore further at the Raisina Dialogue 2017 – with their implications for politics and security, trade and economic development, the internet and the digital domain, the seas and the maritime domain, and, most of all, for the aspirations of all human beings, in India, Asia and across the world.



*“The world around us is changing in fundamental ways. And, the lack of comprehensive connectivity is not the only challenge that limits our national growth.”*

*“Global institutions conceived in 20th century, seem unable to cope with new challenges or take on new responsibilities.”*

*“Given the scale and complexity of modern day challenges, the international maritime stability cannot be the preserve of a single nation.”*

—Shri Narendra Modi, HON. PRIME MINISTER OF INDIA



## Inaugural Address

by Smt Sushma Swaraj

*“Ladies and Gentlemen,*

*It is a great pleasure to welcome you all today to the inaugural session of the Raisina Dialogue. This is a new initiative taken jointly by the Ministry of External Affairs and the Observer Research Foundation. It is meant to create an international platform in India for policymakers and strategic thinkers to deliberate on the key issues of the day. In time, it is our hope that this dialogue would progress to become an important event in the calendar of diplomatic practitioners and analysts.*

*The Raisina Dialogue has a context. It is now 20 months since our Government was voted in with a decisive mandate. Obviously, the desire for change reflected the aspirations of a large section of the electorate, especially the youth. Part of that was the expectation that India can and should raise its international profile. This connection is also visible in our endeavour since coming into office to leverage our diplomatic influence to accelerate development at home. Our successes in doing so have helped send the message that India's growth can be the world's opportunity.*

*Since May 2014, we have brought a new sense of purpose to our foreign policy. By finding common ground and creating practical outcomes, we have earned a reputation of a constructive player in the global arena. There is a widespread impression that today, a decisive, energetic and action oriented leadership is in charge in India. As a consequence, India has become a natural participant in most important global conversations. It is but appropriate that this is also reflected now in a regular conclave in India that extends to think-tanks and analysts.*

*The theme for this dialogue this year is ‘Asian Connectivity’. This is timely for a number of reasons. Connectivity today is central to the globalisation process. It*

*is, of course, particularly important for Asia's growth and development. Indeed, the past many decades have witnessed the restoration and modernisation of connectivity as an integral element of the continent's revival. Where India itself is concerned, whether it is domestic, external or regional, connectivity will determine how we meet our promise of growth, employment and prosperity. Both literally and metaphorically, it is an enabler of 'Sabka Saath, Sabka Vikas.'*

*In the contemporary world, connectivity has very diverse manifestations. Given the nature of the development process, it should come as no surprise that we are addressing a broad spectrum of challenges at different levels of complexity, all at the same time. Some are within the country, others just beyond our borders and the rest in the global commons. We are simultaneously seeking to overcome basic problems of physical connectivity, even as we endeavour to leapfrog and strengthen the digital one. Economic activities, while an outcome of connectivity, themselves form a bond between and within nations. They require a secure enabling environment which usually results in the multiplication of contacts. Migration for employment, a longstanding practice that has acquired special significance in a more globalised economy, cannot be left out of any conversation on connectivity. The global commons, whether on the seas or in space, also offer their own specific challenges as they do their solutions.*

*The intangible can be just as important, especially if we note how strong our bonds of cultural connectivity are with so many other nations. We are also increasingly aware that connectivity is as much a driver of relationships as its outcome. Indeed, the rivalry for influence among nations today is often expressed in terms of their competition in infrastructure connectivity. Not surprisingly, many major initiatives underway, especially in Asia, focus on this very aspect. So too have the creation and expansion of institutions, including in the financial sector.*

*While resources and capabilities drive the pace of connectivity, policy choices can be a critical factor. Even in South Asia, we have seen that good neighbourly ties can have a strong beneficial effect on building road and rail connections, opening*

*waterways or supplying energy. The desire to cooperate has spawned institutions, bodies and groupings in different regions. SAARC, as you all know, is our local example and one where we are still striving to realise its full potential. But no one can deny*



*"We are simultaneously seeking to overcome basic problems of physical connectivity, even as we endeavour to leapfrog and strengthen the digital one."*

*that our openness to each other is an important consequence of this intent. But there is also the other side to consider. Political insecurity can block traffic even on roads that exist. It can prevent the exploitation of natural complementarities. As a result, demand and supply are often kept apart, mostly at the cost of the concerned populations. At times, we have creatively worked on sub-regional combinations like BBIN so that the momentum of cooperation does not slow down. But at the end of the day, it remains our conviction that the logic of larger regional cooperation will prevail over vested interests that block it.*

*Another aspect that you will surely deliberate upon is the threat of disruption in connectivity. In its most radical form, this emanates from the spread of terrorism, which has mutated to keep pace with the march of technology. As a result, we confront the spectre of cyber attacks even as we struggle with violence inspired by medieval beliefs. Use or threat of use of force by nations in territorial disputes is another source of concern. Dissuasion and diplomacy are part of the answers in such situations. Sometimes, nature itself can be the source of problems, more than even conflicts. The importance of providing humanitarian assistance and disaster relief is increasingly appreciated as a result. We saw that last year in both Yemen and Nepal, one man-made and the other natural. The security of connectivity in its various forms thus emerges as central to the maintenance of global order. The role of net security providers in different regions is also a natural corollary.*

*In India, we are responding to these opportunities and challenges in a variety of ways. Key flagship development programmes are addressing the domestic side, among them the Make in India, Digital India, Smart Cities, Skill India and Namami Gange initiatives. A unified national market is an important priority and we are investing massively in rail and road connectivity. Special emphasis is being given to connecting our frontier regions. Similarly, the development of ports is good not only for the Indian economy but to the larger region as well. Transit agreements that take advantage of neighbouring connectivity have become a regular outcome in our*

*diplomacy. Our international outreach is aimed at attracting resources, technologies and best practices to make these initiatives succeed. The involvement of our State Governments through cooperative federalism has added new dimensions to this effort. In terms of the cultural connect, the further*



“The security of connectivity in its various forms thus emerges as central to the maintenance of global order. The role of net security providers in different regions is also a natural corollary.”





“Beyond our borders, a ‘Neighbourhood First’ policy that began with the very inauguration of our Government underlines a strong commitment to connectivity, commerce and contacts with the larger region.”

*strengthening of links to the diaspora has been accompanied by a larger endeavour to project Indian heritage globally. The International Day of Yoga is a good example.*

*Beyond our borders, a ‘Neighbourhood First’ policy that began with the very inauguration of our Government underlines a strong commitment to*

*connectivity, commerce and contacts with the larger region. With many of our neighbours, the last year and a half has seen visible enhancement of cooperative ties. With Bangladesh, Foreign Minister Mahmood Ali will tell you that a range of new initiatives in rail, road, border crossings, waterways, coastal shipping and energy have built on the settlement of the land and maritime boundary. With Bhutan, our longstanding energy cooperation has reached much higher levels with the acceleration in ongoing projects. Similarly, a new sense of urgency pervades three major projects that would make our connection to South East Asia a reality – the Trilateral Highway, the Kaladan Multimodal project and the Rih-Tedim road.*

*In Nepal, we are deeply involved in the post-earthquake reconstruction efforts and the recent Prime Ministerial visit saw a renewed commitment to building the Terai roads as also the inauguration of a new transmission line. In Sri Lanka, as President Chandrika Kumaratunga would also confirm, our footprint extends from the rebuilding of railway lines to the clearing of ports and construction of power plants. As for Afghanistan, probably President Karzai knows more than all of us the significance of the Zaranj-Delaram road, Pul-e-Khumri transmission line or Salma dam.*

*Looking beyond, our efforts to work with Iran on the Chabahar Port are getting underway. Perhaps less well known are other initiatives under discussion to cooperate with Iran as a transit corridor to Central Asia and Russia. India’s connectivity horizons, earlier limited from Singapore to the Gulf, now expand well beyond as its economic capabilities and interests grow.*

*The vast sea space to our south means that connectivity is as much maritime as it is territorial. The oceans around India and the associated blue economy link security and prosperity as strongly in the maritime domain as they do in other spheres. Our vision was articulated by the Prime Minister as SAGAR: Security and Growth for All in the Region. It is a commitment to safe, secure, stable and shared*



“The oceans around India and the associated blue economy link security and prosperity as strongly in the maritime domain as they do in other spheres.”

*maritime space. We have focused on capacity building bilaterally and strengthening regional mechanisms to that end. President Mancham would testify that in Seychelles, for example, our partnership is today reflected in coastal surveillance, offshore patrolling, improvement of logistics and expanded hydrography. Meeting traditional and non-traditional threats, contributing to a climate of trust and transparency, ensuring respect for international maritime rules and norms, resolving maritime disputes without threat or use of force – these are all different aspects of promoting connectivity in this domain. India preaches what it practices and the agreement with Bangladesh on our maritime boundary should stand out as an example to others.*

*Cyber connectivity is of growing importance in an increasingly digital world. It is connected to the question of how the contemporary global order should be governed and regulated so that it remains a free medium but yet allows Governments to protect their citizens. India has supported a multi-stakeholder approach aimed at preserving a free and integrated internet, but has also asked for a more democratic distribution of critical internet infrastructure and for closer international cooperation on cyber security and cyber crime to build trust and stability among the various stakeholders.*

*In essence, connectivity is not just key to India’s development ambitions but an important and integral aspect of its vision for international cooperation. It will drive our interests and relationships in Asia and beyond. We bring to bear a cooperative rather than unilateral approach and believe that creating an environment of trust and confidence is the prerequisite for a more inter-connected world. This is in our DNA; after all, we are the inheritors of two powerful connectivity legacies—the message of Buddha and the Spice Route.*

*Let me conclude by wishing you all very productive deliberations over the next two days and expressing my appreciation to the organisers of the Conference.*

*Thank you.”*



# Agenda

# AG

**T**HE 2016 Raisina Dialogue focused on Asia's physical, economic, human and digital connectivity and attempted to discover opportunities and challenges for the region to manage its common spaces, as well as the global partnerships needed to develop common pathways in this century.

The Dialogue saw the participation of over 120 delegates from close to 40 countries. The interest in and discussion on issues broadly related to the advance and

security of "Asian Connectivity"—the theme of the conference.

Recognising the importance of a platform such as the Raisina Dialogue for New Delhi, five Government of India ministers addressed and participated in the conference. Important powers, such as the United States, China, Britain, European Union countries and Australia, sent large delegations. A substantial participation from African countries added to the lustre of the Dialogue.

DAY-1: Tuesday, March 1, 2016	
18.00 – 19.30	<p><b>Inaugural Panel</b>  <b>Sunjoy Joshi</b>, <i>Director, Observer Research Foundation, India</i>  <b>Chandrika Bandaranaike Kumaratunga</b>, <i>Former President, Sri Lanka</i>  <b>Hamid Karzai</b>, <i>Former President, Afghanistan</i>  <b>James Mancham</b>, <i>Former President, Seychelles</i>  <b>Abul Hassan Mahmood Ali</b>, <i>Minister of Foreign Affairs, Bangladesh</i>  <b>Sushma Swaraj</b>, <i>Minister of External Affairs, India</i>  <b>Ashok Malik</b>, <i>Distinguished Fellow, Observer Research Foundation, India</i>  Moderator: <b>Samir Saran</b>, <i>Vice President, Observer Research Foundation, India</i></p>
19.30 – 21.00	<p><b>Welcome Dinner</b>  hosted by Ministry of External Affairs, Government of India</p>

<b>DAY-2: Wednesday, March 2, 2016</b>	
08.30-09.30	Breakfast Panel: <b>Whither European Union?</b>
09.45-10.15	<b>Keynote Address</b> by <b>Li Zhaoxing</b> , Former Foreign Minister, China
10.15-11.00	<b>Keynote Address and Q &amp; A</b> by <b>Dr. S. Jaishankar</b> , Foreign Secretary, Ministry of External Affairs, India
11.00-12.00	Plenary Session 1: <b>Connecting a Continent: An Asian Union</b>
12.15-13.15	Breakout Session 1  Group 1: <b>Competing Globalisations: Managing Economic &amp; Trade Regimes in Asia</b>  Group 2: <b>Asia's Strategic Order</b>
14.15 – 14.45	<b>Keynote Address and Q &amp; A</b> by <b>Admiral Harry B. Harris, Jr</b> , US Pacific Command, USA
14.45 – 15.45	Plenary Session 2 <b>A Line in the Water: Underwriting Asian Security</b>
16.00 - 17.00	Plenary Session 3 <b>India's Strategic Posture and possibilities for Partnership with Key Liberal Democracies</b> This panel explored how liberal democracies perceive India's foreign policy on key issues such as terrorism, security in the Indian Ocean Region, cyber-security and internet governance, humanitarian assistance and disaster relief, the situation in the Middle East, and India's regional role. The panel deliberated how India manages the contradiction of being a BRICS leader and member of SCO, while maintaining its leadership as a liberal democracy
17.00 – 17:20	<b>Keynote Address and Q &amp; A</b> by <b>Yasumasa Nagamine</b> , Deputy Minister for Foreign Affairs, Japan
19.00 – 19:10	Launch of ORF Publications on <b>Waters of Asia</b> by <b>Jakob von Weizsäcker</b> , Member of the European Parliament, Germany
19.10 – 20.10	Plenary Session 4 <b>Waters of Asia</b> This panel explored the potential for a sustainable hydro-economy in a region dependent heavily on the Himalayan water system; transnational development of river basins; implications for energy corridors and international waterways; and prospects of riverside communities finding avenues for water sharing.
20.20 – 21.40	Dinner

<b>DAY-3: Thursday, March 3, 2016</b>	
08.30-09.30	Breakfast Panel <b>DiplomaShe: Gender, Policy and Politics</b> This panel explored women in the workplace, particularly in the fields of politics, development and foreign policy. It discussed the challenges to and benefits of greater gender balance in these fields across Asia.
09.30 – 10.15	Conference Registration
10.15 – 11.00	<b>Keynote Address and Q &amp; A</b> by <b>Ravi Shankar Prasad</b> , Union Minister, Communications and Information Technology, Government of India
11.00 – 12.00	Plenary Session 5 <b>Securing Digital Asia: Threats &amp; Opportunities for a Smart Realm</b> This panel explored the trends shaping cyber policy planning in the Asia-Pacific, a focal region in the creation, evolution and maturation of cyber norms; debated obstacles and opportunities that lie ahead for companies and businesses; and advanced measures to strengthen protection of critical and commercial information structures.

<b>DAY-3: Thursday, March 3, 2016</b>	
12.00 – 12:15	Tea/Coffee
12.15 – 13.30	Plenary Session 6 <b>Light of Asia: The Future of Energy</b> This panel explored conventional energy issues—geopolitics of oil and gas; the necessity of fossil fuels—as well as ‘newer’ questions such as prospects of renewable energy in the Asian energy basket and nuclear as a baseload source. What partnerships can be developed to provide energy to the next billion.
13.30 – 13.45	<b>Keynote Address</b> by <b>Piyush Goyal</b> , Minister of State with Independent Charge for Power, Coal, New and Renewable Energy in the Government of India
13.45 – 14.30	Lunch
14.30 – 15.30	Plenary Session 7 <b>South by South-West: The Threat in the Neighbourhood</b> This panel explored asymmetrical and sub-conventional security threats from state and non-state actors that threaten to undermine Asia’s efforts to integrate its economies and societies. It discussed possible responses by key actors in Asia and sub-regional groupings to manage and contain such toxic contemporary developments.
15.30 – 15.45	Tea/Coffee
15.45 – 16.45	Breakout Session 2 Group 1 – <b>Asia@Africa</b> This session debated how Asian economies, particularly India, can build mutually beneficial and complementary partnerships with Africa for development and security, particularly in human capacity building, technology, energy, health and policy convergence in global governance institutions. Group 2 – <b>Pathways: The New Development Landscape</b> This session deliberated the opportunities and challenges that alternative forms of development cooperation hold for the implementation of the sustainable development goals in Asia, with a particular focus on issues of inequality, energy, health and gender.
16:45 – 17:15	Tea/Coffee
17:15 – 17:30	<b>Keynote Address</b> by <b>Suresh Prabhu</b> , Union Minister, Railways, Government of India
19.00 – 19.45	Discussion Panel <b>Can SAARC Get Serious?</b> <b>C. Raja Mohan</b> , Director, Carnegie India In conversation with: <b>Dr. S. Jaishankar</b> , Foreign Secretary, Ministry of External Affairs, India and <b>Shyam Saran</b> , Senior Fellow, CPR, and former Foreign Secretary, Ministry of External Affairs, India
19.45 – 20.45	Plenary Session 8 <b>Challenges &amp; Opportunities for Regional Cooperation on Border Management</b> This panel explored the need to create smart borders that, on the one hand, allow enhanced trans-border movement of peoples, goods and ideas, and on the other, minimise potential for cross-border security challenges.
20.45 – 21:00	<b>Valedictory Address</b> by <b>Gen. Vijay Kumar Singh (Retd.)</b> , Minister of State, Ministry of External Affairs, India
21.00 – 21.15	<b>Closing Remarks &amp; Vote of Thanks</b> by <b>Ashok Malik</b> , Distinguished Fellow, Observer Research Foundation, India
21.15 -	Dinner

(from left) Sunjoy Joshi, James Mancham,  
Hamid Karzai, Sushma Swaraj, Chandrika  
Bandaranaike Kumaratunga, Abul Hassan  
Mahmood Ali and Ashok Malik



# Inaugural Panel



PANELISTS
<b>Sushma Swaraj</b> , MINISTER OF EXTERNAL AFFAIRS, INDIA
<b>Sunjoy Joshi</b> , DIRECTOR, OBSERVER RESEARCH FOUNDATION, INDIA
<b>Chandrika Bandaranaike Kumaratunga</b> , FORMER PRESIDENT, SRI LANKA
<b>Hamid Karzai</b> , FORMER PRESIDENT, AFGHANISTAN
<b>James Mancham</b> , FORMER PRESIDENT, SEYCHELLES
<b>Abul Hassan Mahmood Ali</b> , MINISTER OF FOREIGN AFFAIRS, BANGLADESH
<b>Ashok Malik</b> , DISTINGUISHED FELLOW, OBSERVER RESEARCH FOUNDATION, INDIA
CHAIR
<b>Samir Saran</b> , VICE PRESIDENT, OBSERVER RESEARCH FOUNDATION, INDIA

**R**ECOGNISING that South Asia is the least integrated region in the world, Chandrika Bandaranaike Kumaratunga noted that the drive to create unique national identities, insufficient skills and the India-Pakistan equation have limited political will and public interest towards regional integration. It is therefore time for the region to undertake the enterprise of cooperation and integration seriously through pragmatic solutions. Perhaps, she opined, just as the

European Union was born out of a common desire to prevent further conflict and divide post World War II, South Asia could coalesce around anti-terrorism and anti-extremism.

The region is today one of the two most violent regions in the world. Yet it is the very argument of regional security that has prevented closer cooperation and integration in this region.

Therefore, a paradigmatic shift is required to build true unity within the diversity of





“Facing the challenges together should have been our common endeavour. In this hyper-connected, fast-evolving world, connectivity would contribute more than anything else to realise our common aspirations for peace, stability, and prosperity.”

—Abul Hassan Mahmood Ali

#### South Asia.

National security concerns, for instance, should effectively compel nations in South Asia to increase economic and cultural co-operation with each other. Sri Lanka could act as a bridge between the larger nations in the region. It could become a soft power through cultural contacts and tourism, and a place from where dialogues emerge with the larger Asia.

Bringing a perspective from Afghanistan, Hamid Karzai noted that the region in question is currently witnessing two prevalent trends: an economic rise led by China and India, which is bringing prosperity to millions of people in the region; and a continuing rise in



“Beyond our borders, a ‘Neighbourhood First’ policy that began with the very inauguration of our Government underlines a strong commitment to connectivity, commerce and contacts with the larger region.”

—Sushma Swaraj

militancy. Under these circumstances, South Asia’s ability to promote the first and curb the second will define the region’s future.

Today, there are plenty of projects to revive the ancient connectivity from Europe to Asia. China’s One Belt One Road, trans-border electricity projects, transit agreements and India’s plan to lay a railway line from Chabahar in Iran to Hajigak in Afghanistan are ideas that can bridge the gap. But greater connectivity and integration requires building trust.

Citing the example of Afghanistan-Pakistan ties, Karzai said mistrust in the region is engendered through the use of militant extremism in pursuit of geostrategic games. While there is tremendous goodwill between the people of the two nations, relations between the two governments are unfortunately not conducive for integration or connectivity. If connectivity is ensured and regional solutions sought for common problems like terrorism, Afghanistan will no longer be just geographically in the centre of South Asia and Central Asia but it can become a hub of regional connectivity and trade rather than being an isolated, disconnected and unstable nation.

James Manchem reminded the audience that there are no permanent friends or enemies, only permanent interests. He underlined that with the world spending three to four times more on defence than on human development, it seems as if politics of “might is right” rather than “right is might” is holding sway. Taking into account current de-



(from left) James Manmohan Singh, Hamid Karzai, Sushma Swaraj, Chandrika Bandaranaike Kumaratunga, Abul Hasan Mahmood Ali and Ashok Malik



“We need a paradigm shift from old attitudes and emotional reactions to our neighbours and we need to engage in building unity within the diversity that is South Asia.”

—Chandrika Bandaranaike Kumaratunga

developments and realities—a world that is in the process of self-destruction—a shift to “right is might” is necessary.

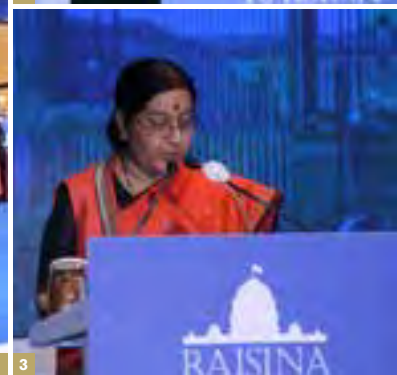
Abul Hassan Mahmood Ali commented that today’s world is defined by speed and connectivity, where new ideas are rapidly replacing old ones, new actors are shaping policies, and new institutions are dismantling their predecessors. These changes dictate different mindsets and courses of action.

He reiterated that South Asia is the least

connected region, and its future in regional and subregional integration. Bangladesh is a country that has fostered good relations with most of the countries in the region and beyond. “Its relationship with India is at its best now,” he noted, adding that Bangladesh is cognisant of its geostrategic location, demographic advantage, large domestic market and development potential. It is, therefore, engaged in several bilateral and multilateral initiatives.

Sushma Swaraj noted that the theme of connectivity is timely since it is central to the globalisation process today, and is critical for Asia’s own growth and development.

India’s ‘Neighbourhood First’ policy underlines a strong commitment to connectivity, and there has been a visible progression of ties with several neighbours. Beyond the immediate neighbourhood, In-



(Delivering their inaugural addresses)

1. Chandrika Bandaranaike Kumaratunga,
2. Hamid Karzai and
3. Sushma Swaraj

dia's discussions are expanding the geographical limits from Singapore to the Persian Gulf as its economic capabilities and interests are growing. Good neighbourly ties can positively influence trans-border projects and make regional institutions realise the full potential of connectivity. However, trust and openness to one another will drive forward the political process. Given multiple threats of disruption that range from the spread of terrorism to

cyber attacks, the role of net security providers is a natural corollary.

Connectivity, Swaraj said, is in India's DNA. "After all, we are the inheritors of two powerful connectivity legacies—the message of Buddha and the Spice Route."



“We are all committed in this global village to live together. May Asian integration also brings about global integration based on the philosophy of right is might and respect for the sovereignty of all nations.” —James Mancham



Session 1

# Whither European Union?



**T**HE session ‘Whither European Union?’ explored the challenges facing the Eurozone, including the crumbling euro, the ongoing refugee crisis, the fear of terrorism and the relations with Russia.

According to Jakob von Weizsäcker, the refugee crisis in Europe poses an enormous challenge to the European Union (EU). While EU hasn’t done poorly in handling the crisis, it hasn’t been successful in using the crisis to build institutions to make EU, euro and the European Parliament function bet-

ter. France and Germany, too, have been particularly unsuccessful in not being able to create institutions to safeguard and protect refugees. This has largely been due to the personalities of French President Francois Hollande and German Chancellor Angela Merkel, as well as because of a certain level of internal government paralysis in the former country, Weizsäcker stated.

Geoffrey Van Orden argued that the structures of connectivity in EU look good only from afar and a closer look would render

<b>PANELISTS</b>
<b>Jakob von Weizsäcker</b> , MEMBER OF THE EUROPEAN PARLIAMENT, GERMANY
<b>Geoffrey Van Orden</b> , CONSERVATIVE DEFENCE SPOKESMAN IN THE EUROPEAN PARLIAMENT, UK
<b>Ali Resul Usul</b> , PRESIDENT, CENTER FOR THE STRATEGIC RESEARCH OF THE MINISTRY OF FOREIGN AFFAIRS, TURKEY
<b>Stepan Grigoryan</b> , CHAIRMAN, ANALYTICAL CENTRE ON GLOBALIZATION AND REGIONAL COOPERATION, ARMENIA
<b>Ali Aslan</b> , HOST OF INTERNATIONAL TALK SHOW QUADRIGA ON DEUTSCHE WELLE TV, GERMANY
<b>Manuella Appiah</b> , RESEARCHER, THE HAGUE INSTITUTE FOR GLOBAL JUSTICE, NETHERLANDS
<b>CHAIR</b>
<b>Siddharth Varadarajan</b> , FOUNDING EDITOR, THE WIRE, INDIA



(From left to right) Ali Resul Usul, Manuella Appiah, Jakob von Weizsäcker, Geoffrey Van Orden, Siddharth Varadarajan, Stepan Grigoryan and Ali Aslan

them very different. In addition, the problems with the euro and the catastrophic refugee crises have shown the flaws in the concept of a borderless Europe. The UK, one of the [then] countries in EU, has rejected the idea that the solution to all of Europe's problems is the idea of a closer Europe.

Euro-scepticism is not only present within the UK but across many political parties in Europe. Not surprisingly, euro-scepticism has grown in countries that are the net providers of funds to EU. In terms of the economic crisis, Orden pointed out that the disastrous situation of the euro had promoted an average of 11 percent unemployment in

the continent.

Ali Resul Usul said that there are several ongoing crises in EU, but it has not been able to find a solution based on solidarity when it comes to the migration crisis. The refugee crisis has, in turn, demonstrated the fragile nature of integration in EU. This shows the need for EU to have a more universal appeal and become inclusive by focusing on its own cosmopolitan nature.

Stepan Grigoryan highlighted that smaller countries, such as the Caucasus countries of Azerbaijan, Armenia and Georgia, have significant challenges when connecting with bigger players in their neighbourhood, namely Russia. While these smaller countries have the right to free choice, they are only able to follow certain aspects of their foreign policy due to disagreements among the larger neighbouring states. Yet, Grigoryan believes, the democratic nature and European values will guide the smaller countries through, despite the threats that they face.



“Smaller countries, such as the Caucasus countries of Azerbaijan, Armenia and Georgia, have significant challenges when connecting with bigger players in their neighbourhood, namely Russia.”

—Stepan Grigoryan



Exploring public opinion surrounding the refugee crisis, Ali Aslan questioned that when countries like Lebanon, Turkey and Jordan can take hundreds of thousands of refugees, why can't EU take in one or two million. Countering the claim made by many that the influx of refugees would lead to the demise of EU, he stated that the rhetoric was far-fetched. However, the mood of the people in Europe and Germany has unfortunately reflected in a rise in xenophobic and anti-EU parties. The unnerving lack of solidarity among European countries reflects that many have not fully grasped and absorbed the concepts and values that come along with being a full-fledged EU state.

Manuella Appiah agreed that the refugee

crisis has indeed tested the fundamental principles and values of EU, and it now need to, more than ever, provide a common and effective response in a humane manner. The member-states must also resist the temptation to throw overboard their commitment to EU legislative principles so that their actions do not ignore humanitarian norms. Since all EU states have ratified the UN Refugee Convention, they are bound by international laws to protect the refugees coming into their countries. By not allowing refugees to enter, countries are not only infringing EU and international laws but also undermining the values and principles that EU stands for, thus affecting their credibility as international actors.



(From left) Hung-mao Tien, Peter Tan,  
Helga Zepp, Ding Guorong, Shashi  
Tharoor and Hideaki Domichi



Session II

# Connecting a Continent

## An Asian Union



### PANELISTS

**Hideaki Domichi**, SENIOR VICE-PRESIDENT, JAPAN INTERNATIONAL COOPERATION AGENCY, JAPAN

**Hung-mao Tien**, PRESIDENT, INSTITUTE FOR NATIONAL POLICY RESEARCH, TAIWAN

**Peter Tan**, DEPUTY SECRETARY, MINISTRY OF FOREIGN AFFAIRS, SINGAPORE

**Helga Zepp**, HEAD OF SCHILLER INSTITUTE, GERMANY

**Ding Guorong**, SENIOR VICE PRESIDENT, SILKROAD FUND, CHINA

### CHAIR

**Shashi Tharoor**, MEMBER OF PARLIAMENT, INDIA

**F**ROM India's perspective, the four sub-regions of West Asia, Central Asia, South Asia and South East Asia are all important, and it needs to renew its emphasis on further connectivity with these regions. While all countries in Asia remain proud of their sovereignty and independence, it is time to consider every day in Asia as an 'interdependence day'.

The session on 'Connecting a Continent: An Asian Union' looked at the

trends and developments in securing better connectivity and regional integration across Asia through trade flows and shared economic and security interests.

Member of Parliament and moderator of the session Shashi Tharoor opened the panel for discussion by highlighting that Asians had made the least progress in connecting with each other despite strong political ties among Asian countries, which could lead to strong economic ties.



“The Delhi-Mumbai Industrial Corridor (DMIC) is a flagship project between Japan and India and residential areas, which could become smart cities, are also being built along the industrial corridor”

—Hideaki Domichi

Peter Tan highlighted that while ASEAN (Association of South East Asian Nations) had come a long way since its inception, there is still a long way to go. ASEAN's formation was to ensure that sovereign states with different histories, cultures, political systems and levels of economic development would come together with a common vision and purpose to bring about better connectivity and shared prosperity in the region. ASEAN's economic community sought to transform the region into a single competitive marketplace with fewer barriers to the flow of goods and labour.

The potential of 600 million people living in ASEAN countries is tremendous, given that they have a combined GDP of \$2.6 billion. However, due to geopolitical uncer-



“Programmes like China's One Belt, One Road, which could allow the Chinese economic miracle to be repeated in different states, help in overcoming geopolitical challenges in the region.”

—Helga Zepp

tainties, deepening integration in the region is vital to securing peace and stability. India has an important and influential role to play with ASEAN. Greater air connectivity with ASEAN states, better business interaction and growing tourism would help deepen the partnership between the two.

Speaking about partnerships, Helga Zepp noted that organisations such as BRICS (Brazil, Russia, India, China and South Africa) demonstrate the rise of a new set of relations among states based on mutual interests and economic cooperation. Programmes like China's One Belt, One Road, which could allow the Chinese economic miracle to be repeated in different states, help in overcoming geopolitical challenges in the region.

Zepp explored the opportunities among states at a time where world problems such as financial instability and the refugee crisis are boiling over. The Russia-US ceasefire agreement, with regard to Syria, is a potential game-changer for the region. Regional powers such as Russia, China and India should work together and with other Asian countries for programmes, not only for Syria but for countries such as Afghanistan and Yemen as well. Such actions help in better connectivity and regionalism.

An example of recent initiatives taken to ensure connectivity is the new Chinese Silk Road, which connects China to Iran. By developing and modernising old trade routes, Europe, Africa and Asia can become more connected. Since India has good relations



“ASEAN’s formation was to ensure that sovereign states with different histories, cultures, political systems and levels of economic development would come together with a common vision and purpose to bring about better connectivity and shared prosperity in the region.” — Peter Tan

with all countries in the region, it should play a mediating role in developing Asia and promoting connectivity.

Seconding these views, Ding Guorong added that there is a great potential for further economic cooperation between China and India, especially since China has become India’s largest trade partner and the former has increased its investment in the latter country. Industries from both countries are complementary in many areas with India’s primary industries being agriculture, minerals, IT, textile and pharmaceuticals, and China’s experience lying in construction and manufacturing.



“Institutions such as ASEAN, Asia-Pacific Economic Cooperation, East Asian Summit, ADB, AIIB and TPP are examples of existing regional and institutional structures designed to promote cross-border trade, investment and resolution of outstanding economic and security issues.”

—Hung-mao Tien

Moving a little east of China, Hideaki Domichi highlighted Japan International Cooperation Agency’s work in India with a specific focus on the Delhi-Mumbai Industrial Corridor (DMIC). Stating that DMIC was a flagship project between Japan and India, Domichi brought to light that residential areas, which could become smart cities, were also being built along the industrial corridor. In addition, these corridors, being built to promote manufacturing in India, would also address employment options in the region.

Providing an overview of regional institutions and structures in Asia, Hung-mao Tien underlined that the ability to provide a coherent government structure in the region has been limited by mutual distrust among member-states. Institutions such as ASEAN, Asia-Pacific Economic Cooperation, East Asian Summit, Asian Development Bank, Asia Infrastructure Investment Bank and Trans-Pacific Partnership are examples of existing regional and institutional structures designed to promote cross-border trade, investment and resolution of outstanding economic and security issues.

Despite economic and technological globalisation, persistent forms of state capitalism and protectionism tend to undermine multilateral paths. Therefore, an autonomous Asian union could only be built on the foundation of success from open forums and multilateralism, making room for countries like India as well.



# 3

Session III

## Competing Globalisation

### Managing Economic & Trade Regimes in Asia

PANELISTS
<b>Seigfried Wolf</b> , HEIDELBERG UNIVERSITY, GERMANY
<b>Naoki Tanaka</b> , PRESIDENT, CENTER FOR INTERNATIONAL PUBLIC POLICY STUDY, JAPAN
<b>Juita Mohammad</b> , SENIOR ANALYST, INSTITUTE OF STRATEGIC AND INTERNATIONAL STUDIES, MALAYSIA
<b>Jakob von Weizsäcker</b> , MEMBER OF THE EUROPEAN PARLIAMENT, GERMANY
<b>Rohan Samarajiva</b> , FOUNDING CHAIR—LIRNEASIA, SRI LANKA
<b>Ben Shenglin</b> , PROFESSOR OF BANKING & FINANCE, SCHOOL OF MANAGEMENT, ZHEJIANG UNIVERSITY, CHINA
CHAIR
<b>Vivek Dehejia</b> , ASSOCIATE PROFESSOR OF ECONOMICS AT CARLETON UNIVERSITY, CANADA; RESIDENT FELLOW, POLITICAL ECONOMY, IDFC INSTITUTE, INDIA

**T**HE session 'Competing Globalisation: Managing Economic & Trade Regimes in Asia' focused on various trade agreements, including the US-led Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP), and their impact on India and Asia. The panellists further discussed if emerging Asian trade and institutional parallels — such as Regional Comprehensive Economic Partnership (RCEP) — could provide new room to manoeuvre.

Naoki Tanaka noted that, following the work of economist John Hicks, each economy has a natural interest rate. In Japan's case, and in the current economic climate, that rate is negative, so the current rate regime is consistent with economic theory, and not anomalous. Having said that, there are several benefits for Japan in TPP. He mentioned that with TPP, transaction costs will drop down to nil, and tariffs are expected to disappear — this will benefit small and medium enterprises the most, leading to a





1. Rohan Samarajiva,
2. Jakob von Weizsäcker,
3. Ben Shenglin,
4. Juita Mohammad,
5. Seigfried Wolf,
6. Naoki Tanaka

new economic landscape. However, there is a need for Japanese financial institutions to change their business models in the current economic climate.

Juita Mohammad noted that free trade agreements (FTAs) are a precondition for disappearance of trade barriers. Malaysia, as a signatory of TPP, recognises that it has both traditional and non-traditional chapters. Malaysia is also in negotiations for the RCEP



“Free trade agreements (FTAs) are a precondition for disappearance of trade barriers. Malaysia, as a signatory of TPP, recognises that it has both traditional and non-traditional chapters.”

—Juita Mohammad

agreement, benefits of which would mean much more for the country than from its membership in TPP and ASEAN. She added that optimal FTAs need to have provisions for goods and settlements, and also for intellectual property rights-related disputes. Preferential treatment makes FTAs attractive for Malaysia, though trade diversion (for non-FTA members) is a threat.

Jakob von Weizsäcker took a long view on trade agreements and termed them as being “more than just about trade”. He noted that there is a need for coordination of expectations when it comes to trade agreements, without which delivering on the agreements becomes much more difficult. He added that inevitably each trade agreement would hurt some entrenched domestic interest; but

asked if trade is the only—or even the key—consideration in an FTA.

While suggesting regional stability as a key consideration, he argued for the need to take an international political economy perspective on FTAs. He further urged the audience not to get distracted by “cheap talk of regional agreements in the past”, since they did not even deliver on regional stability.

Meanwhile, Rohan Samarajiva, through his experience as a Sri Lankan negotiator, suggested a greater examination of the asymmetric nature of trade agreements. For smaller countries, capacity constraints apply in terms of skilled negotiators. Local environment must be factored in by smaller countries as they negotiate on intricate trade agreements.

Samarajiva further argued that from the Sri Lankan point of view plurilateral arrangements offer advantages to small countries since the weight of a number of smaller countries might counteract that of one big country.

Sri Lanka is a member of plurilateral arrangements such as SAARC and BIMSTEC, and is a party to a number of bilateral agreements.



“With TPP, transaction costs will drop down to nil, and tariffs are expected to disappear – this will benefit small and medium enterprises the most, leading to a new economic landscape.”

—Naoki Tanaka

Ben Shenglin underlined that the multi-lateral TPP raises some serious global trade governance issues, and comes with the backdrop of a diminished role for the World Trade Organization (WTO). TPP has seven RCEP members but not China, and Shenglin wondered why. He contrasted the TPP, which he hinted could be a “trade bloc”, with China’s One Belt, One Road (OBOR) initiative, and claimed that OBOR is inclusive and not an “old boys’ club”.

Pessimistic about the proliferation of FTAs in general (over 470 FTAs are registered with the WTO), Shenglin suggested that the need of the hour are FTAs that are cooperative and not conflicting.

Moving slightly west, Seigfried Wolf discussed the China-Pakistan Economic Corridor (CPEC). He noted that Pakistan remains interested in CPEC as it looks to China for geopolitical and infrastructure reasons. China, in turn, is interested in CPEC because it allows the country to bypass the Strait of Malacca for alternative route for petroleum supply through the Gwadar Port in the Arabian Sea. However, a lack of consensus around CPEC in Pakistan remains a bottleneck to the fruition of the initiative. Pakistan also faces capacity problems in implementing CPEC, Wolf noted.

Additionally, India figures in calculations for both countries when it comes to CPEC. According to Wolf, India should allow CPEC to proceed. This would help Sino-Indian bilateral relationship in the long run.



## Inaugural Address

by Mr Hamid Karzai, Former President of Afghanistan

*“Her Excellency Sushma Swaraj  
Her Excellency Chandrika Kumaratunga  
His Excellency Abul Hassan Mahmood Ali  
Honorable Foreign Secretary S. Jaishankar  
Honorable Sunjoy Joshi  
Excellencies, ladies & gentlemen,  
I am glad to be back in India and to attend the inaugural session of the Raisina Dialogue. I wish to thank our hosts, Observer Research Foundation and the Ministry of External Affairs of India, for the meticulous organisation of this conference and for the very warm welcome and hospitality extended to us in this historic city of New Delhi. I am confident that today’s forum is an important opportunity to deliberate on our common vision of a peaceful and prosperous Asia and to explore the challenges and opportunities of regional integration.*

*Ladies & gentlemen,  
As we gather here today, our part of the world is witnessing two contradictory trends. On the one hand, the great economic rise of Asia, led by global giants China and India, is bringing prosperity to hundreds of millions of people. On the other hand, we see the continuing rise of militant extremism with deadly and painful consequences for our larger region and beyond.*

*In these circumstances, needless to say, our ability to promote one trend further and to stop the other sooner, will determine the course of our common future. Perhaps, it is necessary to look back at our past and see how we did it then. For centuries, our common continent of Asia was the commercial, intellectual and spiritual hub of the world where ideas, goods and people crisscrossed and connected civilisations.*

*Today as we try to revive those routes and networks, there are a plethora of initiatives underway in the form of strategies, regional organisations, transport corridors, infrastructure projects, trade and transit agreements, and banks which will support integration and connectivity across the continent. To just name a few, India's Connect Central Asia, China's One Road One Belt, development of new ports such Chabahar-Zaranj, the North-South Transport Corridor, TAPI, CASA1000, Asian Infrastructure Investment Bank, Eurasian Economic Union, and multiple trade and transit agreements between countries of the region are all fate-changing endeavours that will contribute to greater connectivity and integration.*

*Ladies & gentlemen,*

*As the Silk Route once cut across geographical barriers from Europe, India and China, we want Afghanistan to once again become a land-bridge connecting South Asia to Central Asia and the Middle East. The realisation of this vision for Afghanistan and the region is dependent on the following:*

*Foremost, we must move beyond the current atmosphere of mistrust in South Asia. The nature of relations between some countries in South Asia is a major factor adversely affecting security and prosperity in the entire region. At the heart of this predicament lies the use of militant extremism in pursuit of geostrategic gains.*

*In this context and in regard to relations between Afghanistan and Pakistan, while there is tremendous goodwill and deeply cordial ties between the people of both countries, the troubled relationship between Afghanistan and the establishment in Pakistan continues to be the most notable impediment to regional connectivity and*

*lasting peace. During my presidency, I visited Pakistan more than 20 times, with utmost enthusiasm and sincerity, to address our mutual concerns and to take concrete steps towards improving our political and economic ties. From the Pakistani perspective, peaceful and friendly relations with Afghanistan were*



*“As the Silk Route once cut across geographical barriers from Europe, India and China, we want Afghanistan to once again become a land-bridge connecting South Asia to Central Asia and the Middle East.”*



“We, in Afghanistan, respect Pakistan’s freedom to pursue its independent relations with any country in the world. Afghanistan will surely exercise the same prerogative.”

*conditioned on the recognition of the Durand Line, one of the very negative legacies of the colonial rule, and the right to influence the nature of our relations with one of our closest and oldest friends.*

*In the past 15 years, I have constantly underlined the impossibility of the recognition of the Durand Line by*

*Afghanistan; while expressing Afghan desire for friendly and cooperative relations with Pakistan.*

*In regard to Afghanistan’s foreign relations, we have clearly demonstrated to our brothers in Pakistan that our sense of sovereignty and independence is the single most cherished value for which we have sacrificed a great deal in the course of our history and for which we are known globally. We respect Pakistan’s freedom to pursue its independent relations with any country in the world. Afghanistan will surely exercise the same prerogative. We have also clarified to them that our relations with any country in the region and beyond will not be to their detriment. While promotion and use of militant extremism can surely boomerang, a strategy of cooperation based on a civilised relationship will help both countries rise and prosper together.*

*Secondly, we must strive to realise the full potential of Afghanistan’s centrality as a transit hub and as a nexus of regional connectivity. Afghanistan provides the most efficient and the shortest route between China and Iran, between India and Central Asia, and between Russia and South Asia. The main disconnect in this web of stability and prosperity is Afghanistan’s lack of access to India and India’s lack of access to Afghanistan and Central Asia through Pakistan. This must be fixed if we are to create a fully integrated and stable region where each single country would benefit and prosper.*

*We also expect that the presence of US and NATO will provide a conducive environment for regional stability and help Afghanistan benefit from greater connectivity and integration. Just a few days ago, China’s first ever cargo train reached Tehran after two weeks of journey through our Central Asian neighbours. Plans are also underway for the construction of another rail and road link between China, Afghanistan and Iran, which will cut the distance considerably. These are significant projects for the revival of the Silk Route. As improved relations between*



*Iran, US and Europe also augur well for our region, we must fully capitalise on the ensuing opportunities for greater trade and connectivity. We, in Afghanistan, do not wish to be bypassed in the wider regional connectivity arrangements and no one should be under the illusion that an isolated, disconnected and unstable Afghanistan would not affect the broader visions of connectivity and stability of the entire region. In the same vein, no other country should be denied the opportunity to benefit from greater regional connectivity.*

*Thirdly, we must seek a coordinated approach to connectivity between India and China. Close cooperation and confluence of interests between India and China is imperative for stability and will unleash unprecedented opportunities for the region and beyond. Afghanistan fully supports India's Connect Central Asia strategy and China's One Belt One Road initiative and wishes to be active stakeholder in these grand visions. Only positive symmetry between India and China can generate a win-win outcome and create a mutually assured inclusion greatly benefiting regional peace and prosperity. I believe in the wisdom and aspirations of the leaders of both countries and I am encouraged to see positive steps being taken by both nations.*

*For Afghanistan, we wish to have the best of relations with both China and India and we are intent on deepening those ties further. During my presidency, I actively engaged with China to establish a comprehensive partnership and I am grateful that the leadership in China responded very positively. Today, Afghanistan-China relations are comprehensive and deeply friendly.*

*With India, ladies and gentlemen, as you already know, we have deep-rooted centuries old relations encompassing political, economic and cultural aspects of our lives. We in Afghanistan are proud to call India our best friend. Two months ago, Prime Minister Narendra Modi visited Kabul to add to the many great contributions*



*“We in Afghanistan do not wish to be bypassed in the wider regional connectivity arrangements and no one should be under the illusion that an isolated, disconnected and unstable Afghanistan would not affect the broader visions of connectivity and stability of the entire region.”*

*of India by inaugurating the Afghan Parliament built with generous assistance of India; an icon symbolising India's friendship with Afghanistan. Prime Minister Modi's speech on this occasion was historic and greatly appreciated by the Afghan people. His words were not only heartfelt, but rich with an astute understanding of our shared history, and its diverse mosaic*



“New militant extremist elements such as ISIL have emerged, threatening the stability and security of our countries and causing unprecedented violence and destruction.”

*of cultural and civilisational prides. It captured the essence of the long history of our friendship and the mutual fondness of our people that bond India and Afghanistan together. No doubt, the India-Afghanistan friendship is exemplary and will be an asset for fostering cooperation across the region.*

*Finally, ladies and gentlemen, we must seek regional solutions to our common security challenges. We must recognise that our region will not fully reap the benefits of economic connectivity if terrorism and radicalism continue to cast a dark shadow over our potential and impede our progress.*

*Despite efforts by the international community, terrorism is far from being defeated and is rather spreading across the wider region. New militant extremist elements such as ISIL have emerged, threatening the stability and security of our countries and causing unprecedented violence and destruction. Moreover, we must not tolerate state entities harbouring, supporting and financing terrorist networks as instrument of policy. We must join hands in destroying the elaborate terrorist infrastructure in our region.*

*Ladies & gentlemen,*

*It is imperative for regional powers China, India and Russia to play a leading role in a system of regional security that would strengthen domestic capacities and mobilise regional resources in an integrated manner. In this context, the role of regional organisations such as SCO and SAARC is of paramount importance. It is equally important to build international partnerships that would truly advance a cooperative, common and inclusive security paradigm, enabling Asia and the West to respond effectively and jointly to the diverse security challenges.*

*Ladies & gentlemen,*

*Our common vision for a secure and prosperous future can be achieved if we move beyond a narrow definition of national interest and zero-sum games. Our vision is not a Utopian dream. It can and must be realised.*

*Thank you very much.”*

(From left) Arthur Ding, Rory Medcalf, Theresa Hitchens, Rakesh Sood, C. Raja Mohan, James Wirtz and Rajeswari Rajagopalan discuss the role of nuclear weapons and stability





Session-IV

# Asia's Strategic Order

4



## PANELISTS

**Rajeswari Rajagopalan**, SENIOR FELLOW, OBSERVER RESEARCH FOUNDATION, INDIA

**Theresa Hitchens**, SR. RESEARCH SCHOLAR, CENTER FOR INTERNATIONAL AND SECURITY STUDIES AT MARYLAND, USA

**C. Raja Mohan**, DIRECTOR, CARNEGIE INDIA, INDIA

**Rory Medcalf**, HEAD OF COLLEGE, NATIONAL SECURITY COLLEGE, AUSTRALIAN NATIONAL UNIVERSITY, AUSTRALIA

**James Wirtz**, DEAN, SCHOOL OF INTERNATIONAL GRADUATE STUDIES, NAVAL POSTGRADUATE SCHOOL, USA

**Arthur Ding**, DISTINGUISHED RESEARCH FELLOW OF INSTITUTE OF INTERNATIONAL RELATIONS, TAIWAN

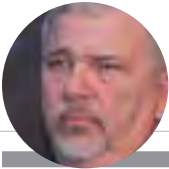
## CHAIR

**Rakesh Sood**, FORMER AMBASSADOR, GOVERNMENT OF INDIA, INDIA

**T**HE session 'Asia's Strategic Order' explored opportunities for near-term regional cooperation to meet the changing balance of power in Asia; examined the role of nuclear weapons and stability in the region; and discussed measures needed to counter proliferation risks in the region.

Moderated by India's former Ambassador to Nepal Rakesh Sood, the session saw Dr. James Wirtz pointing out that the goal of US policy in Asia is to create an improved

status quo. For this, the US would need to strengthen its presence in the region to re-inforce alliance, thereby enabling allies to resist intimidation from rising powers. The Asia-Pacific region has multiple flashpoints which may easily erupt. For instance, the security situation in North Korea and South China Sea has made Asian security vulnerable. However, the resilience showed by Asian powers is exemplary though the nuclear balance between India and Pakistan needs to be managed and balanced.



“The US would need to strengthen its presence in the region to reinforce alliance, thereby enabling allies to resist intimidation from rising powers.”

—James Wirtz

Dr. C. Raja Mohan examined the critical question of evolution of China’s behaviour from being modest and keeping its head low to showing its willingness to take due responsibility to shape the region. China and the US were de facto allies in 1971, countering the rise of the Soviet Union and leading to the steady expansion of Chinese capabilities and its gradual integration into global order. However, in recent times, the US-China relationship has been uneasy, with China believing that it is now its turn to be a major power with no need to hide its capabilities anymore.

Dr. Raja Mohan mentioned there are multiple ways to resolve the US-China rivalry. Both countries can cooperate to develop a regional security order as possibilities of confrontation between the two remain bleak due to their massive economic engagement. Additionally, both countries can divide the region of influence. Other possibilities could



“To create a stable nuclear order, countries must include regional mutual interests and vulnerabilities.”

—Theresa Hitchens

be seen if the US policy might change in favour of offshoring (not maintaining physical military presence in the region). With such foreseeable variables, the future of the Asian strategic order remains uncertain, unless the countries prepare for the changes.

Addressing the question of the kind of a nuclear order that is expected in Asia in the backdrop of multiple nuclear players, Dr. Theresa Hitchens highlighted the need to get rid of a ‘Cold War thinking’. To create a stable nuclear order, countries must include regional mutual interests and vulnerabilities. However, the challenge is to develop dialogues among players and create thinking about nuclear power in a more holistic manner, keeping in mind the global context.

Speaking of the so-called ‘newer domains’ in the world, Dr. Rajeswari Rajagopalan contended that cyber space, outer space and ballistic missile defence are not ‘new domains’ instead are several decades old. However, new actors are emerging who are taking a lead role in these domains, which have caused tensions leading to arms race and competition. In this context, the military space capability, which China is dominantly developing, has triggered most developments in Asia. Chinese development of anti-satellite capabilities since January 2000 has the possibilities of escalating an arms race in the space domain. China’s approach of technological solutions to geopolitical, territorial and sovereignty issues is adding to Asian insecurity.

ty and contributing to the instability in the coming years. Hence, measures need to be taken to restrain capabilities.

Moving from insecurities to alliances, Arthur Ding discussed the long-standing US security alliances in Asia and whether the credibility of such assurances is declining, thereby causing instability. He mentioned that there are several elements to the re-balance strategy of the US, including diplomacy and economic partnerships like the Trans-Pacific Partnership. For instance, the continued support of the US to Taiwan has helped the latter build confidence to negotiate with other powers, mainly China.

Rory Medcalf reflected on the trajectory of the Asian security order, which has multiple actors, and said it is a case much distinct from the traditional security order that had been built around one or two hegemons. Medcalf stated that Asia is fast moving towards a heteropolar system, which is a mix of both bipolarity and multipolarity, and a major debate is around the rise of China and how players like India, Japan and Indonesia would contribute to the order in the next 20 years. The East Asia Summit, Medcalf mentioned, has the right global footprints and all

the right participants—ASEAN, US, India, Japan, Australia, New Zealand and Russia—to manage significant tensions. If this architecture can be deepened and used to discuss cooperation and foster willingness of countries to abide by the rules, then the Asian order can be envisioned as a heteropolar regime.



“China’s approach of seeking technological solutions to geopolitical, territorial and sovereignty issues is adding to Asian insecurity and contributing to the instability in the coming years.”

—Rajeswari Rajagopalan



(clockwise from top left)  
1. Rahul Roy-Chaudhury, 2. Akihiko Tanaka, 3. Samir Paul Kapur, 4. C. Raja Mohan and Ric Smith AO, 5. Vice-Admiral AK Singh (Retd), 6. Indrani Bagchi with the other panelists





Session V

# A Line in Water

## Underwriting Asian Security

PANELISTS
<b>C. Raja Mohan</b> , DIRECTOR, CARNEGIE INDIA, INDIA
<b>Samir Paul Kapur</b> , PROFESSOR, NAVAL POSTGRADUATE SCHOOL, USA
<b>Rahul Roy-Chaudhury</b> , SENIOR FELLOW FOR SOUTH ASIA AT THE INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES IN LONDON, UK
<b>Ric Smith AO</b> , AUSTRALIAN NATIONAL UNIVERSITY, AUSTRALIA
<b>Vice-Admiral (Retd) AK Singh</b> , UNITED SERVICES INSTITUTION OF INDIA, INDIA
<b>Akihiko Tanaka</b> , INSTITUTE OF ADVANCED STUDIES ON ASIA; FORMER PRESIDENT OF JICA, JAPAN
CHAIR-MODERATOR
<b>Indrani Bagchi</b> , SENIOR DIPLOMATIC EDITOR, TIMES OF INDIA, INDIA

**T**HE session on 'A Line in the Water: Underwriting Asian Security' explored the emerging and potential challenges and partnerships in maritime Asia; the role of key actors within and outside the region; and old and new fulcrums of an Indo-Pacific security architecture.

Moderated by Indrani Bagchi, Senior Diplomatic Editor at the Times of India, panelists in the session discussed if a 'coalition of interests' can shape the broader security architecture.

Akihiko Tanaka, from the Institute of Advanced Studies on Asia and former president of the Japan International Cooperation Agency, expressed his belief in the needs for maritime security in the Asia-Pacific region being a precondition for economic development.

Underlining the importance of more con-

crete discussions around shared security concerns, Tanaka mentioned the evolution of multilateral forums in Asia Pacific—from ASEAN to the East Asia Summit. While focusing on the importance of maintaining the situation in the South China Sea, he noted that the central goal in this direction is to prevent making "physical changes"—a reference to China's artificial island building initiatives in the region.

Tanaka also pointed out how China has leveraged US-underwritten freedom of navigation for its own economic ascendancy; and stressed the importance of the US-led alliance in Asian waters to secure freedom of navigation.

Samir Paul Kapur, from the Naval Postgraduate School, noted acerbically that the US "rebalance to Asia" is a misleading phrase

since the US never left the area in the first place. The US commitment in the region is towards strengthening multilateral institutions, and promoting greater economic integration. The US “rebalance” strategy therefore has three interlinked components—military, economic, and political. With the upcoming election in the US, Kapur said, people could expect continuity in American positions.

He also framed the current security situation in the area in terms of power transitions which, he noted, do not happen easily. China’s intentions and core beliefs are unclear at the moment, Kapur said.

Ric Smith AO, from the Australian National University, however, underlined that it is not just China that has changed its security outlook in the Asia-Pacific region; other states have too. The issue at hand, according to him, is not just limited to a “rebalance” between two powers.

For Australia, traditionally, security and trading partners had been the same. In contemporary times, the situation has significantly changed as Australia trades with China and looks to the US for security. This presents significant military and diplomatic challenges for Australia.

In such a global scenario, Vice Admiral (Retd.) AK Singh, United Services Institution of India, stressed the need for a clear delineation of India’s areas of interest and responsibilities. He suggested that the East and South China Seas are of secondary interest to India, strategically. For India to become a ‘net security provider’ in the Indian Ocean Rim (IOR), diplomacy and capacity-building are crucial.

Commenting on the role of European powers in the IOR, Rahul Roy-Chaudhury, Senior Fellow for South Asia at the International Institute for Strategic Studies in London, said that the UK and France have sovereign territories in the region. There are three ways in which the UK and France can engage in the IOR—bilaterally, trilaterally and multilaterally. The role of these powers in multilateral engagements would boost existing institutions. At the bilateral level, there already is the UK-India defence partnership, which extends to naval cooperation in the IOR, as well as the bilateral France-India maritime initiatives. However, there are significant risks that arise out of the European retrenchment with a possible British exit from the European Union.

With several issues looming in mind, C Raja Mohan, Director at Carnegie India, asked what the emerging security scenarios in the region mean for the IOR. He noted the fundamentally different strategic situation in Asia, and suggested that some of it has risen from an increase in trade through the high seas. With this perspective, China’s coming into the IOR is natural as it is the second largest trading power in the world. And since great powers are already present in the IOR, there are no questions of them leaving the region.

Mohan noted the primacy of geography in determining strategic balance, and underlined India’s position in the IOR, for the same reasons as that of China, as a globalising major economy whose GDP performance depends on international trade.



# Inaugural Address

by Mr Abul Hassan Mahmood Ali,

Minister of Foreign Affairs, Bangladesh

*“Ladies and gentlemen*

*Assalamualaikum, Namashkar and Good Evening!*

*It is indeed a great honour to be invited at the Raisina Dialogue. The presence of luminaries from across the region and beyond is a testimony that this is truly a global conclave. We hope this dialogue would enrich us with innovative ideas, and unfettered information, statistics, interpretations and visions. We need such platforms not only to come together, but also to form networks of thoughts. We congratulate the Indian Ministry of External Affairs and the Observer Research Foundation for their initiative to launch this dialogue, which I believe would set its own trend.*

*Ladies and gentlemen,*

*Today’s world is a different world; a world defined by speed; a digitised world opening up enormous opportunities—people having real time connectivity with each other despite being thousand miles apart physically, people having access to wealth of information, social networking shaping the politics and economics of the world. New ideas are rapidly spreading and overwhelming the conventional ones; new actors are shaping our policies; new institutions are dismantling their predecessors. We have set our eyes on the global development Agenda 2030 and the Paris Agreement. These changes dictate that we think differently, act differently, and*

*operate differently. And we are left with no option but to keep pace with the changes.*

*However, South Asia is perhaps the least connected region although we need it the most. It is a big irony indeed when our geographic contiguity, shared political and cultural history link us so strongly. Moreover, we have common developmental challenges. Facing the challenges together should have been our common endeavour. In this hyper-connected, fast-evolving world, connectivity would contribute more than anything else to realise our common aspirations for peace, stability, and prosperity. Our future lies in our own regional and sub-regional integration and getting connected to the rest of the world. We only need to put our act together to transform our commonalities into vehicles of cooperation and integration. There are a few models around us that could help us implement and enhance regional integration successfully and effectively.*

*This is something that our leaders also dreamt of. Our Father of the Nation Bangabandhu Sheikh Mujibur Rahman was a great believer in the potential of a connected region. He recognised that political independence must be supported by economic progress; and the coming together of the whole region is important for that to happen. Bangabandhu articulated this idea as early as in 1972:*

*“It is my earnest hope that there will at least be peace and stability in the sub-continent. Let there be an end, once for all, to the sterile policy of confrontation between neighbours. Let us not fritter away our national resources but use them to lift the standard of living of our peoples. As for us, we want to cooperate with all concerned for creating an area of peace in South Asia where we could live side by side as good neighbours and pursue constructive policies for the benefit of our*

*peoples. History will not forgive us if we fail in the challenging task.”*

*Bangabandhu’s daughter and Prime Minister Sheikh Hasina is committed to translating the vision of Bangabandhu into a reality. At the 18th SAARC Summit, she firmly advocated “connecting ideas, knowledge, technology, culture, people, road-rail-air, movement*

*of goods, services and investment.”*

*Distinguished guests,*

*As for Bangladesh, we have fostered stronger relations with most of the countries in the region and beyond. For instance, our relationship with India is at its best now.*



*“In this hyper-connected, fast-evolving world, connectivity would contribute more than anything else to realize our common aspirations for peace, stability, and prosperity.”*





“South Asia has retained relatively stable economic development and became a bright spot in the global economy as well as an important engine for global growth.”

*Mutual respect and understanding of each other's concerns and perspectives have matured. Adding to this, our geo-strategic location, our demographic advantage, a large domestic market and development potential, and our commitment to the international*

*community make Bangladesh a useful and indispensable component of the whole connectivity architecture.*

*We see connectivity as an unfolding opportunity for the peoples of this region. It is, therefore, natural that Bangladesh has joined and actively engaged itself with a myriad connectivity initiatives—SAARC, BIMSTEC, BCIM-EC, Trans-Asian road and railway networks, to name a few. We are also approaching connectivity at the sub-regional level. The newly created BBIN platform of connectivity would be a game-changer. All these would facilitate trade, generate economic activities, improve infrastructure, promote people-to-people exchanges and ensure energy security; and ultimately go a long way in establishing seamless connectivity in the region which is our ultimate goal. Taking advantage of flexibility, openness and comfort level for all parties, the connectivity initiatives may need to be more widespread and inclusive to create opportunities for all countries.*

*With India, at the bilateral level also, there are many connectivity initiatives which have already been materialised, and some more are coming up which are truly forward-looking. Among these, road-rail-air connectivity, inland water and coastal shipping connectivity, power and energy connectivity, digital connectivity are worth mentioning. We would welcome new initiatives too. In fact, Bangladesh and India, taking along Nepal and Bhutan are setting a new model of connectivity. Our resolve is to graduate to a middle income country by 2021. We firmly believe that connectivity could be one of the most important facilitators to make that happen.*

*Ladies and gentlemen,*

*We are living in an era when the centre of global economy is shifting towards the Asia-Pacific region. It has been predicted that by 2050 Asia-Pacific would account for half of the world's economic output. The current socio-politico-economic situation in South Asia has drawn wide attention and diverse observations. South Asia has retained relatively stable economic development and became a bright spot in the global economy as well as an important engine for global growth. So, this is the time that using this leverage of strategic space, we integrate more with the rest of the world*

*to ensure our greater well-being.*

*As is Asia, Africa is also rising strongly. It is going to be a driving political and economic force of the world in the foreseeable future. So, it is good for the world if the emergence of the two, the Afro-Asia coupling, could be more synergised.*

*The comparative competitiveness and natural advantages of South Asian countries particularly in trade, commerce and investment ought to be combined to secure our rightful place in the global arena as also to make inroads in the global market place. We are having close collaboration in power and energy sectors in a bid to put to optimal use our respective natural endowments. We are looking at establishing regional and sub-regional power grids. All these are geared towards ensuring our energy security which is imperative to support our rapid economic growth.*

*Water resources management and Blue Economy are two other sectors which hold enormous potential of cooperation. We intend to use our common water resources as a uniting force. With this end in view, we are endeavouring to embark upon basin-wide management.*

*Distinguished guests,*

*Some perhaps could be pessimistic, believing that challenges facing South Asia, such as threats of terrorism and violent extremism, lack of political will and mistrust among countries in the region cast a shadow on regional cooperation. Indeed, our journey towards peace and prosperity is often impeded by security issues. Terrorism*

*and violent extremism, narrow interpretation of religion and communal identity are hurting humanity, uprooting millions of people across the world.*

*Cyber crimes, a flip side of the smart and digital Asia we are aspiring for, are giving us a tough time. However, we cannot let the engine of growth in South*

*Asia to be disturbed by these scourges. A peaceful and stable South Asia is required for our own interest as much as it is for the rest of the world. It is imperative that we, the countries in South Asia, join hands and the rest of the world come to our assistance to address our security challenges.*

*As our region grows into a highly interdependent community of interests and destiny, we should take economic development and social progress as our priority and adhere to the spirit of mutual benefit and win-win solutions. By so doing, we can*



*“As is Asia, Africa is also rising strongly. It is going to be a driving political and economic force of the world in the foreseeable future.”*



“Water resources management and the Blue Economy are two other sectors which hold enormous potential of cooperation. We intend to use our common water resources as a uniting force.”

*effectively mobilise forces, consolidate public support for cooperation and achieve full revitalisation of our region. We must not forget, however, that these are contingent upon peace and stability of the region.*

*In this regard, I reiterate our Government's abiding commitment to peace, progress and prosperity in*

*the region. With concerted efforts from all parties, we are determined to build a peaceful, cooperative and more prosperous South Asia of the 21st century. Otherwise, we would be held responsible by posterity.*

*With these words, may I now wish the Raisina Dialogue all success in providing critical inputs in our ongoing regional cooperation discourse.*

*I thank you.”*

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## Keynote Addresses



Day-2 **Admiral Harry Harris Jr.** PACOM COMMANDER, USA

Indo-Asia-Pacific more accurately captures the fact that the Indian and Pacific Oceans are the economic lifeblood that links India, Australia, Asia, Oceania and the United States together. Strengthening that economic connective tissue through a security and diplomatic

partnership is what America's 'rebalance' strategy is all about. Considering the \$5.3 trillion in trade that traverses each year from the Indian Ocean and through the South China Sea, we all have a vested interest in ensuring the entire region remains secure, stable, and prosperous. How Indo-Asia-Pacific nations employ naval forces to support these economic interests matters.



Day-2 **Ravi Shankar Prasad** UNION MINISTER OF COMMUNICATIONS AND IT

Mr Prasad's speech explores the Indian government's aims to promote "good governance" by digitally transforming the country, involving programmes like Smart Cities and Start-up India. He touched upon "the democratic dividend, a large emerging market and cost-effective professionals" as aspects which not only show promise and challenges, in terms of inequality and forming a digital identity, but are also key in opening the door for greater connectivity in South Asia.

Day-2 **Piyush Goel** UNION MINISTER OF STATE WITH INDEPENDENT CHARGE FOR POWER, COAL, NEW AND RENEWABLE ENERGY AND MINES, INDIA

India is committed to achieving the Sustainable Development Goals, (SDGs) and access to affordable energy is central to the 2030 agenda as well as for India's domestic goals. The disparity in the energy aspirations of the western world and the developing world must be addressed and richer countries must go beyond token gestures in addressing the energy needs of the developing world. He also added that India is keen to expand its nuclear energy sector, keeping safety as a priority.



Day-2 **Li Zhaoxing** FORMER FOREIGN MINISTER, CHINA

The rise of India as an emerging economy is making substantial contribution to economic growth in the region and the world. He recognised that India and most other developing Asian countries have a latecomer advantage. At the same time, they face imbalances in domestic development, insufficient infrastructure and inadequate resilience against external risks at this crucial stage of economic transformation. For a country to overcome challenges and difficulties, it needs to find a path suited to its internal conditions. Neighbouring nations, Li ventured, are China's priority partners for connectivity and external cooperation.







**Day-3** **Yasumasa Nagamine** DEPUTY FOREIGN MINISTER OF JAPAN

Prime Minister Abe's meeting with Prime Minister Modi in December 2015 paved the way for "a new era in Indo-Japan relations." According to Prime Minister Abe, not only is the progress of economic relations between India and Japan essential, but an increased strength of both countries is also mutually beneficial. Mr. Nagamine's speech explores Indo-Japan relations in terms of Asian connectivity and Japan's role in future G7 agenda developments.

**Day-3** **Suresh Prabhu** UNION MINISTER OF RAILWAYS

Railways contribute to connectivity in a big way. In Asia, particularly South Asia, there is a definite need for large physical networks—electricity, digital, waterways, roads and rail—to increase connectivity. India already has some railway links with its neighbours, and there is a vision to connect the entire Asian continent through rail. Railways face a unique three-fold challenge of managing people's expectations, resources and modernising at the same time. As we expand and better our railway network, there can be knowledge sharing across our borders. India, for instance, is already closely working with Bangladesh and Sri Lanka in this field.

Day-2 **Gen. (Retd.) V.K. Singh** MINISTRY OF STATE, MINISTRY OF EXTERNAL AFFAIRS, INDIA

Gen. (retd.) Singh's speech expands on conclusions that arise from the discussions surrounding the main theme at the Raisina Dialogue: Connectivity in Asian Geopolitics. The "importance, relevance and currency" of connectivity and its role in global stability on economic and security bases serve as a major conclusion. Other important points agreed upon include a collective and broad understanding of the theme as well as a shared adherence to international norms.



Session VI

# India's Strategic Posture and Possibilities for Partnering with Key Liberal Democracies

6

<b>PANELISTS</b>
<b>Geoffrey Van Orden MEP</b> , CONSERVATIVE DEFENCE SPOKESMAN IN THE EUROPEAN PARLIAMENT, UK
<b>Michael Clarke</b> , FORMER DIRECTOR-GENERAL, ROYAL UNITED SERVICES INSTITUTE (RUSI), UK
<b>David Malone</b> , DIRECTOR, UNITED NATIONS UNIVERSITY, JAPAN
<b>Yossi Amrani</b> , HEAD OF POLICY PLANNING DIVISION, MINISTRY OF FOREIGN AFFAIRS, ISRAEL
<b>Steven Blockmans</b> , HEAD OF FOREIGN POLICY, CEPS, BELGIUM
<b>CHAIR</b>
<b>Sanjaya Baru</b> , MEMBER, GOVERNING BOARD AND HONORARY SENIOR FELLOW, CENTRE FOR POLICY RESEARCH, INDIA

**T**HE session on 'India's Strategic Posture and Possibilities for Partnership with Key Liberal Democracies' explored how India will navigate the dual imperatives of increasing its integration in the East and its political partnerships in the West.

Moderated by Sanjaya Baru, panellists in the session discussed India's role in maintaining a liberal order in Asia and its prospects of engagement with fellow democracies in the region.

Geoffrey Van Orden pointed out that from a Western perspective, the world looks in a pretty feeble condition. He quoted Robert Kagan who has observed that we live in a time when democratic nations and democracy are in retreat. At present, the traditional guardian of the international order lacks capability and, perhaps, self-confidence to shape the world as it had done before.

Being a new grade Asian economic power—and the fastest growing in Asia





(from left) 1. David Malone,  
2. Steven Blockmans,  
3. Michael Clarke,  
4. Yossi Amrani,  
5. Sanjaya Baru and  
Geoffrey Van Orden

with the fourth largest military—India is seeking a strategic definition of its role in the world. For centuries, India’s relationship with the UK has largely been benign and mutually symbiotic. The bilateral ties between the two countries can be rekindled and strengthened because, in the coming years, the UK is likely to play a more distinct and enhancing role in shaping world politics. While India is looking and acting East at the moment, it should also think and act West.

Prof. Michael Clarke, former Director-General RUSI, UK, meanwhile, left open the question of whether India is in step or out of step with the western democratic world order. He spoke of an ideological malaise in the western world where politics has become merely managerial and the economic crisis of 2008 has dealt a heavy blow, creating a leadership deficit. The western powers have an interest in a rules-based international order, and to maintain it in the three domains of space, cyberspace and undersea is

the real challenge. Also, the western liberal order should attach more importance to India's role in upholding rules-based order in some of the new institutional architectures like the Asian Infrastructure Investment Bank and the Shanghai Cooperation Organisation, among others.

Additionally, the relationship between India and China at a strategic level has, as far as Europeans are concerned, not yet settled into a framework and pattern. Until it settles into a pattern, the Europeans will not be able to look at Asian policies without being fixated on China's economic potential.

Adding to this, David Malone emphasised the role of economic factors that played a pivotal role in shifting international perceptions about India. When the American private sector started to see India as a great opportunity, that was the start of India coming on to the world stage as an economic power. The challenge for India now is to keep focus on its economic policy framework. Political relations between India and Japan are warm but the economic relationship is dwarfed under the former's shadow. To build substance into rhetoric when it comes to regional relationship is

another challenge that Asian powers would need to address in the future, besides the US-China rivalry.

Elaborating on India's relationship with developing countries in West Asia, Yossi Amrani reflected on the partnership between India and Israel. The two countries share a scope of cooperation that runs from agriculture, science and technology to strategy and counter-terrorism. At a time when Israel is aimed at expanding cooperation, diversifying alliances and promoting a safer world, it sees India as an ally in achieving its partnership in West Asia.

India can no longer be seen as a non-aligned country as New Delhi has often sought its alignment in multiple formats, noted Steven Blockmans. The ongoing strategic assessment of India reflects that while India professes its adherence to democratic principles and freedom of speech, it also promotes a more hard-nosed, geo-economic approach, resulting in several different configurations of relationships.

India and the US, Tanvi Madan highlighted, have often cooperated to promote democracy. The US has even been supporting India's rise because New Delhi can be seen as a role model for emerging successful democracies, especially in South and South East Asia. Having said that, it cannot be denied that both countries will have differences when it comes to their relationships with other non-democracies; but that is an area that needs to be addressed.



“The US-China rivalry is another big story across the world but consequently when the US-China cooperates as they are doing on North Korea very few countries takes note.”

—David Malone



Session VII

# Waters of Asia



<b>PANELISTS</b>
<b>Sonam Jatso</b> , GENERAL SECRETARY OF THE PEOPLE'S DEMOCRATIC PARTY, BHUTAN
<b>Rathana Peou</b> , SOUTH EAST ASIA REGIONAL SCENARIOS COORDINATOR, CLIMATE CHANGE, AGRICULTURE, AND FOOD SECURITY, CAMBODIA
<b>Dwarika Nath Dhungel</b> , SENIOR RESEARCHER, SOCIAL SCIENCES AND LIFE MEMBER & TREASURER, TANKA PRASAD ACHARYA MEMORIAL FOUNDATION, NEPAL
<b>Mervyn Jayaprakash Josie</b> , HEAD, BRICS RESEARCH CENTRE, HUMAN SCIENCES RESEARCH COUNCIL (HSRC), SOUTH AFRICA
<b>Genevieve Connors</b> , PROGRAM LEADER, WATER AND SUSTAINABILITY, INDIA COUNTRY PROGRAM, WORLD BANK
<b>CHAIR</b>
<b>Ashok Malik</b> , DISTINGUISHED FELLOW, OBSERVER RESEARCH FOUNDATION, INDIA

**T**HE session on 'Waters of Asia' explored the potential for a sustainable hydro-economy in a region dependent heavily on the Himalayan water system. Chaired by Ashok Malik, panellists threw light on the need for transnational development of river basins, the implications for energy corridors and international waterways, and the prospects of riverside communities finding avenues for water-sharing.

The Hindukush Himalayan Mountains are the source of South Asia's major river sys-

tems. Indus, Ganga, Brahmaputra—along with the Meghna in Bangladesh—form one of the largest river basins in the world. Traversing administrative boundaries of China, India, Pakistan, Nepal, Bhutan and Bangladesh, these rivers support more than half a billion people of South Asia, 40 percent of who are poverty-stricken.

High population density, dependence on agriculture and energy poverty characterise the basin while availability, access and development of rivers remain a challenge due to



(clockwise from top left) 1. Ashok Malik,  
2. Mervyn Jayaprakash Josie,  
3. Dwarika Nath Dhungel,  
4. Genevieve Connors,  
5. Rathana Peou  
6. The panel discussion in progress



several reasons. Spatial and temporal variability of monsoons, administrative lapses in water management, under-defined water rights and entitlements, and lack of cooperation among riparian nations are just some of those reasons. Under-development and increasing climatic variations are factors that are causing further stress on the river systems.

Managing competing demands for water, nexus between water-energy-food, and exploiting the economic potential of the river while conserving ecological integrity are critical challenges for the South Asian policy makers. However, cooperation among riparian nations on hydropower, navigation, trade and early warning systems has huge potential to meet the socio-economic challenges in the region. And a nuanced understanding of the success factors for water cooperation—and lessons from other river basins in the world—is required to break the deadlock.

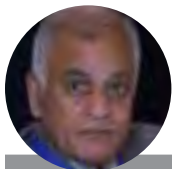
The Indo-Bhutan hydropower cooperation presents a successful case of energy trading in the region. Amenable political relationships and stability in Bhutan have favoured the development of hydropower projects like Chukka

and Tala, among others. Natural gradient of the river and a low population density have been advantages that have made proposed hydropower plans technically and economically feasible. In fact, Bhutan utilises revenue generated from the joint hydropower to support its industries, provide development infrastructure to its population and conserve its ecosystem.

This model has, however, not been replicated in Nepal, Bangladesh or Pakistan due to unstable domestic politics, wavering confidence of investors, historical conflicts and dominance of its geopolitical concerns. Therefore, the success or failure of hydropower cooperation in the Ganga-Brahmaputra-Meghna (GBM) basin can be attributed to political willingness and leadership, which require strengthening to collectively address energy security issues in South Asia.

A large unexploited potential is just one of the reasons why hydropower development should be favoured in South Asia. In the face of growing climate anxieties, achieving energy security requires exploiting green energy resources. Hydropower offers a huge untapped green market.

Further, South Asia is overly sensitive to climate variability due to its heavy dependence on monsoons and susceptibility to a range of natural disasters that have affected millions in the region. While the disaster response strategy has improved over the years, adequate preventive and precautionary actions are still lacking. Despite the shared threat, collaborations on joint disaster management, official data-sharing, building climate resilience, and



“The time has come for us to think about cooperating at the regional level, since climate change is coming to effect and water is going to be much more important in the future.”

—Dwarika Nath Dhungel



“Having six countries share the same river basin is quite challenging. Although the Mekong is not characterised by any open conflict. . . we see threats related to development, population pressure and climate change.”

—Rathana Peou

early warning systems are rare.

Navigation is yet another potential sector for collaboration among riparian nations of the Indus and GBM basin. South Asia has historically shared its river routes for trade, transport and tourism. Considering inland water transport is one of the most cost-effective and eco-friendly modes of transport—and India shares its rivers with Nepal, Bhutan and Bangladesh—strengthening cooperation around water connectivity seems imperative.

To take forward this kind of a cooperation, there is some institutional framework already in place in the form of bilateral treaties and agreements in South Asia. The Indus Waters Treaty, 1960, divides the Indus and its tribu-



“Our first hydro-powered project was supported by India, and through this we came to realise the enormous untapped potential for both countries; so we started more hydro-powered projects”

—Sonam Jatso

taries equally between India and Pakistan, and has provisions for dispute resolution and future cooperation. India and Bangladesh have the Ganges Treaty, 1996, which calls for sharing of data on river discharge and rainfall during monsoons, besides allocating water to both the countries during the dry season. Sino-Indian water cooperation, too, calls for sharing of data on monsoon discharge in the Yarlung Tsangpo/Brahmaputra basin. India and Nepal have three treaties for the development of Koshi, Gandak and Mahakali rivers. The Indo-Bhutan cooperation on water is in the form of joint hydropower projects.

Multilateral cooperation in similar areas is, however, rare. Having said that, there is growing cognisance of rivers as a single hydro-ecological unit. Existing multilateral groups in the region—such as SAARC, BBIN, BIMSTEC, and BCIM—will play a significant role in fostering water cooperation; and political will, transparency and trust will be critical.



## Keynote & QA



**SPEAKER**

**Dr. S. Jaishankar**, FOREIGN SECRETARY, MINISTRY OF EXTERNAL AFFAIRS, INDIA

**CHAIR**

**Samir Saran**, VICE PRESIDENT, OBSERVER RESEARCH FOUNDATION, INDIA

**C**ONNECTIVITY within the country is as important, if not more, as connectivity with the world, noted Dr. S Jaishankar, the Indian Foreign Secretary at a keynote session during the Raisina Dialogue 2016.

“Connectivity as a notion is nothing new but there is a need to think of it in much

sharper terms. It is a new theatre of geopolitics,” he said in the session moderated by Samir Saran, Vice President at Observer Research Foundation.

In Asia, connectivity is a driver of economic growth, and it should begin at home. Unfortunately, India is significantly under-connected domestically, and there is a need to link the





hinterland outwards. Connectivity “within” and “with the world” are therefore integral for both economic and strategic reasons.

Connectivity is a precondition to create a truly national market. However, in the past,

insufficient attention has been paid to the issue of connectivity. In recent times though, connectivity has become a part of the ongoing nation-building project. Devoting more resources for better connectivity will have repercussions beyond the shores of India.

The lesson, according to Jaishankar, is clear: more strategic and outcome-driven logic of regional cooperation has arrived. Connectivity with ASEAN remains a priority for the Indian government. This is the reason for connectivity engagements with Bangladesh and Myanmar, and the government’s ‘Act East’ policy. Eventually, the goal is to go beyond ASEAN to the entire Asia-Pacific



“In Asia, connectivity is a driver of economic growth, and it should begin at home. India is significantly under-connected and there is a need to link the hinterland outwards. Connectivity “within” and “with the world” are therefore integral for both economic and strategic reasons.”

—Dr S. Jaishankar



“The lack of an established security architecture in the region poses significant challenges for more multipolar approaches to connectivity.”

—Dr S. Jaishankar

region. India's 'Act East' policy must be complemented by a 'Think West' strategy. It is in this context that the Indian Ocean Rim (IOR) connectivity pathways become important, as India's energy dependence—located in “entrepreneurship” rather than “state dependence”—predicates a need to free the IOR from traditional and non-traditional threats.

Connectivity initiatives, he stressed, must be consultative in nature rather than unilateral in design and implementation; and connectivity should move beyond “hard wiring the world”.

The foreign secretary commented that while the Government of India is focused on Security and Growth for All in the Region (SAGAR), connectivity has dimensions beyond its physicality, and extends to the cultural realm as well. Project Mausam—a transnational initiative meant to revive its ancient maritime routes and cultural linkages with countries in the region—addresses and consolidates this dimension with soft power initiatives around Buddhism, traditional medicine and yoga.

The lack of an established security architecture in the region poses significant challenges for more multipolar approaches to connectivity. But the idea of a “multipolar Asia” must transcend the physical and seek

policy connectivity while working on common cultural and civilisational threats.

While emphasising the importance of freedom of navigation in the high seas, Jaishankar said that connectivity initiatives must also respect the Global Commons — the high seas; the atmosphere; Antarctica; and outer space. A multilateral connectivity architecture should be based on shared norms and concerns, Jaishankar suggested.

In the Q&A session that followed, he noted that negotiations around the Regional Comprehensive Economic Partnership (RCEP) are complicated by the fact that many of the RCEP members are already embedded in existing trade frameworks.

While reminding everyone that “as nations grow, their ambit of interest and influence also grows”, the foreign secretary stressed the need to focus on India's domestic policies, and underlined the importance of Japan and the Republic of Korea in India's foreign policy.

Session VIII

# DiplomaShe

## Gender, Policy and Politics

8

<b>PANELISTS</b>
<b>Chandrika Bandaranaike Kumaratunga</b> , FORMER PRESIDENT, SRI LANKA
<b>Jyoti Malhotra</b> , SENIOR WRITER, <i>INDIA TODAY</i> , INDIA
<b>Latha Reddy</b> , COMMISSIONER, GLOBAL COMMISSION ON INTERNET GOVERNANCE, AND FORMER DEPUTY NATIONAL SECURITY ADVISOR, INDIA
<b>Sarah-Jean Cunnigham</b> , DIRECTOR - OPERATIONS & BUSINESS DEVELOPMENT, LAPIS COMMUNICATIONS, UAE
<b>CHAIR</b>
<b>Shaili Chopra</b> , FOUNDER, SHETHEPEOPLE, INDIA

**T**HE session 'DiplomaShe: Gender, Policy and Politics' explored the issue of women in the workplace, particularly in the fields of politics, development and foreign policy. Moderated by Shaili Chopra, the panellists discussed the challenges to, and benefits of, greater gender balance in these fields across Asia.

Jyoti Malhotra described gender dimensions as power dimensions where violence serves as a method to maintain a status quo. She opined that several women have been

heads of state and parties across South Asia, but it remains unclear whether they work to integrate more women in politics or become complicit in the hegemonic masculine narrative.

Women's underrepresentation is an issue across different professions, including in journalism, where female editors are still rare in print media and in the armed forces where the notion of protecting a woman's "honour" is still rampant.

Seconding these views, Latha Red-



(From top left)  
 1. Chandrika Bandaranaike Kumaratunga and Shaili Chopra,  
 2. Latha Reddy,  
 3. Sarah-Jean Cunningham.  
 4. Jyoti Malhotra greets Chandrika Bandaranaike Kumaratunga

dy spoke about the evolving experience of women in the Indian Foreign Service. While the situation has improved tremendously, she stated, India still has to reach the point where gender would no longer be a factor in job progression.

This gender bias is not just restricted to the Indian subcontinent but is a global issue. Sarah-Jean Cunningham discussed women and work in West Asia, which, she said, is the least gender equal region in the world. She asserted the importance of analysing

whether there is an existing demand for gender equal laws in West Asia; and if not, how these can be created.

To prove that awareness is simply not enough, and actions are needed, she cited the example of Yemen. According to a study, it was found that 90 percent of Yemeni parents were aware that they should send their girls to school but only two-thirds of the families actually did so.

In a scenario like this, access to information is crucial and the media can play a





**Shaili Chopra** moderates as panelists discuss the challenges to, and benefits of, greater gender balance across Asia.

significant role in shaping opinions, attitudes and actions around the globe.

But for now, women face a persistent glass-ceiling despite having equal capabilities and qualifications as their male counterparts, noted Chandrika Bandaranaike Kumaratunga. Since men still comprise the top global leadership, they are still in the position to decide on the greater inclusion of women. Therefore, she said, there is a strong need for reservation for women in politics.

Discussing if economic empowerment is

the only solution, she asserted that simply getting jobs and income does not hold the key to liberation of women. Sometimes women who fight their way to the top can also become a part of the patriarchal network.

The case for affirmative action to increase the representation of women in leadership positions was supported by Latha Reddy who said that if the atmosphere is not balanced, decision-making can be prejudiced. In addition to quotas, there is an imperative need for promoting education, nurturing environment for girls and introducing gender-sensitive legislations.

Samir Saran, Vice-President of Observer Research Foundation, seconded these opinions and asserted the need to overcome the system inertia, which excludes women, through conscious and immediate change in systemic designs to take the policy sphere inclusive.



“Since men still comprise the top global leadership, they are still in the position to decide on the greater inclusion of women. Therefore, there is a strong need for reservation for women in politics.”

—Chandrika Bandaranaike Kumaratunga



Session-IX

# Securing Digital Asia

## Threats & Opportunities for a Smart Realm

9

<b>PANELISTS</b>
<b>Raghu Raman</b> , GROUP PRESIDENT, RISK, SECURITY & NEW VENTURES, RELIANCE INDUSTRIES, INDIA
<b>Jakob von Weizsäcker</b> , MEMBER OF THE EUROPEAN PARLIAMENT, GERMANY
<b>Roger Bradbury</b> , HEAD, STRATEGY AND STATECRAFT IN CYBERSPACE RESEARCH PROGRAM AT THE NATIONAL SECURITY COLLEGE, ANU, AUSTRALIA
<b>Jonathan Reiber</b> , SENIOR FELLOW, UC BERKELEY'S CENTER FOR LONG-TERM CYBERSECURITY, USA
<b>Lang Ping</b> , CHINESE ACADEMY OF SOCIAL SCIENCES (CASS), CHINA
<b>Max Abrahms</b> , PROFESSOR OF POLITICAL SCIENCE, NORTHEASTERN UNIVERSITY, USA
<b>CHAIR</b>
<b>Santosh Jha</b> , JS [PP & R, GCI AND ERS], MINISTRY OF EXTERNAL AFFAIRS, GOVERNMENT OF INDIA

**T**HE panel on 'Securing Digital Asia: Threats & Opportunities for a Smart Realm' explored the trends shaping cyber policy planning in the Asia-Pacific; the evolution and maturation of cyber norms; and the debates, obstacles and opportunities that lie ahead for businesses.

Chaired by Santosh Jha, the session saw the panelists acknowledging that the challenges of digital connectivity were central to the question of security in the region, and suggested measures to strengthen protec-

tion of critical information.

Panelists highlighted the multiplicity of actors, including state and non-state actors, and the problem of attributing actions in cyberspace as the two major security challenges in the field. This is the reason there is no such thing as "iron-clad security" when it comes to cyberspace, they mentioned.

Given these challenges, it has been difficult for the international community to define norms of responsible behaviour in cyberspace and agree upon those norms. Furthermore, it has



been difficult to say how far international cyber norms can be extended to non-state actors.

There is a fear that a 'Wild West' would emerge due to the multitude of actors gaining cyber capabilities. This is a critical issue, given the role of cyberspace as an engine of wealth, knowledge and innovation. Emergence of cyber commands, cobbled together from police, military and intelligence agencies, has been one reaction to those concerns.

The applicability of international law in general has also remained an open question so far. Part of the reason for doubt is the unprecedented pervasiveness of cyber threats—every technologically advanced country is capable of penetrating into the defences of others. Furthermore, cyber threats have mainly manifested themselves through espionage and intrusions into systems, which fall below the threshold for an

act of war but use the same tools of cyber crime or cyber warfare.

International discourse is also divided because different players have different rights (freedom of expression varies from country to country) and preferred methods of internet governance (multi-stakeholder or multilateral).

In Asia, the question is not whether or not governments should be involved, but what balance should be maintained between governments and other stakeholders given differing national security priorities in the region. States which are at present dominant in the cyber discourse are viewed with suspicion by others, a mistrust which extends because the infrastructure of the Internet is largely controlled by the US and its allies. There is a collective action dilemma which can only be overcome by negoti-



1. Jonathan Reiber, 2. Santosh Jha, 3 Roger Bradbury, 4. Lang Ping

ation and coordination.

One of the most visible and pressing security concerns is the growing use of social media by disruptive elements, including violent terrorist organisations, the panellists noted. Groups like the Islamic State and others have been using social media for myriad purposes, including recruiting new followers and publicising acts of terror. However, becoming alarmist about such groups using



“We are hoping to learn the very same strategies [as the United States] with literally 1/20th or 1/50th of the [defence] budget to safeguard our entire ecosystem, which is growing exponentially.”

—Raghu Raman

social media displays a lack of understanding about these platforms. For instance, the use of social media may eventually even backfire for these groups, thus turning more people on them. Therefore, a more hands-down approach is needed to tackle terrorist organisations’ use of social media.

Securing a digital space also requires cooperation between countries on sharing data, particularly about the role of the private sector in such scenarios. The issue of transparency also carries over to the private sector where many are reluctant to disclose breaches for business reasons, resulting in an overall information gap about security threats.

Unfortunately, the “good guys” are not talking among each other, leaving the criminals free to exploit technology, members of the panel underlined.

While the panel refrained from making predictions about future actions in cyberspace, it explored a possibility of increased transparency and investment in the use of cyber capabilities while tackling the possibility of making potential threats more obvious.

Lack of information about potential cyber threats and defence mechanisms against them is not restricted to states but extends to the private sector and billions of individuals who use the internet on their computers or mobile phones. Most of them are still unaware of the scope of problems they face or may face. This is a particular concern in Asia and other developing regions, where many users are connecting for the first time.





## Inaugural Address

by **Ms Chandrika Bhandaranaike Kumaratunga,**  
Former President of Sri Lanka

*“Excellency Minister Sushma Swaraj, Your Excellencies President Karzai, President Manmohan Singh, Your Excellency Minister Mahmood Ali of Bangladesh, Mr Joshi, distinguished ladies and gentlemen, friends, I am indeed very happy to be here today to participate in this inaugural event of Raisina Dialogue which attempts to bring together South Asian nations principally and also South Asia and the rest of Asia looking towards the world. It is a timely enterprise especially when we look at the rest of the world where cooperation, economic integration has proceeded very far. Our region is still extremely slow in getting together in the area of regional cooperation and economic integration. The subject of South Asian Regional Cooperation has been widely discussed for many decades. However, progress in regional cooperation and economic integration has been extremely slow. Political will seems to be lacking, public interest weak and no country in South Asia has yet*



*taken up the subject of regional integration as a government policy.*

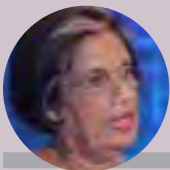
*We know the reasons for this. First, the fact that six out of the eight South Asian States have expended much effort and time in consolidating each nation's separate identity as opposed to the others, especially the larger nations. This situation has caused a great deal of inter-State tension and left little time to invest in building regional integration. Secondly, the India-Pakistan conflict has prevented regional cooperation since Partition nearly seven decades ago. Thirdly, insufficient skills and experience of the States to engage in the difficult exercise of building regional cooperation, of building unity within the multifarious diversities that exist in our nations.*

*However, the past two decades have seen the emergence of the post-Partition generation in South Asia giving rise to a new and more dynamic environment for understanding between nations. This young generation has left behind the baggage of conflict and distrust borne by the old generations, our generations. They are seeking new paradigms and creative thinking and action. So, I believe that this is a propitious moment for South Asians and Asia as a whole to undertake the enterprise of building cooperation and economic integration seriously.*

*I would like to repeat a fact that I am sure most of you are aware of, South Asia is the least integrated region in the world. In our globalised world where not only economic borders but physical borders are fast disappearing, South Asians or South Asian States have managed to remain isolated from each other. The intra-regional trade accounts for less than 5% of total trade. Intra-regional foreign direct investment amounts to 4% of the total into our countries. We know that low levels of trade, investment and other forms of economic cooperation cause higher input costs at production, smaller export markets, reduced revenues for governments and reduced consumer welfare. Yet, South Asia has significant inter-regional trade potential. Research demonstrates that there could be considerable increases in growth and welfare arising from closer regional cooperation. The positives for regional cooperation is that the fastest growing economy in the world is India. It is*

*predicted that the Indian economy will grow at 7.5% and reach double digits in a few years. India will have much to gain through regional integration as much as the other countries of our region.*

*What do we need to do to achieve closer cooperation? I believe that we*



*“Political will seems to be lacking, public interest weak and no country in South Asia has yet taken up the subject of regional integration as a government policy.”*



*do not need a grand vision but instead a pragmatic action plan. However, I must hasten to add that only pragmatism may not suffice to overcome the existing challenges of building mutual trust and confidence and progressing towards integration. A common vision, a common objective will certainly help to cement the practical moves in a durable fashion. European integration after all was born out of a common desire to prevent the massive destruction resulting from the two world wars from occurring once again. South Asia could perhaps coalesce around the need to conquer the challenge of extremism, violence and terrorism. This vision could also include the following practical aspects:*

*First, to foster economic growth, South Asia being home to the largest number of poor people in the world will benefit largely from regional cooperation. The lack of regional cooperation until now has cost South Asia immensely.*

*Next, the protection of the environment—South Asia faces enormous environmental risks posing a major threat to our future prosperity. We desperately need to cooperate in order to manage our ecology.*

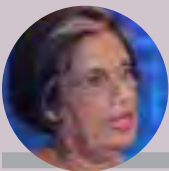
*Cultural cooperation—the paradox of South Asia is that the very cultures we have shared for millennia have succeeded in dividing us. The major preoccupation of all South Asian nations since decolonisation has been their quest for a national identity as opposed to the regional identity which has existed for millennia. The desire to differentiate the identity of one’s nation from the millennial common regional identity has given rise to many violent inter-State and intra-State conflicts in the region.*

*We need a paradigm shift from old attitudes and emotional reactions to our neighbours and we need to engage in building unity within the diversity that is South Asia.*

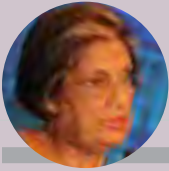
*Then there is the aspect of democratic governance. The tensions and conflicts within the region have led to violence and breakdown of peace which in turn has caused the weakening of democracy and democratic institutions. Hence, mutual*

*understanding and cooperation would undoubtedly help promote the strengthening of democratic institutions and democratic governance.*

*Regional cooperation would also help us to face the challenges of violent politics and extremism. Our region is today one of the two most violent regions*



“The major preoccupation of all South Asian nations since decolonisation has been their quest for a national identity as opposed to the regional identity which has existed for millennia.”



“Let us seek to build on our historical, geographical and civilisational advantages to lift our region out of poverty and inequality and march towards freedom and prosperity.”

*of the world. The stabilisation of strong and stable states through development of a democratic political culture will help to contain societal and political violence. For this strong commitment to cooperation is essential.*

*Regional security, the much touted issue which has prevented closer cooperation and integration in our*

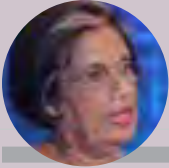
*region. Our region has experienced the largest number of violent conflicts in the past half century as I mentioned earlier. On the other hand, this region is heavily militarised and comprises two major nuclear powers. The risk of a major conflict is immensely high. The huge suspicions and continuing mistrust between the two largest States of South Asia has caused devastating consequences for the entire region. Regional instability and political mistrust are seen as major obstacles to regional cooperation and integration.*

*In the emerging regional environment, national security concerns should compel us towards more cooperation than becoming an argument against cooperation. I repeat national security concerns should compel us towards cooperating more with each other rather than making the security concerns an excuse against cooperation.*

*There is no doubt that cooperation in economic and cultural spheres and people-to-people contact would promote an atmosphere of pacification and hence less security concerns. We could look at creating plurilateral security frameworks for example.*

*It is clear that the need for South Asian integration is urgent. We should no longer waste great cultural and human potential of our region and lock ourselves into a destructive chase of better identities than our neighbours. Let us seek to build on our historical, geographical and civilisational advantages to lift our region out of poverty and inequality and march towards freedom and prosperity.*

*In order to achieve this, we need to engage in a series of practical actions. If I may take a few more minutes of your time to mention some of these, firstly an effective South Asian Free Trade Agreement (SAFTA) as it is called, for this to make SAFTA effective we would have to reduce the high cost of trading in the region, remove non-transparent non-tariff measures, amend regulations that create obstacles to intra-regional trade and services, create regional value chains based on the two major economies of the region, especially the Indian economy, move beyond the*



“Sri Lanka can act as a bridge between larger South Asian and Asian nations as well as the others given that we have good relations with all South Asian and Asian nations.”

*political differences between India and Pakistan when creating economic and environmental cooperation and improve connectivity between the States. There is great potential for developing the shipping and aviation sectors of the region and also between the region and the rest of the world. Finally, focus on large, inter-State investment projects.*

*I wish to express some thoughts on Sri Lanka's possible role in these exercises. Sri Lanka can act as a bridge between larger South Asian and Asian nations as well as the others given that we have good relations with all South Asian and Asian nations. We could also build a soft power, that is people-to-people contact through tourism and culture.*

*Then, talking of the larger Asia for instance, China is today, together with India, among the biggest economies of the world and also the fastest developing. It is well on its way to developing economic networks, especially along the Silk Route countries as well as maritime routes. South Asia is seen as an effective part of this network. I know that this situation has raised many concerns in the region. Could we not consider Chinese economic power as an opportunity rather than an inhibitor and arrive at partnerships that could be beneficial to the South Asian countries as well as the rest of Asia?*

*These are thoughts briefly expressed, presented to you for consideration during this Dialogue over the next two days. I am sure the various experts on the subjects who will participate in this Dialogue for the next two days will have valuable inputs to give us so that we could build the missing links for creating effective regional cooperation and economic integration first in South Asia and then between South Asia and the rest of Asia and the world.*

*I thank you very much for inviting me, the organisers, the Ministry of External Affairs of India and the Observer Research Foundation and for giving me this opportunity of participating in this most useful and timely dialogue. I wish the conference, the Dialogue all success and hope that we could take this enterprise forward for many years.*

*Thank you.”*

10

Session-X

## Light on Asia

### The Future of Energy

PANELISTS
<b>Sumant Sinha</b> , FOUNDER CEO OF RENEW POWER, GOLDMAN SACHS, INDIA
<b>Manpreet Singh Anand</b> , DEPUTY ASSISTANT SECRETARY FOR SOUTH AND CENTRAL ASIAN AFFAIRS, USA
<b>Memduh Karakullukcu</b> , VICE-CHAIRMAN AND PRESIDENT OF GLOBAL RELATIONS FORUM, TURKEY
<b>Rachel Pritzker</b> , PRESIDENT OF THE PRITZKER INNOVATION FUND, USA
<b>Adeline Djeutie</b> , PROGRAMME MANAGEMENT OFFICER, INTERNATIONAL ATOMIC ENERGY AGENCY, VIENNA
<b>Michael Shellenberger</b> , FOUNDER & PRESIDENT, ENVIRONMENTAL PROGRESS
CHAIR
<b>Samir Saran</b> , VICE PRESIDENT, OBSERVER RESEARCH FOUNDATION, INDIA

**M**ODERATED by Samir Saran, the 'Light of Asia: The Future of Energy' session saw discussion on the geopolitics of renewable and non-renewable sources of energy, and explored ways in which partnerships could be forged to increase energy access.

Manpreet Singh Anand, Deputy Assistant Secretary for South and Central Asian Affairs in the US, stressed that in areas with no electricity, simple tasks of cooking and doing homework become more difficult and time

consuming—time which could have otherwise been spent more productively. However, it cannot be denied that it is challenging to get villages without power onto the electric grid as many of them are situated in a formidable terrain. Having said that, there is room for optimism, as proliferation of mobile phones, technology and business models have helped leapfrog expensive projects. Solar plant batteries now help run irrigation pumps and provide electricity to those without access.

Each person in India on an average has access to 90W of usable electricity per person, Sunjoy Joshi pointed out. This is not enough for a person, much less for the country to progress as a whole, with over 300 million Indians still without electricity. India's power generation capacity therefore needs to expand substantially to achieve the fundamental poverty alleviation goals and solve the problem of ease of access. Joshi said India can meet its ambitious target of 175 GW of renewable energy, provided it begins increasing its renewable and nuclear capacity immediately.

At present, Sumant Sinha noted, India makes up a small portion of the total renewable energy installed capacity in the world, with 3-4 GW of new installations every year. The incumbent government has increased the targets for renewable energy capacity by eight to nine times and, Sinha said, this target can be met, given the government's thrust on solar power projects.

India had promised during COP 21 that renewable energy would account for 40 percent of its total installed capacity by 2030, and it is well on its way to meet that target. However, there exist other constraints. As the world is reducing its depen-



dence on coal, developing countries such as India find it hard to restrain from the temptation of using coal. One way forward could be with the government subsidising production of renewables to meet its target, in addition to looking for funding to absorb this energy onto the grid.

Discussing design issues in connectivity regarding gas and coal in West Asia, Memduh Karakullukcu asked what was expected from gas and oil connectivity—interdependence or independence. In any interdependent relationship, there is a 'dependee' and a 'dependee'. An example of this is the relation between the European Union (EU) and Russia; with EU importing 40 percent of its gas and oil from Russia, it became the dependee and Russia, the dependee. However over the years, EU has tried to diversify its supply so that it is not solely dependent on Russia. Under such gas connectivity issues, all nations want to have as many options as possible and not be dependent on one country.

In every region of the world, energy transitions have happened historically. Michael Shellenberger illustrated that as people moved to cities, the land they used to cultivate on freed up, leading to forestation and



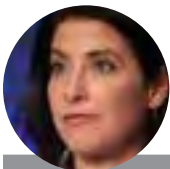
*“At present, India makes up a small portion of the total renewable energy installed capacity in the world, with 3-4 GW of new installations every year.”*

—Sumant Sinha





1. Piyush Goyal in conversation with Samir Saran,  
 2. Memduh Karakullukcu,  
 3. Manpreet Singh Anand,  
 4. Michael Shellenberger,  
 5. Adeline Djeutie



“Traditional philanthropy has prioritised climate concern over the need of the people in developing countries. Although this has made life more comfortable, they do not realise energy access has the potential to lift people out of poverty.”

—Rachel Pritzker

Shellenberger listed three key priorities for the energy environment going forward. Firstly, there is a need for developed countries to help finance energy transitions through low-cost credit. Secondly, developed countries should have a more expansive vision of technology transfer and intellectual property rights for energy transitions. Thirdly, the world needs to get over its phobia of nuclear energy and understand its importance.

Seconding this view, Adeline Djeutie accepted that energy demand is set to double by 2030. In Asia, over two billion people need energy to sustain their socio-economic development, and nuclear energy has proven to be a safe and reliable source to cater to that demand. With over 440 reactors in the world, and over 550 new reactors by 2035, nuclear power is a dependable source to meet future energy demands. Disasters like that in Fukushima should not scare countries.

Rachel Pritzker added to it, saying American environment NGOs have traditionally worked to prevent further development of fossil fuels without understanding the human implications. Traditional philanthropy has prioritised climate concern over the need of the people in developing countries. Although this has made life more comfortable, they do not realise energy access has the potential to lift people out of poverty. Therefore, a balance needs to be struck between protecting the environment and letting people live fulfilling lives.

Session-XI

# South by South-West

## The Threat in Neighbourhood

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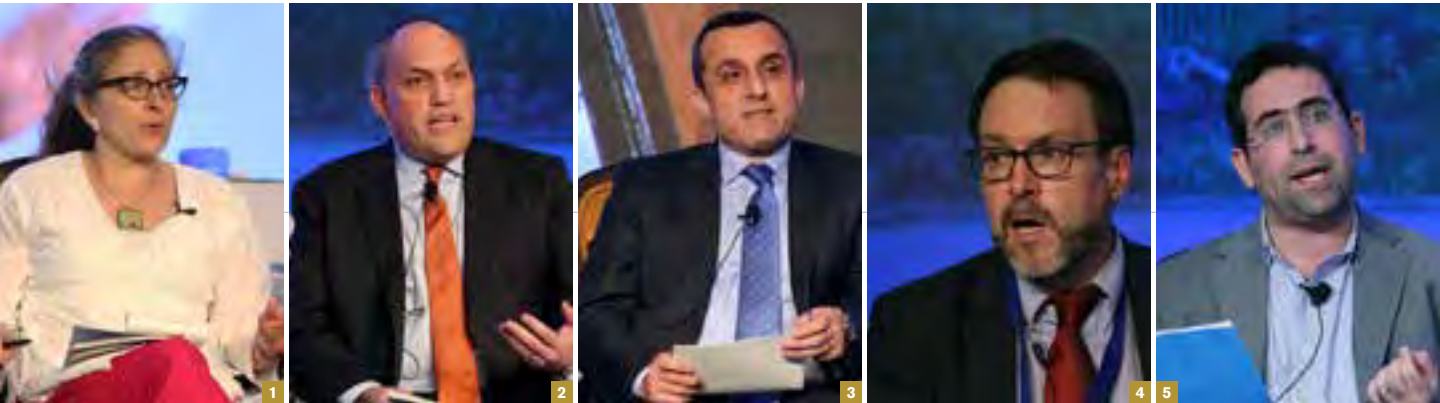
**T**HE panel 'South by South-West: The Threat in Neighbourhood', moderated by Ashok Malik, explored asymmetrical and sub-conventional security threats confronting Asia's efforts to integrate its economies and societies.

The contemporary relevance and enormity of the scale of this challenge are evident from the fact that more than 16,800 people died in terror attacks across the globe in 2014—nine times the deaths caused by terrorism prior to 9/11. Eighty-two percent of these deaths were from five countries, four of which are in Asia—Pakistan, Afghanistan, Syria and Iraq. Thus, while terrorism remains a global challenge, its threat is most imminent in Asia.

Drawing parallels with India, Timur Makhmutov argued that Russia faces simi-

lar challenges from its neighbours in Central Asia—a region that is important to both India and Russia for security and trade. Rapid Islamic radicalisation in Central Asia, particularly in Afghanistan, is a serious threat in the region from where nearly 2,000 have gone to fight for the Islamic State in Syria and Iraq.

Analysing the evolving US policy towards terrorism emanating from South Asia, Michael Rubin pointed out that the war in Afghanistan, which was once seen as a "good war", is no longer seen in that light across the political spectrum despite the stakes involved. Meanwhile, though there has been a gradual shift towards India during the Bush and the Obama administrations, Rubin argued, the US policy is still on auto-drive. Besides, the US administration's reluctance on confronting Pakistan on terrorism is go-



1. Christine Fair,
2. Michael Rubin,
3. Amrullah Saleh,
4. Greg Barton,
5. Max Abrahms

PANELISTS
<b>Michael Rubin</b> , RESIDENT SCHOLAR, AMERICAN ENTERPRISE INSTITUTE, USA
<b>Amrullah Saleh</b> , FORMER HEAD OF AFGHANISTAN'S NATIONAL DIRECTORATE OF SECURITY, AFGHANISTAN
<b>Christine Fair</b> , ASSOCIATE PROFESSOR, GEORGETOWN UNIVERSITY, USA
<b>Timur Makhmutov</b> , DEPUTY DIRECTOR OF PROGRAMS, RUSSIAN INTERNATIONAL AFFAIRS COUNCIL, RUSSIA
<b>Max Abrahms</b> , PROFESSOR OF POLITICAL SCIENCE, NORTHEASTERN UNIVERSITY, USA
<b>Greg Barton</b> , PROFESSOR, AUSTRALIAN NATIONAL UNIVERSITY, AUSTRALIA
CHAIR
<b>Ashok Malik</b> , DISTINGUISHED FELLOW, OBSERVER RESEARCH FOUNDATION, INDIA

ing to have severe implications for India and Afghanistan.

However, a terrorist attack that victimises Americans disproportionately or a disintegration of the Pakistani government that imperils its weaponries, including its nuclear weapons, could trigger a significant shift in the US policy.

Elaborating on terrorism emanating from Pakistan, Christine Fair said that all groups—such as the Taliban, Jaish-e-Mohammed and

Lashkar-e-Tayyeba—that have captured global attention from the international security perspective, act as extensions or tools of statecraft. Even the Tehrik-i-Taliban Pakistan (TTP) is a state-proxy gone wild. Calling these organisations “terrorists” gives the state of Pakistan the room for deniability.

So why does Pakistan continue to use state-proxies considering it has experienced significant blowback in the form of the TTP? Well, Fair argued, this policy benefits Pakistan when the international community, as a consequence, requests India and Pakistan to resolve pending disputes, which are Pakistan’s own constructs. Additionally, it is economically viable, considering the operating cost of these state-proxies is nothing in comparison to the costs Pakistan incurs on running its armed forces. Pakistan has also been able to mone-



“Rapid Islamic radicalisation in Central Asia, particularly in Afghanistan, is a serious threat in the region from where nearly 2,000 have gone to fight for the Islamic State in Syria and Iraq.”

—Timur Makhmutov



“All groups—such as the Taliban, Jaish-e-Mohammed and Lashkar-e-Tayyeba—that have captured global attention from the international security perspective, act as extensions or tools of statecraft. Even the Tehrik-i-Taliban Pakistan is a state-proxy gone wild.”

—Christine Fair

tise the insecurity it has built by asking for coalition support funds from the US on the pretext of tackling these proxies. Furthermore, it has been Pakistan’s nuclear umbrella that has allowed it to continue using its state proxies.

Moving from Pakistan to Afghanistan, Amrullah Saleh underlined that the narrative created around the Islamic State and its role in Afghanistan is shifting the focus away from groups like the Taliban that have been operating in the country for a long time.

He also argued that the Islamic State and the threat it poses is nothing new; the Taliban has been doing the same for decades. Saleh substantiated his argument by comparing the two groups through symbolism



“The Islamic State and the Taliban also show similarity in their approaches to political opponents and contests, besides a common hatred for pre-Islamic history. Both groups are a result of state collapse and, thus, exploit geostrategic differences in the region of their operation.”

—Amrullah Saleh

(flags of the both the groups are black and white, capturing their view of the world that is colourless and that has no space for diversity), leadership (a myth, they do not answer to either members of their respective groups or the people they claim to represent) and responsibility (both view others as deviants and, thus, undertake the responsibility to correct them). The Islamic State and the Taliban also show similarity in their approaches to political opponents and contests, besides a common hatred for pre-Islamic history. Both groups are a result of state collapse and, thus, exploit geostrategic differences in the region of their operation.

While the threat from terror groups is real, not all forms of violence are equally beneficial for terrorist groups, Max Abrahms pointed out. Terrorist groups are much more likely to pressure governments into making political concessions when the violence is directed against that country’s military or other government units. In contrast, when violence is directed against civilians, it allows governments to strengthen their political standing.

Greg Barton accepted that the nature and scale of threat posed by terrorism demand international response. However, a bigger danger may arise if the response is wrong. In case of the Al-Qaeda, the global response to 9/11 was more consequential than the attack itself; it led to the emergence of the Islamic State, a third-generation iteration of the Al-Qaeda.





## Keynote Address

**by Mr James Mancham,**  
Former President of Seychelles

*“Your Excellency Foreign Minister of India, Your Excellency the former President of Sri Lanka, His Excellency the former President of Bangladesh, His Excellency the former President of Afghanistan, Mr Secretary General, distinguished guests, ladies and gentlemen, I come from perhaps the smallest nation represented in this august gathering. I come from a group of islands, 110 islands spread over a very wide surface of the Indian Ocean which are both under the Sea Convention to cover maritime space which is as wide and as big as the Federal Republic of Germany. Yet we are a small nation with less than 100,000 people.*

*Madam Chairman, some years ago participating in a conference in Tokyo, Japan, I told to a group of Pacific Island Presidents that they should pray to God Almighty that the only oil they ever discover is coconut oil because I told them that the day they...they will no more be master of their own. I guess at that time also I forgot to think about the fact of becoming the centre of geopolitical interest and contention.*

*As a young politician I remember very well that I went to the Island of Zanzibar to represent my country at its independence celebration. That time in Zanzibar there was the HMS Ark Royal of the Royal Navy, representing the United Kingdom. Yet, what*



“I believe taking into account what is going on in our world today that we must work hard to see a shift in the policy of might is right to see a policy of right is might.”



*happened, few weeks after Zanzibar got independence? Tanganyika sent forces across and Zanzibar was forcefully annexed and hence the birth of what we know now as Tanzania. At this material time both sovereign nations were members of the OEU, of the Organisation of European Unity which had within its charter a very important proviso concerning the need of all nations to adopt a policy of good neighbourliness towards each other. Was this good neighbourliness for big brother to swallow small brother overnight? Now, what was the international reaction to this violation of international law? Very muted. We heard very little about it. Thinking about why did the British sent the...then we realized an important parameter in international relations. The fact this has shown that one has no permanent friends, no permanent enemies but one he sees what is known as permanent interests.*

*In the first years of my political leadership of Seychelles, the British decided to pull out East of Suez. Before that the Western Indian Ocean was a western lake. The British had a base in Trincomalee, Ceylon, now known as Sri Lanka. The British was in the Maldives, they were in Mauritius, they were in Aden and the French was in [unclear], in Comoros, in Madagascar. Following the British decision to pull out of Suez, the American friends were invited to come over and play a very active role within the Indian Ocean. Thus we saw the birth of a very important military complex in Diego Garcia in the Chagos archipelago not far from Seychelles.*

*Those days India was playing very pacifist politics from an international standpoint. They were very critical of the arrival of the Americans in the zone. They are very...with the former Soviet Union preaching the philosophy of Indian Ocean Zone of Peace.*

*Now we know many waters have gone under the international bridge of politics and that things are entirely different at this time. But all these years India has been a land of peace and worth emulation with great influence worldwide backed by the philosophy of such great men of wisdom like Tagore, Mahatma Gandhi, and of course you also know that the Great Buddha is buried in India. Today we see*

*a different situation arising. I went recently in a conference in Berlin, I enquired with Secretary General [unclear] as to what world budget on defence is costing. He told me the world is spending three or four times more money on defence budget rather than on*



“Those days India was playing very pacifist politics from an international standpoint. They were very critical of the arrival of the Americans in the zone.”



“There is no victory in war anymore because today nations have got what we call nuclear capacity. This war in Syria is not nuclear destruction but yet we know that the world today is in a situation of self-destruction.”

*human resource development. That is when my fear started about our world because I see in this world of ours far too much adrift towards the politics of might is right as opposed to the politics of right is might which were the founding basis for Indian philosophy for many years.*

*I believe taking into account what is going on in our world today that we must work hard to see a shift in the policy of might is right to see a policy of right is might. I believe in this context that an organisation like the Observer Research Foundation which is hosting this conference has a very important role to play and could spearhead a movement for more peace which will require a build-up of trust between nations. And trust can only come about within the spirit of the politics of right is might. When we look at the ugly picture of the world before us, when we look at these images coming from Syria for example, we realise the devastation of war. We realise how terrible that these once beautiful cities and now shattered into bricks, stones, etc.*

*Well, there is no future in war. There is no victory in war anymore because today nations have got what we call nuclear capacity. This war in Syria is not nuclear destruction but yet we know that the world today is in a situation of self-destruction. We are all committed in this global village to live together. May Asian integration also brings about global integration based on the philosophy of right is might and respect for the sovereignty of all nations.*

*I welcome to see among us today the representatives of various powers in Asia under the same roof coming together in that endeavour to try and see are we going to build trust in the future. Yes, the Asian hour has come and I believe that if we shall get together we can spearhead a movement for international progress based on the principle of freedom and the right of the individual to seek for a better life.*

*I feel deeply honoured to have been invited to contribute my own share in this great debate which is before us. Thank you.”*

Session-XII

# Asia@Africa

# 12



PANELISTS
<b>Akshay Mathur</b> , DIRECTOR OF RESEARCH & FELLOW OF GEOECONOMIC STUDIES, GATEWAY HOUSE, INDIA
<b>Barthelemy Blede</b> , ISS AFRICA, SENEGAL
<b>Armoogum Parsuramen</b> , FOUNDER-PRESIDENT, GLOBAL RAINBOW FOUNDATION, MAURITIUS
<b>Col. Nguyen The Hong</b> , CHIEF OF ASIA-AFRICA DIVISION, INSTITUTE FOR DEFENCE INTERNATIONAL RELATIONS, VIETNAM
<b>Jaya Josie</b> , HEAD—BRICS RESEARCH CENTRE, HUMAN SCIENCE RESEARCH COUNCIL, SOUTH AFRICA
<b>Winnie Wairimu</b> , INSTITUTE OF DIPLOMACY AND INTERNATIONAL STUDIES, UNIVERSITY OF NAIROBI, KENYA
CHAIR
<b>Amar Sinha</b> , SECRETARY (ER), MINISTRY OF EXTERNAL AFFAIRS, GOVERNMENT OF INDIA

**A**FRICA'S foreign policy engagements have historically focused on the North and the West. Recent pivot towards Asia is perhaps Africa's own 'Look East' policy. While Africa is too large a region to fit in a simple narrative, the session on 'Asia@Africa' an-

alysed the broad nature of Asia's engagement with various African economies and outlined specific opportunity areas for cooperation.

The speakers—both Africans and Asians—explored the potential for building mutually beneficial and complementary Asia-Africa



1. Armoogum Parsuramen,
2. Jaya Josie,
3. Nguyen The Hong,
4. Barthelemy Blede,
5. Akshay Mathur

partnerships as opposed to the traditional scramble for Africa among colonial powers.

Chaired by Amar Sinha, speakers in the session analysed Africa's growth, and its growth rate of 5.3 percent, which to some may seem mediocre. However, given the region's experience of negative growth, a 5.3 percent rate represents change. It represents a significant economic leap that Africa was able to take in the last decade.

Despite this success, Africa continues to face certain major challenges in its ambition to realise its development aspirations—also opportunities for Asian economies—laid out in the African Union's Agenda 2063. The first sector is infrastructure where collaborations are needed.

Infrastructure is key to Africa's economic growth and it is also a sector that can gen-



“Some of the challenges [Africa faces] are actually similar to what India faces, in terms of social divides, economic inequality, inability to generate proportional employment and a very youthful generation.”

—Winnie Wairimu

erate mutual gain. Development finance for infrastructure features on the top of Sub-Saharan Africa's needs, and Asia's large savings pool could be mobilised to plug this need through the New Development Bank and the Asian Infrastructure Investment Bank. Keeping in mind rapid urbanisation that both Asia and Africa are experiencing, the panel suggested collaboration in social infrastructure, which highlights the need for urgent investment in affordable housing, sanitation and electricity connections.

Another closely related area of partnership is healthcare. Health is a priority sector for both regions. BRICS health ministers have even set up a group to address premature mortality. Further, Asia offers a range of affordable medical tourism destinations. Telemedicine is therefore an aspect that presents a vast potential, especially for the India-Africa partnership, and the Pan Africa e-Network Project is already in operation but it is currently put to suboptimal use.

The third area suggested for cooperation is technology/ICTs (information and communications technologies). Apart from telemedicine, technology can be leveraged for a range of other applications like capacity building and financial inclusion. While the



“Historically, I would say Africa was more connected to the North and the West; so perhaps this is a “Look East” moment for the emerging and resource-rich countries in Africa.”

—Amar Sinha

Asia-Africa partnership in the area of energy is already well established, both regions should work together for producing clean energy. The big economies of Asia and Africa, like India, China and South Africa, currently rely heavily on coal for low-cost power generation, and this practice is expected to continue. Thus, these regions should cooperate on the employment of ‘greener’ technologies for the generation of power. Renewables is a potential area of cooperation. It must be noted here that the African region has one of the least developed hydropower sectors despite holding 12 percent of the world’s unexploited hydropower potential.

Asia-Africa partnership must also look at security issues particularly in relation to the blue economy. For instance, many import-



“Piracy and robbery, illegal fishing and illegal trafficking are major obstacles to the economies of West Africa. The Gulf of Guinea remains a hotbed of piracy, with 35 attacks last year.”

— Barthelemy Bledé

ant shipping routes are located in the Indian Ocean, and both Asia and Africa must collaborate on building a secure Indian Ocean Rim. Cooperation can take place through joint exercises or by creating academic programmes and institutions dedicated to maritime issues such as counter-piracy measures.

Apart from inter-regional collaboration on the outlined sectors, Asia and Africa must further cooperate on global governance platforms. It cannot be ignored that a majority of the African economies are not a member of the Financial Stability Board—a forum that will design the next generation international banking laws. It is important for both regions to ensure each other’s participation in such global rule-making bodies.

Besides suggesting collaborations and partnerships, the speakers also highlighted the need to augment the nature of the partnerships. India, for instance, could explore ways to combine its various financial instruments, such as Line of Credit and its technical training programme, to produce more effective outcomes. Further, Asian actors could work together in Africa by leveraging each other’s core strengths. After all, Asia and Africa are natural partners. This is perhaps because Asian economies are not perceived to be jostling for geopolitical and strategic gains in Africa, and vice versa.

The India-Africa relationship goes beyond strategic concerns and economic benefits, and collaborations on the above areas would undoubtedly contribute to building a more comprehensive Asia-Africa partnership.



Session-XIII

# Pathways

## The New Development Landscape

# 13

PANELISTS
<b>Rathin Roy</b> , DIRECTOR, NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY, INDIA
<b>Purity Kagwiria</b> , EXECUTIVE DIRECTOR - AKILI DADA, KENYA
<b>Winston Muhwezi</b> , ADVOCATES COALITION FOR DEVELOPMENT AND ENVIRONMENT, UGANDA
<b>Mosharraf Zaidi</b> , COLUMNIST/FORMER ADVISOR TO PAKISTAN FOREIGN MINISTRY, PAKISTAN
<b>Sadanand Dhume</b> , RESIDENT FELLOW, AMERICAN ENTERPRISE INSTITUTE, USA
<b>Lucy Corkin</b> , RAND MERCHANT BANK, SOUTH AFRICA
CHAIR
<b>Sujata Mehta</b> , SECRETARY (WEST), MINISTRY OF EXTERNAL AFFAIRS, GOVERNMENT OF INDIA

**T**HE session 'Pathways: The New Development Landscape' deliberated upon the opportunities and challenges that alternative forms of development cooperation hold for the implementation of the Sustainable Development Goals (SDGs) in Asia, with a particular focus on inequality, energy, health and gender.

In the session moderated by Sujata Mehta, Lucy Corkin mentioned that the African Union's Agenda 2063, which is broadly in line with the SDGs, includes, arguably for

the first time, the theme of Africa financing its own development. Measures such as combating illicit tax flows, introducing tax reforms, reducing African aid dependency and doubling capital markets point to a government framework that is determined to maximise endogenous sources of finance.

In Africa, a patrimonial, patriarchal state structure has led to citizen inertia, which, with increasing digital connectivity, can be transformed into citizen agency. Financial technologies (or fintech) are cutting out



(from left) Winston Muhwezi, Purity Kagwiria, Mosharraf Zaidi, Rathin Roy, Sujata Mehta, Sadanand Dhume and Lucy Corkin

middlemen and providing universal access to end-users. The government can foster these endogenous sources by simple measures, such as lowering remittance charges and providing identity documents that will encourage economic participation.

Rathin Roy tackled two issues of development finance in the context of SDGs. One, the bipolar nature of global development finance, which sees conversation on regulation of financial markets in Washington, New York and sometimes London but discussion on financing SDGs occurs everywhere around the world except Washington, London and New York. This is by design, and is damaging, since it prevents discussion on priorities of developing nations at platforms where the fate of \$7 trillion worth of global savings is decided. As a consequence,

there is a theological barrier being imposed by European financing institutions and the World Bank against financing, for instance, fossil fuels. This is a political disconnect and developing nations are not doing enough to address it.

Two, the notion of South-South cooperation remains predominantly a matter of political solidarity, even as nations in the South are beginning to announce solidarity through conversations on resources and economic development. The second proposition, thus, is to pay greater attention to the political dimensions of development cooperation at dialogue platforms, and then devote joint resourcing of initiatives in different countries in the global South.

Mosharraf Zaidi presented four examples of projects that are both aligned with the



SDGs and represent both success and opportunities for India and Pakistan to engage in. The Indus Water Treaty (which is yet to tap large groundwater reserves), the Annual Status of Education Report (which was first developed and piloted in India and then adopted by Pakistan), the Rural Support Programme of Pakistan (which was replicated in Andhra Pradesh), and the Benazir Income Support Programme of Pakistan (which has had significant success and similarities with MGNREGA in India). Pakistan is now considering a school meal programme, which India already has in place.

There are thus several such initiatives that can be tracked from one country to another, proving that if two neighbours cannot engage directly, they can learn from each other.

Purity Kagwiria pointed out that the challenge between India and African relationship is the term 'India and Africa'. In several places, Africa is compared as a country when it is, in fact, a continent comprising 52 very diverse nations. To focus on each country and region with a unique perspectives is both a challenge and a need. Another



“Pakistan is now considering a school meal programme, which India already has in place, one of several such initiatives that can be tracked from one country to another, proving that if two neighbours cannot engage directly, they can learn from each other.”

—Mosharraf Zaidi

er challenge is to ensure equal partnerships between African countries and investment partners like India and China. The latter need to ensure that they do not repeat their mistakes.

Winston Muhwezi pointed out that Africa's strategic partnerships in Global South—with countries like India, China, Singapore and Malaysia—are creating platforms for cooperation and interlinkages in fields such as education, skilling/training and knowledge sharing. However, issues of fair wages, labour standards and local content sourcing need to be addressed.

Sadanand Dhume argued that when people talk of new development landscapes, they completely ignore the old ones, which had been successful. If India had embarked on its eventual path of economic liberalisation 20 years earlier, it would have had 175 million fewer poor people by 2008.

No one really questions whether more equality is better than less equality. If there is an option, what should be the priority? Is inequality the threat or is absolute poverty the bigger danger?

In a place like India, poverty should be the primary concern. If the cost of reducing absolute poverty is increasing inequality, it is a cost worth paying. Evidence from both China and India is incontrovertible — even though both have seen an increase in inequality, they have also seen dramatic dents in the number of absolute poor; they should therefore be seen as success stories, Dhume pointed out.

Session-XIV

# Challenges & Opportunities

## for Regional Cooperation on Border Management

14

<b>PANELISTS</b>
<b>Manpreet Singh Anand</b> , DEPUTY ASSISTANT SECRETARY FOR SOUTH AND CENTRAL ASIAN AFFAIRS, USA
<b>Nirbhay Sharma</b> , GOVERNOR OF MIZORAM, INDIA
<b>Tariq Karim</b> , FORMER HIGH COMMISSIONER OF BANGLADESH TO INDIA; DISTINGUISHED FELLOW, VIVEKANANDA FOUNDATION, INDIA
<b>Maj. Gen. Muniruzzaman</b> , PRESIDENT, BANGLADESH INSTITUTE OF PEACE AND SECURITY STUDIES, BANGLADESH
<b>Nishchal N. Pandey</b> , DIRECTOR, CENTRE FOR SOUTH ASIAN STUDIES, NEPAL
<b>CHAIR</b>
<b>Suhasini Haidar</b> , DEPUTY RESIDENT EDITOR & DIPLOMATIC AFFAIRS EDITOR, <i>THE HINDU</i> , INDIA

**C**HAIRED by Suhasini Haidar, the session on 'Challenges & Opportunities for Regional Cooperation on Border Management' explored the need to create smart borders that allow these countries enhanced trans-border movement of people, goods and ideas while minimising the potential for cross-border security challenges.

The panel highlighted that connectivity was greater and people travelled far more freely for trade and commerce before borders in the region were formally demarcat-

ed. South Asia, as we know it today, came into being only when nations became inward-looking and boundaries were closed, which did make geostrategic sense for countries at the time.

Prior to its existence under colonialism, South Asia was largely a cohesive unit. However, with countries gaining independence, a new sense of nationalism was born, which required them to guard their national territories.

While there are a few formal agreements





1. Nirbhay Sharma,
2. Suhasini Haider,
3. Tariq Karim,
4. Maj. Gen. Muniruzzaman,
5. Nishchal N. Pandey

between countries, there is a possibility of greater cooperation that can be seen through the example of the Land Boundary Agreement between India and Bangladesh, which changed a status quo that many felt was unshakeable.

So what defines border management? Is it the mere demarcation and policing of borders or do 'smart borders' require more? How does one differentiate between the nature of India's border with Pakistan and China where the former is relatively short, well

managed and demarcated while the latter is much longer and less demarcated?

India's role as a connectivity hub, given its central location, has always been an important aspect of future connectivity policies. However, for this to happen, the political will to transform borders is required. In the case of India's borders with China and Pakistan, the panel noted, there is a sense of understanding between the soldiers but it fades, and conflicts begin to arise as one moves away from those lines.

The panel suggested that a more vibrant border mechanism be implemented, one which allows boundaries to act as bridges for people, commerce and ideas. Technology can be one way to make regulations easier, with the introduction of biometric data and digitised documentation. Such measures are important because borders must



“While it has been a game-changing year for five of India's neighbouring countries, we have faced major challenges, be it cross-border terror on our western frontier or our operation in Myanmar.”

—Suhasini Haider



be seen as avenues for people-to-people communication.

Borders which are areas of opportunity and connectivity are not restricted to land as South Asia has maritime, aerial and—the new realm of—virtual borders to contend with. Maritime security, for example, is becoming more and more important for South Asia, making organisations like the Indian Ocean Rim Association critical to battle threats like piracy and smuggling. Increasing cyber security threats and a lack of mutual trust between countries is also a cause of concern.

Freedom, safety of travel and ease of commerce are key pillars to build a system of connectivity, which can push the region towards greater prosperity; but a lack of border management architecture is a challenge.

A mechanism which takes into account not only security but culture, religion and aspirations—with an awareness of the historical context—is imperative. Hundreds of South Asia's shared natural resources, whether rivers or wildlife, do not recognise man-made borders. The panel commented that workers from all over South Asia are working hand-in-hand to build stadia in the



“I don't think we should only concentrate on borders in terms of land boundaries, as I also see borders as maritime, aerial and a complete new domain of virtual borders.”

—Maj. Gen. Muniruzzaman

Gulf. However, the same cooperation is not reflected back home. Therefore, there is a need for regional agreements on border management and to make clear the potential avenues for cooperation.

When the South Asian Association for Regional Cooperation (SAARC) was created 25 years ago, there was a desire to replicate and build upon the European Union system. Countries in South Asia had already been experimenting with borders, like the open border between India and Nepal. However, the panel emphasised, the processes in Europe and South Asia were drastically different, so the same solution could not work.

Countries must understand that building walls and fences do not actually improve security; it is only a temporary solution. However, greater connectivity across borders could be a solution to several problems, both economic and security-related. Additionally, better connectivity and its results in South Asia would encourage countries like the US to change their foreign policy towards the region.

Furthermore, the idea of success in South Asia is far removed from its borders. The most prosperous cities in a country are never the border cities. Health, sanitation, education and transportation are hardly a priority in these cities.

At the end, while the US, India and China will continue to be the world's top economies for the foreseeable future, their success will be determined on how well they can trade with each other and their neighbours.

## Director's Message



### RAISINA DIALOGUE: THINKERS, POLICY EXPERTS, BUSINESS LEADERS GATHER TO SIGNPOST THE NEW INDIAN WAY

*“The next three days in New Delhi will witness the arrival of over 120 thinkers, speakers and leaders from over 35 countries to participate at the **Raisina Dialogue - India’s first Global Conclave on Geo-Economics and Geopolitics**. We at ORF are delighted that we have had the opportunity to co-create this platform with the Ministry of External Affairs. The purpose of this endeavour is to catalyse new debates and discussions, throw up creative ideas and discover pathways that will hopefully shape the progress of not just India and Asia but of all who are invested in and engaged with Asia and with India.*”

*For some time now, as the Indian growth story gained momentum, the absence of a truly global platform located in India had been a bit galling. Indians, the inveterate travellers that we are, traversed the world and attended various iconic conclaves. The number of conclaves as well as the number of Indians attending also steadily increased. But that also spurred, in some of us, the need for bringing into these conversations a uniquely Indian dimension that could help locate these within an Indian paradigm and with an Asian ethos.*

*Then in 2014, with the coming of a new political leadership, came an altered mood and new determination. This leadership was keen to engage with the world. It was more confident of what it wanted, and felt enthused by both the opportunity and the possibilities that such engagement afforded. At the core was a desire to ensure that we as a nation and as a people take initiative and become contributors participating in and shaping global conversations, paving new trajectories with all others who shared a vision of jointly responding to the needs of a dynamic world. A world that required more actors taking more responsibility.*

*In the run up to this conference, my colleagues and I have often been quizzed about the rationale, the motivation and, the purpose of creating this platform. So let me try and respond.*

*Fifty years ago Marshall McLuhan, declared that the medium was the message for the medium shaped and controlled “the scale and form of human association and action.” The hosting of this conclave therefore is the message itself.*

*The very fact that Indian thinkers, the Indian political leadership, and the executive, have come together to create this platform is the most compelling message by itself.*

*At one level, it is the manifestation of a proactive India committed to being the cradle of new conversations, new ideas, and new outcomes, each of which will shape*

*politics, policy and global governance. It is also an invitation to the global community, civil society, academia and global thought leaders to engage with India on issues and challenges faced across different geographies. It is a realisation that India's future, its development, and its growth, will be influenced and catalysed by various actors, various nations, and by various*



*“Fifty years ago Marshall McLuhan, declared that the medium was the message for the medium shaped and controlled ‘the scale and form of human association and action.’ The hosting of this conclave therefore is the message itself.”*



**T**his platform is important because it comes at a time when past assumptions—the rules, the norms, the givens that proved adequate for a different world in the last century—are inadequate in serving people and communities, countries and regions, who today have the largest stake in its future.”

*century. However, for us the Asian century does not connote an exclusive region. Rather it epitomises the engagement of global actors with Asia and of Asia with the world. It symbolises Asia’s renewed partnership with Europe, it typifies Asian engagement with the US, and takes forward Asia’s long-standing relationship with Africa. The Asian century is actually about once again integrating Asia with itself and the world. Hence for this inaugural edition, the conference theme of “Connecting Asia” captures the multiple facets of our ambitions as the organisers of this multi-stakeholder platform.*

*Secondly, this platform is important because it comes at a time when past assumptions—the rules and norms, the givens that proved adequate for a different world in the last century—have shown themselves inadequate in serving people and communities, countries and regions, who may today have the largest stake in its future.*

*On the one hand, the 20th century impulses of globalisation, free trade, easy liquidity, large manufacturing, may no longer be readily available to many who are now beginning to climb the ladder of political and economic relevance.*

*On the other hand, protectionism, restrictive borders and a return to predatory economics can and are undermining many of the institutions and much of the architecture that served us in the past. Coalitions of convenience must not and should not seek to write new rules around trade, digital economy, intellectual property rights, sustainable development and a host of other areas that each of us engage with.*

*Then we are in an age where technology has become the new hyper-reality—technology promises opportunity, it is the tool that liberates us from the constraints imposed by geography. Technology is creating a new world. It is creating new social order, helping with the birth of new communities, shaping new forms of*

*developments across the world.*

*It is the recognition that the Indian story, the Asian story and the global narrative in turn will be co-authored by those within and outside the region, and this medium will enable us to collectively settle the contours and define the boundaries of that common narrative.*

*The world has for some time been talking of the dawning of the Asian*



“For the pathways to peace, the road to prosperity, the idea of inclusive development, are all predicated on the wholesome participation of new voices, more of which are now emanating once again from the world’s oldest civilisations.”

*communication and engagement and inventing novel forms of economic and political transactions. But it can also be used to restrict and perpetuate distortions of the past, create divisions that can be far more lethal. A new world outside of the real, for which the rules are unable to keep up with the pace of the electron.*

*These reasons are why the phrase about inhabiting an “uncommon world” seems to have gained increasing traction; for while known solutions lead us to known outcomes, new outcomes will constantly require new solutions.*

*So the quest for discovering these, joining together to script these, must not only continue but must now include voices that have the greatest stake and hope from the future. The participation of diverse voices from Africa and Asia, India and South Asia, and the world, is the best way of ensuring that any new consensus on geoeconomics and geopolitics that emerges in the days ahead responds to the needs and aspirations of all people.*

*For the pathways to peace, the road to prosperity, the idea of inclusive development, are all predicated on the wholesome participation of new voices, more of which are now emanating once again from the world’s oldest civilisations.*

*The Raisina Dialogue aspires to be one of the arenas, where the old and the new can work together, not always necessarily in agreement, but always in harmony, many times contesting, but contesting as partners and not as adversaries. This dialogue aspires to be such an amphitheatre of ideas located in India but owned by the world.*

—Sunjoy Joshi  
DIRECTOR, ORF





**D I A L O G U E**

MARCH 1-3, 2016



MINISTRY OF EXTERNAL AFFAIRS  
Government of India



20 Rouse Avenue, New Delhi-110002  
Ph: +91-11-43520020. Fax: +91-11-43520021  
[www.orfonline.org](http://www.orfonline.org)  
[info@orfonline.org](mailto:info@orfonline.org)

