



NON-ALIGNMENT 2.0

A Conversation

23 MARCH, 2012



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Aspen-India Meet on
Non-Alignment 2.0

23rd March, 2012

ASPEN-INDIA ORGANIZED A CONVERSATION between **Dr. Ashley Tellis**, Senior Fellow, Carnegie Endowment, Washington and **Ambassador Shyam Saran**, former Foreign Secretary, India and currently, Chairman, Research and Information System for Developing Countries, New Delhi on March 23, 2012. The Conversation was moderated by **Shri Ajai Shukla**, Senior Journalist. The transcript has been edited to enhance readability.

Non-Alignment 2.0

A Conversation

Mr. AJAI SHUKLA: Shyam Saran, I bet you never thought when you were party to writing this document that it would open such a Pandora's Box and initiate such a vigorous debate. It is all over the internet. There is a debate going on, on Facebook and, of course, number of pieces have been written about Non Alignment 2.0. Perhaps if you would have called it something else – mult-alignment or strategic flexibility it would just have been the same thing. As Ashley was saying just now, the US has barely recovered from Non Alignment 1.0 and we have got 2.0 already being inflicted on them. But it opens the debate on a much needed issue. The document is, in a sense, for those who have read it, one of the most comprehensive foreign policy suggestion pieces or structure pieces that has come out for long long time. In that sense, it has opened a very, very vigorous and much needed debate. How far can India go and save India's strategic autonomy?

I will not stand between you and other speakers much longer. Mr Shyam Saran will first speak and outline the broad points that he has made along with the other authors. After that Ashley will have the floor. He will speak for a bit and then we will straight away go for audience question & answer session.

I have my views too but I would like to just start with taking up one unfashionable thought which is this whole issue of morality, which was part of Non-Alignment 1.0. It has become such an unfashionable thing though in my personal opinion there are great advantages to be gained from morality. But there again, having to frame those advantages in realist terms, shows that the idealistic view of morality doesn't really do too much good ...sadly. With that I will request Mr Shyam Saran to take the floor.

Mr. SHYAM SARAN: Since I am not on Facebook, I am not quite sure what has been floating around in the digital world, which is perhaps an advantage. I thought it might be worthwhile before we get into this conversation, to give you a sense of what we had in mind when we the authors, began about a year ago, this particular study, in terms of framing a possible framework for thinking about India's foreign and security policies. An important sense was that there is a certain continuity in the way India looks at its own interests and its place in the world. That sense of continuity has a certain value and that value should be recognized. And if we use the term 'Non-Alignment', it was because we wanted to convey that sense of continuity.

There is a certain running theme with respect to how we look at the world. I say this without any hesitation that the person who articulated that world vision, was Jawaharlal Nehru. He did this with certain degree of historical sense and tremendous amount of focus. I feel a little disturbed that the kind of intellectual capital he brought to the framing of a strategy for India, at a time when India had just emerged from a very long period of colonial rule, I think it is an amazing achievement. Even though there may have been certain setbacks, Nehru didn't get everything right, who does? But I think in terms of how he articulated a certain vision for India, that vision still is very valid. If we use the term 'Non-Alignment', it was not really to suggest that each and every element of the policy that we followed from India's independence right upto the Cold War was absolutely correct, was entirely in keeping with what our interests were, but certainly the strategic underpinning of that concept of Non-Alignment, that is something we must understand, we must be aware of and recognize that it still is something

very relevant to how we now look at India's foreign policy.

Second, obviously, even though the strategic underpinning may be the same but we are living in a vastly transformed the international landscape. The reason why the international landscape has been transformed is partly because India is transformed. We are very much part and parcel of that transformation. It means that today what India does in respect to several cross cutting issues, has an impact on rest of the world and rest of the world needs to take cognizance of India's emergence. But at the same time it is also true that many more challenges that we face domestically, what would normally be called domestic issues, these, in turn, are impacted in an unprecedented fashion by what is happening in rest of the world. Therefore, in dealing with some of the domestic issues, unless we are engaged with rest of the world, we may not be able to do a good job. So there is inter-penetration of the local with the global, which is something that we have to take into account when we are trying to fashion foreign and security policies for the next decade.

The other aspect that we have tried to focus attention on is that we are no longer living in a world where whether domestically or in the foreign policy sphere or in the external environment, we can deal with a single domain without taking cognizance of how they interplay, interact with other domains. So if we are talking about energy security, we need to talk about climate change. We need to talk about maritime security. If we want to talk about climate change we need to talk about water security. All these have become interconnected, and therefore, trying to fashion solutions which are in a single domain is no longer possible. Yet we have a system here, we have an infrastructure here, which also to some extent is there in other countries as well, where you do not have the capacities in the country to really look at many of these issues as interconnected issues. It is not really a matter of coordination, it is a matter of really fashioning

integrated approaches, multi disciplinary approaches. In the world which we are living in, unless we have cross domain approaches we will not be very successful in tackling issues.

Of course the report also focuses its attention on things that perhaps have not always merited careful attention. For example, how do we deal with issues of internal security? What is the role of the state? We do talk about how the state has, in some cases, abdicated its responsibility. There are political issues which are handled purely as law and order issues. That will not work. We have spoken about how the state in many cases, has become predatory and that is a strong term to use, but the role of the state needs to be reexamined, if India is to be faithful to some of the ideals with which we started our life as independent country. Of course the state has to have capacity. In many cases, what we find is that the reason why we have difficulty in dealing with many internal challenges and many external challenges is because the state does not have the capacity to deal with them. Capacity building is, therefore, very important. It may be quantitative, for example, we do not have enough police forces, or do not have enough trained people in the security forces. We must recognize that while we may be setting up very efficient institutions at the national level, if at the bottom of the line, the ordinary constable or jawan, is not well trained or committed, then this big structure that we are building up is not going to work. This study thus is not only about foreign policy. It is about what kind of new landscape India is looking at, where it is also part of the global transformation. If it wishes to fulfill the promise of that transformation, what does that India need to do? There are certain continuities which are worth keeping, worth preserving. There are several things which we have to reinterpret. There are some completely new things that we have to do and to think about it if India is to fulfill its promise.

Thank you.

Mr. ASHLEY J. TELLIS: I got to know Shyam Saran when we were together many years ago trying to push the US India Civil Nuclear Agreement which finally materialized and counted for a great diplomatic triumph, and my respect for Shyam has only grown since then. It is such a pleasure to be with him on this podium.

Let me start by giving you a sense of my basic response to the document. I think it could be simply characterized as respectful ambivalence and I want to emphasize both dimensions of that characterization. It is respectful because I think this is a very important piece of argumentation and it's a complex work that attempts to balance very strong elements of realism about India's circumstances with an abiding commitment to idealism. It is hard to pull that off at the best of times and the document really makes a very systemic effort at weaving both those strands together and I think that is worth paying attention to and taking seriously. But I am also ambivalent about it. Because there are some problematic dimensions with the structure of the solutions that the document proposes.

Let me start by giving my take on how I read the document. I think it did a super job of focusing on what I feel are central strategic tasks: sustaining high levels of economic growth, strengthening democratic consolidation, and enhancing national security. I see this trinity as being the fundamental task facing any political regime in India, today and for the foreseeable future. The document identifies this and attempts to provide solutions to each of these three challenges. The essential solution it provides to the challenges of economic growth are a concerted effort at deepening globalisation and this I think is a distinctive discontinuity from Non-Alignment 1.0 which focuses on self-reliance. In the 2.0 version there is a very clear and resounding affirmation that globalization is something that India cannot avoid and that India's long term interests demand even greater integration with the international community. So that is

the solution to the challenges of economic growth.

To the challenge of strengthening democratic consolidation, there is a remarkable analysis of the need to renew institutions and strengthen state capacity. I have rarely seen a document that is so honest and transparent about the limitations of the Indian state. I think it is worth taking to heart because that is a whole agenda, from the policy perspective, that follows the analysis.

On the third issue of enhancing national security, the focus again is on expanding India's military capacity vis-à-vis its adversaries, by deepening state penetration and effectiveness for meeting the challenges. I feel that there are broad solutions offered in this analysis, with specifics that should be worked through in the future.

But I had difficulties with three fundamental dimensions of the document, and now I want to flag those. First is a consistent affirmation throughout the document on what will be critical for India's success in the world. In fact, there is a line that says, the fundamental source of India's power in the world, will ultimately be the power of its example. I have some difficulty with this characterization not because I believe that issues relating to example and how India conducts itself are unimportant, but because I see the normative value of India's example intimately linked to India's capacity to increase its power. To my mind, if India falters on the project of building comprehensive national power, its example per se will be less interesting to the international community and actually quite irrelevant even to Indians. Where I found the document lacking was in defining what is unique about the Indian example. There are many things about the Indian example that, when viewed from the inside, will be appealing to Indians, but what is it about the example that would capture universal resonance? I was not able to discern that from the treatment in the document. So the argument that ultimately India's influence in the world will be shaped greatly by its example is something that I am prepared to take at face value. But I think this needs

much greater elaboration and certainly needs a more explicit connection to material success for it to be taken seriously as a transformative element of India's ability to make a difference to the world.

In reading the sections on example, I was also reminded of the experience of the United States which, when it began as a young country, almost had a world view that is very similar to the language included in the document. Yet when one looks at the United States 200 years later, I think what you see is a powerful counter example, and that counter example is what the very nature of the structure of international politics does to all our native idealisms. We start out wanting to be exceptional, we build institutions and we want to sustain a set of policies that are exceptional, but we end up succumbing to all the pressures that make us just another state where, in many instances, no matter what our ambitions are with respect to our moral choices, we always have to descend into making compromises that very quickly take away the power of our example. I am not entirely convinced that with Indian success will come necessarily the ability to sustain that exceptionalism and so in some instances the document represents a very youthful India. It is wonderful to see the aspirations of youthful India, but I am not sure that it may be the characteristic that survives India in middle age, not to mention old age.

There is a second set of issues that I have some difficulty with and this has to do with the concept of Non-Alignment. It is not the rhetorical problem that people have with Non-Alignment. The problem I have Non-Alignment is that if you understand Non-Alignment either as freedom from entangling alliances, which is what it was in 1.0, or as the quest for strategic autonomy, which it is in 2.0, I think there are very severe limitations to this concept as a strategic solution. Let me flag that because this is, in many ways, the core critique that one could make, while taking it seriously. The reason why Non-Alignment, understood as strategic autonomy, has a

limitation is because India now finds itself in a world which is characterized by two realities simultaneously. The first is a world of economic interdependence, but the second is a world that is simultaneously characterized by geo-political competition that persists despite the economic interdependence. The document actually accepts this upfront - the fact that there is economic interdependence does not eliminate competition. So what does this mean for policy? I think there are very profound implications for policy. When you conduct yourself in a world of economic interdependence, you are essentially confronted with the situation where the international system is producing continuous gains for all parties who are involved in this relationship of interdependence, but these gains are not distributed symmetrically throughout the system. That means that since everyone is a participant, everyone gains to some degree or another but all the parties do not gain equally. In the world of pure economics, this has absolutely no causal consequences because if the next person wins 20% more than you do, there are no geopolitical consequences. There may be material consequences: someone gets richer, someone gets poorer, but there are no security consequences because everyone is purely in a welfare game and if the other person gains in welfare more than you do, there is no automatic loss to you simply because the other person gains. If you pose it as the report does, and I take this to be an accurate characterization, that it is not simply a world of economic interdependence but a world of economic interdependence coupled with security competition, then the fact that there are asymmetric gains in the system has very serious consequences. If your competitors or adversaries are actually doing better as a result of economic interdependence compared to yourself—and I think a compelling case can be made that China is doing far better in terms of economic interdependence than at least India is so far—then I think there are serious strategic consequences that arise in this kind of world. What is the

solution to deal with this problem? I think there are three basic solutions. One is you can choose to opt out of the game. You can basically say economic interdependence does not serve my interest, I am quitting. If you do that you are under risk that the other competitors who stay in the game will continue to do better, while your capacity to do well actually diminishes. So that may not be the preferred strategic solution, and at any rate it is not the strategic solution that the authors of the report have proposed.

There is a second solution: to constrain the party that is doing well in order to depress its performance, and every now and then, you hear, for example, that the United States tries to limit China's ability to profit from the current system because we too don't like the idea that Chinese are doing better than us. The problem with this solution of constraining your competitors from accruing the gains they enjoy is that very soon the system could dissolve because everyone will begin to demand exceptions to the existing rules. Option 2 does not provide you a strategic solution either. Which leaves you only with option 3. Option 3 consist of saying that you will participate in the system even though there are asymmetric gains littered throughout, but that you will make a special effort to participate even more energetically with a subset of states that are your friends. In other words, you attempt to compensate for the variability of the gains that arise in international politics by having more energetic economic and strategic cooperation with a smaller subset of states that pose absolutely no threat to you. If you believe that this is the solution to the problem of interdependence and security competition coexisting, then you are automatically compelled to move in a direction that is 180 degrees removed from the recommendation of the report. You are compelled to move in the direction of deepened strategic partnerships with a few as opposed to a course of universal search for autonomy vis-à-vis all. This is a very difficult choice to implement in practice, but the bottom line is this: the

nature of the problem compels you to make special arrangements with a set of friends. And so you are left with a very paradoxical outcome, that in order to get the strategic autonomy that the authors of the report believe is the best course, you are compelled to conclude that that strategic autonomy is achieved not by equidistance between India and the rest of the states in the international system but rather a deepened set of partnerships with a few. I think to my mind there is no escape from the compelling logic of the solution. That takes you, in practical terms, to exactly the point where India should be. It can be essentially friendly with all states and in some sense free of entanglement with all states at one level. Or it has to maintain those formal freedoms by being embedded in a set of very special relationships and I would argue that one of the special relationship you ought to have is with a country like United States, but that is a practical application.

There is third set of issues which I think troubled me. The policy that India needs for success—and the report flags many policies in a variety of the spheres, everything from domestic politics all the way to high politics of strategic alliances, so on and so forth—I think there is no net assessment in the report about whether the preferred policies that the report advocates can actually be implemented in the context of India's domestic polity. This is a very important consideration because no matter what the theorists deduced as being the optimal strategy, if that strategy cannot be implemented in the context of your domestic politics then I think you are compelled to think of alternative strategies. There are two elements in India's domestic politics currently that I think go some distance in subverting the success of the solutions that the report advocates. The first is a fragmentation of India's domestic political system and the replacement of a strong national centre by essentially a variety of regional parties. In this environment, it would be extremely hard to produce the national consensus of the kind the report desires.

Second, is the vicious return of redistributionist over growth politics. For India to succeed in the manner that the advocates of the report desire, you will have to have a relentless trajectory of economic growth and to get a relentless trajectory of economic growth you are going to need a very different set of political choices, compared to what seems to be the dominant trend in India today, which then takes me to a certain conclusion. If your domestic policy and economic policy does not allow you to produce the policies that assure you high rates of growth, which assure you the kind of strategic autonomy that you seek, then essentially what you are saying is that the kind of resource mobilization that has to occur internally within India will not occur at the level of efficiency that will be required for success. If this kind of internal balancing that is critical to any strategic autonomy is not going to occur, then you have to perforce supplement it with something else—unless you are prepared to contemplate being vulnerable in the emerging strategic environment. In other words, if your social institutions and your political structure do not give you the flexibility to create the levels of economic growth required to sustain your quest for strategic autonomy then you are compelled to think of supplements or substitutes and, whether it's a supplement or a substitute, I think the core question of external balancing through preferred partnerships with other countries begins to come up front and centre into the equation. In this context, it seems to me that the immediate challenge that India is going to face is China. You may not need external balancing in the case of Pakistan, though I think it will help even there, because Pakistan is far too complex for India to manage alone, and when it comes to China, in my judgment, I simply see no alternative to external balancing at least as a supplement to India's internal balancing for quite some time to come, because, first, there is a dramatic gap in capabilities between China and India, and, second, although that gap may narrow in time, there is no assurance that the gap will

be narrowed in the foreseeable future. Which means that India's need for having special friends and allies is going to be compelling. In other words, it takes you back to the point that I flagged in the beginning, which is that strategic autonomy becomes a dicey solution. If it means equidistance between India and various partners in this regime, whether you like it or not, I believe that India will be compelled to have some special relationships. I would prefer that you have that special relationship with the United States, but it does not have to be the United States. It can be any other country that suits India. The point I want to leave you with is that I am not convinced that India will have the flexibility to say that we can be equidistant between various other centres of power in the international system.

Let me just end by making two basic points. One, I would like to see the Indian exceptionalism that report advocates survive into the future. But looking at experience of my own country, I am deeply sceptical that such exceptionalism will survive. The United States today, except for Americans, but for most other countries, is seen as just like any other power, except that it is more powerful. I don't think people take that message excessively from our rhetoric. At the end of the day the United States looks like any other country. It just happens to weigh 500 times more than some of the other countries.

My second point is that the nature of the game that India has found itself locked in is going to take it in a direction where it may not have the luxury of renouncing external partnerships. The fact that the authors of the report have made the effort to lay out what are the challenges for India, however, is extremely important because, if nothing else, what it does is to discipline the mind. It forces you to make clear what your objectives are, what mix of policy instruments are relevant, and it forces you to consider the trade-offs in those policy instruments. Whether you agree with the report or not, I think Shyam and his colleagues ought to be commended because they

have forced us to think more seriously about the choices that India is going to face for quite some time.

Thank you.

Mr. AJAI SHUKLA: Mr Saran, you traced the linkages back to Nehru's vision. Going back to Non-Alignment 1.0, do you believe that this will provide India a certain added heft because of this report or was it just Nehru's personality and personal standing in the international arena? And what elements of that do you see carrying forward in this report? Is there any substantive continuity in terms of providing a certain added heft?

Mr. SHYAM SARAN: First of all I would like to emphasize that what Nehru came up with, was very deeply rooted in India's own history, its own experience during the independence struggle, a sense of itself. I do not agree with Ashley that all powers are in a sense doomed to be the same ultimately. One of the reasons why the United States is a preferred partner for India is because it is a different kind of state. Did Nehru's personality play a part? Of course. Leaders do make a difference. To somehow reduce everything down to just a determinist kind of force that is linked to the reality of our circumstances, is putting something which is much more complicated, much more rich into rather depressing little compartments. I think we do not deserve that. To answer your question, yes, Mr Nehru' personality did make a difference because I think in terms of articulating what India wants, how India saw itself and what India looked upon as its role in the world, he was perhaps the best exponent. It is important for India not think of power for power's sake, not to think of India as exceptional but there is a certain nuance in the way India exercises or should exercise power which has a certain value. I do not think that we are doomed to be like United States in 50 years' of time. I think we have another possibility. What is that example? At this stage

of history what is our example? Our example is that despite the fact we are a democracy, despite the fact we have a society which is so diverse and plural, despite the fact we have a society which believes in liberal values we have still achieved pretty high rates of growth. It is a sustained economic strategy that does bring about, over a period of time, more and more economic benefits to its people because it is not economic growth for the sake of economic growth alone. I hope that the reason why we want to have a high rate of economic growth is not only because we want to accumulate power vis-a-vis other countries in the world, but, first and foremost because the objective of the foreign policy, too, has to be to make it relevant to the economic and social welfare of our people. That is the context in which you have to think of it about your foreign policy and I think it is valuable to think in those terms.

We are not looking upon India as a completely different new animal that is going to be emerge – no, but an India which wants to be powerful and has a different sense of its power. Non-alignment is not equidistance. That is a caricature of Non-Alignment. If you look at the way in which Nehru interpreted Non-Alignment, the way he practiced Non-Alignment, there was no equidistance. When the situation so demanded, he did lean to one side or another He never wanted to be equidistant. Even Mrs Gandhi, when the time came for there to be a much closer partnership because of the kind of challenge we were facing in 1971, when the US sent the USS Enterprise into the Bay of Bengal, I think it was worthwhile for her to think in terms of the Indo -Soviet Treaty- Equidistance? Oh no. Are we talking about equidistance today? No, but it is worthwhile looking at a rather rapidly changing situation where relationships among countries', among major powers, are also undergoing change. I think what India is saying is that there will be different levels of proximity that you may be end up with. Would there be much closer proximity

with the United States? Of course, because there is far greater convergence with the United States today than with any other partner. But even in the United States, by the way, there are voices that say India will not be an ally. Don't think India an ally. Or if you are thinking that India will, on each and every issue, support United States, it will not. But India, for its own reasons, will follow certain policies which in fact, will be convergent with United States, and that's of value to the United States.

The last point about the possibilities that India has because it is able to accumulate more economic and other capabilities. The report is trying to convey that while there may be a certain gap with China, and perhaps this gap may become larger, but there are certain kinds of advantages, assets which India has today, which may not last very long, but if we are able to leverage those assets actually you can compete effectively and become a much more powerful country. We have pointed to the demographic assets that we have. We have pointed to the fact that there is a very strong culture of innovation in the country. There is a very strong entrepreneurial class which, given the right opportunities, will be able to deliver. We should be able to create the right kind of environment for this and there is no reason why we cannot, because after all the last 15 years' record shows that when there has been a will, you have actually brought about radical changes. It is not that you cannot make changes but yes there is political fragmentation, there is lack of political consensus. Regional parties are becoming more powerful. One thing that the report hopes to achieve is to precisely bring about, through a much larger debate, some education of the emerging political process, a much wider education of public opinion. The good thing is that politicians respond to public opinion in this country. As you can see even in the states where elections have been held. They have bucked the trend, because a certain public opinion change has taken place. We hope that this kind of exercise, this kind of debate will bring about awareness.

Let them think about these matters. That the way we are headed will constrict our options. Yes if we are not able to achieve success, external balancing will become more important. That is not precluded in this report. In fact what we are saying is that you are probably going to find that in the new international landscape, there will perhaps not be fixed alliances that you worked through but you would be working, depending upon what the issue is, through very shifting coalitions in which the relationship with United States America will be perhaps one of the most important partnerships.

Lastly, in a partnership a lot depends upon what your partner thinks. How much value does your partner attach to you? There is a certain asymmetry in the relationship between India and the US. On certain things where we have convergent interests, we worked very well but please also understand that you are a global power. You may take decisions because of compulsions of global power which may cause collateral damage to us. We have to be mindful of that impact. You may not be doing it because you want to hurt us. Take the example of Pakistan. What you do with Pakistan may not be because United States necessarily wants to hurt India but actually what you do with Pakistan sometime does hurt us more than what China is doing with Pakistan which action is actually directed against India. We have to deal with this in different ways. I think there has to be an understanding that when there is that kind of asymmetry in a relationship, we have to be mindful of that aspect. If because the United States believes that its interests are better served by some kind of strategic reassurance between China and United States, it does constrict our room for maneuver. If we try to ensure that we retain some room for maneuver for ourselves in those kind of situations, I think that is the most prudent thing to do. Why should anybody object? I think what the report is trying to do is to spell this out, not necessarily offer solutions for each and every issue. We don't have all the

answers, but we believe it is important for us to ask the right kind of questions to generate debate, reexamine these concepts whether it is Non-Alignment or something else. Non-alignment came up during the Cold War but there were many other concepts, which also came up during the Cold War. Just because they became current in the Cold War, doesn't mean that they are no longer relevant. We should not reject this merely on this count. The United States of America and others are still using many terms which actually came up during the world war. However, it is very important that we examine these concepts with a certain degree of objectivity, not let prejudice come in the way and see whether or not they are still relevant to our current kind of situation.

Mr. AJAI SHUKLA: Actually, Ashley, there is a threefold argument. The third one was, you said it is possibly not sustainable in the context of India's domestic politics and you made the two fold argument that, first, because of fragmentation of the polity in India, it will be difficult and the second that it relied on sustained growth for India. Point number two I agree with. Point number one seems to be a bit counter intuitive. The fragmentation of India's polity actually makes equidistance easier than going in for a straight partnership. We saw what happened at the time of the Indo US Nuclear deal, we had to go for a vote of confidence in parliament. Would you just explain how you reach that conclusion that fragmentation would make it easier for India to adopt another policy?

Mr. ASHLEY J. TELLIS: I didn't make the argument that fragmentation would make it more difficult to conduct a particular kind of foreign policy. I was saying that fragmentation makes it more difficult to get internal politics that are focused on growth rather than on distribution; that the absence of strong national parties is going to create political competition and

political competition is going to be aimed at satisfying local constituencies through immediate payouts rather than accepting a strategy of deferred distribution in order to sustain growth. You can see that the nature of Indian politics today is essentially a diverse group of parties competing for the loyalties of a sufficient number of voters that would bring them into power and the immediate consequence of that heightened competition is to look at distribution as the ticket to political power. To my mind, it is that shift that takes you away from a path that leads to enhanced growth and from that I draw the conclusion that if you get suboptimal growth because of the changing nature of domestic politics, then you are pushed in the direction where you have to look for external partnerships. What I found most reassuring in Shyam's response was his assertion that degrees of proximity to different powers are not precluded by the quest for strategic autonomy, but I must confess that that did not come through in the report. In the report there is a very strong flavor of equidistance and in the discussion of India's relationship with United States and China, you get strong sense and, maybe I am reading more into it than the authors intended, but you do get a very strong sense that what India ought to do is be very careful about not getting aligned with one or another because there are liabilities that come from asymmetric proximities. My argument is you don't have the luxury of equidistance in the way I defined it. You will be compelled by the very nature of the political competition that is arising, to be tilted in one direction or the other. If you say that is perfectly compatible with Non-Alignment 2.0 as you defined it, then we have no complaint, but there is something odd about the idea that this is Non-Alignment. It is essentially a quest for maximum autonomy, but it is equally compatible with the idea that we will have relationships of convenience. Yes it will work in practice, but it does take some work, they are not concepts that naturally sit together.

Question & Answer Session

QUESTION: The political system in India is going to change, there is going to be some nationalism, the regional parties are going to be stronger, the political system in India will have to devise ways and means to tackle this. My three issues are, the first to begin, with Ashley's third option in Non-Alignment. The way I look at Non-Alignment, we are carrying out something which is modified and we will have arrangements which will suit us in the context of time. But for interdependence concerns that you talked about, we are actually very much interdependent in the economic field. The only difference is that we should look at other states also, not only the ones with which we are interdependent. In my view we will only get strategic autonomy if we are powerful in the economic field and military field, soft power in my view, will not give you strategic autonomy.

Shyam, when you talked of continuity of the role of the state in terms of security not to create only law and order but you factored in our neighbourhood where the military has a great bearing. They (the neighbours) are trying to interfere in a lot in ways with our system. It is not only law and order but it also becomes political and diplomatic.

Third issue Ajai is purely military. When we talk of China, if they occupy territory of ours in some border war, we will occupy some of theirs. I presume you mean a local conflict, a border war. If China occupied some more territory, I hope we have factored in the fact that you might lead to a tremendous escalation which you have been trying to avoid in the last 62 years.

Note: *There were a number of other questions which were not very clear in the recording. They touched upon the uncertainty surrounding the course of US-China relations, the impact of continuing U.S. economic decline and the possibility that India might consider partnerships other than with the United States.*

Mr. ASHLEY J. TELLIS: It is hard to say what India should do with respect to supporting the US. Those are practical decisions that have to be made in a certain context. But I think a very good first step would simply be to indicate an interest in a strategic relationship with the US. What I was reacting to is that I didn't get the sense in the report that there was a desire for that kind of strategic relationship with the US. In fact one of the comments made by one of my colleagues in Washington was, he said, if you look at US documents that describe American grand strategy, or American policies towards Asia, there are these lengthy perorations about the importance of India and what the United States seeks to do with respect to India. If you looked for an analogue in this report with respect to the Indian perception of the United States, what was stunning was its absence. There was a cryptic reference to the importance of the United States and virtually no reference to the need to have that kind of relationship that Shyam referred to. This could be simply editorial infelicity. But I am talking about something more substantive. I don't think the US has an expectation that we will march together at every step. Everyone is realistic and we know that you are going to pursue your own interests, just as we will pursue ours. But the real question is, do you see the world in the way I described and do you see a special utility with having some partnerships and they don't even have to be with the US. That is the point I was trying to make. It is a two level argument - one at the level of principle and one at the level of practice. At the level of principle, the argument is simply that you cannot go it alone, because of all the problems that I sketched out. I would say we start with a clarification that says we do want to have this relationship and then in practice that relationship will be negotiable. It will be negotiated depending on issue by issue.

I would make a similar argument with respect to Srinath's point. I agree that there is strategic uncertainty. The uncertainty is corrosive but it ultimately comes down to the question of do you see strategic autonomy as India trying to avoid making choices in partnerships? If you do not have that perception, then it is perfectly fine because I can understand at the moment, there is lack of clarity about the American trajectory, a lack of information about the Chinese trajectory, so you will be cautious in the choices you make. That is perfectly fine. What I am reacting to is something that is more pervasive in the report, which I thought was captured by the idea of "Non-Alignment 2.0," which is that we don't see ourselves as having privileged relationships or partnerships in principle. If you say, "No, no, we are perfectly fine with having privileged relationships," then, we will simply negotiate the practical engagements depending on circumstances, that's great. But then it would have been nice to have that sense clearly in the document. If you do a 2.1 iteration, then this would be something you could consider including.

Mr. SHYAM SARAN: I think there is a misunderstanding about what we are saying about Non-Alignment 2.0 and what was Non-Alignment 1.0. Did Non-Alignment 1.0 preclude privileged partnerships? What was Indo- Soviet relationship from 1960 to 1990, was that not a privileged partnership? The US at the time said it was a privileged partnership. To think therefore that the Non-Alignment that we are using precludes privileged partnership, is not true. The running theme through this report is not equidistance. That is a gross distortion of what the authors were trying to say. In fact it says that you cannot but, in today's world, not be entangled with the world. That is not an option. Why it is not an option? Because today you are living in a world where what happens outside is impacting on domestic challenges and vice versa. Today you have greater

economic and military capabilities and, therefore, you do have certain macro impact even though you may be a developing country. We have made a choice that globalization is good for India and we must continue to globalize. Nowhere is the assertion made that this is an uncertain world, but in order to maintain our strategic autonomy, we should somehow or the other make certain that we don't get entangled too much. The point we are making is, get entangled as much as you can because that is what is going to ensure your strategic autonomy. You have to reinterpret what do you mean by strategic autonomy. What may have made sense for strategic autonomy during the Cold War era may not be exactly the same as today but I think the reason why we felt that it was important to use the term Non-Alignment is because I believe that there is a danger of throwing the baby out with the bath water. To consider that everything that happened during that period was wrong, this was the policy which did us in, I think that is a view of Non-Alignment and a view of India's foreign policy which does not reflect reality. I think it is very important to reaffirm that this legacy holds value for us.

With regard to the relationship with United States, I am sorry if the report has somehow suggested that this is not an important relationship. It is obviously going to be an extremely important relationship but I find it strange, even recently when I was in the US that a great deal of pessimism pervades the United States. It is rather remarkable and strange for an Indian to go to the United States and say no, we believe that you will bounce back, we believe you have the ability to become an even more preminent power in the future, while the US seems to think, no we are in decline. I think India has more faith in the United States and its ability to bounce back than the US does. We would like the United States to be a powerful country because then the partnership with a powerful country makes much more sense to India.

You seem to suggest and I find that a little demeaning

that we are not going to make the grade. You suggest that our politics is so fragmented, our ability to get our act together is so weak that we have no option but to seek closer partnership with United States. I disagree. I think our value to the United States or to anybody else would be precisely because we are more powerful not because we are becoming weaker and I do not agree that because there is political fragmentation in this country that we are not capable of taking the kind of hard decisions that we should; coalition politics in India is nothing recent. It has been there for the last more than 20 years and yet we have managed pretty important rather landmark decisions. Don't underestimate the capacity of this fractured polity to come up with right answers. Why is this report important, because I think those who are coming into those leadership positions need to be made aware of the challenges ahead. If they are made aware, if they know what is at stake, I believe that the kind of decisions that we need are at least a possibility. I do not agree that our fate has to be declining relative to China and that we better get used to it. Or that the US are the only characters who can give us some kind of satisfaction.

Mr. ASHLEY J. TELLIS: I didn't make the argument that the United States is the only option. In fact I started by saying that the issue is not whether you have a partnership with the United States, the issue is your partnerships itself. I think there are going to be challenges with respect to the decisions that have to be made. I take the point when you say that there is a possibility that India will succeed. The point was if you believe that there will be challenges in making the kinds of decisions necessary for structural reasons, and these structural reasons have to do with political competition which takes you, because of the logic of political competition, away from a growth path, then my point was you would have to think most seriously about external partnerships. Whether that be with United

States or anyone else is a completely secondary issue.

That will be determined by the circumstances. My only point was, because you are engaged in a political competition where the pressure is going to lead you because of democratic politics into trajectories that are away from growth, the question of external balancing becomes relevant.

Mr. SHYAM SARAN: That we may diverge from a high growth path because of redistributive policies becoming important again, I think the way we would look at it, there is actually a very strong link between the two. Our ability to maintain a very diverse country, our ability to maintain a consensus behind the kind of high growth policies that we have so far been able to take forward, is also related to our being able to demonstrate that there is some possibility, some potential for a very large number of people, who have not yet participated in that growth, to be part and parcel of that. It is always going to be a very difficult balance to achieve but it is much easier to achieve that in a place like India, a democracy, than perhaps in a place like China. There are certain strengths that the democratic system has that we also need to take into account. If it is only growth, then I think a totalitarian authoritarian system may be able to deliver that. There is a certain value judgment here. The value judgment here is that we have a political structure that is worth keeping. I would imagine that in United States America too there would be a similar judgement.

Mr. AJAI SHUKLA: While you mentioned that you are not talking specifically about US-India partnership and you are talking about partnership in general, the fact that you framed it in terms of India's need for partnership because of the rise of China, it is not difficult to see that it is US partnership you have in mind. Is it a fact that the US, given the nature of its current alliance partnership with the UK, Australia and so on, which is

very much full spectrum engagement, no questions asked, we are with you war or peace. Is there a structural problem or perception problem that it has had to deal with a more independent minded country like India? Is the resistance that we are seeing just a manifestation of this initial adjustment process to a new era?

QUESTION: I am very gratified to this book because it is repeating the argument of strategic autonomy I made three years ago when I wrote my book. Since it's a nuclear deal where both of you were involved, that has fallen off the tracks because it could not pass the test of strategic autonomy as expressed by the Indian public. You posed a question actually, what is unique about it. I think what is unique about India is who we are and where we are. We have size and strategic location which no one can take away from India. It is just that we have forgotten about it but if the British expanded throughout the world it was around India and India is the only country that they looked through to West Asia in the Gulf, to Africa in the Indian Ocean, to South East Asia and Central Asia. I presume Americans understand this. You say India has no option but to look at some external value. My question is does America have an option except to look at India? Is America able to manage just on its own? I don't think so. The factor of China has been very openly stated by two of your recent presidents- present one and the previous one. Why? Because you recognize India is what it is.

Secondly, on strategic partnership in the fifties the United States was unwilling to underwrite India's security. Would United States have the resources to underwrite India's security, would you help a billion people to face the challenge? No, you can't afford it. So India has to manage on its own. We recognize that also.

Finally, when we are looking into the future should we assume that the United States will always continue to see India as a benign partner? If India's GDP moved from 1.5 trillion dollars to 6 trillion I wonder if United States

would look upon India so benignly if this is accompanied by hard military power.

QUESTION: I have a comment which is also a part of my question. First, I would like to say that this report is highly welcomed, thank you for this. The report breaks new grounds in Indian perception and articulation of its policy. Non-Alignment 1 was not a success, but effective, given the characteristics of India at that time.

However, The report focuses much on Pakistan and China and perhaps does not take substantially into account multilateral issues which are more important. Non-Alignment somehow, misses adequate articulation of IBSA, BRICS, India and its "look east" policy. And perhaps the chapter on India and the World should have been the first chapter.

Mr. SHYAM SARAN: I do take your point that may be there has been much focus on China and Pakistan in the Report but that has been because these are the more difficult issues for the country. As I tried to point out in my opening remarks that the purpose of this particular study was not to make a comprehensive survey of the entire world which could have taken away from the strategic framework that we were trying to elaborate. Perhaps with the kind of debate that we have been having today and further debates we hope to have, we would be able to, in fact, fill some of those gaps including how do we really look at the India US partnership because that partnership is very crucial. May be in next round perhaps we can try and do that.

I hope we can get away from just focusing attention on the non-aligned aspect. Once again I would like to emphasize that we were trying to focus attention on, as I said, the strategic underpinning behind the concept of Non-Alignment and that is important because it was a great success during the time when it was practiced. It was a great success precisely because it responded to the

kind of strategic situation that India faced at that particularly time in its history. The situation has changed and therefore you have to reinterpret how you are going to apply that principle. My fear was that in jettisoning Non-Alignment we may also end up trashing that strategic underpinning I spoke about, which has to be acknowledged, which has to be, in a sense, reaffirmed, while recognizing that we live in a very different world. It is a far more complex set of relations that we have to manage and our fear was that we were not developing the capacities needed to deal with a very different world.

We deal with little bits and pieces of that. We don't have an overall framework within which we can deal with them. A point was made about uncertainty and risk but just because there is uncertainty doesn't mean that therefore you cannot have foreign policy, you cannot have security policy. You need to still think in terms of what strategies will enable us to deal with that uncertainty. What are the continuities which are likely to remain and which we can take as a reference point. In that context, I think the relationship with the United States, as far as I can see, is going to be very stable element in the relationships as we go to the future. But it also depends upon how the partner looks at us, which is why I responded to what you said that the relative power of India would keep declining and therefore the United States relationship will be very important. That is not how we would like the US to look at India. We would like United States or other partners to look at India, in fact as becoming a more and more valuable partner in the future rather than a country, which will have less and less options. We may have a more optimistic view of what India could be because we believe that there are certain inherent assets that we possess which have stood us in good stead in the last say 15 years, despite all the limitations that we have and if that is the case why is it not possible for us to think of a future which is perhaps India emerging as a power with greater capability and

therefore a partnership between US and India having even greater value than it has today? That is how we would like to look at that but in terms of how the United States itself looks at its position in the world that will be your choice. If you consider that your place in the world is, in fact, in relative decline, that is worrying but if you have the view of United States that, we are in difficulty but we are going to bounce back and we are not only going to bounce back but we are going to become more powerful. This has happened in the past. It is very important how a partner looks at its own future as well and what value it places on who it considers its friends.

I would hope in the US also there is a certain reflection on how certain perceptions in India are being evolved and what the US needs to do to perhaps respond to those perceptions. That is very important in terms of how we take the relationship forward.

Mr. ASHLEY J. TELLIS: Everything that I said about India needing the United States, I say equally about the United States because by the logic of my argument we need privileged partnerships because our competitors risk doing better than us. This is not an argument to say that somehow India needs the United States because it is a weak country. India needs the United States because there are going to be challenges, because of the asymmetric achievements in the international system. We need India just as much as India needs us so the question is not who needs whom more or whether this is going to be asymmetric. The point rather is that you cannot have, in an interdependent economic system, a strategy that allows you to be free of such privileged partnerships. So to my mind the better characterization of the report, if it reflects what Shyam has said publicly here, should really be privileged partnership because if there is any leitmotif that is supposed to capture India's strategic direction, it will not be a desire to seek autonomy. Everyone wants autonomy in the international system, except the United States. The

United States is at the top, so strategic autonomy doesn't make sense for it, but anyone from number 2 to number 140 wants more strategic autonomy than they have. So that is not saying anything. It's a content-free label. The question is what is the operative element? The operative element is everyone is going to need to have privileged partners because you are not going to find autarkic solutions to the strategic dilemma that we have and in that context I was making the argument I made. This is not a foreign policy proposition; I did not mean to convey that somehow India is weak. I am just saying that the challenge that one has to take seriously is that there will be constraints on India's ability to do as well as it would like and those same constraints apply to us. If I were to write a report about the United States, this is the point I would have made over and over again, that there are dysfunctionalities in the American system which are preventing us from executing optimal policies that enhance our own interest. And to my mind, if I was giving a lecture in United States on your paper, that's what I would have said. It is precisely because there are dysfunctionalities in the United States that create less than optimal results for my country that I care about the US–India relationship. It is precisely that I don't have the autarkic option any more that I have to think of India as a partner.

Can the United States accommodate India in this vision? It is going to be a challenge because, one, we never historically had the need. To my mind now, we are going to need partnerships out of necessity, for all the reasons I laid out and the difficulties are going to arise because our historic partnerships have always been partnership between a superordinate and other subordinate states. If you look at our alliance partners, they have always been subordinate to the United States, which India is not going to be. So we are going to have to work anew what is the US–India partnership. This is a work in progress and I think our mutual need for each other will compel us to find definitions that suit our case, but it is going to be on

both sides that we will have to apply our minds.

Rajiv you are absolutely right that India has options beyond the United States just as the United States has similar options. But the question then becomes this: do we see India as being in the subset of friends or in the subset of competitors? The bottom line today is that we see India in the subset of friends. Most Americans do not put China in that category and because we don't put China in that category, it gives us a certain freedom of action with respect to India. So the logic I tried to explicate in my presentation works symmetrically for both countries. This is not a question of you need us and therefore you better get used to this reality, we need you just as much and we are getting used to that reality as every president since Clinton has come to recognize. Will we see India as a friend if India becomes a global power? The honest answer is I do not know and it goes to the real question about uniqueness. I would love to believe what Shyam said and I hope what he said holds in perpetuity, that is, we will see India as a special country forever and therefore no matter what India does, we will never see India as a challenge. But honestly, I do not know the answer because my own conceptual prejudices are that the attributes of countries matter less than their material capabilities. If India really reaches a point in the international system where it becomes a rival to the United States, maybe our views will change. Luckily for me, I won't have to be facing that problem in my lifetime, so I am happy to transfer that to my grandchildren and probably a few generations thereafter, but an enormous amount of work needs to be done together in the interim.

Mr. AJAI SHUKLA: We have just scratched the surface of the subject. That is a commentary on what you have unleashed with this tremendous initiative. This is certainly not the end. There will be lot more debate on this when it goes into 2.1, or when government actually adopts it and takes it forward.

Thank you all for coming and listening.



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