

3rd AUSTRALIA-INDIA DIALOGUE: Key Points

1 DECEMBER 2020

The 3rd Australia-India Dialogue took place virtually on 1 December 2020. The Australian side was led by AusCSCAP and the Indian side by the Delhi Policy Group. The following summarises the key points from the Dialogue.

Context for Discussions

There was agreement that the discussions were taking place against a turbulent backdrop - the ongoing impact medically and politically of the COVID-19 pandemic; the increasingly assertive behaviour of China and its ramifications regionally and more widely; and leadership change - most notably in the US and Japan - and the impact of that regionally and globally.

Bilaterally Australia and India had upgraded from a 'strategic partnership' to 'comprehensive strategic partnership'.

COVID-19

COVID-19 is best seen as accelerant of established trends, not as a 'game changer' in itself.

It had brought tensions and contradictions to a more abrupt head; globalization and associated multilateralism had lost their lustre - self-interest and sovereignty were everywhere; and the global order had been rendered more fragile, and opponents of the existing order emboldened.

China, in particular, may sense strategic opportunities in the Pandemic - comparable in scale and clarity to those associated with the GFC in 2007/8.

United States

The US was deeply divided and deadlocked.

The Indian participants expressed some wariness in relation to the incoming Biden Administration.

Events meant that it was unlikely that the Biden Presidency would be an extension of the Obama one. US moral primacy and leadership had been lost; the US would need to work hard to rebuild/repair/restore trust to regain that, notably with Japan. Nonetheless US deterrent power is still important.

'Democratic Asia' feared a return to 'Democrat-style' intervention in the domestic affairs of states. A 'climate first' foreign policy would cause concern.

One Indian view was that this might be over-stated. Biden would be compelled to expend a lot of energy and resources focussing on domestic matters - at least in the immediate/first term. The Democrats may have attitudes toward global leadership, alliances and the challenges emanating from China not very different from some Republicans, but it will be difficult to find the political space and energy to develop a coherent strategy to re-capture some of the ground lost.

The Quad and Regional Security

A strong Indian view was that the Quad needs to be developed, including institutionalized, as a priority. The strength of the Quad was strategic not operational.

India welcomed the Quad because it engaged the US, but also added cryptically that the US need not be the lynchpin in the grouping. The current 1 plus 3 arrangement could develop into a 3 (Australia, India, Japan) plus 1 (US) or even a 2 (India, Australia) plus 1 plus 1.

Australian defence policy is in transition.

India welcomes the recent announcement of the Australia-Japan defence agreement, limited as it is. US ructions were causing Japan to reconsider its position; it was important to keep Japan interested and engaged to avoid a drift to China. For the moment Japan remained a shield rather than a spear.

The Indian hesitation regarding Japanese commitment seemed significant.

China

Increasingly assertive behaviour by China was second only to COVID-19 in shaping international affairs. And the key issue is US-China relations.

Earlier self-doubt and humility have been replaced by hubris and certitude. China has confidence in its own ability to cope. Some suggested - optimistically perhaps – that they overestimated their power and risk overreach.

China doesn't understand the right of countries to pursue their sovereign interests when they differ from China's.

The Indian view was that the role and positioning of ASEAN in all of this is unclear; hard to work out where it is going. Likewise what will Indonesia's role be?

India is pursuing a 'calibrated economic de-coupling' from China, but recognises it won't be 'perfect'. While India is stepping up as a pharma hub (for COVID-19 and others), it still relies on China for 70% of its active pharmaceutical ingredients. India emphasised a 'self-reliant' India did not mean it was anti-globalisation

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The economic relationship remains limited (and still awaiting India's response to the Varghese Report), but there was some scepticism that an FTA would produce significant benefits.

India noted that it was not a member of APEC and suggested this had somehow been an impediment in the RCEP context.

An Australian participant suggested there might be scope for Australia and India to work more cooperatively on international approaches - e.g. to the Biden Administration, on WTO reform and improved effectiveness. The Indian reaction to this was (perhaps surprisingly, given the general Indian enthusiasm for India-Australia collaboration at the Dialogue) lukewarm.

There is a more contested environment in the South Pacific; and there is a similar need to focus on stabilising and reducing vulnerabilities among Indian Ocean states. There may be possibilities for cooperation.

3rd DPG - AUS CSCAP WORKSHOP

December 01, 2020, 0930 – 1215 IST, 1500 – 1745 AEDT

Event Profile and Agenda

The Covid-19 pandemic, the most devastating event in living memory since World War II, has changed the world beyond recognition and will continue to impact our lives in ways that are difficult to fathom. It came at a time when the international system was already stressed due to rebalancing of the global economy and power equations, disenchantment with globalisation and concerns about inequity, the failure of the multilateral system to effectively grapple with the challenges of terrorism and climate change, and the emergence of new threats in the digital and cyber domains. China's moves to reshape accepted international rules for its exclusive advantage have only added to these complex challenges and have led to a change in the US outlook towards Asia. Leadership transitions in Japan and the US also generate uncertainties.

The Indo-Pacific has replaced the Atlantic as the primary theatre of global contestation, bringing great power competition to Asia. Regional and extra-regional stakeholders including ASEAN, Australia, France, Germany, India, Japan and the US have announced their respective Indo-Pacific visions, but doubts persist about their ability to harness these collectively to buttress rules based order. The Quadrilateral security dialogue has progressed towards regularisation and even prospective formalisation. China denounces this trend as attempts at containment, but maintains its coercive assertions across the region.

India and Australia, following a series of setbacks and false starts over a decade, have established a comprehensive global and strategic partnership and set out a shared vision for maritime cooperation in the Indo-Pacific on June 04, 2020. The partnership calls for bilateral engagement across 11 pillars designed to strengthen cooperation in stabilising the Indo-Pacific and tackling emerging challenges, including the pandemic. Their shared vision for maritime cooperation in the Indo-Pacific highlights common concerns, while seeking solutions through strengthened domain awareness and deeper cooperation between navies, coastguards and law enforcement agencies, as well as working together to support the regional architecture in line with shared values and interests. The forward momentum of the Quadrilateral dialogue and the invitation to Australia to participate in Exercise Malabar have enhanced security ties between the two nations.

Against this backdrop, the 3rd DPG-CSCAP Australia Workshop will seek to promote strategic communication between India and Australia through a candid exchange of views to foster better understanding of each other's vital interests and generate ideas to strengthen bilateral relations in the strategic, security, defence and economic dimensions.

DPG and AUS CSCAP delegations will meet virtually under the Chatham House Rule on December 01, 2020 to discuss global and regional developments and the advancement of the India-Australia strategic partnership for a stable and secure future for the Indo-Pacific.

AGENDA

Opening Session (15 minutes, 0930 – 0945 IST, 1500 – 1515 AEDT)

1. Remarks by Amb. H.K. Singh, Director General, DPG.
2. Remarks by Mr Ric Smith, Co-Chair, AusCSCAP

Panel I: Global and Regional Developments (75 minutes, 0945 – 1100 IST, 1515 – 1630 AEDT)

Moderator: Aus CSCAP (5 minutes)

(This session comprises an exchange of views on the impact of recent global and regional developments on Asia's future, including the pandemic, great power competition and changes in leadership of key stakeholders).

Panellists:

1. DPG: 20 minutes.
2. Aus CSCAP: 20 minutes

Brendan Sargeant, Professor of Practice in Strategic and Defence Studies; Head, Strategic and Defence Studies Centre
Coral Bell School of Asia Pacific Affairs, ANU College of Asia and the Pacific

Pradeep Taneja, Fellow of the Australia India Institute at the University of Melbourne, Lecturer in Asian politics, political economy and international relations in the School of Social and Political Sciences.

3. Discussion: 25 minutes.

Break for Tea/Coffee and to Sanitise Meeting Room (15 minutes, 1100 - 1115 IST, 1630 - 1645 AEDT)

Panel II: Strengthening Bilateral Cooperation for Prosperity, Security and Stability (75 minutes, 1115 - 1230 IST, 1645 - 1800 AEDT)

Moderator: DPG (five minutes)

(This session encompasses an exchange of views on strengthening bilateral cooperation to realise the economic and security objectives of the Australia-India Comprehensive Global and Strategic Partnership)

Panellists:

1. DPG: 20 minutes.
2. Aus CSCAP: 20 minutes

David Brewster, Senior Research Fellow, National Security College
College of Asia & the Pacific, ANU

Ian Hall, Professor in the School of Government and International Relations at Griffith University, and the Deputy Director (Research) of the Griffith Asia Institute

3. Discussion: 25 minutes

Closing Remarks (15 minutes, 1230 - 1245 IST, 1800 - 1815 AEDT)

1. Remarks by Amb. H.K. Singh, Director General, DPG.
2. Remarks by Prof Tony Milner, Co-Chair, AusCSCAP