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VIF Expert Groups Reports



Edited by Naval Jagota



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Editor's Note

In the month of September 2022 Vivekananda International Foundation (VIF) organized a total of four expert group and one trilateral round table with most of them being hybrid. The month saw the commencement of a new expert group on climate change in which the first discussions was on India and its policies.

The First Meeting of the Climate Change Expert Group was held on 8 September 2022 through hybrid mode. The group discussed the various ways in which climate change have manifested across India and how it affects its national security, foreign policy, geo-politics, and geo-economics respectively. The meetings also discussed the challenges and gaps in India's climate change policies.

The Communist Party of China (CPC) will hold the 1st plenum of 20th Party Congress, the most important event in five years in which China is passing through a very difficult period with complicated economic (Chinese current economic growth rate is 3.3 per cent) and geopolitical headwinds. In addition China is facing policy missteps like President Xi Jinping's persistence with the Zero Covid Policy and crackdown on the technology sector. The Omicron variant of

Covid -19 led to phases lockdowns which have resulted in a serious economic vulnerability. The persistence of the Zero Covid policy can be attributed to it being caught in a narrative trap leading to which no easy exit may be possible domestically. To discuss these issues Vivekananda International Foundation (VIF) organized a virtual discussion on ‘20th Party Congress of the Chinese Communist Party: Context, Issues and Likely Outcomes’.

A meeting of the Pakistan Study Group (PSG) was held in hybrid mode on 28th September 2022. The main items on the agenda were Pakistan: Federal Government-Stability/Functioning; Leaked audio tapes, Economy/Floods, Ishaq Dar, Imran Khan- strategy, cases, long march plans, Increased terror incidents, TTP, Appointment of army chief, timing, successors, Afghanistan: Pak-Afghan relations, ISKP- attacks.

The neighbourhood experts group organised a discussion on “Myanmar’s Relations with Its Neighbouring Countries”. The discussion started with identifying the fundamental seismic shifts Myanmar is experiencing in the present times. The prospects of a return to normalcy as before are no more there and the new normal is still at an evolving stage. The discussion elaborated on the characteristics of this post-normal Myanmar.

The Vivekananda International Foundation organized a trilateral webinar with the Japan Institute of National Fundamentals and the Prospect Foundation on “Emerging Strategic Environment in the Indo-Pacific”. Presentations were made by Mr Masanori Kondo, Visiting Researcher JINF, Dr Ming Shih Shen, Research Fellow and Director at Institute for National Defense & Security Research, and Amb Ashok Kantha, Distinguished Fellow VIF. The webinar discussed a range of issues from coercive activities of China in the

Indo-Pacific to India-China Relations and what role can India and Japan play in a future Taiwan Straits contingency.

The coordinators and researchers associated with the expert and dialogue groups, think tanks and interactions have put unfaltering efforts to coordinate the meetings, to provide range and diversity of views as well as capture the discussion for the reports.

Naval Jagota

New Delhi

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India's Climate Change Policies

Prepared by P.K. Khup Hangzo

Introduction

The impact of climate change is now being felt across many parts of the world. Even at the current 1.1°C of global warming, the frequency and intensity of extreme weather events (heatwaves, drought, extreme rainfall, flooding, cyclones, etc.) have increased. The rate of melting of sea ice and glaciers, and global sea level rise have also accelerated. Global average temperatures are projected to further increase by more than 1.5°C within the next couple of decades thereby breaching the ambition of the 2015 Paris climate agreement. That would further increase the physical effects of climate change in intensity, frequency, and speed. India is also currently experiencing the consequences of 1.1°C of global warming. For example, during the first half of this year, various parts of the country was struck by record-breaking heatwaves, extreme rainfall, and severe flooding. That has severely impacted its agriculture and infrastructure besides causing large-scale displacement of its people.

It is against this backdrop that the Vivekananda International Foundation (VIF) has instituted the Climate Change Expert Group that comprises of experts from a wide range of fields including climate and weather systems, environment, energy, diplomacy, and national security. The group aimed to hold regular meetings and consultations to understand the various ways in which

climate change have manifested across India and how it affects its national security, foreign policy, geo-politics, and geo-economics respectively. The meetings will also aim to discuss the challenges and gaps in India's climate change policies. The First Meeting of the Climate Change Expert Group was held on 8 September 2022 through hybrid mode. It was chaired by Dr. Arvind Gupta, Director of VIF, other members of the group were Lt. Gen. Ravi Sawhney (Retd), Dr. Shailesh Nayak, Prof. C.R. Babu, Dr. J.R. Bhatt, Adviser/Scientist, Ministry of Environment, Dr. Garima Maheshwari, Amb. Deepa Gopalan Wadhwa, Amb. D.P. Srivastava, P.K. Khup Hangzo, Ms. Heena Samant.

Following are the outcomes of discussion during the First Meeting of the Climate Change Expert Group at VIF.

EXTERNAL DIMENSIONS

The external dimensions of the outcomes of discussion during the First Meeting of the Climate Change Expert Group at VIF comprised of issues that India should pursue in relation to other countries, developed ones in particular. They include climate justice, climate debt, carbon budget, narrative/messaging, and regional cooperation.

CLIMATE JUSTICE

- a. **Climate justice should continue to be the core of India's argument during climate change negotiations:** India has long been a major proponent of climate justice, the principle of Common But Differentiated Responsibilities and Respective Capability (CBDR-RC) in particular. This principle acknowledges the different capabilities and differing responsibilities of individual countries in addressing climate change. India believed that while climate change is a universal problem that all countries have an obligation to address, developed countries should take a bigger share of the burden as they have historically emitted most of the planet-warming greenhouse gases. However, developing countries are currently expected to meet the same commitments

as developed countries despite their lack of financial resources and alternatives. This goes against the principle of climate justice. India should therefore continue to champion CBDR-RC during future climate change negotiations vehemently.

- b. India should pressure Annex I countries, as well as China, to do more:** Annex I countries are industrialized countries that were members of the Organisation for Economic Co-operation and Development (OECD) plus countries with “economies in transition” including the Russian Federation, the Baltic States, and several Central and Eastern European States. These countries, as well as China, are the source of most past and current greenhouse gas emissions. In comparison, India has contributed only around four per cent of global cumulative emissions despite being home to around one-sixth of humanity. But it has been doing its fair share to combat climate change. It is imperative that India exert greater pressure upon Annex I countries and China to take a bigger share of the burden of cutting greenhouse gas emissions.
- c. India should be wary of emerging groupings among developed countries:** During a summit in Germany in June 2022, the G7 group of developed countries - Canada, France, Germany, Italy, Japan, the UK, the US, and the EU - agreed to establish a “climate club” by the end of 2022. The club will comprise of like-minded countries who agree to the establishment of joint rules and standards to combat climate change. However, there is a danger that the proposed club could be used as a weapon by developed countries against developing ones. For example, economic costs could be imposed upon them through mechanisms such as the EU’s Carbon Border Adjustment Mechanism (CBAM) which is a carbon levy on imports from countries with less stringent climate legislation. Such mechanism could disproportionately affect developing countries including India

as it could impose economic costs on them. It therefore runs counter to the principles of climate justice and is “completely unjustified.”

CLIMATE DEBT

Developed countries should pay up for the loss and damages incurred by developing countries: Developed countries owe a debt to developing countries as they are disproportionately responsible for releasing the bulk of all the planet-warming greenhouse gases to date. That has posed significant threats to developing countries, much of whom bears little responsibility for climate change. Besides, they are also less able to deal with the damages caused by rising temperatures. It is imperative that developed countries compensate them so that they can adapt to the impact of climate change more effectively. Developed countries are yet unwilling to pay their debt both in terms of the actual costs of mitigation and adaptation, but also in terms of changing their own profligate consumption. India should be at the forefront of demanding responsibilities for loss and damage from developed countries.

CARBON BUDGET

Carbon budget is India's “strategic national resource” and it should claim its fair share vehemently: Carbon budget is the maximum amount of carbon dioxide that can be emitted while still having a chance to limit global warming to 1.5°C or 2°C. As per data from the IPCC, the world can emit only about 500 gigatonnes of carbon dioxide (GtCO₂) starting 1 January 2020 for a 50 per cent chance of limiting global warming to 1.5°C. Meanwhile, for a 50 per cent chance of limiting global warming to 2°C, the world can emit 1,350 GtCO₂. It was observed that the world have already used up 86 per cent of the carbon budget for a 50 per cent chance of staying below 1.5°C. In other words, the global carbon budget will exhaust

in 10 years at current emission levels. Developed countries as well as China have been eating into a disproportionate share of the carbon budget while developing countries are left with negligible “carbon space” to improve their standards of living. India have been using far less than its fair share of the carbon budget. This is evident in the fact that it has contributed only around four per cent of global cumulative emissions from 1850 to 2019. Given this, India’s emissions can continue to grow. Carbon budget therefore is a “strategic national resource” and India must claim its fair share vehemently.

NARRATIVE/MESSAGING

India should communicate its national and international climate efforts more effectively: Despite constraints, India has been able to rapidly step up its efforts to tackle climate change. In the process, it has emerged as a leader in many key areas. For example, at the national level, India’s deployment of clean and renewable energy has been phenomenal and it has overachieved its commitment made during the 2015 United Nations Climate Change Conference or COP 21 that was held in Paris. At the international level, India has been instrumental in establishing the International Solar Alliance (ISA) and the Coalition for Disaster Resilient Infrastructure (CDRI). In light of these, India should no longer limit itself to simply reacting to pressures from developed countries. It should instead be at the forefront of setting the agendas for global climate action by drawing lessons from its own experience.

REGIONAL COOPERATION

India should strengthen regional cooperation on climate change through BIMSTEC: India should strive for more cross-border cooperation on climate change. Regional organisations such as the South Asian Association for Regional Cooperation (SAARC) has so far failed to make progress in addressing some of the most press-

ing regional issues, whether they be climate-related or otherwise. As such, India should strive to strengthen the capacity of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) to address climate-related issues. Cooperative initiatives could be undertaken with member countries of BIMSTEC - Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand – in areas such as coastal infrastructure, clean energy, disaster preparedness, etc. Disaster preparedness in particular could be a key area of cooperation given that these countries are highly vulnerable to tropical cyclones, storm surges, coastal flooding, etc.

INTERNAL DIMENSIONS

The internal dimensions of the outcomes of discussion during the First the First Meeting of the Climate Change Expert Group at VIF comprised of issues that India should pursue within the country. They include national security implications of climate change, coal, sea level rise, climate risk assessment, adaptation, monitoring and review mechanisms, National Adaptation Fund for Climate Change (NAFCC), nature-based solutions, best practices, policy research and analysis, and climate models.

NATIONAL SECURITY

India should pay greater attention to climate change's impact on its national security: There is a recognition that climate change could have serious implications for India's national security interests. It could lead to increased natural disasters, refugee flows, and water scarcity and even exacerbate cross-border geopolitical flash-points. Given that the scope of risks posed by climate change to India's national security is yet to be fully understood, there is an urgent need to focus on it more closely. In particular, the potential national security implications of increased melting of Himalayan glaciers warrants greater attention. The extent to which India's armed forces will need to be re-deployed from their positions

following climate change-induced natural disasters within the country also warrants greater attention. Additionally, India should be careful about attempt by the United Nations Security Council (UNSC) to adopt climate-related security risk as a central component of its comprehensive conflict-prevention strategies. That may not be desirable for India as the UNSC is a highly selective group where the country may not be able to participate as equals. Organisations such as the UNFCCC therefore is better placed to take on climate-related security risk as all countries have equal stakes in it.

COAL

- a . **India should continue to use coal judiciously:** Despite India's accelerated deployment of clean and renewable energy over the past several years, they are unlikely to meet more than 50 per cent of India's energy requirements at any given time. This is because India's solar and wind potential could face a negative trend in the future due to climate change. Also, India does not possess sufficient quantity of critical minerals such as cobalt, lithium, and rare earth elements and that could potentially affect the deployment of energy storage technologies and electric vehicles negatively. Coal therefore will continue to be a critical component of India's energy mix and the country should make judicious use of its reserves in the coming years.
- b . **India should limit coal imports:** Despite having large reserves of coal, India continues to be a major importer. One reason for this is the higher ash content of Indian coal (25 to 45 per cent) as compared to imported ones (10 to 20 per cent), mainly from Australia and Indonesia. Higher ash content reduces coal's combustion efficiency. However, this can be addressed through washing. India's continued import of coal from countries such as Australia and Indonesia is "problematic" as they have high sulphur content that contributed to increased sulphur dioxide emission. As a result, developed

countries have insisted that India use desulphurizers to reduce sulphur dioxide emission. Using desulphurizers however leads to more carbon dioxide being released into the atmosphere. As such, India should reduce coal imports and it should strive to utilize its own domestic coal reserves more efficiently.

- c . **India should step up research in coal:** Given that coal will continue to remain a critical component of India's energy mix, renewed focus on coal-related research is critical. It is imperative that accurate information describing the amount, location, and quality of the coal resources and reserves be available to fulfill energy needs. It is also important that India extract its coal resources efficiently, safely, and in an environmentally responsible manner.

SEA LEVEL RISE

India should give greater emphasis to sea level rise: Of all the impacts of climate change in India, sea level rise is one of the least understood as enough attention has not been paid to it so far. Sea level rise could intensify flooding and submergence of India's coastal zone, increase erosion of shorelines, intensify intrusion of saline waters into estuaries and coastal aquifers, etc. Projections indicated that sea levels along India's coastal zone will rise by an average of 0.5 meter by 2050 and 1 meter by 2100. But it will not affect them equally as the level of rise is unlikely to be uniform. As such, some coastal zone could feel its effects sooner and more severely than others. There is an urgent need to better understand the impact of sea level rise on India's coastal zone because they are the major focus of human habitation and economic activity. Besides, it is endowed with abundant coastal and marine ecosystems that include a wide range of mangroves, coral reefs, sea grasses, salt marshes, mud flats, estuaries, lagoons, and unique marine and coastal flora and fauna.

CLIMATE RISK ASSESSMENT

India should establish robust climate risk assessment mechanisms: Risk assessment, in general, is a process to comprehend the nature and to determine the level of risk. Importantly, any risk assessment is purposeful, most often conducted to inform a particular type of decision and action. Climate change risk assessment looks at the likelihood and potential impact of a range of climate risks and hazards, including impacts on different groups and areas. This is fundamental for informing the prioritisation of climate action and investment in adaptation. India should seek to establish robust climate risk assessment mechanisms so that it can better respond to and adapt to the impacts of climate change.

ADAPTATION

India should strengthen local climate change adaptation efforts: Adaptation refers to adjustments in ecological, social, or economic systems in response to actual or expected climatic stimuli and their effects or impacts. It has been observed that given India's minimal historical contribution to greenhouse gas emissions, adaptation is an "unwelcome burden" that is thrust upon the country. While policies at the international levels are important, actual contribution to adaptation and mitigation should come from local actions. Current local adaptation efforts in India are small scale and primarily "survivalist and subsistence" in nature. Much of the efforts are undertaken by non-state actors like NGOs. While their efforts are commendable, it exposed the lack of involvement of the central government in climate adaptation efforts on the scale that is required.

NATIONAL ADAPTATION FUND FOR CLIMATE CHANGE (NAFCC)

India should strengthen NAFCC: NAFCC was established in 2015 to support adaptation activities in the States and Union Territories (UTs) of India that are vulnerable to the adverse effects of climate change. In all, 30 projects pertaining to water conservation, sustainable livelihoods, management and rehabilitation of coastal habitats and biodiversity, climate resilient sustainable agriculture, etc. have been sanctioned by NAFCC in 27 States and UTs at a total cost of Rs. 847.5 crore. However, NAFCC has been hobbled by financial constraints and that have limited the overall effectiveness of the projects that were implemented. Furthermore, it has been reported that central government grants released under NAFCC have declined steadily over the last five years - from Rs. 115.36 crore in 2017-2018 to Rs. 42.94 crore in 2020-2021, and Rs. 27.76 crore (till December 2021) in the current year. Given India's vulnerability to climate change and the growing need to adapt to its impact, it is imperative that adequate funding be made available to NAFCC.

MONITORING AND REVIEW MECHANISMS

India should strengthen the monitoring and review mechanisms of its climate change adaptation interventions: There is a lack of strict monitoring of climate change adaptation projects in India. NAFCC is a case in point. Established in 2015, it aimed to support adaptation activities across India. However, projects supported by funds from NAFCC often fall short of achieving the desired results due to weak monitoring and review mechanisms. India should strengthen the monitoring and review mechanisms of its climate change adaptation interventions so that the desired results can be achieved.

NATURE-BASED SOLUTIONS

India should pursue nature-based solutions for climate change mitigation and adaptation: There is growing awareness that nature-based solutions could help deliver both climate change mitigation and adaptation while also supporting other ecosystem services. Proper application of nature-based solutions through actions such as the protection and management of natural and semi-natural ecosystems, the incorporation of green and blue infrastructure in urban areas, etc. can produce a diverse range of services including storing carbon, controlling floods, stabilizing shorelines and slopes and providing clean air, water, food, fuel, medicines and genetic resources. However, there are concerns in the way that nature-based solutions are portrayed as the solution to climate change by developed countries. It was argued that it is a “diversionary” tactic employed by developed countries for which nature-based solutions are a cheap alternative to cutting fossil fuel emissions. Addressing climate change needs more than nature-based solutions. While they have immense benefits, they cannot replace any of the deep commitments to decarbonize the economy.

BEST PRACTICES

India should pay greater attention to traditional solutions for climate change mitigation and adaptation: Traditional solutions that are based on culture and civilization can help India mitigate and adapt to climate change. For example, India has diverse traditional housing architectures that are spread across its varied landscape and climatic zones. These houses are built using local materials and they have design solutions that can help mitigate and adapt to climate change. These materials however are now increasingly replaced by modern materials. For example, thick rubble walls were replaced by slender brick masonry,

pitched clay-tile roofs by flatasbestos cement (AC) sheet roofing and then by reinforced cement concrete (RCC) slabs, and cool earthen floors by cement flooring. Such materials have exacerbated the Urban Heat Island (UHI) effect, a phenomenon whereby urban or metropolitan area gets significantly warmer than the surrounding rural areas. Thus, traditional solutions could offer cost-effective ways of adaptation.

POLICY RESEARCH AND ANALYSIS

India should strengthen its policy research and analysis capacity on climate change: India should strengthen its policy research and analysis capacity on climate change so that it can address climate change and adapt to its impacts more effectively. Most importantly, such research could help improve knowledge of the impacts of climate change on human health, the economy, agriculture, wildlife, biodiversity, infrastructure, national security, foreign policy, etc. Also, climate change affects different regions of India in different ways. As a result, the ways in which States and UTs can prepare for climate change or mitigate its impacts vary widely. Strengthening policy research and analysis capacity on climate change in States and UTs are therefore essential. Additionally, India should also foster strong uptake of research findings into policy-making. Facilitating greater collaboration and communication between policy-makers, researchers, and research institutions could help bring research evidence into policy.

CLIMATE MODELS

India should strive to develop its own climate models: The need for developing home-grown climate models was underlined. India currently relied on climate models developed by countries such as the US and international organizations such as the IPCC. The IPCC's Repre-

sentative Concentration Pathway (RCP) and Shared Socioeconomic Pathways (SSPs) models in particular are now being used as important inputs for climate models worldwide including in India. However, these models are found to be highly pejorative to developing countries. It was therefore suggested that India should develop its own climate models by tapping into its vast pool of young scientific talents. These young scientific talents should be given the opportunity to collaborate with organisations such as the Defence Research and Development Organisation (DRDO), Indian Space Research Organisation (ISRO), Department of Atomic Energy (DAE), etc. in developing home-grown climate models. However, given that building home-grown climate models from scratch is likely to take a long time, India should, in the interim, continue to improve upon existing climate models developed by the US or the IPCC to better reflect local conditions.

20th Party Congress of the Chinese Communist Party: Context, Issues and Likely Outcomes

Prepared by Kota Mallikarjuna Gupta

The Vivekananda International Foundation (VIF) organized a virtual discussion on '20th Party Congress of the Chinese Communist Party: Context, Issues and Likely Outcomes'. The discussion was moderated by Shri Ashok Kantha. The attendees were Dr. Arvind Gupta Director VIF, Lt Gen Ravi Sawhney (Retd), Shri Ananth Krishnan, Shri Manoj Kwealramai, Brig Vinod Anand and Gp Capt Naval Jagota.

Introduction

Communist Party of China (CPC) will hold the 1st plenum of 20th Party Congress, the most important event in five years in which China is passing through a very difficult period with complicated economic (Chinese current economic growth rate is 3.3 per cent) and geopolitical headwinds. In addition China is facing policy missteps like President Xi Jinping's persistence with the Zero Covid Policy and crackdown on the technology sector. The Omicron variant of Covid -19 led to phases lockdowns which have resulted in a serious economic vulnerability. The persistence of the Zero Covid policy can be attributed to it being caught in a narrative trap leading to which no easy exit may be possible domestically.

Overview of the 20th Party Congress of the Chinese Communist Party: Context, Issues and Likely Outcomes

Chinese President Xi Jinping achieved many objectives in the last 10 years, which transformed the political and ideological landscape of China and the CPC. There have been a series of measures such as changes in the PLA and military, the Anti-Corruption campaign, propaganda, setting up of commissions under him, and appointments at the provincial level of people who are considered close to President Xi Jinping. There are no signs of a serious challenge to Chinese President Xi Jinping's authority though he has antagonized many people in the CPC. The Constitutional changes to the CPC include the inclusion of Chinese characteristics in 2017. Chinese President also tweaked the selection process of party personnel during the 17th and 18th Party Congress by conducting personal face-to-face interviews. During the 19th Party Congress of CPC, President XI conducted 57 interviews ignoring the role of seniors in the Party.

There will be an exception to the age limit for President, XI Jinping during the 20th Party Congress. He is likely to take a different position like Party Chairman, which was abolished in 1982. Premier Li Keqiang can step down from his position. It is unlikely to have a successor anointed to the Chinese President at the 20th Party Congress. There will be greater representation of technocrats during the 20th Party Congress of CPC.

The New Standing Committee of the CPC may consist of seven members or go down to five members. The position of the Premier has greatly diminished under Chinese President Xi Jinping. The Party Chief of Chongqing and Director of the General Office, who are considered close to the President have the possibility of elevation. Similarly, in the military domain, promoting younger generals to higher positions is the trend. One of the 2296 delegates for the 20th Party Congress is the Galwan Valley Commander from Western Theater Command.

Constitutional Amendments during 20th Party Congress can include modifications like Xi Jinping's thought on Socialism in New Era and establishing Xi Jinping as China's Core Leader and his doctrine in the Party Constitution. There is a reduced probability of the Global Security Initiative (GSI) and Global Development Initiative (GDI), which are recently announced by President Xi to be included in the Party Constitution as the Belt and Road Initiative (BRI) was included in the CPC constitution only after four years of its announcement. No Policy departures in both domestic and external policies can be expected during the 20th Party Congress which is scheduled for October 2022. The focus of the Party Congress is to establish President Xi Jinping's legacy in the context of 2nd centenary goal of the CPC. Under this situation, President Xi policy towards India will be towards tactical accommodation rather than a substantive adjustment. The idea of common prosperity is a key theme and dual circulation, and self-reliance in strategic industries are expected to remain in focus during the 20th Party Congress. Overall, there is less optimism in the 20th Party Congress of CPC as compared with the 18th Party Congress.

China likely to redefine the Zero Covid policy after the completion of the 20th Party congress. Business sentiment is lowest in China due to the uncertainty of lockdowns. Joblessness is a huge problem for new college graduates. There are no indications of any shift from the Zero-Covid policy. Around 45 billion USD are spent on Covid testing till April 2022. The provincial/ local governments have started to collect charges for Covid testing. There are also food and medical shortages during the harsher lockdowns due to the Omicron variant. Chinese agency, CDC suggested stepping up vaccination campaign in China. Only 60 per cent of China's population has taken the third dose of the vaccine. There is a high degree of expectation of easing lockdown measures after the Party Congress.

President Xi Jinping cultivated faith among CPC elites and there are new research institutions established in China to shape the next generation of cadres around XI Jinping's ideas. 70 per cent of intra-party regulations of

the CPC in the last 10 years have been influenced by President Xi Jinping.

Economic and financial impact and implications internal and external of the 20th Party Congress

The economic and financial impact and implications of the 20th Party Congress were part of the discussion. There is a reduced possibility of the Zero Covid Policy going away any time soon. However, there is some tinkering around the Zero Covid policy definition leading to some degree of easing of lockdowns, such as a policy to keep certain business operational during the lockdowns. There was conservatism in the stimulus announced by the government to handle the economic situation. Concerning employment, the focus is to retain people who are already on the payroll. There is spending on standard infrastructures like roadways and railways to keep people employed. However this has not resulted in much significant productivity. There are greater investments in national security projects like data infrastructure, food security and the seed industry. The upward mobility of individuals is the key idea of common prosperity. There is also an emphasis on creating infrastructure in rural areas as part of common prosperity. In the housing sector, the focus is to contain the protests and spillover and not bail out the real estate companies. There is disruption in foreign investment in China. Economic development is guided from the perspective of national strategic interest. China is building a unified local market as part of a dual circulation policy, however local protectionism roadblocks in the domestic supply chain are some concerns to enhancing domestic demand. There is an increase in investments in health care, elderly care and nursing sectors.

Pakistan in Crisis

Prepared by Aakriti Vinayak

A meeting of the Pakistan Study Group (PSG) was held in hybrid mode on 28th September 2022. The main items on the agenda were Pakistan: Federal Government-Stability/Functioning; Leaked audio tapes, Economy/Floods, Ishaq Dar, Imran Khan- strategy, cases, long march plans, Increased terror incidents, TTP, Appointment of army chief, timing, successors, Afghanistan: Pak-Afghan relations, ISKP- attacks. The Meeting was attended by the following: Shri Arvind Gupta, Amb Satish Chandra, MsShalini Chawla, Shri Rana Banerjee, Shri Sushant Sareen, Amb DP Srivastava, Amb G Parthasarathy, Lt Gen Ravi Sawhney(retd), Brig Rahul Bhonsle, Amb DB Venkatesh Varma, Amb Amar Sinha, Shri Tilak Devasher, Gen NC Vij and Gp. Capt. Naval Jagota.

Pakistan

Pakistan is going through an overlapping crisis. The month saw the country going through its worst humanitarian crisis in a decade. While the country was already grappling with multiple political and economic crises, the devastating floods have brought havoc to the country. It has led to gargantuan losses of life and infrastructure. The numbers are staggering to say the least, the death toll has gone beyond 1,545, including 552 women

and 315 children. The catastrophic floods and its aftermath will have huge impact on the economy of the country, which already is in dire straits. Pakistan's current account deficit has surged to USD 17.4 billion or 4.6 per cent the size of the economy during the last fiscal year on the rising trade deficit. Inflation and unemployment are on rise. Further Dwindling exports and low foreign exchange reserves have raised the alarm bells. It is pertinent to point out that Ishaq Dar took oath as Pakistan's new Finance Minister and he faces an uphill task to resurrect the cash-strapped economy.

Pakistan has also approached for International assistance and countries like UK, UAE, and US have contributed to the disaster appeal. IMF and World Bank have also expressed their commitment to supporting Pakistan through the ongoing flood crisis and subsequent rehabilitation and reconstruction. International assistance and aid have provided much needed breathing space to the Pakistan's economy however a coherent policy and a long-term strategy is needed to cope with the situation.

With regards to the political situation the country remains in a stable disequilibrium. The federal government is comparatively stable and elections will happen on time. Considering the situation in Pakistan the present coalition government would complete its tenure. The month of September also saw a number of audio recordings of conversations between key government figures including Prime Minister Shehbaz Sharif, PML-N leader Maryam Nawaz some members of the federal cabinet being released. The audio recording has raised security questions in Pakistan, however the recordings will not have any substantial impact on the current government. Amidst the chaos in the country, former Prime Minister Imran Khan, continues its tirade against the incumbent coalition government calling it an imported regime. Further he continues to hold a series of rallies across the country to mobilize his supporters ahead of the general elections next year. As far as Army is concerned it is pertinent to note that current Army Chief General Qamar Javed Bajwa retires on November 29 after his three-year extension ends. The appointment of the

Army chief in Pakistan is an important task and among the frontrunners for the job are Lt Generals Sahir Shamshad Mirza, Azhar Abbas, Nauman Mahmood Raja and Faiz Hameed. Next month will be crucial, as Pakistan Prime Minister Shehbaz Sharif will be appointing the new Chief of Army Staff (COAS). It is important to note that Pakistan continues to face a persistent threat from Tehreek-i-Taliban Pakistan (TTP). TTP is gaining ground across the rest of the Malakand region. In fact there have been regular clashes between TTP and Pakistan security forces as the peace talks remain stalled.

Afghanistan

It's been a year since Taliban takeover and the situation in the country remains grim. On almost all fronts from economic to political the country lies at the brink of a collapse. Further on the terrorism front the situation continues to deteriorate. Islamic State Khorasan Province (ISKP), the IS terror outfit's regional affiliate, remains a formidable armed actor. Taliban faces significant threats from the ISKP, which has intensified its attacks in the country. According to Human Rights Watch, since August 2021, the group has claimed responsibility for 13 attacks against Hazara Shias and has been linked to at least three more, killing and injuring 700 people.

On the other Afghanistan and Pakistan mistrust has increased. Islamabad's long-standing objective to have a dependent government in Kabul has failed as Taliban instead of providing any strategic advantage or contributing to Pakistan's security, has become a worrisome thorn in Islamabad's side. There have been simmering tensions on the Durand Line and Kabul's support for the TTP has become a huge security problem for Pakistan.

Myanmar's Relations with its Neighbouring Countries

Prepared Dr Sreeradha Datta

On 28 September 2022, the Vivekananda International Foundation organised a discussion on "Myanmar's Relations with Its Neighbouring Countries". Dr Arvind Gupta, Director, VIF gave the introductory remarks. The discussion started with identifying the fundamental seismic shifts Myanmar is experiencing in the present times. The prospects of a return to normalcy as before are no more there and the new normal is still at an evolving stage. The discussion elaborated on the characteristics of this post-normal Myanmar.

Discussion

First, there exists an existential threat to Tatmadaw, regarding its legitimacy, credibility, and centrality. Many soldiers and high-ranking officials have been defecting since the past year. Second, there is an increasing militarisation of society. Especially with the rise of information technology, the conflicts and arms race has increased. Third, the economic and humanitarian crises are increasing daily. Fourth, there are complex drivers of conflict with increasing intra-ethnic conflicts. Finally, geopolitical complications are rising leading to further complexities at the local, national and regional levels.

Against this backdrop, two scenarios can be predicted. In the first case,

there is a baseline scenario, where the military will push for its own roadmap and conduct the elections in 2023. In the second case, we predict a worst-case scenario, in which the military rule would continue and there would be a state of low-intensity anarchy.

Neighbouring Countries

In these circumstances, there are a few common challenges for neighbouring countries. The massive migration and spillover effects (especially in India, Thailand and Bangladesh), the need for a reliable security partner or partners to serve national security interests, the rising costs of the economic disruption or the configurations and finally, the geopolitical risks. The discussion also raised the question of whether China's strategy is a winning strategy or not.

China's massive strategic investments have increased Myanmar's dependency on the nation. While on the one hand, China has activated proxy players, and on the other hand, decoupled itself from the conflict map. An analysis of the conflicts shows that maximum conflicts are taking place within the western side, especially in the Sagaing and Chin states, whereas the locations near the CMEC have reported few conflicts. Additionally, China is also debordering or reordering its border, incorporating the changing conflict situation in Myanmar. A brief look at investments shows that the major sectors that have received investments are the energy and mining sectors. Over the last 10 years, China's investments have also increased.

The social conditions are also deteriorating. The economic, social and humanitarian crisis are rising. Around a total of three million people are displaced and around 15000 to 20000 are under arrest. Around 71 townships have faced internet clampdown, mostly in the western region. It is interesting to note that the CCTV service and systems provided by Chinese providers have expanded their presence. Myanmar is creating five more 'safe-city' surveillance schemes across the country

using technology from the Chinese firms Dahua and Hikvision. These cameras are described as having facial recognition capabilities. The new city projects, though claiming to aim at further security, are a means to identify opposition forces. These are part of the existing projects already in place, four of which were underway before the February 2021 coup.

Despite close cooperation between the military and Chinese leaders, over a USD 2 billion decline was reported in the China-Myanmar border trade. It has been claimed by a few that China considers Myanmar as their frontier management. China through its Mekong-Lancang Strategy has increased its territorial presence in the region. The first high-level regional meeting for the same was conducted in July 2022, in Bagan, Myanmar. The meeting had representatives from Laos, Thailand, Cambodia and Vietnam, in addition to China and Myanmar. Another important location is the Salween River Basin, where China is aggressively pushing for the building of seven dams along the basin.

The ISP-Myanmar conducted a perceptions survey along with key stakeholders in Myanmar, which was published in August 2022. A quick look at the results shows a negative perception of China and its economic and democratic policies. For instance, 55 percent of the stakeholders believe that China is not a good neighbour, 83 per cent of those stakeholders believe that the economic corridor would bring benefits to China, and 59 percent believed that the economic corridor was not conducive to the peace process. In addition, 47 per cent believed that the economic model of China is not a good model to emulate and 87 per cent believed that the Chinese democracy model is not a good model to be emulated. Further, 55 per cent believe that China wants Myanmar to be an authoritarian state. Also, a low level of confidence was stated for the Chinese COVID-19 vaccine vis a vis India's.

Internationally, three levels of interventions should be considered. In the long term, the return to democracy should be on the agenda. In the medium term, interactions with stakeholders, such as NUG and EAOs

should be aimed and also the release of Aung San Suu Kyi should be pushed. Also, there is a need to review diplomatic efforts. And finally, in the short term, efforts should be made to de-escalate the conflicts.

India

Within this, India has a normative attraction because of the success of federalism. The similar model could be emulated in Myanmar. India could also work for an interim arrangement, a trilateral forum with Thailand and Indonesia to bring stability to the region. India should, therefore, explore this possibility of multilateralism. Myanmar acts as a gateway to the East. And India could proactively reach out to these nations via Track 1.5 or Track 2 diplomacy. Finally, the speaker also proposed that India could reach out to the ethnic armed organisations especially Kachin, Shan, and Chin states. This is because in case the military and EAOs reach an agreement, India should also act as a facilitator. Thereby, India must carefully leverage its position effectively.

Emerging Strategic Environment in the Indo-Pacific

Prepared by Prerna Gandhi

The Vivekananda International Foundation organized a trilateral webinar with the Japan Institute of National Fundamentals and the Prospect Foundation on 29 September 2022 on “Emerging Strategic Environment in the Indo-Pacific”. After initial remarks by Dr Arvind Gupta, Director VIF, Ms Yoshiko Sakurai, President JINF, and Dr I. Chung, President of Prospect Foundation, presentations were made by Mr Masanori Kondo, Visiting Researcher JINF, Dr Ming Shih Shen, Research Fellow and Director at Institute for National Defense & Security Research, and Amb Ashok Kantha, Distinguished Fellow VIF. The webinar discussed a range of issues from coercive activities of China in the Indo-Pacific to India-China Relations and what role can India and Japan play in a future Taiwan Straits contingency.

The salient points made were:

China’s Four Main Conflict Theaters

A pattern can be observed in China’s coercive behavior in its four main theatres of contestation- East China Sea, South China Sea, Taiwan Straits and the India-China border. China wants to break out of its geostrate-

gic limitations and challenge the US in the Indo-Pacific region, before challenging it for global supremacy. In East China Sea, China has not been able to alter the status quo despite unprecedented incursions into Japanese waters. However, in South China Sea, China has permanently altered the status quo despite Xi's public commitment to Obama to not militarize reclaimed features. In 2018, Admiral Philip Davidson, the then INDOPACOM Commander acknowledged China was capable of controlling the South China Sea in all scenarios, short of war with the US. US-led Freedom of Navigation Operations have brought no significant change as the US ability to deter China is now far less with a closing US-China military gap. Then there is a new normal of coercive activities in Taiwan Straits with repeated transgressions of the median line. With regard to India-China border, despite recent disengagement at certain positions, tensions continue. There are valid concerns on whether US can simultaneously take on both Russia and China. There is also the uncertainty in US domestic politics which may foreshadow a sudden change in policy. However, the bipartisan consensus on China as the pacing threat for the US and recent US administration pronouncements show that the US strongly remains committed to the Indo-Pacific region. New initiatives such as Quad, AUKUS and other trilateral frameworks show strong regional support for the international rules-based order.

Upcoming 20th Party Congress in China

China is facing serious geopolitical and economic headwinds ahead of the Party Congress. The Zero-Covid policy has created a tough economic predicament. While there may not be an exit from it in the near term, calibration is taking place. Xi Jinping will most likely achieve his objectives from getting a favorable composition of Politburo, Politburo Standing Committee etc., to securing amendments to party constitution to strengthen his ideological stature. No course correction of foreign policies can be expected at this stage and China will unilaterally continue to pursue its defined core interests. After the third historical resolution was passed by the party at the 6th Plenum in 2021, Xi has noted that the world is undergoing

profound changes and a critical period lies ahead for China. Yet notwithstanding evident economic challenges, we should not be complacent of the trajectory of economic growth in China. China despite tensions with the west has made visible gains with the Global South. We should also be wary that Xi's consolidation of political powers may repeat patterns under Mao where he tried to divert attention from domestic shortcomings with war.

India-China Relations

India-China relations have not been the same after the clash in Galwan Valley in June 2020. As the Indian External Affairs Minister, Dr S. Jaishankar, has constantly reiterated the 'state of borders will define the state of relations'. Though some progress has been made in disengagement, but the situation is far from usual despite Chinese narratives of return to normalcy. This year will see the third winter deployment of Indian soldiers in very high altitude areas. However, India will engage China in multilateral forums such as the G20, SCO, BRICS, etc. After the 20th Party Congress, it is likely Xi Jinping will remain the leader in charge of external policies, including relations with India. President Xi became the primary interlocutor when Prime Minister Modi assumed office in India (earlier it was the Chinese Premier). There will be a trend towards tactical concessions to India without substantive accommodation of its interests, concerns and aspirations. For India, renewing its deterrence capabilities against China has assumed an urgency. The structural differences between India and China have become immutable, making both internal and external balancing very important.

Quad and the Indo-Pacific

The Quad has evolved rapidly in last two years under the Biden administration. Yet many participants raised questions on whether the Quad has been able to stem assertiveness of China. Some elucidated that it may be pragmatic that the Quad has not been overtly militaristic, as China may have then reacted differently. Also, Quad's wide agenda serves to address

regional concerns and bring ASEAN on board, whose central role in the region cannot be discounted. Other participants noted that there was a detailed security agenda including new challenges of cybersecurity, climate change, etc. There was also a view that Quad's structure allowed for developing more expansive security cooperation depending on situations ahead. But a formal military alliance may still be farfetched. The Indian side clarified that India's position on Ukraine conflict is nuanced and enunciated that though there has been no public condemnation of Russia, visible discomfort has been articulated at the highest levels. Also it acknowledged that its position hasn't come in the way of working on Indo-Pacific with other Quad members.

Japan and India' Role in Taiwan Conflict Scenario

The Taiwanese side voiced the urgency to go beyond discussing ideas of grand strategy to tactical, strategic and operational cooperation with partner countries. They flagged cooperation through joint patrols, exercises and training, intelligence sharing, defense sales etc. On questions of what role they could play, the Japanese side acknowledged that a 'Taiwan Emergency' was a tantamount 'Japan Emergency'. They explained how along with cooperation with the US, Japan has sought to increase its defense budget and build its own military capacities. The Indian side mentioned its major role in deterring China by placing 60,000 troops in Ladakh and stated its shared perception of Chinese aggression. All sides noted the need for Japan to transition to becoming a normal country in defense matters so that it can play its due role and discharge rightful responsibility.

Strengthening India-Japan Cooperation

Though all three sides mentioned the gaping leadership hole left by Shinzo Abe's assassination, the Indian side very fondly recalled the vast legacy of the late former PM on India-Japan relations. Today, both India and Japan share the Free, Open and Inclusive Indo-Pacific vision. In recent time, there have been many notable milestones such as the India-Japan Acqui-

sition and Cross-Servicing Agreement signed in 2020, Maritime Affairs and Space Dialogue in 2021 and Cyber Dialogue in 2022. There was also Prime Minister Kishida's visit to India in March 2022 that saw a reaffirmation of the close bilateral ties especially a new investment target from Japan for 5 trillion yen (\$42 billion) in the next five years to India. Ongoing cooperation in the areas of Unmanned Ground Vehicle (UGV)/Robotics, the Sixth India-Japan Joint Working Group on Defense Equipment and Technology Cooperation, feasibility studies on defense equipment exports by Marubeni Aerospace done in 2020, etc. show strong momentum on defense cooperation. On the economic front, along with Japanese participation in the PLI scheme, the bullet train project, NEC's submarine cable system connecting to Andaman and Nicobar Islands, Arcelor Mittal- Nippon Steel's mega investment, Suzuki's investment in EV Battery in Gujarat etc. remain very bright spots in the bilateral relationship.

Strategic-Economic Cooperation

There is a need to view economic engagement in strategic perspective. All sides acknowledged the need to reduce dependence on China and build alternative supply chains for future security and economic resilience. Technology cooperation remains a strong potential avenue for trilateral cooperation as evidenced by the project on LCD glass substrates by Japanese Avan Strate for Vedanta/ Foxconn's mega investment in Gujarat.

Conclusion

All VIF, JINF and Prospect Foundation participants appreciated the detailed and frank discussions that enumerated the strategic perspectives of India, Japan and Taiwan as the world passes through a very turbulent period globally and more so in the Indo-Pacific. All sides agreed on the need to continue this initial trilateral dialogue further with new agendas for discussion in the future.

About the VIVEKANANDA INTERNATIONAL FOUNDATION

The Vivekananda International Foundation is an independent non-partisan institution that conducts research and analysis on domestic and international issues, and offers a platform for dialogue and conflict resolution. Some of India's leading practitioners from the fields of security, military, diplomacy, government, academia and media have come together to generate ideas and stimulate action on national security issues.

The defining feature of VIF lies in its provision of core institutional support which enables the organisation to be flexible in its approach and proactive in changing circumstances, with a long-term focus on India's strategic, developmental and civilisational interests. The VIF aims to channelise fresh insights and decades of experience harnessed from its faculty into fostering actionable ideas for the nation's stakeholders.

Since its inception, VIF has pursued quality research and scholarship and made efforts to highlight issues in governance, and strengthen national security. This is being actualised through numerous activities like seminars, round tables, interactive dialogues, Vimarsh (public discourse), conferences and briefings. The publications of VIF form lasting deliverables of VIF's aspiration to impact on the prevailing discourse on issues concerning India's national interest.



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