Doing Foreign Policy Differently*
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It is a great privilege to be invited to deliver the 24th Lalit Doshi Memorial Lecture. As I look back at those who preceded me in this endeavour, that in itself is testimony to the high regard in which the late Lalit Doshi was held. Many of these speakers who knew him well have spoken of his personal and professional qualities that clearly set him apart. As a civil servant a decade his junior, I can only say that it should be a matter of considerable pride for our profession that someone like him continues to inspire public policy thinking in our society. Lalit Doshi was closely associated with different facets of our national development. And although the focus of my talk today is foreign policy, it is nevertheless a subject that I will be addressing from that perspective.

2. All of you would agree that if there is one constant in our lives, that is of change. Those who anticipate it effectively and ride the forces of change do well. Others who misread it, are oblivious or even resist it end up doing harm to themselves. This is as true of nations as of individuals. The USSR, Yugoslavia, Iraq and Libya are recent examples of one kind. China, South Korea and the ASEAN are more representative of the positive side. The explanation for why some come out better in global politics and others don't is a complex one. It is a mix of habits, cultures, mind-sets and most important, vested interests. Somewhere in all of this is the issue of leadership and judgement, both individual and institutional. The challenge is to get the right mix of continuity and change. Obviously, both make their compelling argument. Sticking to the beaten track is largely justified by structural compulsions. In the case of foreign policy, there is the much misused attribution to Lord Palmerston about nations having permanent interests. The reality, of course, is that most organizations

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including nation states develop a policy momentum that is difficult to change. Nimbleness and adaptation are the exception rather than the rule. If the politics of the day also propagates adherence to supposedly immutable principles, then it becomes even harder to adapt.

3. The world is, however, increasingly dismissive of such status quo driven thinking. The transformation even in our daily lives is a testimony to how rapidly new normals are being created. Justin Trudeau, the Canadian Prime Minister, put it well when he said at Davos that the pace of change has never been this fast, yet it will never be this slow again. The very fact that the word “disruption” has acquired positive connotations says it all. Clearly, seven decades is a long time in such a world. Our own society is now different, the world is very different, technology is obviously different, relationships are consequently different and our thinking is and should be different. Policy formulation in virtually every other domain has changed dramatically. It is, therefore, only reasonable to propose that foreign policy too should be done differently.

4. The reasons for this emanate from a recognition that the needle has moved sharply in the direction of discontinuity in international relations. With specific reference to India, let me share ten key examples of this change. These are:

   (i) India has become a bigger player on the world stage.

   (ii) The world itself is flatter in respect of both economic and political power dispersal.

   (iii) Its dominant power, the United States, is recalibrating its foreign policy including with India.

   (iv) The rise of China has fundamentally changed the global calculus.

   (v) Expectations, opportunities and challenges in our neighbourhood require greater Indian initiative than in the past.

   (vi) The extended neighbourhood –both the West Asia and South East Asia– have different dynamics.
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(vii) Economic components of our foreign policy including business have grown.

(viii) The diaspora has acquired a new importance in building bridges to the world.

(ix) The mechanics of its implementation have to move with the times, factoring in new demands and capabilities.

(x) The very concept of foreign policy has changed to become a more direct enabler of national development.

5. Let us start with India itself. We are the sixth largest economy today, hopefully the fifth very soon and predicted to be the third by 2030. Our interest in world markets and sourcing resources from outside has grown very visibly. We have emerged as an important provider of both technology and human resources to the global economy. Viewed from the domestic perspective, the Indian economy itself has got steadily more externalized over the last 25 years. The world is more present in India and in our everyday activities. The Indian market is of growing interest to other nations and has become a significant point of leverage for our foreign policy. Even otherwise, technologies now bind us across national boundaries, acquiring a salience beyond just business. Our psychological connectivity is even stronger than the physical one. India's external interests are consequently much more extensive than in the past. Its global footprint has widened accordingly, captured both in business activity and the presence of the Indian diaspora. Our capabilities reflect that change and naturally, so too should our ambitions. We are in transition from being a rule-taker to becoming a rule-maker or at least a rule-shaper in the transition period. Not least, we will in the very near future emerge as the most populous nation in the world, a distinction that China till now has used to great political effect.

6. Now, such a country can hardly be expected to play the limited role in international politics that it has done in the past. There is absolutely nothing wrong with aspiring to stake a greater claim in different domains.
Among our aspirations we should strive to realize is permanent membership of the UN Security Council. But in the interim, there are milestones that mark a journey towards a greater global management role. Joining different international and regional groupings and mechanisms is one such step. Becoming a member of technology export control regimes is another related measure. Taking the initiative to undertake humanitarian and disaster relief operations – as we did in Nepal or Yemen – also makes sense. Playing a constructive role in important global negotiations, whether on climate change or on sustainable development goals, is part of this shift. A sharper willingness to articulate our interests and be resolute in its pursuit is also necessary. Such an India cannot have a herd mentality or rely on abstention as a default position on tricky issues. There will be choices we have to make, sometimes even within a region or between friends. We have to stand up for others, as we have done on development issues. Initiatives like the International Solar Alliance help raise our standing.

7. None of this will happen by itself. It will require greater foreign policy energy and a stronger branding. Winning multilateral elections is perhaps the most basic indicator of influence. The victory against a permanent member of the Security Council in the elections to the International Court of Justice speaks of the progress we have made. But above all, it needs a much clearer place in global consciousness. An India whose leaders are not visible in large parts of the world cannot aspire to its leadership. An old civilization that is hesitant to project its culture is also unlikely to evoke respect. The celebration of the International Day of Yoga has been the most effective message in this regard. At the end of the day, our standing will depend on how much we do and how much we are seen doing.

8. In approaching this issue, we should also recognize that the world itself has changed very profoundly. This has happened in phases over multiple decades. After decolonization, the Cold War, the unipolar era and globalization, we have now arrived at a very different global situation.
The big issues of the day have undergone a change, as much as the hierarchy of power in the world. Without overstating that fact, it is evident that the relative influence of the Western world has come down. The rise of Asia has been very marked, especially of China, but of India as well and of the ASEAN. Regional powers in Latin America and Africa are also making their voices heard. The 2008 financial crisis drove this point home very sharply, leading to the emergence of the G-20 as a contemporary reality. The days when major global issues were decided by the G-7 grouping of Western powers is long gone. The short point is that the world is much flatter and this gives India more influence than before. However, we should not take this passively as a given, but strive more actively to make it happen ever more strongly. Through its various bilateral engagements, India's interest is increasingly in shaping the strategic contours of the world. Thus, at a time when Russia is under pressure from the West, it is imperative that we bolster our ties. Similarly, as Japan is poised to make important security decisions, our willingness to partner it can be encouraging. Both Europe and ASEAN are concerned with challenges of cohesion and in our own way, we can make some difference. It is also increasingly a world of intermediate and regional powers. Reaching out to an Australia, a Saudi Arabia, or a Brazil counts more than it used to in the past. Even at a strategic level, the choice of options can be exploited to greater advantage. Germany is pulling its weight more clearly and United Kingdom after Brexit will be different. A France with a sharper global perspective can be a more productive partner, including in the maritime domain. Unlocking the full potential of international affairs today truly requires playing the entire field.

In doing so, it is important we recognize that the global architecture is less structured than in the past. American nationalism is today dividing the long-standing unity of the West. Similarly, the rise of China is putting pressure on Asian regional institutions and activities. Behaviourally too, we are heading to a more individualistic era. Globalization is itself under pressure, both economically and politically. Rules of international
conduct are often observed in the breach. Regimes and mechanisms are failing the international community as powerful players take a narrow view of their interests. This is most visible in the domain of trade and technology. A flatter, looser and less disciplined international order calls for us to prepare for a more Hobbesian approach to world politics. The name of the game is less of balancing and more of positioning. The nimblest power with the least problems will fare the best. This puts a premium on agility and requires a non-traditional attitude to playing the global game. One manifestation of that is to form issue-based arrangements that transcend the inadequacies of bilateral and multilateral diplomacy. We see that in mechanisms like BRICS, the Quad or a range of trilateral groups spanning geographies. Both in structure and style, this is doing diplomacy somewhat differently.

10. Accelerating global change is the radical transformation in the approach of the US to the world. It cannot but have its impact on Indian foreign policy. The change has two aspects (i) the relationship between India and the United States and (ii) the larger issue of American global attitudes and calculations. Each one by itself impels a substantial recalibration and together, makes a particularly strong impact. Let us reflect on the first proposition. Historically, the United States maintained an ambivalent approach to the growth of Indian power. On the one hand, it valued Indian stability and promoted those aspects that served its larger interests. That explains the generosity of the United States when it came to development programs at a time when our political relations were not necessarily positive. When there were serious challenges such as the 1962 war with China, American policy makers were actually anxious for us. But, on the other hand, they worked overtime to neutralize our regional dominance and strove particularly hard to ensure some parity with Pakistan. This policy started changing with the Kargil conflict and has gathered momentum over successive Administrations. It has been driven by numerous factors, among them our growing economic and technology relationship, new geo-politics arising from the rise of China, and some
commonality of interest on terrorism. The diaspora has been a big factor in this process. Among the changes that reflect this new relationship is the India-US nuclear deal as well as much closer defence cooperation.

11. Now, clearly an India that has a substantial economic relationship, serious military ties, a greater convergence in strategic interests, and an influential diaspora connect has to approach the United States very differently from one that does not. To some extent, public sentiment is also a bellwether on such matters. There was admittedly a time when American policies were to the detriment of India's national security and political ambitions. Conceivably, this could still persist on issues to the west of India. However, unless we are completely blind to larger global developments that have so radically upturned world politics, we cannot continue on autopilot. For good reasons of history, the old Indian mind-set vis-a-vis the US was defensive, even suspicious. But today a stronger and more capable India can shift instead to a strategy of leveraging the United States. Keeping a distance from another country cannot be the primary yardstick of policy independence for a confident power. On the contrary, it can make the pursuit of our own global goals and interests much harder. A clear-eyed view of our national interest encourages us to work with the US when required, and differ with it when necessary. This, in essence, is our situation today.

12. Just as the new normal in Indo-US relations was setting in, a newer normal in world politics is also making itself felt. Economic nationalism in the US has already made trade more central to relationships than ever before. The recalibration in American global posture could have repercussions that are yet to be felt. In the case of India, there are some balancing factors in other domains. Being neither ally or adversary, we have not disappointed or deceived. Obviously, we need to take an integrated and strategic view on how to respond. There could be other differences too, including on some third party relationships. But, at a time when we are still harvesting the gains of improved India-US ties, it is important not to lose focus. The
structural basis for the relationship has never been stronger. Certainly, there will be the give and take of international politics and now increasingly, of international trade. It is not that we don't have cards to play. As I noted earlier, the less rigid global architecture allows for more freedom of manoeuvre. Abandoning prejudices and making decisions on merits would itself be doing foreign policy differently.

13. The rise of China has been the defining phenomenon of our times. India's relationship with that neighbour is long-standing and complex. Obviously, living in its immediate proximity, we are profoundly impacted by this happening. India and China have an ancient history of trade and cultural exchanges. No other society has influenced Chinese culture as extensively as India. There was even a period when China was supportive of our independence struggle. Yet, for both political and historical reasons, these connections have receded in public consciousness in both countries. They have been replaced by a more competitive narrative that focuses on the boundary dispute, China-Pakistan relations and Tibet. For the last three decades, efforts have been on to normalize the relationship and while engaging on differences, create new content. We have been successful in doing so to a considerable degree, but not entirely to India's advantage. The faster and more sweeping development of China has widened the power differential between the two nations. Furthermore, the large trade deficits emanating from lack of market access and non-tariff barriers in China has added to the burden of the ties. China has also qualitatively enhanced its collaboration with Pakistan, discarding even the limited balance it had shown in the past. If there is any account that needs to be done differently, it is that with China.

14. The outstanding issues between the two countries are well known and require both perseverance and preparation if they are to be effectively addressed. But it is really the more recent characteristics of China that merit closer consideration. We are dealing today with the number two economy of the world and a potential superpower. It has a different
political model and declared global ambitions. Not just that, this is a transformation that has happened at our very doorstep. The entire world may feel the ripples of China's rise, but surely a nation geographically close even more so. We share a common periphery where our interests would naturally intersect. The emergence of China as a maritime power also brings it into the Indian Ocean, creating a new strategic situation. Its unique connectivity initiatives have long term consequences for politico-economic choices in world affairs. Overall, China's global influence has grown enormously in the last decade. We are staring at a completely different landscape to the north.

15. India, must be open minded and imaginative in responding to this new situation. On the economic front, we have to accept China as a major investor, but one that requires deft handling keeping in mind national security. The trade deficit is unsustainable and the case to press for greater market access has only become stronger. Strategically, India can learn from China itself by leveraging the global environment to maintain a better balance. The border is best managed through more intensive infrastructure building and deployment of asymmetric capabilities. Our footprints will overlap in South Asia and beyond and India would be judged by the quality of its delivery. Nor can China's influence be disregarded in world politics. We should be open to finding common ground where that is in our national interest. All of this requires a different mindset and a stronger resolve. We cannot afford the complacency of the past that oversaw the Hambantota project or ballooning trade deficits. Nor should we take comfort in the rhetoric of combativeness. Chinese power is a fact of life. In a world of uncertainty and positioning, the two nations have a shared interest in building a stable relationship. That was the logic which drove the Wuhan meeting between their leaders this April. The longer term challenge would be in ensuring how two rising powers in close proximity accommodate each other. Remember, at the end of the day, we will be the only two billion-plus nations in the world and that has its own dynamic. This task, therefore, will test the creativity of diplomacy
on both sides, creating a compulsion to conceptualize and engage differently from the past.

16. The Russian diplomatic lexicon uses the term 'near abroad' to describe its immediate neighbourhood, thereby reinforcing its sense of priority. As with all large powers, this is where we will be tested the most. In India's case, a combination of history and sociology has bequeathed a particularly complex periphery. In the past, most of our neighbours were politically focused on maintaining their distinct identity. Pakistan, of course, was an altogether different case. Consequently, the challenges in South Asia overshadowed its opportunities. That is no longer the case. It is not only in India that the aspirational generation is making its voice heard. Across the region, there is now a broad expectation of a visibly better quality of life in the very near future. Geopolitically, that can only happen in partnership with India whose economic progress has been a lifting tide for the entire subcontinent. Whether it is in trade, investment, services or mobility, the future of India and its neighbours is an increasingly integrated one. From the era when there were charges of being overbearing, today the complaints are of doing too little. This requires an initiative of a very different order, where India is prepared to invest generously and non-reciprocally in the growth of its neighbours. Far from being deterred at the prospect of their coming together, we ourselves have become champions of regionalism. Investing in South Asian connectivity is today the smartest move we can make. This is not just an issue of intent; it is even more one of delivery. For good measure, that will be compared with the performance of China. Retaking the initiative to shape the larger region should rank foremost among our priorities.

17. When it comes to initiatives, we have usually lagged behind Pakistan. Fortunately, most of those endeavours of our neighbour have been based on mistaken calculations. But despite the growing disparity between the two countries, Pakistan poses a unique challenge due to its belief that India's willpower can be broken. To that end, it has long pursued a strategy
of cross-border terrorism, presenting that as legitimate statecraft. Underlying this approach is an assumption of predictable Indian responses. Previous history was of periodic talks on outstanding issues interrupted by terrorist attacks. The confidence in Pakistan that it can game India starts to erode when the initiative is no longer with them. To the extent that Indian behaviour is unpredictable, that costs are imposed for provocations and we carry world opinion regarding our intent, this scenario will not be maintainable. It will be a long haul, but regaining the initiative will be very much at the heart of handling this challenge differently.

18. In recent years, India's sense of its neighbourhood has expanded proportionately to its interests and capabilities. Historically, we were connected closely to South East Asia on the one side, and the Gulf on the other. Our linkages with these worlds shrivelled as we closed the economy and reopened as reforms were introduced. Initially, these were expressed largely in terms of economic dealings and movement of people. But, as these regions themselves address strategic challenges, they have begun to see in India part of a solution. The upgrading of cooperation with both these regions marks a very different phase of our ties. Today, that is reflected in more practical economics, connectivity, security cooperation and political synergies. Naturally, this is underpinned by a larger vision and stronger leadership commitment on our part. It is noteworthy that there is now the dexterity to navigate complex regional politics successfully in contrast to earlier preferences of staying aloof. It should also be recognized, especially in West Asia, that Indian strategic interests are no longer being sacrificed on the altar of ostensible political correctness.

19. As India changed, so too did the components of its foreign policy. Not surprisingly, the biggest shift is in respect of its economic factors. There is no question that the greater respect we command in the world now emanates from our economic standing. Our businesses are responsible for
much of the activity, the networking, and the image makeover. Especially in the last decade, most interactions in the diplomatic arena revolve around economic activities abroad and market access at home. Generally speaking, businesses are seen as an objective sounding board in assessing another nation. They often have deep and longstanding relationships that transcend the politics of the day. But more than that, our corporates have actually shaped India's national standing in parts of the world. So, indeed have Indian professionals who are taken as representative of our society. As I reflect on the changes over four decades, it is striking how much salience we give today to say economic cooperation and CEO Forums in our diplomacy. Tapping more effectively in to these synergies can make a big difference.

20. The diaspora has been the other big factor in the transformation of India's image abroad. Their professional skills and work ethics has not only earned them respect in societies where they live but influence the local perception of our country. At its most successful, the diaspora has emerged as a political factor in some nations. But even in challenging geographies, they have become critical to the economic prospects of many countries. Recognizing this contribution, it is only right that greater efforts are made on our part with regard to diaspora welfare and security. Their bonds with the motherland need nurturing, with due regard of course to the sensitivities of their place of domicile. I am glad to note that this is a domain that has seen particular progress in recent years. Whatever our aspirations may be, we are already a human resources power. It is therefore, important that adequate attention be paid to making mobility an important element of our foreign policy agenda. Standing by its people abroad is the least a rising power can do. That in itself is a difference from the past.

21. The economic and diaspora aspects of diplomacy are reflective of its changing mechanics. This is no longer a profession conducted in a rarefied atmosphere between narrow elites. On the contrary, it is
increasingly an activity in the public domain with the participation of stakeholders who may extend beyond the formal structures of the state. The shaping of opinion is itself a very complex exercise that draws in many elements of civil society. It is not just the mechanics; even the outcomes are defined very differently now. As we noted when it comes to the neighbourhood, effective delivery on projects of public relevance actually make a greater impact than most political gestures. This calls for different skills, capabilities and mindsets in diplomacy. Foreign ministries have to make a greater effort at partnering other agencies and institutions to get their work done. More and more, a sound foreign policy is an exercise of integration with security, economic and opinion shaping structures. This requirement is particularly urgent where India is concerned.

22. Having noted all these differences, let me also underline that the very place of foreign policy in governance today has changed. It is envisaged now less as an exercise in itself and more as a means to promote national development. The intent obviously is to leverage global capabilities in different fields to accelerate our progress. As a consequence, the outcome of say a Prime Minister's visit abroad today is focused heavily on how that engagement has contributed to resources, best practices, technology, skills or market access. Let us not forget that investment itself is an act of trust that needs a face. So, we hear much more about deliberations and decisions on the economic side than we did before. This has been very much the experience of East Asian and South East Asian nations who demonstrated a strong development commitment in the past decades. It is a history from which India can gain much learning.

23. As I dwell on the changes underway, let me conclude-perhaps appropriately—with an observation on the role of the bureaucracy. Most of the transformational stories of the last century have involved progressive bureaucratic leadership. It is commonly believed in our country that China developed faster because they had less political constraints. That
may be true but my own experience was that they also had developed better leadership and administrative capabilities which made the critical difference. For change in any society to acquire critical proportions, every part of the system must make its due contribution. We have gathered here today in the memory of someone in public service who is seen as having made a difference. Reflecting on how that spirit can be further developed would be a great message to take away.

Thank you very much.

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