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THE INDIA-US FORUM

VIRTUAL

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INTRODUCTION



Dr S Jaishankar, Minister of External Affairs, Government of India

The fourth edition of The India US Forum, co-convened by Ananta Centre and the Ministry of External Affairs, Government of India was held virtually on 12 October, 2020. It was co-chaired by Harsh Vardhan Shringla, Foreign Secretary, Government of India and Jamshyd N. Godrej, Chairman, Ananta Centre and Chairman of the Board, Godrej & Boyce Manufacturing Company Limited.

The India-US relationship has become indispensable in today's rapidly evolving geopolitical environment. It has been steadily gaining momentum over the last few decades and right before the pandemic it reached a new height with President Donald Trump's visit to India in February 2020.

In the summer following the visit, as the world grappled with a once-in-a-generation pandemic, this bilateral relationship gained strength by deepening cooperation in pharmaceuticals, healthcare and vaccine development. It is a vital relationship with vast potential.

In this unique platform launched in 2017 delegates from both countries meet to exchange ideas, build mutual trust and develop a joint agenda for future cooperation.

This fourth edition of the Forum brought together over 100 high quality speakers/participants with the largest delegation yet from the US. The participants included Indian cabinet ministers, senior government officials, representa-

tives from US administration, business leaders, CEOs, heads of think tanks, academics, thought leaders, senior journalists and authors.

The closed-door deliberations, held under the Chatham House Rule, discussed a variety of topics of mutual interest for both countries including securing emerging technologies, restructuring global supply chains, the future of the Quad and a shared agenda on health.

The deliberations went beyond political, geographical and economic boundaries and discussed initiatives and ways to take the Indo-US bilateral relationship to a new level.

The fifth edition of the Forum will be convened in 2021. ■

KEY TAKEAWAYS



From L to R: **Harsh Vardhan Shringla**, Foreign Secretary, Government of India; Co-Chair, 4th India US Forum & **Stephen Biegun**, Deputy Secretary of State, United States of America

The India US partnership is now truly comprehensive. Building on deep historic ties, bilateral collaboration now spans defense and security cooperation, mutual law enforcement support, trade and investment ties, a multi-pronged energy partnership, scientific and technological collaboration, educational links, support for strengthening and reforming international organizations and, perhaps most critically this past year, unprecedented cooperation to combat the coronavirus pandemic.

- For three decades, each successive US administration has successfully built upon and deepened the accomplishments of its predecessor with respect to relations with India. There is confidence

in the US that, regardless of the outcome of the 2021 presidential election, the vital partnership between the US and India will continue and deepen.

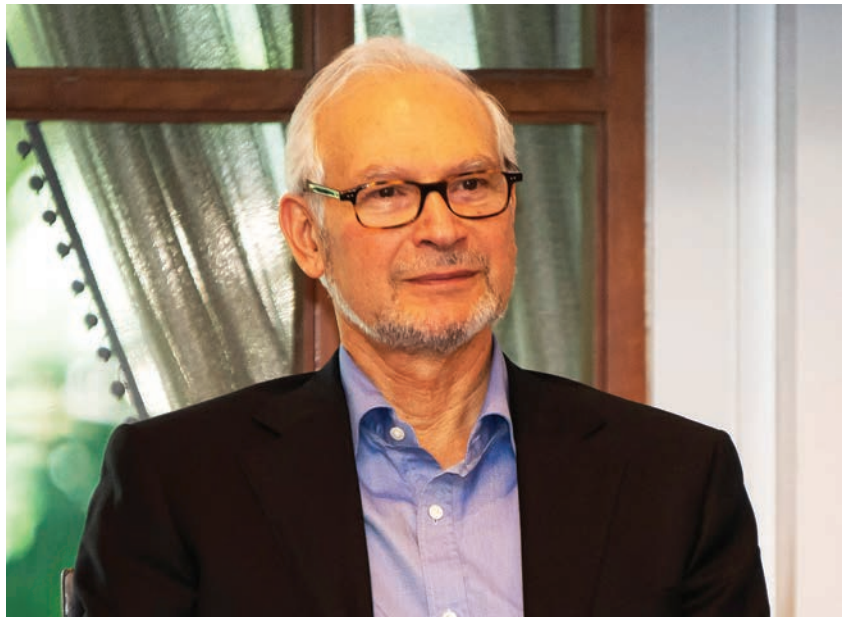
- Over the years, expansion and inclusiveness of India and the US have increased beyond the political arena. India considers the US both an Atlantic and a Pacific power but understanding the distinct strategic nature of the Indo-Pacific is crucial. Indo-Pacific is about like-minded independent countries with different cultures, economies and security structures.
- Given the current geostrategic landscape, every big and middle power aspires to be powerful. India's global approach is affected

by its internal development as a unique pluralistic society open to all. It aims to emerge in the global society as a sovereign power understanding the importance of multilateralism.

- There is recognition in the US that it cannot assume a global, post-World War II alliance structure, designed to address the challenges and threats of the Cold War, can endure without rejuvenation. To sustain the free and open order, the India - US strategic relationship needs to reflect the geopolitical realities of today and tomorrow.
- There is enormous opportunity in this bilateral security relationship. India has a strong and proud tradition of strategic autonomy.

The US does not seek to change India's traditions, rather to explore how to empower India's ability to defend its own sovereignty and democracy. The US is interested in advancing Indian interests across the Indo-Pacific region. As the US re-assesses its own interests in this region it should consider how they intersect with India's interests in the region.

- India's military standoff on its western borders with China is a complicated matter. India and China have mostly avoided skirmishes since 1962. But the deployment of Chinese troops since May for reasons unknown to India is a clear threat to India's national security. India understands that resolving border disputes are a precondition to the bettering of Sino-Indian relations but has emphasized that departure from historical agreements will lead to the conscious altering of the bilateral relationship.
- To meet the implementation gap caused by net challenges across the globe rising while the capacity to tackle them is reducing, a security coalition like the Quad testifies to the evolving landscape of the multipolar world order. The Quad brings an ad hoc combination of countries with shared interests and ideas.
- Several universities and companies from both sides are working together on coronavirus vaccine trials, ensuring that together the two countries remain on the cutting edge of responding to future health crises.
- India is one of the committed nations adhering to low carbon technology emphasizing the fact



Jamshyd N. Godrej, Co-Chair, 4th India US Forum; Chairman, Ananta Centre; and Chairman of the Board, Godrej & Boyce Manufacturing Company Ltd

that climate change is existential and requires the government to take responsibility and carry out their necessary role. India's initiative of the International Solar Alliance positions its commitment to a clean and sustainable future for the children of tomorrow. Today, with the will and interest shown by multiple countries, the initiative is moving towards a fundamental change, and added advantage would come with the membership of the United States.

- There is an elephant in the room: China. To address that, the Quad can be a powerful tool but the development of the Quad so far has been far too cautious. We have to work with like-minded countries but at the same time, we have to recognize that what we can achieve through the Quad is limited, it's still a work in progress. So much more effort needs to be put in, to flesh out the idea of the

Quad and see how it can become an effective lateral grouping. The recent success of the Quad ministerial is an optimistic signal.

- The Quad has already made movement towards aiding the energy transition in the Indo-Pacific. In Southeast Asia, Quad partners can deepen engagement with ASEAN, cooperate in defending freedom of the seas, and work together in governance, health, environmental protection, water conservation and transparent data sharing. The Mekong River region should be a matter of special common interest. Strong people-to-people ties exist already on a bilateral basis but more needs to be done to encourage & expand these on a multilateral level, particularly to cultivate young leaders across all four Quad countries.
- The US and India represent

multi-ethnic, multi-confessional, democratic societies. Together with Japan and Australia, we are four democratic anchors in an Indo-Pacific region buffeted by changing winds and shifting currents. We each have our own histories that steered our democratic paths, but we share values as well as common interests, and together the Quad represents nearly a quarter of the world's population.

- In the last three decades, India and China have shared peaceful relations allowing Chinese tech companies to invest in India. With the relationship with China deteriorating, India banned more than 200 Chinese apps as the severity of the crisis began to affect economic ties. The harnessing and processing of data by Chinese firms is seen as a threat to the security of the Indian state and privacy of its citizens.

- Security partnerships explored between the US and other countries today do not necessarily need to follow the model of the last century of mutual defense treaties with a heavy in-country US troop presence.

- With China's increasingly disruptive global role and alliances shifting in the world landscape, countries need to assimilate their priorities. The US, which has been a major trans-Atlantic power, needs to set goals keeping in mind the interests of the Indo-Pacific economies.

- India's peculiar history needs to be taken into consideration while looking at changing global hegemony. To some extent, India's political ideas are shaped by its history. There are socio-economic issues where India stands on its

own in the global South. Democracy may be a Western concept but India has adopted and developed its own idea of pluralism.

- Whether India has the ability to take up challenges with a global impact can be seen through its rapid response during the Asian tsunami, the Yemen civil war and recent landslides in Sri Lanka. India has played a more prominent role in Southeast Asia and Africa than ever before.

- Climate change is existential and national commitment on that front need not necessarily be dependent on other countries' delivery. India has been at the forefront of this change by delivering on its Paris Agreement commitments and expect the International Solar Alliance to taking a bigger role in future. ■

SECURING EMERGING TECH AND RESTRUCTURING GLOBAL SUPPLY CHAINS



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Covid has accelerated both digitisation and digital technology, everything is getting transformed at a rapid rate. With flows of data at an all-time high, there is a tremendous need to identify how we as a world will be able to collaborate on digital economy, digital identities, AI, how can we create frameworks fostering interoperability, ethical governance and how do we secure areas of emerging technology.

- Industry 4.0 has come. Japan has highlighted society 4.0, for example in developing artificial photosynthesis, where technology has come to the centre once again. At a time when so many things are moving rapidly and simultaneously, we must also recognise that supply chains are being changed and will be disrupted.

- There is an emergence of a “China Plus One” supply chain strategy among many companies and encouraged by many governments and flows from a recognition of the need of diversification in manufacturing.

- We should recognise that a new normal wouldn't be abnormal as several sectors are affected. Time will be taken to regain the position with regards to globalisation. Catalytic effects have come forward with e-commerce, digital healthcare and so on.

- There needs to be systemic removal of barriers on technology, trade, data, and eventually movement the people all around the world in order to appropriately restructure the supply chains.

- The current economic and trade

situation is dynamic and there are enormous opportunities to strengthen one's capacities by helping each other to become competitive globally.

- In the last year, we have increasingly seen how issues of national security intrude on trade and on global supply chains, issues which concern data storage, foreign investment in domestic industry and governance issues. Conversations and collaboration across the globe are more important than ever.

- The strength of the Indian economy rests in the private sector and accessibility of these firms to external markets and inputs can help determine the outcome but presently there is limited access. For achieving recovery and growth, India needs to start by recognising the strength which lies in its in-

**N K Singh**

Chairman, Finance Commission,
Government of India

dustrial sector, and other sectors where engineering is involved.

- Both countries can help establish some common rules of travel post the pandemic to reinvigorate operation of airlines.
- We can go further if both countries recognise each other as they are, as democracies with polarised politics rather than India expecting US to be like Japan and US expecting India to be like China.
- The utilization of the hidden potential of the Indian market is an early stride in this nascent pursuit of diversifying the global supply chains. US companies are now resourcing agri-based products as India which is emerging as the fastest growing market for exports. Other than agri products, exports in pharmaceuticals, goods ranging from pickles to fish, all are growing.
- Future of India lies in harnessing new technology particularly the combination of what dAI) and Machine Learning (ML) can do.
- The recently launched initiative by Prime Minister Narendra

Modi – Raise 2020, brings together three tracts of new opportunities: privacy, cybersecurity, and responsible use of AI.

- AI has become a general-purpose technology covering agriculture. The use of AI to harness crops, track depletion of ground water, relay information to farmers in real time can and is contributing to Indian agriculture productivity and is improving farm incomes. Recently India's finance committee allocated a large amount for agro based exports and incentives for the states designed to improve export capability.
- Close collaboration between the two countries, on education, skilling and jobs, has already taken shape in the form of sophisticated, hybrid combinations of education structures.
- With the increased integration of AI as a general – purpose technology, dramatic change will be seen in governance structure in India. Centre-state relations as we know them are on the cusp of change, enabling the use of these opportunities with overarching effects.
- As we harness AI and ML, there must be rules and regulations set in place in both countries based on International practice. This legal rubric/framework should ideally have built in transparency and set international benchmarks for standard of privacy, data protection and cyber security.
- Virtual connectivity tools have opened up new possibilities for cyber security. Leading firms in both countries must understand the importance of these tools and study what's provided in different ways. There is no single product or firm

CHAIR**Rajan Navani**

Vice Chairman & Managing Director,
Jetsynthesys (Jetline Group)

which can provide cyber security but firms can collectively have comprehensive, integrated and managed cyber security solutions. There needs to be a risk-based approach to cyber security controls, especially looking at small and medium enterprises.

- Another area of bilateral collaboration that would eventually impact market acclimatization with disruptive tech is education, specifically US colleges should play a role in helping Indian universities to adjust to the market. Governments could incentivise foreign universities to come to India.
- We need to harness tech opportunities which look boundless right now but are crucial for long-term international trade like structuring issues in data collection.
- India's improvement in ease of doing business, strong entrepreneurs and manufactures are now recognised by the world and this framework looks promising but India needs to attract more foreign investment by depicting local markets in a similar fashion, offering funders and investors not only export markets but increased engagement. ■

A SHARED HEALTH SECURITY AGENDA



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This pandemic opens up the doors for interaction and cooperation around the world. It gives an opportunity to rethink priorities in order to strengthen the primary healthcare systems. Policies that had not been tested in a century – of physical distancing and mask mandates, were implemented in this pandemic and proven to work. People's behaviour towards and perception of infectious diseases has now changed which will be a helpful step in preparing the world to take necessary, immediate action in the face of the next potential pandemic.

- Self-reliance in healthcare and pharma industrial set-ups has been an important guiding principle in combating this pandemic, especially in the face of collapsing supply chains due to isolation of certain

geographical zones in the world to contain the virus.

- In the early months of the pandemic, this caused a shortage of medical equipment in many countries around the world including in India; but over the last few months India has gone from being short on ventilators, N95 masks and PPEs (Personal Protection Equipment) to domestically manufacturing them to now exporting them.
- India put in place a very strong contact tracing mechanism: manual and digital. The latter done primarily through a mobile app, Aarogya Setu which now has over 100 million users. This app is mapped regularly by government, led by the National Informatics Centre under the Ministry of Electronics and Information Technology for COV-

ID-19 contact tracing, syndromic mapping and self-assessment. Via this app, the Indian Department of Health is proactively reaching out to and informing the users regarding risks, best practices and relevant advisories pertaining to the containment of COVID-19.

- The cases in India are mainly concentrated in states like Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu, Odisha etc. with a high recovery rate nationally. The initial nation-wide lockdown allowed the health sector to prepare itself and ensure the infrastructure was in place for a peak.
- The public – private partnership is essential to face the challenges rising from the pandemic. The needs for production and delivery of medical, protective and

testing equipment; and development of vaccines for a novel disease are non-negotiable endeavours that can only be achieved on scale with the collaboration of the public and private sectors.

- Many countries have started collaborating to produce medical equipment and vaccine dosages. Both India and US have undertaken many medical diplomacy exercises to combat COVID-19 and collaboration is underway in the areas of diagnostics and therapeutics of the disease. India exported 50 million hydroxychloroquine tablets to treat COVID-19 patients in the US very early on in this battle.

- Individually, both countries are collaborating intensively with partners around the world to make a breakthrough in producing a vaccine for this novel virus.

- This pandemic is not going to be over soon. The only way to successfully defeat it would be the creation, global acknowledgment and safe, last mile delivery of a vaccine. The current projected timeline for this course of action is 3 - 5 years. An India - US partnership, facilitated by both governments and involving the gamut of both countries' private sectors, could shorten this timeline to possibly 2 years.

- Personalized healthcare has made enormous strides in the last few months. Investment in tele-medicine and med-tech has



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become essential to scale up this model of personalized healthcare that allows a system to tailor medication according to nutritional content of food being consumed by a patient, genetic background etc. Bilateral government support in this arena would be helpful in the short, medium and long term.

- Clarity in messaging and coordinated information distribution is as essential as the race to develop a vaccine. Anti - science and anti - vaccine movements that existed in social fringes have become mainstream now, demonstrating how swiftly an information gap endangers lives. It will be important for both countries to develop a strategy to acknowledge these groups and analyze where their misinformation stems from, instead of plainly asking them to refer to

certain guidelines. The why behind the facts needs to be explained in order to rebuild the lost trust in expert data for some parts of the global population.

- By prioritizing investment in building primary healthcare systems and strengthening public health services, both countries are developing infrastructures that will outlast this virus and support fights against all future infections. But the top priority is to develop an infrastructure that aids in restricting pathogens before they become pandemics for which there will have to be global coordination towards a robust surveillance system to detect novel pathogens and support facilities that are equipped to develop appropriate diagnostics for these novel pathogens. ■

THE FUTURE OF THE QUAD



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The origin of the Quad can be traced back in the response of the four nations, Australia, India, Japan and the US, to the Boxing Day Tsunami of 2004. The four nations created the “tsunami core group” to become a new network in the face of an emerging challenge, bringing together the four nations best equipped to swiftly mobilise tsunami aid. Then, this grouping became the impetus for the nations to collaborate as a whole in addressing regional issues.

- The idea of the Quad was reinforced by India with the hosting of one of the largest naval exercises in the Bay of Bengal in September 2007 that included the participation of naval forces from the US, Japan, Australia and Singapore. It was resurrected by meetings in 2017.

- The purpose of the group is to establish, promote and secure the Indo-Pacific region. It is to promote a free, open and inclusive Indo-Pacific that provides free trade routes and equal access to all. It is to consult, coordinate, and cooperate the likeminded countries. It is a grouping of Indo-Pacific democracies. But there should be a certain degree of flexibility and cooperation to strengthen this framework and also to take this framework forward.

- The principal objective of this grouping is responding to a breakdown of the post war security order in Asia. A system that was dominated by the US – American forward military presence, the US Navy, the US alliance system. The rise of China has changed this system. Quad is an attempt to reintroduce

balance in this new, changed system. The last two years have seen significant progress towards these objectives by the Quad.

- Experts and policy watchers in the US are trying to fit China into the model of the Soviet Union as an adversary which is not the right framework to treat China in. The Quad, however, is a step in the right direction of developing a response to the aggressive and coercive nature of the Chinese in the Indo-Pacific region. It is a balancing force, meant to evolve into a reassurance framework for Asia, for coordination to deflect and counter the intimidation that China generates using military force.

- While there is a solid intellectual basis for the Quad when



Thomas Rowden

Vice President, International Strategy and Business Development, Rotary and Mission Systems, Lockheed Martin

looked at from a countering China perspective, it is not yet grounded in reality like NATO. However, the more aggression China shows towards the Quad countries, the stronger the coalition becomes.

- Quad has a lot of work to do in convincing the rest of the world that it is not an exclusive grouping, rather it is ready to engage them in overlapping networks. It is not an alliance of obligation; it is one of shared interests.
- There is one train of thought that considers Quad to be about security, but Quad plus to be about economics. Conversely, there is an opinion in the US that Quad plus is not about economics, the Trans Pacific Partnership (TPP) and its more recent avatars. The question then becomes whether Quad plus and TPP can merge.
- Forty years ago, China's integration into the global economic order dramatically transformed the economic situation in the world. There is a strong feeling in the world today that the current

global trading order gives a unilateral advantage to China and now, countries in the regions and the world want to see some rearrangement of this global economic order in which they would be less exposed to Chinese dominated supply chains, technologies etc.

- The Asian region as a whole benefitted from US - China integration which is what makes the current Quad plus conversation about de-coupling from this integration a hard sell.

- If the US - India believe that a free and open Indo-Pacific is an essential prerequisite for the economic prosperity and security of the region, then relationships and concepts like the Quad take on an exceptional importance to assert and maintain common values, while also protecting common interests.

- There are both traditional and non-traditional threats in the Indo-Pacific. In the former, while the possibility of state-on-state war is remote there are countries in the region, like China, that violate United Nations Convention on the Law of the Sea (UNCLOS) provisions despite being a signatory.
- Multilateral organizations are aware that they do not face any threats of being superseded by the Quad at this stage, rather they are just now getting used to the idea of Quad. It is not currently a threat to ASEAN specifically but, the belief in ASEAN centrality itself seems to be a matter of politeness amongst the foreign policy elite rather than being based in reality given the power differential of ASEAN and China. The reality is that ASEAN finds itself in a position where it is unable to call out aggression

CHAIR



Arun Kumar

Chairman & CEO, KPMG India

against its own members.

- The creation of a "secretariat" for the Quad will depend on what the member nations believe is the political dimension of the Quad as it relates to the evolution of politics in Asia. There are existing structures right now in Asia that have a higher legitimacy. A secretariat is a premature thought for the Quad considering it has only recently been elevated to the foreign ministers level for meetings.
- The US election result is not likely to impact the concept of the Quad or America's attitude towards it. This is a construct currently held in the intellects of the foreign policy elite but it is not yet a concept widely held by either the American public or Congress.
- There are both traditional and non-traditional threats in the Indo-Pacific. In the former, while the possibility of state on state conflict is remote there are countries in the region, like China, that violate UNCLOS provisions despite being a signatory. ▣

THE FORUM THROUGH THE YEARS...











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