



Delhi Policy Group

DPG POLICY PAPER

Geopolitical Lessons of COVID-19 for India

Author

Lalit Kapur

Volume V, Issue 18

MAY 4, 2020



Delhi Policy Group

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

www.delhipolicygroup.org



DPG Policy Brief, Vol. V, Issue 18 May 4, 2020

ABOUT US

Founded in 1994, the Delhi Policy Group is among India's oldest independent think tanks with its primary focus on international and strategic issues of critical national interest. Over the past decades, the Delhi Policy Group has established itself in both domestic and international circles, particularly in the area of national security.

In keeping with India's increasing global profile as a leading power and the accompanying dynamism of India's foreign and security policy, the Delhi Policy Group has expanded its focus areas to include India's broader regional and global role; India's initiatives to strengthen its strategic periphery; India's political, security and connectivity challenges and policies across the Indo-Pacific; and the strategic partnerships that advance India's rise. To support these goals, the DPG undertakes research, publishes policy reports and organises conferences on strategic and geo-political, geo-economic, and defence and security issues.

Author

Commodore Lalit Kapur (Retd.), Senior Fellow, Delhi Policy Group

The views expressed in this publication are those of the author and should not be attributed to the Delhi Policy Group as an Institution.

Cover Photographs:

(Photographs top to bottom)

Prime Minister Narendra Modi delivers his Closing Statement at the 'Namaste Trump Event' at Motera Stadium in Ahmedabad, February 24, 2020. Source: MEA

Chinese President Xi Jinping reviews the honour guard before boarding the destroyer Xining in Qingdao, Shandong province, China for the naval parade celebrating the 70th anniversary of the founding of the People's Liberation Army (PLA) Navy on April 23, 2019. Source: Xinhua

India's Defence Minister Rajnath Singh and External Affairs Minister Dr. S. Jaishankar met US Secretary of Defense Dr. Mark T Esper and Secretary of State Michael R Pompeo in Washington D.C. for the second annual India-US 2+2 Ministerial Dialogue, December 18, 2019. Source: MEA

© 2020 by the Delhi Policy Group

Delhi Policy Group

Core 5A, 1st Floor,
India Habitat Centre,
Lodhi Road, New Delhi- 110003.
www.delhipolicygroup.org

Geopolitical Lessons of COVID-19 for India

by

Lalit Kapur

The COVID-19 pandemic has unleashed human misery, social disruption and economic devastation on the world. At the time of writing, the number of confirmed cases had passed the 3.30 million mark, with more than 2,35,000 fatalities globally, including 65,000+ in USA, 131,000+ in Western Europe, and 1200+ in India. Societal and international lockdowns have ruptured global supply chains and, according to IMF projections¹, will result the global economy contracting by 3%, the worst recession since the Great Depression. The International Labour Organisation has estimated that lockdowns are impacting almost 2.7 billion workers, representing around 81% of the world's work force². This does not take into account the informal sector, which employs more than 2 billion people in the developing world. The ILO estimates that "working hours will decline by 6.7% in the second quarter of 2020, which is equivalent to 195 million full time workers"³. World trade, according to a WTO forecast of April 8, 2020⁴, is expected to dip by anything from 8-20%, depending on the nature of post-pandemic recovery. International and domestic travel restrictions have led to the virtual decimation of travel, tourism and related industries, apart from stranding students and tourists in foreign lands, with no means of support. Global oil prices have collapsed, with WTI oil futures dropping to (-) \$ 37.63 per barrel⁵. Nativist feelings have risen, as demonstrated by Australian PM Scott Morrison's reported⁶ message to temporary visitors to 'go home'. Little wonder that predictions regarding the end of globalisation⁷ and talk of the 'Suez moment', the 'Pearl Harbour moment' and 'China's Chernobyl' have been in the air.

¹ IMF World Economic Outlook, April 2020, Chapter 1 (full report expected May 2020)

² https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_740877.pdfhttps://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_740877.pdf

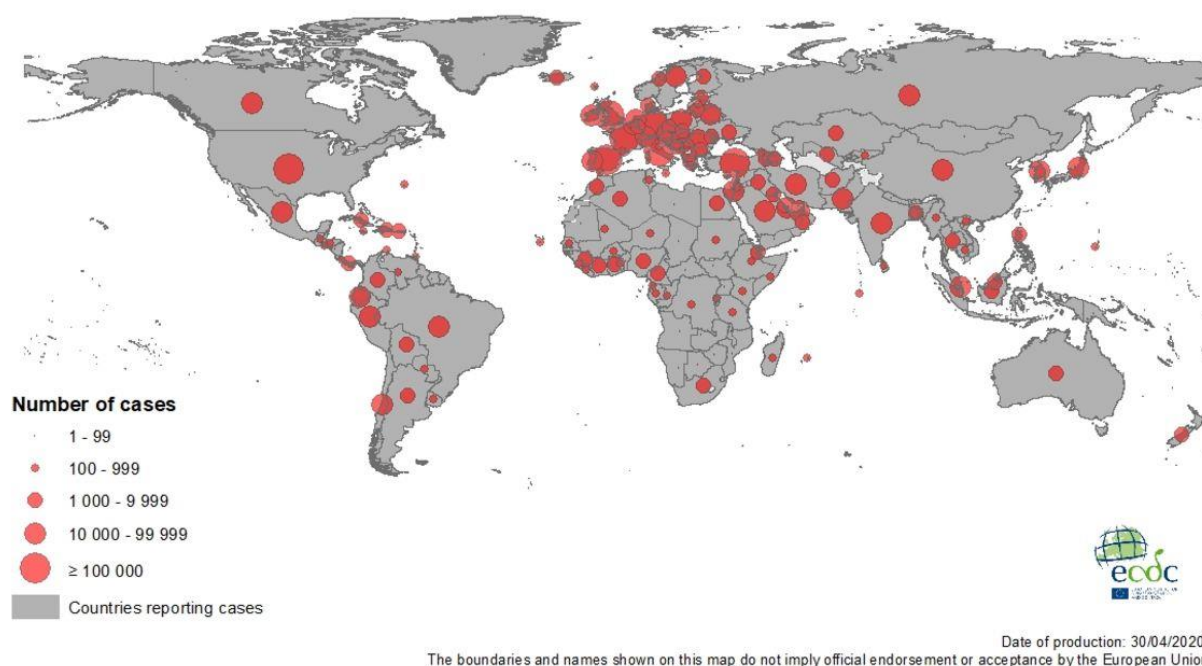
³ Ibid

⁴ https://www.wto.org/english/news_e/pres20_e/methodpr855_e.pdf

⁵ <https://economictimes.indiatimes.com/markets/commodities/news/what-led-crude-oil-prices-fall-below-0-a-barrel/articleshow/75264813.cms?from=mdr>

⁶ <https://metro.co.uk/2020/04/04/aussie-pm-tells-tourists-go-home-backpackers-ignore-social-distancing-rules-12508679/>

⁷ <https://www.investorchronicle.co.uk/comment/2020/03/03/covid-19-the-end-of-globalisation-is-nigh/>



Global COVID Map as of April 30, 2020.

Source: European Centre for Disease Prevention and Control

How many of these predictions materialise will be determined by history. What is certain is that the contagion was a strategic surprise for rich and poor nations alike; that the world still remains in the 'fog of war' phase; that the crisis will play out over a long time; that it will accelerate the combination of forces that were already transforming international order; and that India's external security environment has deteriorated substantially.

This paper seeks to understand how the pandemic will impact on India's aspirations to become a pole in a multi-polar world and identify the dogmas it must shed to enable realisation of this vision.

The ever-present nature of geopolitical competition will not change. Revanchist nations have pursued their interests, including through the use of coercive pressure or kinetic force, from time immemorial and will continue to do so. Indeed to them, the pandemic's distractions provide a strategic opportunity. So Pakistan will not turn over a new leaf and give up its strategy of cross-border terror in India under a presumed nuclear overhang, or stop trying to achieve strategic depth in Afghanistan. China will not liberalise its

polity or give up its dream of becoming the most influential and all powerful nation in Asia and the world. Pakistan's cross border activities to spread Islamic terror in the Kupwara sector⁸ and at Sopore⁹, or China's activities in the South China Sea during this past month, should provide proof enough.



Liaoning Task Group passing through the Miyako Strait

Source: Reuters

To the west of India, instability created by Islamic extremism will dominate the entire belt from Turkey to Pakistan. In Syria, the three parties involved (the China and Russia backed Syrian Government, the Turkey backed Syrian Interim Government and the Kurdish Syrian Democratic Forces) have exploited the pandemic to restrict access to water, making maintenance of hygiene difficult. Syria's crumbling economy is likely to be further impacted by the Caesar Syria Civilian Protection Act¹⁰ currently being debated in the US, which mandates sanctions against entities supporting the Syrian Government. This will intensify competition over resources, fuelling increased conflict and generating further instability. In Iraq, the pandemic has added to the shock created by the collapse of oil prices even as the confrontation between Iran and USA continues unabated. Reduction in US and allied forces in Iraq, which is

⁸ <https://www.livefistdefence.com/2020/04/as-indian-fights-covid19-5-special-forces-men-die-fighting-terrorists.html>

⁹ <https://www.outlookindia.com/website/story/india-news-terrorists-attack-crfp-and-police-in-jks-sopore/351006>

¹⁰ <https://www.congress.gov/bill/116th-congress/house-bill/31/text>

under consideration, could provide space for resurgence of the Islamic State¹¹. In Iran, hard hit by both the pandemic (with over 95,000 cases and over 6000 fatalities at the time of writing), the oil price collapse adds to the impact of further tightening of US sanctions. But Iran is unlikely to wilt under sustained US pressure; in fact it may be tempted to increase its activities as the US elections draw near. The successful launch of Iran's first military satellite on April 22, 2020 is indicative of this. And in Afghanistan, the peace process was already facing the difficult transition to intra-Afghan negotiations and a US drawdown. Travel restrictions and political opportunism will make the process of negotiation difficult, adding to the difficulties of finding a sustainable peace.

The instability in the Northern part of the Persian Gulf and the oil shock will also impact Gulf Arab states, on which India relies both for energy and remittances from its eight million strong diaspora, which in turn could face displacement from their jobs in the region. Oman under Sultan Haitham bin Tariq al Said has already intensified the process of Omanisation.

As the frontline state and bulwark preventing the spread of Islamic terror eastwards into Asia, India will have to find ways to ensure that the current situation does not deteriorate further.



Prime Minister Narendra Modi delivers his Closing Statement at the 'Namaste Trump Event' at Motera Stadium in Ahmedabad, February 24, 2020. Source: MEA

¹¹ Harith Hassan, "Iraq and Coronavirus", <https://carnegieendowment.org/2020/04/14/iraq-and-coronavirus-pub-81527>, April 14, 2020.

To the North and West, the formidable Himalayas and adversarial Pakistan and China will remain barriers to India's outreach into Central Asia, Russia and Eastern Europe. In the East, the direction of India's Act East Policy, change is gathering pace at a speed that demands immediate attention because of the momentous impact it will have on India's future security. China's thrust for regional hegemony and global overlordship has intensified.

Three new strands of this strategic drive adding to its BRI strategy are clearly visible. The first is a no holds barred disinformation campaign designed to obfuscate its role in spreading the pandemic, control the public narrative and stoke domestic nationalism. Thus, China peddles the tale that the source of the coronavirus could be the US or Italy and the exemplary actions of the CCP leadership have been instrumental in rapidly bringing the pandemic under control, while democratic Western nations are still floundering, thereby highlighting the superiority of its own political system. A big part of this story is masking of its actual casualty figures, suppression of demands for accountability and boasting that Chinese workers are back at work while the rest of the world still struggles to deal with the pandemic¹². China's well-wishers in open, democratic societies are all too frequently happy not just to blindly accept China's statistics without asking for verification, but also to propagate them, even while questioning the actions of their own democratic governments.

The second line of thrust comprises China's 'mask diplomacy' and 'wolf warrior diplomacy' offensives. The first projects China as the leader of the global response to the pandemic, the saviour for all nations and the new go-to power. Narratives regarding the generous assistance of medical personnel and equipment that China is providing to other countries have been splashed across the Western and Asian media, while downplaying the reality that this aid is by and large on commercial terms and of questionable quality. The second is blatant coercion through economic threats (denial of the Chinese market) held out by its Ambassadors, including in Australia, Germany, Italy, and to a lesser extent in India.

¹² Will Knight, "China Goes Back to Work as the Coronavirus Rages Elsewhere", 27 March 2020, <https://www.wired.com/story/china-goes-work-coronavirus-rages-elsewhere/>



Chinese President Xi Jinping reviews the honour guard before boarding the destroyer Xining in Qingdao, Shandong province, China for the naval parade celebrating the 70th anniversary of the founding of the People's Liberation Army (PLA) Navy on April 23, 2019. Source: Xinhua

The third line of thrust is politically leveraging the distraction of the pandemic to strengthen China's strategic position in East and Southeast Asia. So the PLA (AF) conducts night combat exercises off Taiwan for the first time (on March 16, 2020) to highlight to "secessionists the power gap between the island and the mainland" and the PLA (N) conducts training, including with the carrier Liaoning, in the South China Sea to display that its might is unaffected by COVID-19, while highlighting that US carriers have been incapacitated by the Coronavirus. And China goes full steam ahead in establishing its physical control over the territory enclosed by the unilateral 'nine-dash line', renaming almost all the features within and creating the new Xisha and Nansha administrative districts to govern this area.

These actions have placed severe stress on the decades long unholy alliance between the business and foreign policy elite of the developed world and their systemic antithesis, the authoritarian Chinese Communist Party. The romance, dictated by considerations of strategic and financial gain, was projected as "involving China as a responsible stakeholder in the global order" to disguise that it was in fact contrary to the authoritarian values the Western world had fought against in two World Wars, the Cold War, in Korea and in Vietnam. President Trump's National Security Strategy of 2017 calling out China as a revisionist power that "seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model,

and reorder the region in its favour” had presaged this decoupling. However, American allies, who had followed the US into this romance for the financial benefits it offered, had mostly stayed aloof. Now, the sheer scale of disaster perpetrated by the pandemic has prompted a re-think. Leaders such as Emanuel Macron, Scott Morrison and Angela Merkel have joined Donald Trump in questioning the credibility of China’s COVID-19 statistics and its management of the crisis. Josep Borrell, High Representative of the EU for Foreign Affairs and Security Policy has observed that it is funny how only China’s help to the Balkans and Serbia is publicised, even though the EU is doing much more. There are increasing calls for payment of ‘COVID damages’, ranging from cases filed in US courts, to a German newspaper seeking € 149 billion in Coronavirus damages from China¹³.

On the military front, the USN is maintaining a near constant presence in the South China Sea to deter China from creating fait accompli situations as it did with the occupation and militarisation of the Spratly Islands. Whether leaderships in democratic countries can resist Chinese pressures and translate the current groundswell of awakening into building sustained power deterrence and persist with demands for international accountability remains to be seen.

Recent reports indicate that the virus was first detected on November 17, 2019¹⁴. A month later, China had still not complied with its obligations under Article 6 of the International Health Rules. On December 30, Dr Li Wenliang had advised his colleagues to wear protective clothing when treating COVID patients to avoid infection¹⁵. By then, Wuhan’s hospitals were in fact full of patients. A day later, Taiwan reported its suspicion that human-to-human transmission was possible and sought further information¹⁶ in this regard from both the WHO and China. China, however, continued to suppress that the possibility of human-to-human transmission till January 21, 2020. The WHO was complicit in echoing the misleading words of a regime not known for its transparency or upfront honesty, without making any attempts to obtain independent verification. Even though China imposed a complete lockdown in Wuhan on January 23, 2020, it continued to strenuously object to other nations imposing travel restrictions – and the WHO again dutifully echoed this line, thereby literally helping China export the virus to the world. Whether this export was

¹³ <https://www.theweek.in/news/world/2020/04/20/china-owes-germany-149-billion-euro-in-coronavirus-damages.html>

¹⁴ <https://www.scmp.com/news/china/society/article/3074991/coronavirus-chinas-first-confirmed-covid-19-case-traced-back>

¹⁵ <https://www.bbc.com/news/world-asia-china-51403795>

¹⁶ https://www.cdc.gov.tw/En/Bulletin/Detail/PAD-lbwDHeN_bLa-viBOuw?typeid=158

due to deliberate action on China's part or otherwise can only be ascertained after an impartial and transparent inquiry – and such an inquiry would appear to be absolutely necessary. The probability of it ever being permitted by China, however, is negligible.

Table: COVID Statistics at 0800 IST on May 2, 2020

Country	Number of Infections	Number of Deaths
Brunei	138	1
Cambodia	122	0
Indonesia	10551	800
Laos	19	0
Malaysia	6071	103
Myanmar	151	6
Philippines	8772	579
Singapore	17101	16
Thailand	2960	54
Vietnam	270	0
ASEAN Total	46,155	1559
World Total	3,256,846	233,388

Source: Google News

ASEAN continues to maintain its policy of appeasing China, including remaining silent on its role in causing over 46,000 infections, 1559 deaths and massive economic disruption among member states. Individual countries have protested China's actions in the South China Sea, but their continued regard for the profits that flow from their business relationship with China generates pressure to return to the way things were while inhibiting any collective political response against China's continuing efforts to exploit the pandemic to further improve its strategic position. In fact, PM Lee Hsein Loong has called upon the ASEAN Plus Three countries to work together to mitigate the economic damage and find ways to return to a "sustainable new normal"¹⁷. Secretary of State Pompeo's call¹⁸ for ASEAN support in shutting down China's wet markets (in view of the strong link between illegal wildlife sold there and zoonotic diseases), calling out China's unilateral actions in the South China Sea

¹⁷ <https://www.straitstimes.com/politics/asean-plus-three-countries-must-work-together-to-lesser-economic-damage-from-covid-19-says>

¹⁸ <https://www.state.gov/the-united-states-and-asean-are-partnering-to-defeat-covid-19-build-long-term-resilience-and-support-economic-recovery/>

and altering the flows of the Mekong River depriving downstream countries of water, has not evoked an ASEAN-wide response.



Singapore's late elder statesman and former PM, Lee Kuan Yew. Source AP

In an interview published just over a week before Xi Jinping assumed charge as the President of China, Singapore's formidable statesman Lee Kuan Yew had stated¹⁹, "prudence dictates that there should be a balance of power in the Asia Pacific", and that "a sustained US presence in SE Asia was vital for the maintenance of stability". He had no doubt that Chinese leaders were serious about displacing the United States as the number one power in Asia and the World. ASEAN lacked the heft to stand up to China on their own.

The foundations of ASEAN "centrality" were built on four legs: the economic benefits that flowed from collectively interlinking South East Asian countries with China's economy, the strategic stability provided by US presence, ASEAN unity and the perception among other major powers that ASEAN could maintain an impartial balance. The pandemic has exposed how much ASEAN will tolerate to maintain its economic linkages with China, never mind the associated political costs. Xi Jinping's influence over Philippine President Duterte and China's unchallenged militarisation of South China Sea islands

¹⁹ Graham Allison and Robert Blackwill in 'The Atlantic', March 05, 2013, <https://www.theatlantic.com/china/archive/2013/03/interview-lee-kuan-yew-on-the-future-of-us-china-relations/273657/>

while the US restricted its response to words have severely undermined the second leg. ASEAN unity has remained a rhetorical facade since it broke down under Chinese pressure in 2012. The appearance continues, but the paucity of collective action in dealing with the crisis caused by the pandemic shows it lacks substance. And the pronounced tilt towards China in ASEAN statements has made a mockery of the fourth leg. Caught between powerful contenders, ASEAN has rendered itself ineffective and strategically irrelevant because it confuses a timorous consensus with unanimity and pandering to China with statesmanship; failings China has adroitly exploited.

South East Asia faces difficult choices. On the one hand lies its dogmatic determination to maintain ASEAN centrality and not get involved in great power rivalry, a legacy of the post-colonial period and the Cold War. On the other is an almost complete absence of material power, the necessary prerequisite for strategic autonomy in what has become the prime theatre of geopolitical competition. ASEAN's leaders appear to have, like their public, lost confidence that the US will 'do the right thing'²⁰ and accepted the inevitability of Chinese hegemony. Sharpened geopolitical competition will shred the remnants of ASEAN centrality even further, neutralising its independent agency and eventually turning Southeast Asia into a Chinese protectorate.

If seaborne connectivity to the Western part of Asia is important for India due to its energy needs, that to East and South East Asia is even more so not just for the opportunity that Asia-Pacific markets provide, but also to link up with its strategic partners. China's thrust for military domination in the South and East China Seas potentially interposes a connectivity barrier between India and its most important security partners, including the US, Japan, Indonesia, Vietnam and South Korea. It provides China coercive leverage, with the potential of trapping India in the jaws of a gigantic pincer, involving Chinese power in the East and that of the China-Pakistan alliance in the Western Indian Ocean. It enables China to snap India's economic and strategic connections to both west and east at will. Whether to accept China's protestations that it doesn't hinder commercial connectivity (yet), or take steps to hedge the risks, is a choice India's leaders have to make.

²⁰ The State of Southeast Asia 2020 Survey Report, ASEAN Studies Centre, ISEAS – Yusof Ishak Institute, January 16, 2020



Maritime Patrol Aircraft Crew of VP-5 "Mad Foxes", US Navy, VP-3 "Sea EAGLES", JMSDF and INAS 312 "Albatross" of Indian Navy together at Atsugi Air Base, Japan prior to operations in support of Malabar 2019, September 30, 2020. Source: Twitter/ @indianavy

The changed global environment will necessitate other hard choices. At a public lecture in November 2019, India's External Affairs Minister Dr. S. Jaishankar had observed that, "the real obstacle to the rise of India is not any more the barriers of the world, but the dogmas of Delhi"²¹. So what are these dogmas that must be shed?

Perhaps the foremost is the continuing fixation amongst a hoary tribe of strategic thinkers with "strategic autonomy", India's equivalent of "ASEAN centrality". It reflects the mindset of an inward looking third world nation, concerned more with securing its borders than with shaping the regional and global environment in its favour. Non-alignment and its successor dogma of strategic autonomy had some meaning when India was economically and militarily weak, geopolitical competition was centred on the Atlantic and the Indian Ocean was tertiary to the interests of the great powers of the day. Now that India has the stated ambition of becoming a leading power, and the centres of the global economy and geopolitical competition have shifted to the Indo-Pacific, continuing with this dated thinking will result in India getting

²¹ https://mea.gov.in/Speeches-Statements.htm?dtl/32038/External_Affairs_Ministers_speech_at_the_4th_Ramnath_Goenka_Lecture_2019

marginalised in regional affairs and eventually paying the same strategic costs that ASEAN is already paying today.



India's Defence Minister Rajnath Singh and External Affairs Minister Dr. S. Jaishankar met US Secretary of Defense Dr. Mark T Esper and Secretary of State Michael R Pompeo in Washington D.C. for the second annual India-US 2+2 Ministerial Dialogue, December 18, 2019. Source: MEA

A multi-polar order inevitably calls for strategic coordination, or balancing, to prevent one pole overwhelming the others, one by one. Those continuing to talk of strategic autonomy must grasp that poles in any regional order have always possessed a degree of strategic autonomy. They must accept the reality that China is unlikely to be 'socialised', nor can its ruling elite countenance a democratic political model that could potentially stand up to its power in Asia. The Chinese leadership will continue to mouth platitudes about mutual accommodation and the two Asian nations rising together, while in fact ensuring that India remains strategically boxed in. India on its part should continue exploring "peaceful co-existence", but without endangering strategic preparedness. Our old habits over the past few decades have resulted in a situation where this is only possible through external balancing.



India-US Amphibious Joint Exercise 'Tiger Triumph', November 13, 2019. Source: US Embassy

Another is the so-called conflict between globalist and nationalist outlooks, both of which have many facets. A pre-requisite for globalisation and the undoubted prosperity it brings is unconstrained connectivity. Permitting an authoritarian and hegemonic power to potentially constrict this connectivity gives that power the ability to determine the rules of access, thereby making user countries its dependencies. The corollary is that unrestricted access to this connectivity must be defended as a matter of principle, with that defence including not just the challenges posed by nature and sub-state actors, but also revisionist nation states. Unless India can contribute effectively to keeping this connectivity free, its aspirations towards pole status will remain an illusion.

A third dogma is the perennial guns versus butter debate and India's discomfort with the instruments of hard power. The era of the US underwriting the free world's security is coming to an end. Signs were visible even before the pandemic: witness the fact that the much-analysed Free and Open Indo-Pacific strategy remained at the level of a vision, without a clearly defined path or the resources to ensure success. The pandemic and the associated economic impact could see the US with its 'America First' outlook pulling back from its forward deployments and focusing more on continental and homeland defence, leaving competing powers of Eurasia to their own devices. India will have to assume greater responsibility not just for its own security, but also for its regional vision, including SAGAR. This will necessitate speeding up

military reform and resisting the temptation to shift resources from security preparedness (particularly in the maritime domain) to mitigating the impact of the pandemic.



PM Modi announcing his SAGAR vision in Mauritius. March 12, 2015

Source: MEA Photo Gallery

Is globalisation coming to an end? It has been through different manifestations or 'avatars' since mankind began to use the seas to connect with distant lands, from the times when coastal trade linked China and India, then through Arabia and Venice to Western Europe; to the colonial 'avatar' when European nations sought to monopolise maritime connectivity for economic gain (China's actions are not very different from this version); to the current avatar when integrated supply chains brought economic efficiency and prosperity to those who integrated with the world. The advancement of technology and the flowering of opportunities provided by the cyber domain will continue to spur globalisation, but its character will change. What form it will take in the years ahead – an updatation of the liberal rules-based order the US created, or a regression to the China-centric variation of the colonial-imperialist model, remains the matter of contestation today.

Can the Chinese juggernaut be stopped? Will there be accountability for China's grand deception and its subsequent bullying and belligerence? Yes, provided people the world over, including in India, can focus their minds on what is at stake. To expect the US to do so alone while the rest of the world free-

rides is unrealistic. The US-China contest has begun, not just in the Indo-Pacific, but globally across the political, economic and technological domains. It will go on for the foreseeable future, unless there is another strategic surprise, or the US retreats into splendid isolation.

Even in post-war Europe, democracies needed a secure bridgehead from which US power could be brought to bear to contest communist authoritarianism. A similar concert of powers will be required to provide all-round strategic heft for maritime democracies in Asia. India, with its population, economy, resources, innovative ability, political will and resilience, has the potential to become a key enabler of such an outcome. Will India seize this moment of strategic opportunity?.



Delhi Policy Group
Core 5A, 1st Floor,
India Habitat Centre, Lodhi Road
New Delhi - 110003
India

www.delhipolicygroup.org