



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## GLOBAL HORIZONS OCTOBER 2023

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**Delhi Policy Group**

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Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

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*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 Image:

US President Joseph R. Biden Jr. meeting Israel's Prime Minister Benjamin Netanyahu in Tel Aviv, Israel on October 18, 2023.

Source: [Prime Minister of Israel/Official Twitter](#)

President Xi Jinping meeting Russian President Vladimir Putin, who was in Beijing for the Third Belt and Road Forum for International Cooperation (BRF) on October 18, 2023. Source: [Ministry of Foreign Affairs of the People's Republic of China](#)

Wang Yi, Member of the Political Bureau of the CPC Central Committee and Foreign Minister of China, holding talks with U.S. Secretary of State, Antony Blinken in Washington, D.C. on October 26, 2023. Source: [Ministry of Foreign Affairs of the Peoples' Republic of China](#)

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## Global Horizons

by

Nalin Surie

A world already meandering towards greater uncertainty was hit by an unexpected black swan event during the month of October of such magnitude that the war in Ukraine has been relegated from the headlines to the second page. An event that can conceivably enhance the danger of the spread of military conflict and major power manipulation in an already toxic but critical region of the world, i.e. the Middle East, a region where serious efforts have been underway of late to bring old and bitter antagonists together in the interest of peace, stability and development not only of the region but also for providing alternative greater connectivity and enabling enhanced cooperation between Asia and Europe.

The fallout of this horrendous event and subsequent war is not going to be restricted to the region. It will have, for instance, very serious trans-regional and international consequences and will further deepen divisions in the world, impact on the war against terrorism, on the efficacy and relevance of the UN system, on the rules of war and humanitarian law, and on European security and stability.

The black swan event is of course the horrific terrorist attack by Hamas on October 7 on Israel, in which over 1300 men, women and children were butchered and scores taken hostage. The complete failure of Israeli intelligence to anticipate the attack, and of the IDF to prevent/restrict it, carries its own lessons not only for Israel but others confronted by similar threats.

The reactions of the Israeli government were expectedly harsh, and Israel is now committed to the complete elimination of the threat from Hamas; an objective that the U.S., Israel's firm and unwavering supporter, is comfortable with. In fact, President Biden has spoken of Hamas and Putin in the same breath during his address to the US nation on October 20.

While there was great sympathy generally worldwide for Israel in the early stages after the Hamas attack, steps since taken by Israel to meet its military objective, which are in clear violation of international humanitarian law and the international rules of warfare, have swung the pendulum and the issue of cause and effect has gained salience. Indiscriminately targeting civilians, women and children as collateral damage resulting from Israeli attacks in Gaza is not acceptable, including to most of Europe and other Western allies. Nor is

the blockading of humanitarian supplies and assistance. The need to implement the long agreed two state solution to resolve the vexed Palestine problem has gained equal salience in the international community. ( This was clear from the content and voting on the issue on UNGA resolution A/ES-10/L25 on October 27, 2023.) The latter is accepted by the US too, but for now what is more critical for the US is to destroy Hamas, underline that Israel has the right and obligation to defend itself against Hamas and for hostages to be released by Hamas.

Israel's planned offensive against Hamas has begun and thousands of Palestinians have reportedly already been killed. When this offensive will end and on what terms is not clear. Efforts to bring about a ceasefire are being talked of, but with little serious commitment in the absence of US support. President Biden in his speech on October 20 spoke of the US facing an "inflection point in history" and that it was "vital for America's national security" that Israel and Ukraine succeed. He has asked Congress for a major supplemental assistance package for Ukraine(USD 62.4 billion) and Israel (USD 14.3 billion). But he has also advised Israel not to be blinded with rage in its reactions. Time will tell whether Israel will heed this sane advice. It should, though, hopefully prevent Israel going overboard in its retaliation or else face pressure to do so from the US. (The US has been working overtime to keep some kind of lid on the Israeli war against Hamas and to prevent a wider regional conflagration, while firmly standing with Israel. Secretary of State Blinken has been at the forefront in public. President Biden's visit to Israel on October 18 in the midst of war was a reflection of that.)

Israel has virtually declared the UN Secretary General persona non grata for reminding the world and Israel that while the Hamas attack was outrageous, the cause of Palestinian statehood had been suppressed for far too long.

Why did Hamas attack when it did? Was it acting on its own to enable the possible establishment of a state of Palestine, or are there others whose agenda is also furthered by the attacks? For example, Russia, Iran, Turkey and China, all or each one of whom has serious interests in the region and/or can benefit from likely outcomes. There are new power equations being built in the region and world to dilute US/Western hegemony, and such moves are certainly par for the course. President Biden has reportedly said that it is his hunch that the Hamas attack was intended to derail the recently agreed IMEC process. The I2U2 initiative, and moves to normalise Saudi-Israel relations (now on hold after the Israeli offensive against Gaza), will also get impacted.

China's responses on and since the Hamas attack suggests lack of clarity. The position essentially is that the immediate focus should be to prevent a humanitarian catastrophe on a larger scale and that the fundamental way out is to implement a two-state solution.

India's response was two-pronged: to condemn the terrorist attack by Hamas and to reaffirm the need for a two-state solution. Humanitarian assistance was flown in to Palestine. Restoration of peace, stability and security in the region is important for India, which is an integral part of I2U2 and IMEC and has pursued a long-standing Act West policy covering the Gulf and Middle East.

China was very active during the month. There were several notable points, starting with the high-level conference to celebrate ten years of President Xi Jinping's BRI, and the plans for the next five years. The third BRI Forum was a success. Xi delivered a wide-ranging opening address on October 18 and identified eight focus areas. Outcomes were substantive, even though high-level participation from abroad was not as extensive as before. This may well represent China focusing on countries and projects that fit into its future plans of further strengthening the cosmos it has created over the past ten years. The outcomes would also suggest that lessons have been learned and correctives are being put in place with focus going forward on quality, green development, both signature projects and smart livelihood projects, training projects, S&T cooperation, promoting integrity in BRI cooperation, institution building etc. Very large financing windows were announced (780 billion yuan).

The competing connectivity and related projects being put up by the U.S., Japan, the EU and India will have their work cut out for them.

President Putin attended the third BRI Summit. He had attended the first two summits too. Xi met Putin bilaterally on October 18 at which time he assured him that for China, developing the comprehensive strategic partnership with Russia is a long-term commitment.

On October 24, China issued a paper on its "Outlook on its Neighbourhood policy in the New Era". The timing is pertinent in the context of developments in the Indo-Pacific, in the QUAD and in US-Japan-ROK and US-Japan-Australia relations. And in Gaza. China is reaffirming the extent of its favoured turf in which it has invested heavily. There is little new in the paper, except that it is in a footnote that China references its so-called strategic partnership with India!

It has been reported that China is pressuring ROK not to assist Taiwan with its submarine development plans.

The US Defence Department issued its annual report to Congress on the military and security developments involving the PRC. China evidently remains the only US competitor with the intent and capacity to reshape the international order and hence the importance of continuing to meet the “pacing challenge” presented by China’s “increasingly capable military”.

This is perhaps even more significant in the context of the ongoing Ukraine war, Chinese military activities vis-à-vis Taiwan, in the South and East China Sea (including against the Philippines), in the Indian Ocean and now the Israel-Hamas conflagration.

The US effort to refresh and reset the fraught relationship with China continued with greater vigour. The Chinese seem to be reciprocating. Given the present state of international relations, both need to find a minimum via media to reduce tensions. A meeting between Xi and Biden at the APEC Summit next month in San Francisco may now happen. (They last met in Bali in November 2022, on the sidelines of the G20 summit.)

During the month, Xi met a team of US Senators, the Governor of California and sent a letter of congratulations to the Annual gala dinner of the National Committee on US-China Relations. Treasury Secretary Yellen met the Governor of the PBOC, and China’s FM Wang Yi visited Washington where, in addition to extensive talks with his counterpart, Blinken, he met with NSA Sullivan and was received by President Biden. The talks were described as candid, constructive and substantive. The stated goal is to manage competition responsibly, open lines of communication, resume the military to military dialogue, and work towards a face to face bilateral summit at APEC. Discussions reportedly also included the war in Ukraine, the crisis in Gaza, Taiwan and flows of fentanyl to the US.

In India’s neighbourhood, China is working to settle its boundary dispute with Bhutan. The 25th round of boundary talks was held in Beijing on October 24-25. Bhutan’s FM Tandi Dorji led his delegation while the Chinese side was led by its Vice FM. An agreement was signed on the Responsibilities and Functions of the Joint Technical Team on the Delimitation and Demarcation of the Bhutan-China Boundary. It was agreed to push forward the implementation of all the steps of the Three-Step Roadmap. Dorji also met with China’s Vice President Han Zheng and FM Wang Yi.

The Bhutanese side, according to the Chinese Foreign Ministry, reportedly said that it is ready to work for an early settlement of the boundary issue and advance the political process of establishing diplomatic relations. Dorji



reportedly also said to Wang Yi that Bhutan highly appreciates and supports the GDI, GSI and GCI proposed by President Xi Jinping.

China continues to pressurise Bhutan to break out of its special relationship with India and settle the border to India's strategic disadvantage. It holds out seemingly substantial economic carrots. Bhutan ought best not forget the historical background of China's claims on Bhutan and the intention to achieve the China Dream of national rejuvenation.

The war in Ukraine dragged on, overshadowed by the Hamas-Israel conflict. But both the US and the EU kept their eyes on that ball too. In his address to the nation on October 20, President Biden claimed that Ukraine "are succeeding" in their war against Russia and have recovered more than 50% of the territory Russian troops once occupied. He reiterated that the US will not send troops to fight in Ukraine but will continue to supply weapons and munitions; US support to Ukraine will not waiver. Similarly, the EU Council at its meetings on October 26-27 reaffirmed its strong, broad-based and long-term support for Ukraine extending across the financial, economic, humanitarian, military and diplomatic domains for "as long as it takes" and for its reconstruction. The EU is committed to further weaken Russia's ability to wage its war of aggression.

The Russian parliament approved the proposal by the government for Russia to de-ratify its adherence to the CTBT. (The US has signed but not ratified the CTBT.) This may enable flexibility to Russia to respond to the modernisation of the US and Chinese nuclear arsenals and in any fresh negotiations on European security.

A special report by the Standard Chartered Bank on the "Future of Trade: Africa" is upbeat as it looks ahead at the outcomes of the African Continental FTA which has entered into force but is not yet ratified by all. The report assesses that by 2035 African exports should touch close to USD one trillion, with the AfCFTA providing a 29% boost. Promising internal corridors mentioned in the report are: intra East Africa, intra West Africa and East Africa-Central Africa. Promising external corridors identified are: East Africa-South Asia, West Africa-South Asia and East Africa-the Middle East.

The top five challenges to intra-African trade are assessed as: complex and uncertain trade rules, corruption, underdeveloped infrastructure, ineffective trade facilitators and costly access to capital. Digital solutions can, it is suggested, be game changers with regard to improved access to financing and to increase market access.

It is particularly important that Africa begins to play a much more substantive role in its own development and in providing growth impetuses to the world economy. The world, especially the Western powers, has for a variety of geopolitical and geo-economic factors finally discovered the importance of Africa for future development, peace and prosperity. This provides African countries with alternatives to choose for themselves the best options, including technological, for their specific socio-economic and development needs.

We enter November with deep anxiety and concern over the outcomes of the war in Ukraine and the bitter Israel-Hamas conflict for revenge and supremacy. The situation in the Indo-Pacific is worrisome, and other ongoing conflicts in Africa and elsewhere continue to simmer dangerously. The danger of these conflagrations going out of control is real. It will not be enough to hope that good sense will prevail. The uppermost need is for active dialogue and diplomacy to quell the fires, and not to continue to unilaterally seek to sustain or strengthen one's own sphere of influence.

New Delhi.

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