



Delhi Policy Group

Advancing India's Rise as a Leading Power



GLOBAL HORIZONS JANUARY 2024

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Volume II, Issue 1



Delhi Policy Group

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www.delhipolicygroup.org



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Cover Image:

President of the French Republic, Emmanuel Macron, attends the 75th Republic Day celebrations of India as the Chief Guest with President of India, Draupadi Murmu, and Prime Minister of India, Narendra Modi, during his state visit to India, on January 26, 2024. Source: [Prime Minister of India](#)

Foreign Secretary of India, Vinay Kwatra, called on H.M. Kingh Jigme Khesar Namgyel Wangchuck of Bhutan in Thimphu, on January 30, 2024. Source: [X/@Indiainbhutan](#)

Member of the Political Bureau of the CPC Central Committee and Director of the Office of the Central Commission for Foreign Affairs of China, Wang Yi, held a round of meetings with U.S. National Security Advisor Jake Sullivan in Bangkok, from January 26-27, 2024. Source: [Ministry of Foreign Affairs of the People's Republic of China](#)

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by

Nalin Surie

The new year brought no joy to the international community. The future remained clouded by uncertainty, be it in matters of international security or the direction of the international financial and economic order.

The killing fields in the war in Ukraine, in Gaza and the West Bank, and in Sudan, were routinised.

Israel remained determined to eliminate Hamas, secure the release of hostages still held by them, opposed to the two state solution, and unwilling to permit effective Palestinian control in Gaza after hostilities have ended. The revelation that some UNRWA personnel were involved in Hamas's October attack added to Israeli fury. Israel's overall approach has created a serious dilemma for its Western supporters, some of whom suspended their contributions to the only provider of relief and sustenance in Gaza.

The actions of the Houthis and other such groups gave rise to the fear that the conflict in the Middle East could widen. The death of three US soldiers at their base in Jordan on January 28 from a missile attack by (according to US Secretary of State Blinken) Iranian backed militias has brought the threat of US retaliation into play at a time when efforts were being made by the US and some partners to organise a sixty day ceasefire in exchange for the release of Israeli hostages held by Hamas. Was the timing of the attack on the US base intended to sabotage that? Perhaps not, since there have been numerous such attacks on US bases in recent weeks. But in an election year in the US, no response was an unlikely outcome, and that response has already begun. The nature of Iran's reaction to this developing US counter attack is difficult to assess at this stage, since Iran has not yet been directly targeted.

The ICJ interim judgement on South Africa's allegation of genocide by Israel during the ongoing war with Hamas has, understandably, been angrily rejected by Israel. While it has not called for a ceasefire, the interim judgment has nevertheless added to the pressure on Israel to re-calibrate its ongoing no holds barred strategy in Gaza in particular.

At the same time, the situation in Ukraine remains grim and the prognosis going forward is not particularly salutary from the Ukrainian perspective. It is

running short of vital military supplies, while the US is unable to fulfill these requirements on account of the continuing impasse on this in the US Congress. The rest of NATO is stepping up but unable to pick up the slack. (Interestingly, over the last two years, US support to Ukraine has amounted to \$70 billion, while core US NATO allies have provided \$110 billion.) The end result is sagging shoulders and morale in Ukraine, and more talk of seeking a compromise solution to end the war there. Any compromise would involve more than a moral dilemma for the US and NATO, and on the whole question of US credibility, including in the critical Indo-Pacific and meeting the China challenge.

According to US Secretary of State Blinken, the NATO Summit in Washington in July will, inter alia, address "adaptation to new challenges and new threats, whether it is Russia, whether it is in different ways the PRC, in the cyber domain, terrorism." The battle lines are being drawn, but the period between now and the Summit may throw up a variety of black swan events to queer the pitch further.

The political uncertainty in the US over the outcome of the presidential election later this year is already causing consternation in many parts of the world on account of a possible return to office of former President Donald Trump. Not least in Europe, NATO and China.

The processes of reordering globalisation have created another major set of problems. This was clearly visible in the discussions and outcomes at the annual Davos Summit, which was in the past among the drivers of unbridled globalisation. It is no surprise that the reportedly largest and most high powered delegation this year was from China, led by Premier Li Qian. China has been amongst the biggest beneficiaries of globalisation and the processes now underway to de-risk, to have secure, sustainable and relatively proximate supply chains, is seen by it as a threat to its future prosperity and growth. The Chinese pitch at Davos was to assure the international business and financial community that it is committed to openness and providing a level playing field for foreign investors and high technology partners. The lure of its huge market was the big carrot on offer but its continued mercantilist policies, the subdued performance of the Chinese economy of late, the lack of fundamental economic reform and the recent stock market crash have given rise to serious doubts among the leaders of international technology, industry, finance and business. In a CNBC interview at Davos on January 17, the CEO of J P Morgan Chase & Co, Jamie Dimon, said that while China has been "very consistent" in opening up to financial-services companies, calculating the potential upside for US firms has become more complicated. Further, that investors moving

there have to be “a little “worried” because “the risk-reward has changed dramatically”.

An analyst described the Davos Summit this year “as the dog that didn’t bark”. The WEF will no doubt reinvent itself and attempt to shift the focus to high tech issues such as AI etc. However, these are issues on which governments all over the world are taking greater charge already in terms of policy formation and creating frameworks on account not only of the disruptive impact of these technologies, but also due to implications for national security, privacy concerns, social justice etc. Governments are also entering into collaborative arrangements for this purpose such as the US-EU Trade and Technology Council.

The much anticipated presidential elections were held in Taiwan on January 13. Much to the chagrin and best efforts of the PRC, the ruling party DPP’s candidate for President, Lai Ching-te, was elected. The PRC believes that the DPP seeks independence from China which is completely unacceptable to it, and has since the election of the DPP’s Tsai Ing-wen in 2016 suspended the official cross-strait dialogue. It had wanted the KMT candidate to win; the KMT is seen as being pro-China. At the same time, in the elections to Parliament held on the same day, the DPP lost its majority and will have to lean on the smaller, third placed party, TPP, to progress its legislative agenda. The KMT won 52 seats, the DPP 51 and TPP 8.

There is speculation that because of its unhappiness with the results of the elections in Taiwan, China may bring forward its plans for the military takeover of Taiwan. This would at best be counterproductive for a variety of factors including strategic, military, economic and regional. But a grey rhino event is an eventuality that cannot be ruled out.

In pursuance of and to follow up on the bilateral summit between Presidents Biden and Xi last November, US NSA Sullivan met with Chinese FM Wang Yi in Bangkok on January 26-27 for talks described by the US as the “strategic channel of communications”. For China, such a dialogue is a reflection of their belief that they are part of the new G2. Wang Yi reportedly stated that the two sides should treat each other as equals.

The report that the US has sought Chinese help with Iran and the Houthis over the current imbroglio in the Middle East will strengthen this belief, although it could be a double edged sword and reveal Chinese weakness in the region. Some reports indicate that the Chinese side was not forthcoming in this regard.

Official read outs of the meetings suggest that a post-election Taiwan topped Chinese concerns. They would like the US to rein in the independence sentiment there. This is one of China's core interests.

Wang Yi argued that US national security concerns cannot be used to suppress the development of other countries. US technology curbs on China are clearly hurting. The Chinese side claim that it was agreed to have further discussions on the "boundaries between national security and economic activities". Sullivan "stressed that although the US and China are in competition, both countries need to prevent it from veering into conflict or confrontation".

The Sullivan-Wang Yi dialogue will be maintained, as will additional high level dialogues and consultations on key areas between the two.

There were significant developments during the month with respect to India's foreign, economic and security policies.

The tenth edition of the Vibrant Gujarat Global Summit, held on January 10-12, enabled significant outreach by PM Modi at the high political level, especially with the UAE, Czech Republic, Mozambique and Timor Leste, which were represented at the HOS/HOG level.

The President of the UAE was the Chief Guest, and this was his fourth visit to India in the last eight years and second official visit as President. For his part, PM Modi has visited the UAE six times in the last nine years. A Joint Statement was issued after the visit that noted that the bilateral partnership "has been significantly growing and expanding over the years". The UAE was the fourth largest investor in India in 2022-23, and is India's third largest trading partner.

MOUs were signed on Innovative Health Care projects, Renewable Energy, and Food Park Development, as well as between DP World and Gujarat State. Food security and the health sector are to be important areas of collaboration going forward, and cooperation is to be developed in Green Hydrogen, solar energy and grid connectivity. Investment in India's Strategic Petroleum Reserve Program is envisaged.

It has been agreed to further strengthen collaboration to "enhance maritime security and connectivity in the region", increase defence visits, and develop cooperation in cyber security.

With the Czech Republic an important Joint Statement on a Strategic Partnership on Innovation was adopted, that covers Science, Research and Technology, Innovation driven Trade and Economy, Defence Industry and

Cyber Security, Health Sector and Medical Research, Clean Environment and Green Energy, Smart Transport and Smart Cities, Sustainable Agriculture and Food Processing, and Scientific Mobility. It is an ambitious framework based on India's desire to focus on Innovation for its future development, bearing in mind past collaboration with the Czech Republic and Czechia being anchored in the EU scheme of things.

The state visit of President Macron of France as the Chief Guest at India's 75th Republic Day celebration was undoubtedly the high point during the month, and for the future development of the long standing strategic partnership between the two countries. This is the sixth time France was guest of honour for the Republic Day. However, the outcomes on this occasion were particularly significant given the current uncertain, dangerous and volatile state of international relations, including in the Indo-Pacific. At his press briefing on the visit, India's Foreign Secretary summed up the visit and outcomes thus: "it has been a visit which has been very heavy in terms of its substantive outcome as also the richness of discussions between the two leaders".

The wide sweep of the agreements arrived at has to be seen in the context of the bilateral Horizon-2047 and Indo-Pacific Roadmaps adopted in July 2023 during PM Modi's visit to France. The collaborations proposed are not limited to bilateral relations but also encompass regional and international issues. The relationship is now based on a "partnership of exceptional trust and confidence, consistency and strength" etc. In so far as the Indo-Pacific is concerned, Modi and Macron "emphasised the region's significance for their respective sovereign and strategic interests" and recalled that the bilateral "defence and security partnership has been the cornerstone of India-France partnership in the Indo-Pacific region", especially in the Indian Ocean region. Cooperation in the Southwest Indian Ocean is to be intensified.

The growing progress in the bilateral defence and security partnership was defined as "a principal pillar of the partnership and a source of strengthening their countries sovereignty and strategic autonomy, and for advancing peace in the region". Macron and Modi "reiterated their commitment to further deepening the integration between the two countries respective defence industrial sectors and to work together to identify opportunities to co-design, co-development, co-production" etc.

The outcomes of the Macron visit were substantive and of long term relevance, and the message to India's other partners as well the countries of the Indo-Pacific is quite clear.

Elections in Bhutan in early January brought to power a new government of the People's Democratic Party led by Mr. Tshering Tobgay, who assumed charge as Prime Minister. India's Foreign Secretary paid an official visit to Thimphu from January 29-31, during which he was received by HM the King and called on the new PM and Foreign Minister. Talks were held with the Bhutanese Foreign Secretary. Wide ranging discussions were held on all aspects of the extensive partnership, in accordance with the tradition of regular interaction between the two countries.

With the US as expected having begun, in early February, attacks on targets in Iraq and Syria (against ostensibly Iranian backed groups), and in Yemen against Houthi targets, in response to the killing of three US soldiers in Jordan and attacks on civilian maritime traffic in the Red Sea region, uncertainty has grown further in that region. US attacks on these targets are expected to continue. The greatest danger is if Iran gets directly targeted. At the same time, serious efforts are underway, led by the US, to work out a new deal to release Israeli hostages and establish a humanitarian cease fire in Gaza. No ultimate solution to the Palestine issue, though, seems to be on the horizon.

In Ukraine, the frustration grows even though the new EU commitment of aid amounting to 50 billion Euros for the period 2024-2027 offers a glimmer of hope. The critical US contribution in terms of additional military supplies remains mired in internal US politics, though moves are continuing to unlock that door.

Russia remains ostensibly unmoved, but is clearly hurting and unsure of the final outcome in Ukraine.

China's challenge, meanwhile, continues to grow and uncertainty levels are high in east and south east Asia, and in India's relations with China.

The situation in Myanmar is precarious, and has serious implications for India's security, connectivity and economic interests.

The challenges before Indian foreign and security policy makers remain very complex, and their efforts to find like minded partners to safeguard Indian interests and sovereignty will only get more intense as the year progresses.



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