Regional Connectivity Conference
South Asia in the Indo-Pacific Context

Opening Address
by
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1. At the outset let me extend a very warm welcome to all of you and express our sincere gratitude to the U.S. Government, East West Center in Washington D.C. and Federation of Indian Chambers of Commerce and Industry (FICCI) for their support and collaboration in this initiative.

2. Two years ago, when I spoke in Kolkata under the aegis of a similar initiative, policy experts were still grappling with the construct called the 'Indo-Pacific'. In the meantime, while greater clarity has emerged on this concept, much needs to be translated on the ground.

3. In a recent statement, U.S. Deputy Assistant Secretary for East Asian and Pacific Affairs, Mr. Alex Wong stated that the term 'Indo-Pacific' acknowledges the historical and the current reality that South Asia, and in particular India, plays a key role in the Pacific, and in East and Southeast Asia. That said, the construct acquires fuller meaning only when three key modifiers – that is <u>'Free', 'Open' and 'Inclusive'</u> – are added to it.

4. The idea of a "<u>Free and Open Indo-Pacific</u>" was unveiled by President Trump during his address at the Asia Pacific Economic Cooperation Forum in Vietnam last year while the word <u>'inclusive'</u> was added to it by Prime Minister Narendra Modi during his keynote address at the Shangri-La Dialogue in June 2018.

5. What this indicates is that both the U.S. and India recognise the growing importance of Indo-Pacific as a region where global fulcrum of power is shifting and, therefore, both countries intend to move together in the same direction. India's emphasis on the word 'inclusive' is an attempt to bring greater coherence between the efforts of the two countries vis a vis the whole region as they move ahead.

6. This coherence can be built by relying more on the 'economic and political' understanding of Indo-Pacific rather than merely on its 'security' dimension. This is because – if seen purely from military or security perspective – the Indo-Pacific connotation excludes parts of South Asia that lie to India's West, but from economic and political standpoints those areas are critical to the definition and character of South Asia. Therefore, greater coherence and convergence can be built only by looking at broader economic and political realities of the region.

7. Now, before I move ahead, let me very briefly refer to two recent speeches made by two senior American diplomats on different occasions. First, I would like to refer to Mr. Wong's press statement from which I have already quoted a statement a while ago.

8. In that statement, he also spelt out the necessary contours of a <u>Free and Open Indo-Pacific</u> which entail – open sea lines of communication, open airways, open logistics, open infrastructure, open investment, open trade and transparent regulatory infrastructure, amongst others.

9. Secondly, I would like to quote Principal Deputy Assistant Secretary, Ambassador Alice Wells who, while speaking at a recently held Indian Ocean Conference in Sri Lanka, spelt out specific steps being undertaken by the U.S. government in the Indian Ocean region, chief among them being supporting private sector opportunities, development finance, regional connectivity and steps to improve overall business climate in the region.

10. These statements and steps are concrete evidence of wider recognition of what needs to be done to make South and South East Asian region more connected, competitive and resilient. I am happy to state that the agenda of this conference will not only look at these issues but also beyond..

11. Therefore, our endeavour is to turn this event into a sincere and honest attempt to add to mutual efforts of the two countries by creating a multi-disciplinary multi-country platform for action-oriented policy dialogues by connecting policy makers, private sector, think tanks, experts, and trade and investment promotion bodies, to name just a few.

12. Here, I would like to add that discussions on digital economy, infrastructure and energy, the three new initiatives designed to better position the U.S. government to support private sector growth in the region are also well covered in the scope of this event.

13. That said, I would now like to go back to the point about creating <u>a greater coherence between efforts of India and the United States in the Indo-Pacific region</u>. We think that the operative words – that is, '<u>free'</u>, '<u>open' and 'inclusive'</u> – will determine the extent of coherence. Presently, while both countries are moving in the same direction, the level of priority or the degree of importance attached to some specifics might be different due to distinct and perceived national interest.

14. For instance, India's emphasis on an 'inclusive' Indo-Pacific stems from her geographic reality and economic considerations manifested in that reality. Therefore, a right policy will be to eschew conflicts and build collaboration while striving towards lasting cooperation.

15. Related to the point about geographical significance is how India sees the ambit of the Indo-Pacific. <u>For India, it is not just from the west coast of India to the west coast of the U.S. but also extends to parts of Africa which are touched by the waters of the Indian Ocean</u>.

16. It is in this context that new initiatives like Asia-Africa Growth Corridor conceived by India and Japan are extremely relevant. Not only does this initiative seek to marry <u>India's Act East Policy</u> with '<u>Free', 'Open' and 'Inclusive' Indo Pacific</u> but also seeks to bring out economic gains for Africa through its integration with India, South Asia, Southeast Asia, East Asia and the Pacific region.

17. In other words, it is also a roadmap for creating <u>new channels</u> for the production of goods, services and technologies, and for <u>connecting institutions and people in Asia and Africa for greater prosperity</u>.

18. Therefore, I hope that the United States will also begin to recognise a wider Indo-Pacific, which in fact will be its true remit, as a domain of greater collaboration and cooperation not just with India but also with other partners in the region.

19. Lastly, I wish to say that two years ago I mentioned in my address in Kolkata that it is our firm belief that Washington D.C. will continue to play a strategic role in world affairs generally, and the Indo-Pacific region specifically. Therefore, the presence of a pro-trade, pro-equity southern voice in Washington D.C. is an imperative.

20. Today, I am happy to say that CUTS International has launched its sixth overseas centre in Washington, D.C in April, 2018. With that CUTS has become the first Indian think tank to have presence in the U.S. For that matter this has come about because of the emerging need for greater collaboration on multiple fronts not only between India and the United States but also between and among a larger group of players in the Indo-Pacific region.

21. Let me also say that with our presence and demonstrated experience in Asia, Africa, Europe and, now in the U.S., we will be ever-willing to aid the efforts of our respective governments, industry and citizens to achieve the objectives of greater regional integration and inter-regional or inter-continental cooperation.

22. To sum up, while the construct of Indo-Pacific starts with a geographical definition, it also includes political and economic dimensions of countries that it envelops. India's centrality in this architecture is well recognised and with it comes the importance of India's connectivity initiatives – on its own as well as in cooperation with other partners – in its immediate and extended neighbourhood.

23. Therefore, as we move ahead we hope that a better understanding evolves on this dynamic construct for 'Indo-Pacific', which is not cast in stone. We hope that it does truly become a fulcrum to foster global stability and prosperity.

24. With that, I thank you for your attention and wish you an exhilarating and fruitful two days of deliberations.