Indo-Pacific Governance Research Centre

ROUNDTABLE ON THE WHITE PAPER ON AUSTRALIA IN THE ASIAN CENTURY

14th February 2012 | Henry Basten Room

Australia and India in the Asian Century

Dr. Priya Chacko | The University of Adelaide

‘What are the future directions of Indian foreign policy and their implications for Australia?’ – Dr. Priya Chacko, member of the Indo-Pacific Governance Research Centre (IPGRC), University of Adelaide.

1. The most significant change in the past ten years has been the growing centrality of economic development in India’s foreign policy

* As a result, there are several key areas which are receiving much more focus than in the past:
  * Energy security
  * Support for international private sector expansion
  * Emphasis on public diplomacy
  * Shaping the structures of global economic governance
  * Maintaining a stable neighbourhood and region

2. Despite this shift toward harnessing foreign policy for economic development however, there is continuity in India’s foreign policy

* Nonalignment remains a key tenet
* India still sees itself as a leader of the developing world
* India still sees itself as an ‘exceptional’ state which exercises restraint, has no history of aggression toward others and a propensity toward soft power
3. A combination of motives both old and new therefore drives India’s foreign policy

- India’s relationship with the United States is a case in point
  - The US-India nuclear deal fundamentally changed the US-India relationship
  - India was motivated to conclude the deal because of its energy security needs
  - However, India has since been careful to assert its autonomy from the United States
  - The US effort to build ‘values-based cooperation’ with India has amounted to little

4. What are the implications for Australia?

- The new centrality of economic development in India’s foreign policy bodes well for improving the India-Australia relationship
- Removing the irritant of uranium sales was a first step but more needs to be done
- Lessons for Australia from the improvements in the US-India relationship
  - US government found a high-profile issue – energy security – on which to establish the basis for a long-term partnership
  - This required sustained dialogue and sustained advocacy for a shift in policy in the US without significant demands on India to make major long-term concessions to US interests

**IPGRC Research Mission**

A primary focus of our research agenda is on political dynamics of governance and institutional innovations in the provision of public goods and regulation especially as it relates to economic and social development in the region.

This will address issues relating to the organisation of markets and politics, and their effectiveness and fairness in addressing complex economic and social problems. It will also include an examination of the transformations of political organisation and authority at various scales – global, national, and regional – which have a bearing on the complex multilevel governance of the delivery of public goods and regulations.

The centre has a particular focus on the global and regional challenges arising from the shifting tectonic plates of economic and political power to the Indo-Pacific region.