

India, the Blue Dot Network, and the “Quad Plus” Calculus

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Abstract

A debate on moving away from alignments and inching toward alliances is beginning to figure prominently in the Indian foreign policy outlook. The COVID-19 pandemic has given rise to an upsurge of anti-China rhetoric internationally; this has only increased due to continued aggressive posturing by China on land and maritime territories. After the Galwan border clash, New Delhi, too, is reviewing its “China Connect” and “power-partner” parity with Beijing. Hence, India has started looking into other sustainable non-Chinese alliance frameworks, including the Blue Dot Network (BDN), a multilateral Indo-Pacific initiative comprising the United States (US), Japan, and Australia. Aimed at improving standards of infrastructure investment and hailed as a counter initiative to China’s ambitious Belt and Road Initiative (BRI), the BDN could mark the beginning of a new “economic alliance” for India in the Indo-Pacific. This article argues that India’s prospective inclusion in the BDN is a geostrategic necessity that can pave the way for alternative global supply chain networks and quality infrastructure promotion in Asia and beyond as well as allow New Delhi to enhance its long-desired objective of “continental connect” through a “Quad Plus” network.

Introduction

The global geopolitical narrative is becoming increasingly anti-China post the outbreak of COVID-19, which was first identified in Wuhan, China, in December 2019. The backlash is primarily focused on Beijing’s initial mishandling of the novel coronavirus crisis and suppression of the flow of information about the disease. In May 2020, several member nations of the World Health Organization (WHO), including India, called for an independent probe into the origins of the virus.¹ Additionally, US president Donald Trump has been openly attacking China for spreading the pandemic, and various global citizen groups and “some governments want to sue Beijing for damages and reparations.”²

For India, the military clash in the Galwan Valley in the Himalayan territory of Ladakh, on 15 June 2020, has only amplified this anti-China view and given it a nationalist trend. Following this incident, boycotting Chinese apps and goods, reviewing engagements with China as a “developmental partner,” and aligning

more with the United States and US alliance partners in the Indo-Pacific have emerged as trending story lines in India. Trump’s plans to include India in the expanded G7 (Group of Seven), New Delhi’s new “Comprehensive Strategic” partnership with Australia, and the United Kingdom’s offer to include India in the new D-10 alliance, a prospective grouping of 10 democracies including South Korea, Australia, and G7 nations that aims to counter China’s monopoly on 5G technology, all highlight India’s importance as a regional and global power in the evolving structure of the Indo-Pacific. Indian foreign minister S. Jaishankar’s statement that the Galwan border incident will have “a serious impact on the bilateral relationship”³ indicates that India is set to review its China policy and perhaps transform it significantly.

To state briefly, over the last one and half decade or so, India’s relations with China have been primed on a “power-partner” contention.⁴ Even though the “China threat” phenomenon was on the rise at the beginning of the twenty-first century, India decided to perceive China more as a multilateral partner within the rubrics of emerging powers narrative. For instance, when Prime Minister Atal Bihari Vajpayee visited Beijing in 2003, he acknowledged China as a “rising economic power,” envisioning “comprehensive” bilateral ties in the years to come.⁵ The intent of such a partnership was to gain economic advantage, both within and outside the Bretton Woods institutions, without India worrying too much about the authoritarian rise of China in world affairs and the threat posed by a rising Chinese military to India’s security.⁶ India’s affiliation with China in the BRICS (Brazil, Russia, India, China, South Africa) association of five major emerging national economies, the Asian Infrastructure Investment Bank (AIIB), and the Shanghai Cooperation Organization (SCO) was primarily a culmination of this process. In other words, a partnership with China in multilateral forums was a conscious Indian stance to balance Beijing’s rising threat as a military power while aiming to take advantage in its association with China as an emerging economic partner. The Galwan border incident will have a serious impact on this established twenty-first-century Indian policy stance that started in 2003, as India already seems to be moving away from its partnership inclination with China, aiming to align more and more with the United States.⁷

In this increasing alignment toward Washington, India’s strategic consonance with the United States has become more Indo-Pacific-centric, which will perhaps transcend from the economic to the strategic-security spheres in the region. A good sign is that the US–India alliance is not only gearing for an alternative supply chain network in the post-COVID period but also about to enter into a maritime-military cooperation (via Malabar) with a fourth partner, namely Australia, thereby strengthening the Quadrilateral Security Dialogue (Quad) process in the Indo-

Pacific, along with Japan. However, it remains to be seen to what extent India will depart from its existing China policy in the post-Galwan period. There is no dearth of opportunities and challenges, which will test New Delhi's foreign policy resolve to forge a strategic alliance that would be commensurate with its economic, maritime, and security mandate in the Indo-Pacific region. The BDN, a multistakeholder initiative launched by the United States, Japan, and Australia, which primarily aims to advance an economic alliance framework for quality infrastructure promotion in the Indo-Pacific, is one such opportunity for India.

India has largely positioned itself as an anti-BRI nation. Rather than endorsing a US-led anti-China narrative, however, New Delhi has promoted a policy of "engagement with equilibrium" with Beijing.⁸ Post-Galwan, this narrative can see change with an inclination to behave as an anti-China nation, motivating New Delhi to become a part of alliance frameworks with partner nations and join initiatives like the BDN. During President Trump's maiden visit to New Delhi in February 2020, India and the United States discussed the prospects of the BDN;⁹ however, India refrained from making any commitment to join. New Delhi's official stance is that "there is a certain level of convergence when we talk about ideas . . . but the initiative is a new one, we need a little bit of time to examine it, to study it and to revert on this issue,"¹⁰ which indicates India's inclination to join the network. The recent G7 invitation from Trump has certainly raised the prospects of India joining the BDN. The BDN is promoted as an exclusive program that is widely perceived as an initiative to challenge China's unilateral and nontransparent infrastructure investment and financing pattern in the Indo-Pacific, which Xi Jinping's BRI promotes.¹¹ Via the Indo-Pacific Business Forum (IPBF),¹² the BDN intends to bring government, private sector, and civil society together through stronger trade and economic ties, as well as foster finance, investment, and technological cooperation.¹³

Given the rising anti-China narrative across the globe, the scope for promoting the BDN as an alternative to the BRI has risen tremendously. So will India, an Indo-Pacific partner of the United States and a member of the Quad process (the United States, Japan, and Australia being the other members)¹⁴ consider joining the BDN in the near future? This article aims to examine these prospects in conjunction with the transformation that is taking place in Indian foreign policy.

Blue Dot Network, Belt and Road Initiative, and India

Building and financing quality infrastructure has been a matter of significant debate among the United States and other like-minded countries, such as India and Australia, particularly in light of the expanding BRI in the Indo-Pacific. The BDN, which was initially proposed at the 35th Association of Southeast Asian

Nations (ASEAN) summit in Thailand, is an international certification program to promote quality infrastructure with a focus on transparency and sustainability—on expediting quality infrastructure in the lower- and middle-income countries particularly. Thus, the BDN aims to set a “standard of excellence” against the rising debt traps and cheap infrastructure that boosts quantitative and nontransparent aspects. In other words, the BDN envisions promoting a transparent and sustainable infrastructural environment as a strategic retaliation to Beijing’s BRI. BDN’s main feature is that it follows a project-based investment approach rather than the country-based engagement that the BRI conducts, which has promoted debt traps.

Besides, the network, which was launched by the US Trade and Development Agency (USTDA), the Australian Department of Foreign Affairs and Trade, and the Japan Bank for International Cooperation (JBIC),¹⁵ draws its basis of cooperation on the G20 Principles for Quality Infrastructure Investment, the G7 Charlevoix Commitment on Innovation Financing for Development, and the Equator Principles—focusing on transparency and universality ahead of any form of unilateral mechanism.¹⁶ Such commitment allows the BDN to endorse the “free and open” Indo-Pacific essence that the Quad countries advocate. Further, with the recent expansion of the Quad process that included countries such as New Zealand, South Korea, Brazil, Israel, and Vietnam as new members, a conjectural alliance called “Quad Plus” has been created. This expanded strategic consultative framework points to the rapid creation of alignment structures in the Indo-Pacific that do not necessarily conform to a US-led alliance structure.¹⁷

India joining the BDN would emerge as a critical factor, given New Delhi’s opposition to the BRI.¹⁸ By joining the BDN, India will be inching much closer toward an alliance framework, moving away from alignment structures it has followed until now in its China, and global, policies.¹⁹ Since 2013, India has been firm in its stand to not endorse the BRI on the grounds that the initiative not only overlooks “sovereignty and territorial integrity” of other countries but also ignores universally guided norms that ensure “openness” and “equality” in the region.²⁰ Moreover, under the pretext of its principal slogan, “Community of Shared Future of Humanity,”²¹ the BRI is China’s nationalist geo-economic strategy. India has displayed its resolute stance by not participating in the two BRI forums held in Beijing in May 2017 and April 2019.²²

Since its inception, the BRI has posed multiple challenges for India. First, as an initiative primarily aimed to enlarge China’s strategic networks throughout the neighborhood, the BRI has constrained India’s strategic choices across the immediate and extended neighborhood. New Delhi cannot match Beijing’s financial clout, which the latter uses to offer advanced connectivity as well as infrastructural development in the region. The initial reported capital of 40 billion USD in 2014

has been key to Beijing's Silk Road diplomacy, which seems to have only increased in the process.²³ More importantly, Beijing has emerged as a greater trading partner with most of India's neighbors in South and Southeast Asia and the Indian Ocean Region (IOR).

Second, India is concerned that the BRI investments in the region are slowly changing the status quo by interfering in a country's sovereignty and territorial integrity, for example, in Pakistan Occupied Kashmir (PoK), where China is violating India's historical claims by building the China-Pakistan Economic Corridor. The same has also been noticed in the case of the South China Sea, where Beijing seems to be emerging as an assertive and revisionist maritime colonial power with massive military-maritime infrastructure build-up so as to change the existing status quo. China's approach aims to create a strategic divide among the claimant countries, particularly after the landmark Permanent Court of Arbitration (PCA) ruling on the dispute between the Philippines and China, which denied China's "historic" claims in the region. In this regard, with the US government releasing its official "position" on the SCS on 13 July 2020 that deems Chinese claims "completely unlawful," the scope to build US-India SCS synergy has increased.²⁴

Third, the BRI's Maritime Silk Road component that controls port financing and establishment, as well as builds commercial points and maritime assets, poses future strategic risks for India in the IOR. In other words, India's major concerns include rising instances of unpayable debt load in the BRI beneficiary countries—in effect, worries about an impending debt crisis in region—and Beijing's growing assertive posture owing to its military-commercial infrastructure construction activities: e.g., building ports and new naval bases.

Nonetheless, as mentioned earlier, Beijing's "charm offensive" strategy of pursuing a stronger public diplomacy through project financing across the Indo-Pacific region has constrained India's strategic choices significantly.²⁵ However, due to the lack of an effective international coalition against the BRI, thus far, India's firm opposition has held little relevance. The relevant question, therefore, is: can the BDN, which is increasingly being regarded as a balance to China's nontransparent investment outreach, act as such a coalition?

India's Indo-Pacific Outreach—the BDN Advantage

Under the aegis of its Act East Policy, India has revamped and restructured its Asia ties and Indo-Pacific outreach. Indian initiatives like Sagarmala, Project Mausam, the Cotton Route, and Security and Growth for All in the Region (SAGAR) can provide collaborative opportunities. Some of their key aspects are as follows:

1. Sagarmala (a Hindi term that literally translates as “ocean necklace”) is India’s ambitious port development initiative. As part of the project, a National Perspective Plan (NPP) was released at the National Maritime Summit 2016; the NPP aims at revitalizing 7,500 km of India’s coastline; 14,500 km of navigable waterways; and its maritime sector.²⁶
2. Under Project Mausam, the aim is to study monsoon patterns in order to better connect Indian Ocean littoral nations by building on cultural connections to empower maritime livelihoods.²⁷
3. The revival of India’s Cotton Route initiative comes as a low-key counter to China’s Silk Route and aims at improving India’s ties with Central Asian nations (major producers of cotton) by not only building “dialogue and coordination” between them but also reviving ancient routes of cotton trade.²⁸
4. SAGAR highlights India’s vision for the Indo-Pacific, and it is not an anti-China initiative. The program underscores India’s Indo-Pacific engagements by promoting the Indian Navy’s ties with nations of the region and beyond.²⁹

These four initiatives cover infrastructural, cultural, trade, and security factors of India’s Indo-Pacific and broader Asiatic ambitions. Among these neighborhood policy frameworks, India’s port development programs and other maritime initiatives in the IOR are of utmost importance,³⁰ and this is where the BDN could be of strategic advantage to India. The (re)introduction of these aforementioned maritime initiatives is aimed at reestablishing the bygone structural connections between India’s export-import supply chain networks in the IOR.³¹ India has identified a total of 577 commercial coastal projects between 2015–2035 for port modernization and development, port-linked industrialization, connectivity promotion, and community-based development.³² Linking some of these initiatives with the BDN is bound to exemplify India’s strategic standing in the IOR.

Furthermore, India’s Indo-Pacific outlook, as emphasized by External Affairs Minister S. Jaishankar in 2019, is “for something” rather than “against someone.”³³ The spirit of SAGAR is inward-looking, and its policies look oceanward. The free-and-open spirit resonates with other like-minded partners—the Quad members—and focuses on how countries together can progress faster through an *inclusive* rather than an *exclusive* policy. Yet, a practical implementation of these ideas or an actualization of such policy prophecy necessitates capital investment, capacity building, and a consultative-cooperative mode of practice that a proposition like the BDN could shape. In the post-Galwan framework and post-COVID world order, India’s Indo-Pacific inclusivity approach will also see a more nuanced and guided China angle that is both welcoming and wary.

The rise of an assertive China, the eastward trajectory of global economic and geopolitical centers, the onset of the “Asian Century,” and a dwindling US presence in the East at present form the crux of strategic transitioning in the international order. These factors, coupled with national security interests and internal developments, have allowed India to enhance its presence, both on land and sea, in its strategic neighborhood as well as the world. About 95 percent of India’s total trade by volume and over 65 percent in terms of value is transported via the sea; hence, the maritime zone is a strategic priority.³⁴ The United States’ growing focus on the Indo-Pacific and Asia, coupled with India’s active efforts to create new opportunities for mutual growth and development in the region, provides convergence opportunities between like-minded nations. The Trump administration, in its 2017 *National Security Strategy*, while putting “America First,” named India “a leading global power and stronger strategic and defense partner.”³⁵ Prime Minister Narendra Modi, too, had highlighted in his address before the US Congress in 2016 that “a strong India-U.S. partnership can anchor peace, prosperity and stability from Asia to Africa and from Indian Ocean to the Pacific.”³⁶

Connectivity promotion and infrastructure diplomacy have emerged as key features of India’s neighborhood diplomacy. Making use of its strategic location, India is currently expanding its tactical wings through its Act East Policy, Link West Policy, and SAGAR program. India’s acceptance and endorsement of the Quad Plus narrative also points to New Delhi’s growing embrace of Washington’s worldview and policy overtures. Sharing the common aim to defend the liberal world order, the Quad has found new like-minded partners in South Korea, New Zealand, and Vietnam—all strongly connected to China economically and with large-scale infrastructural needs of their own. The BDN, too, has the same primary policy ambit of free and rules-based world order. Thus, if India decides to join the network, it will pave the way for a Quad Plus inclusion, as a growing synergy between the nations seems to be actualizing amid the COVID-19 pandemic. India’s decision to join will hold important significance in maintaining status security for the United States, promote India’s own net-security provider role as an Indo-Pacific power, and check China’s rise as a revisionist power. In this regard, BDN is critical to the US Indo-Pacific strategy vis-à-vis China and the BRI.

The United States needs a strong and stable India to further America’s China-containment strategy, and India’s domestic economic stability and strength will develop only with successful implementation of its projects. Sagarmala can proceed much faster and stronger with US investments. The project involves large-scale infrastructural spending, ranging up to 70,000 crore INR, with a thrust on port-led infrastructure development.³⁷ One of the primary goals of this initiative is to reduce logistics costs and make India more competitive in the global market:

India’s current logistics costs are almost thrice that of China’s.³⁸ Meanwhile, Project Mausam has the potential of serving as a major technology cooperation opportunity for the United States and India.

India’s Cotton Route connectivity initiative with Central Asian nations has been facing the brunt of the ongoing US–China trade war, as international cotton markets have suffered severe losses. Further, the existing US–India trade tensions are not providing any impetus to economic growth either. Nonetheless, India is a major defense and strategic partner of the United States, and SAGAR is already receiving positive results with exercises like Tiger Triumph. Therefore, a more nuanced cooperative partnership that converges strategic and domestic initiatives can provide more complementarity to budding US–India ties. India must tap into potential cooperative engagement with the United States via initiatives like the BDN. With Japan and Australia as partners, BDN offers a ready-to-use platform for heightened cooperation across the region by building on the Quad strategic forum as well.

The BDN aims to function on a regional partnership model; implementation of this model has already seen entry into India via investments in education and a training project for procurement workers in Maharashtra.³⁹ Being nondependent on taxpayers’ money, the US International Development Finance Corporation has, with Congressional approval, managed to raise 60 billion USD for the project at present. Though the BDN is still not clear about its long-term strategic intent, it is, however, safe to assume that the primary focus is going to be increasing the US presence in the Indo-Pacific region. India has much to gain from the initiative: most importantly, even though Beijing, being aware of the implications of the BDN, has been criticizing it for being anti-China—for the moment that is all China can do. Beijing cannot oppose, at least on principle, private investments in the region. It is here that India must find its leeway in the post–COVID-19 order to sell New Delhi’s strategic presence in the BDN as an anti-BRI, a pro-development, and a leading economic recovery power, especially in a world that will be facing the reverberations of this health pandemic for a long time. Also, with animosity between Beijing and New Delhi growing post-Galwan, India’s ties with its Quad partners take on more importance than before.

A Coalition of “Like-mindedness”—India’s Choice

The BDN has certainly raised the possibility of an international coalition of like-minded countries ready to question, and possibly engage in a counter-capacity building exercise, the controversial BRI. The scope of the BDN is exclusive: to offer an alternate platform on quality and sustainable infrastructure while creating strategic awareness over the unilateral, nontransparent, and colonialist aspects of

the BRI. The BDN aims to “grade infrastructure financing through a certification process” that is compliant with international standards.⁴⁰ The objectives are two-fold: improving transparency, quality, and legitimacy for infrastructure financing and development, while raising questions on unilateral and nontransparent financing patterns that the BRI encourages in region. Thus, as also mentioned above, the scheme becomes significant for a range of middle-income countries, including India, seeking infrastructure development financing, especially those that are skeptical of Chinese funding overtures.

The BDN addresses India’s concerns about the BRI in the region. The BRI exhibits China’s revisionist approach in the Indo-Pacific: Beijing has transitioned from a “neo-mercantilist power”⁴¹ to a “neo-imperialist power.”⁴² These concerns compliment the broader strategic apprehensions of the Quad too—as a neo-imperialist power, China exercises political command through economic leverage, transitioning from the low-profile risk-averse choices that a neo-mercantilist power would generally exhibit.⁴³ Arguably as the richest government in modern history, China’s more than 3 trillion USD foreign reserves⁴⁴ allow it to pursue a strategy of “charm offensive” through impressive project financing strategies that India can hardly rival. Unsustainable practices, nontransparent financing, and stronger political contacts in the region have further complicated India’s choices. Thus, China’s neo-imperialist power base in India’s backyard might encourage New Delhi to consider joining the BDN in the post-COVID period.

More than this, India choosing to join the BDN will imply a move toward improving quality infrastructure and connectivity beyond domestic needs. As an Indo-Pacific initiative, the BDN aims to grade infrastructure financing across the Indo-Pacific through a ratings system of international standards.⁴⁵ By implementing a certification process, it will ensure transparency and confidence among economically weaker countries. As an emerging economy and a rising Indo-Pacific power, India’s quest for quality infrastructure domestically and search for finance to promote its connectivity network across the immediate and extended neighborhood might make the BDN a natural choice.

A partaking in the BDN would imply a strategic modification in India’s Indo-Pacific narrative. For long, New Delhi’s policy drew on its SAGAR vision,⁴⁶ which emphasizes inclusiveness, without engaging in a “power containment” strategy. In fact, the India–China chronicle suggests that India’s approach to China was always based on a case-by-case model; for example, India, as a founding member along with China, fully accepted the establishment of the AIIB for infrastructure financing and connectivity promotion in the region.

Perhaps India’s post-Galwan China policy will decidedly change this process: China will no longer be seen as a partner, economic or otherwise. The new policy

will likely focus on today’s realities, putting India’s security and sovereignty interests above other benefits. India will also not hesitate to resort to a confrontational measure, if needed. Thus, India’s foreign policy will actively pursue alignments with new partners, those who can potentially facilitate its emergence as an Indo-Pacific power. Hence, the US strategic frameworks like Quad Plus and BDN will take a primary place in the foreign policy overtures of New Delhi in times to come.⁴⁷

By endorsing the Quad Plus ambit, India seems to be embracing the US worldview. Washington has reciprocated by involving India in the newly expanded G7. The Galwan incident can be expected to further build this synergy with the United States, which is “closely monitoring” the situation between India and China. In such a scenario, the BDN allows India to create an “economic alliance exercise” poised to shape the post-COVID world order, which is expected to exact a heavy price on international trade and supply chain networks.⁴⁸

The BDN is a strategic launch that focuses on the US interests in the Indo-Pacific. It is meant to strengthen the US alliances and security partnerships across the region that have roots in the “China containment” policy. Moreover, it is similar to the other US initiatives in the region, such as Digital Connectivity and Cybersecurity Partnership (DCCP), Infrastructure Transaction and Assistant Network (ITAN), Asia Enhancing Development and Growth through Energy (Asia EDGE), and the Better Utilization of Investments Leading to Development (BUILD) Act of 2018.⁴⁹ Accentuated indirectly by these other US initiatives, BDN will seek to strengthen a conjoined US attempt at rebuilding American presence in the Indo-Pacific.

For long, the US “carrot-and-stick” policy (primarily implemented for Iran)⁵⁰—a combination of US diplomacy and economic and military prowess that was implemented mainly during the Barack Obama administration—was unable to totally dissuade Beijing from challenging the former’s security order. Rather, massive Chinese adventurism through the BRI has challenged US supremacy in the Indo-Pacific. The Trump administration’s initiatives such as the BDN, the DCCP, ITAN, Asia EDGE, and the BUILD Act, therefore, intend to not only challenge Chinese adventurism in the Indo-Pacific but also strengthen Washington’s strategic outreach. To this effect, the United States would prefer an “India plus BDN” framework. This would also enhance the Quad’s “sphere of influence” in the sub-regions of the Indo-Pacific, namely Southeast Asia, South Asia, and the IOR, where Beijing has emerged as the number one trading partner, much to the credit of its BRI diplomacy.

The BDN is the first multistakeholder, multilateral project in the Indo-Pacific advocated by the United States, and Indian presence in the network is vital for Washington. US Indo-Pacific strategies largely focus around India as a strategic

partner; the South Asia office of the US Agency for International Development (USAID) functions out of New Delhi and is responsible for the implementation of ASIA Edge and ITAN in the region. In addition, the United States considers the Quad members as central to its Indo-Pacific strategy; Washington's Asia Reassurance Initiative Act (ARIA) of 2018 regards the grouping as "vital to address the pressing security challenges in the Indo-Pacific region." While India is cautious about its role in the Quad, Indian presence in the BDN will go a long way in strengthening the US's Quad ambition.

"India Plus BDN" Strengthens the Quad Process

India's prospect of joining the BDN has substantially grown following its recent Ladakh standoff with China. It will rest on whether India finds strategic consonance in its partnerships with the United States, Japan, and Australia in an age of Quad Plus. An "India plus BDN" will not only strengthen the Quad process but also trilateral frameworks like India–Australia–Japan, US–India–Australia, and US–India–Japan, providing a much-needed economic synergy boost in post-COVID ties. Nevertheless, a prospective India plus BDN setup is primarily dependent upon the India–US partnership.

The United States has accorded a special standing to India as a partner in its "Free and Open Indo-Pacific" (FOIP) strategy, as also in its energy and defense sectors. For example, Asia EDGE has strengthened India–US energy cooperation. USAID under Asia EDGE is working with India to promote New Delhi's energy mission for providing "Power for All," targeting 175 gigawatts of renewable energy by 2022 and modernization of the large energy sector.⁵¹ India's involvement in the BDN might encourage a much more serious energy-specific cooperation across the Indo-Pacific, especially considering the growing relevance of the sea lines of communication.

Also, a cooperation framework like the BDN will allow India to address the urgency borne out of China's increasing military-maritime-commercial footprint in the IOR. For instance, China's warship presence in the IOR during the Maldives political crisis in 2018 signaled Beijing's growing ambitions.⁵² Earlier, in 2017, Maldives had signed a free trade agreement with China as part of the Maritime Silk Road.⁵³ Moreover, in September 2019, Chinese vessels entered the Indian exclusive economic zone near the Andaman and Nicobar Islands, which was perceived as a strategic challenge to Indian maritime superiority.⁵⁴

A stronger regional partnership with Japan could be another motivating factor for India joining the BDN. Tokyo's Free and Open Indo-Pacific Vision has a stronger anti-China perspective, apart from other national security imperatives in the maritime domain.⁵⁵ China's charm-offensive economic strategy and maritime

coercive diplomacy have increasingly constrained Japan’s strategic choices across Asia. Japan’s infrastructure investment is witnessing a growing contest from BRI investments in Southeast Asia.⁵⁶ China has not only replaced Tokyo as the top development financier in Southeast Asia but is also seeking to overthrow Japan in providing better “quality infrastructure.” The large-scale Chinese economy, which currently is roughly two-and-a-half times the size of the Japanese economy, high military expenditure, and increasing infrastructure investment packages to Southeast Asia have compelled Japan to look for new partners through the Expanded Partnership for Quality Infrastructure (EPQI). Therefore, Japan needs reliable partnerships, both within and outside the region, and India’s Act East Policy emerges as a natural partner to the EPQI. The BDN comes in handy in this regard; India’s decision to join will only strengthen Japan’s strategic forte in the region.

Further, this changing distribution of wealth, influence, and power in the region could also be a strong motivating factor for India to consider joining the BDN. Japan is a long-term economic investor in India, having emerged as the third-largest investor.⁵⁷ For India, the benefits will be wider access to Japanese technologies and infrastructural projects, which enjoy a high reputation of ensuring transparency and quality products. Also, at a time when India’s domestic infrastructure needs massive upgrading, a partnership with Japan under the framework of the BDN will be to India’s advantage. Moreover, such a partnership could aid in scuttling the prospects of China’s BRI in the region. In the post-Galwan period when India is reviewing Chinese investments in the country, this partnership looks even more promising.

More importantly, in India’s consideration, Tokyo’s FOIP is primarily aimed at securitizing Japan’s strategic interests and assets in the Indo-Pacific. Japan’s involvement in the Regional Comprehensive Economic Partnership (RCEP), Comprehensive Partnership of the Trans-Pacific Partnership (CPTPP), and Japan-European Union Economic Partnership Agreement are still not enough to replace the strong consumer market that Beijing has built over the years and the large manufacturing powerhouse of Chinese industries.⁵⁸ China is Japan’s top import and export destination; hence, a continued engagement is vital. At the same time, Japan’s involvement in the BDN is an attempt to gradually break away from this overdependence, which has been made starkly evident post the COVID effect on the global supply chains. The BDN provides a West-centered counter to China’s BRI but does not espouse an outwardly China-containment policy. Tadaashi Maeda, governor of the JBIC, has said that the BDN draws on “the promotion of quality infrastructure investment committed by G20 countries.”⁵⁹ Hence, Japan aims to expand a quality infrastructural campaign through the BDN while pursuing a China-disentanglement strategy with its Quad partners. Finally, for

the two countries, India joining the BDN would further reinforce the bilateral India–Japan resolve to expedite the process of developing industrial corridors across the Indo-Pacific (e.g. “Platform for Japan–India Business Cooperation in Asia–Africa Region”).⁶⁰

Likewise, for Canberra, participation in the BDN strengthens its “Pacific Set-up” program, which is aimed at augmenting Australia’s stature in the regional and global order.⁶¹ A greater desire for India and Australia to work together in the region as custodians of the liberal order has been visible through the latter’s announcement of the new South Asia Regional Infrastructure Connectivity (SARIC) initiative, which would support regional economic connectivity along with quality infrastructure in South Asia through a 25 million USD investment over four years.⁶² Moreover, Australia is looking toward India and other potential partners to boost infrastructure in the Pacific Islands through developmental projects as part of Canberra’s Pacific Set-up initiative, especially amid the increasing Chinese footprint in the region. Nevertheless, infrastructural cooperation between India and Australia remains at a nascent stage, and the India plus BDN could transform the bilateral ties into a developmental partnership.

Of late, Canberra has been showing greater signs of caution regarding China’s grand infrastructural initiative, particularly in response to the BRI’s autarkic governance, project transparency, amorphous rules for the dispute mediation, and increasing instances of debt-trap diplomacy in the Pacific Ocean region. Six Pacific governments are currently in debt to China: Fiji, Samoa, Papua New Guinea, Tonga, Cook Islands, and Vanuatu.⁶³ It is against the backdrop of China’s opaque developmental projects that Australia has introduced its new debt-financing initiatives as part of its broader Pacific Step-up, besides spearheading the BDN. Australia reiterated these reservations in its foreign policy white paper in 2017, which noted China’s intent to use economic power and infrastructural projects to meet strategic ends.⁶⁴ Australian prime minister Malcolm Turnbull further echoed the sentiments in his statement in October 2017, in which he propounded that Canberra would be engaging in “specific projects and investments rather than engaging in generalities.”⁶⁵

At the same time, Australia is one of the founding members of the China-led AIIB.⁶⁶ In fact, Australia is the sixth largest shareholder in the AIIB,⁶⁷ having contributed 738 million USD to the organization over the last five years. In other words, Australia’s China policy has been similar to India’s: both perceived the AIIB as a plausible model for a China-led multilateral initiative that promotes rules-based operations, transparency in lending practices, and an accountable and differentiated governance model, unlike the BRI. This complementarity between the Indian and Australian developmental approaches could be fortified through

the BDN. The envisioned infrastructural initiatives could be a promising platform for them to enhance their respective influence in the region.

Further, moving investments out of China in the wake of the coronavirus pandemic, which has highlighted extreme dependence on China-based supply chains, is a difficult task for nations that cannot afford relocation costs.⁶⁸ Investing in infrastructure needs instead, which allows boost in domestic growth and, in turn, creates prudent locations for industrial growth, is a far more feasible angle. The BDN can help in improving the “ease of doing business” ranking, making infrastructural promotion far more feasible for nations like Vietnam, South Korea, Japan, and India, all are part of the Quad Plus process, which are looking to attract large-scale investments but have more stringent policies.

Summing Up

India is still rightly weighing its options as far as joining the BDN is concerned: Foreign Secretary Harsh Vardhan Shringla has stated that despite convergence on the BDN, important foreign policy decisions require due process.⁶⁹ While the BRI is a national security and sovereignty threat to India, Trump’s “America First”⁷⁰ policy and the US–India trade concerns are no simplistic ordeals either.⁷¹ India and the United States first need a common minimum program that outlines their mutually shared priorities on China and its BRI upon which the New Delhi and Washington can hash out their differences.

India must keep in mind that the growing tensions between the United States and China are unlikely to disappear soon. In the post-COVID world, Washington and Beijing are likely to maintain their mutually confrontational stances. Graham Allison, in his recent *Foreign Policy* article, talks about the increasing chances of the two falling into the “Thucydides trap.”⁷² India, as an emerging power in the Indo-Pacific, must walk a fine line and must not adopt a blatant anti-China approach. At the same time, India must not appear to snub the United States by rejecting the BDN outright. As has been discussed already, the BDN needs to be considered carefully, as it offers several regional benefits that are strategically significant to India.

The BDN will help strengthen ties with all the Quad members: Japan and Australia were disappointed by India’s withdrawal from the RCEP; the BDN has reignited those hopes. Moreover, as a multistakeholder initiative, the BDN would not only be able to involve important regional powers under the same umbrella but also improve their bilateral ties. Such a developed-developing coalition that aims to counter Chinese aggressiveness in the region has immense potential in this imaginary Asian Century.

The BDN will also strengthen third-country cooperation, especially in supply chain and value networks. India and the United States have mutually agreed to include third-country cooperation as part of their strategic convergence in the Indo-Pacific: in February 2020, the leaders of the two nations talked about cooperation in third countries through a new partnership between USAID and India's Development Partnership Administration.⁷³ Earlier, in 2019, they signed the First Amendment to the Statement of Guiding Principles (SGP) on Triangular Cooperation for Global Development;⁷⁴ and the second US-India 2+2 Ministerial Dialogue envisioned further cooperation in new areas via joint-judicial workshops between third-country partners.⁷⁵

The Quad alliance can transform into one of the most dynamic economic and strategic Indo-Pacific partnerships of the post-COVID times. The Quad Plus grouping should for now though focus on recoveries from the COVID-induced economic setbacks, while formulating ways toward achieving economic self-sufficiency. For example, members should consider eliminating trade and investment barriers and invest in strategic initiatives like the BDN.⁷⁶ As Xi Jinping's China comes under greater global scrutiny in the post COVID era—the BRI in particular has attracted controversy because of debt-ridden nations unable to pay off loans in these financially difficult times—the United States, Japan, and Australia must utilize this opportunity to strengthen the BDN. They must carefully induce India to join and also extend the invitation to the new Quad Plus countries.

India must see the BDN as an extension of the Quad (as also the Quad Plus now) that has allowed New Delhi to create a “continental connect” and “corridor of communication.”⁷⁷ It should therefore actively pursue engagements with non-China friendly countries, such as Japan, Australia, and the United States. India has to become more self-reliant and less dependent on China-led global supply chain mechanisms. Joining the BDN is a step in the right direction toward creating alternative supply chain and value mechanisms, boosting infrastructure investments, and protecting national interests in the wake of a resurgent and hyper-aggressive China. ✪

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