



## SHIVSHANKAR MENON

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Thank you, Thierry, for that very generous introduction and for making me sound much more coherent than I am. Since you have mentioned it, let me shamelessly plug my book: *Choices; Inside the Making of Indian Foreign Policy*. It has just been brought out by Brookings worldwide and by Penguin in India. It examines five choices, not options, that India was called upon to make. Choices not options, because options suggest a certainty and knowledge that is not normally available in foreign and security decision making, as the book argues. There are no right or wrong, true or false, good or bad, win or lose binaries in the policy choices we are called upon to make, as most of you know from personal experience. We make mini-max choices: trying to minimise harm and maximise gain. “History is written through a rear-view mirror but it unfolds through a foggy windshield”, (Sandy Berger).

Thierry asked me to speak about the main policy challenges facing Indian foreign policy. Let me mention the four greatest challenges that I think matter to India's future.

1. What kind of power will India be? India is undergoing massive internal change, so rapid that we really still have to come to terms with it. 6.5% growth for over 35 years, (unmatched in history by any country except China). We have accumulated power and agency in the international system. But we still have to work through the internal social and other consequences such as rapid urbanisation and internal cohesion. Also face Cross-border-Terrorism, Pakistan hostility and complex neighbourhood. Consequences of technology, IT, cyber. Economy with post-industrial structure on pre-industrial legs — needs adjustment. Will therefore be “a different power” (Indira Gandhi), with weight and influence but still primarily domestically fixated for foreseeable future.
2. Part of the world?: Share of external sector in India's GDP 14% in 1991 to 49.3% in 2013. Have much greater interest in the world, in SCS FON for instance, coz of growing foreign trade and exposure. But world at moment of great uncertainty. Global economy; de-globalisation; US disengagement? Return to alliances/global issues? Watch Trump: too early to say how much of a real break with past US policy; certainly looks like end of Obama's TPP and pivot. But if any relationship relatively decoupled from US politics it is US-India, transformation bipartisan over last twenty years, today best ever state of relations.
3. Asia-Pacific: Rise of China and others. A-P critical but not explosive yet (unlike Europe and Middle East). India-China need new equilibrium, old modus vivendi fraying. A-P witnessing return of great power politics, arms race, economic restructuring with on-shoring by both US and China. AIIB, BRI. Asia-Pacific security. All believe future ours, therefore, peace holds, disputes can be postponed.
4. De-globalisation: Trade policy major challenge. Poor in natural resources. Best periods in history when most connected to world. Beneficiary of two globalised decades; now global economy fragmenting into RCEP. TPP, FTAAP etc. Prospect of long period of deflation, at best slow recovery in global economy. Must find drivers of growth, globally and as India.



The overarching goal is and will be for quite some time to transform India. How to achieve that in a world that is de-globalising, where great power politics has returned? Requires realist mini-max choices. Not easy. Gandhiji: "True power speaks softly, it has no reason to shout".