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'JAI', the Quad and China: Understanding the Undercurrents

Draft Paper

Jagannath Panda

Trilateralism seems to have emerged as one of the expedient modes of the multilateral framework of cooperation. The 'JAI' track involving Japan-America-India is a welcome addition to the already existing leadership tracks of trilateralism or mini-lateralism focusing on the undercurrents of the Indo-Pacific. If the Buenos Aires leadership meeting in 2018 of the 'JAI' grouping marked the formal inception to this trilateralism, the Osaka meet in June 2019 among the leaders of these three countries on the side-lines of the G-20 signals its continuity. Yet, it needs to be seen to what extent 'JAI' would serve the interest of its constituent members in influencing the balance of power in the region.

Fundamentally, 'JAI' exemplifies the Indo-Pacific tenor that Japan, the United States and India are currently advocating. Besides, the arrival of 'JAI' is not a reset to the Quad (the quadrilateral dialogue involving Australia, India, Japan and the United States). Rather, it promotes a prototype similar to the Russia-India-China (RIC) trilateral that enhances the bigger platform of BRICS (Brazil-Russia-India-China-South Africa) spirit and Shanghai Cooperation Organisation (SCO). 'JAI' further signals the creation of 'strategic capital' in the Indo-Pacific that will strengthen the bilateral mode of economic cooperation bringing the national economic initiatives of the three countries together.

The decision to start such a strategic trilateral conception was not an ordinary one. Its significance can be gleaned from the fact that it involves the three top economies of the world at a time when the US-China trade rivalry is intensifying. Moreover, China's connectivity and infrastructure initiatives in the Indo-Pacific have entered a new phase of 'strategic execution' with the Belt and Road Forum's (BRF) second meeting in 2019. The formation of such a grouping minus Australia further illustrates the grand security thinking to promote trilateralism without being over-reliant on the quadrilateral framework of cooperation that these three countries share collectively with Canberra. This is because of the scope of forging foreign policy complementarities, primarily commercial interests that

exist in the India-US, India-Japan and Japan-US bilateral tracks of cooperation in the Indo-Pacific.

Complementing Foreign Policies

The acronym 'JAI', implying 'victory', was propounded by Prime Minister Narendra Modi of India at the 2018 G-20 Summit in Buenos Aires. Promoting connectivity, sustainable development, maritime security, humanitarian relief and freedom of navigation are some of the overarching objectives of the 'JAI' track. Each of these areas is crucial to strategic interests India has in the Indo-Pacific, as much as to Japan and America. Besides, India's conception of 'JAI' signifies its continuous endorsement to strengthen the liberal order framework that the Indo-Pacific as a construct has been advocating for some time now.

For the US, 'JAI' would be another medium of reaching its alliance and strategic partners, Japan and India, respectively. It further demonstrates the US' stronger commitment to strengthen the Indo-Pacific narrative at a time when scepticism is fast mounting over the Trump Administration's "America First" policy. For Japan, 'JAI' comes as a strategic solace to expedite its ambition for protecting its commercial interests in its official narrative of "free and open Indo-Pacific". Tokyo's flagship Expanded Partnership for Quality Infrastructure (EPQI) initiative will find greater strategic compatibility in cooperating with India and the US ahead of the challenge that its projects are facing from the flagship Belt and Road Initiative (BRI) by China in Asia and beyond.

Therefore, the 'JAI' proposition offers a special track to promote each of its constituent member's national interests in the Indo-Pacific. Notably, the 'JAI' framework establishes a strategic undertone to bring all the competing national initiatives of Japan, America and India together. It establishes a 'strategic capital' to promote infrastructure, connectivity and investment. Though it needs to be seen as to what extent the three constituent countries come together, the 'JAI' proposition certainly stimulates a strategic bilateral complementarity between India-US, India-Japan and US-Japan.

For Maximalist India-US Ties

Objectively, 'JAI' could possibly enrich maximalist India-US economic ties in the Indo-Pacific that are yet to seriously take off. As "democratic stalwarts" of the Indo-Pacific, a partnership of purpose to cooperate on maritime domains in the Indian Ocean Region (IOR) is still missing between India and the US. A strategic complementarity between India and the US in the Indo-Pacific has always existed, especially over China's expanding commercial outreach. Despite differences between India and the US on issues such as Iran, trade and other regional issues including on how to deal with China, there is an implicit understanding between the two democracies to protect their interest ahead of China's expanding commercial and strategic outreach. For long, the US has been supportive to India's scheme of strategic positioning in the region. A platform such as 'JAI' helps to politically envision a regional context of cooperation between India and the US, in association with Japan.

The overall "strategic partnership" between India and America is on the ascendancy and recent agreements such as the Logistics Exchange Memorandum of Agreement (LEMOA) signed in 2016 and the Communication, Compatibility, Security Agreement (COMCASA) of 2018 have strengthened it further. India gaining the status of a 'major defence partner' of

the United States has certainly improved the strategic context for a greater defence and security partnership in times to come. The India-US commercial partnership in the Indo-Pacific factoring connectivity and infrastructure building has, however, lagged behind. To deal with a China challenge that threatens American “power, influence, and interests” as pointed out in the National Security Strategy (NSS) paper of 2017, a strategic compatibility and convergence on economic aspects of cooperation in infrastructure, innovation and connectivity should be the priority in India-US ties. The ‘JAI’ initiative supports such a scheme and will only compliment the United States initiatives such as the Infrastructure Transaction and Assistance Network (ITAN) and Asia Enhancing Development and Growth through Energy (AsiaEDGE). Since JAI promises to be a much more compact aligned grouping, achieving set goals will be far more doable.

In foreign policy terms, the “America first” approach of the Trump Administration indicates a ‘business first’ approach, moving away from the American post-war order that has brought commercial loss to the US. In external terms, the prime intent behind this “America first” approach is to protect US’ commercial interests as much as possible to create employment and bring profits. For America, the ‘JAI’ provides a strategic platform to execute cooperative projects with India and Japan in Indo-Pacific sphere as promised in its 2018 Asia Reassurance Initiative Act (ARIA), Better Utilization of Investments Leading to Development (BUILD) Act of 2018 and the Indo-Pacific Transparency Initiative. In other words, India is gaining strategic space in US’ official parlance continuously. In the post-Cold-War era, the same was not noticed when the US used to release the East Asia Strategy Reports (EASRs). The latest *Indo-Pacific Strategy Report: Preparedness, Partnerships, and promoting a Networked Region* released on June 1, 2019 accords special importance to India as an Indo-Pacific partner. The December 2017 NSS Paper, the ARIA of 2018 and the BUILD Act do see India in a new context, offering a greater confidence to capitalise on both ends.

Forwarding India-Japan 2025 Vision

‘JAI’ offers an even grander platform for India-Japan ties, especially given the ambition that India holds to emerge as a US\$5 trillion economy over the next-five years as stated by Prime Minister Modi at Osaka. Japanese projects and investments are increasingly making a mark in India, and much of this cooperation is reflected in infrastructure development and connectivity projects. India continues to be a preferred destination for Japan’s Overseas Development Assistant (ODA) and ranks as one of the largest recipients since 2003. The 2025 Vision Plan aims to expedite India-Japan cooperation to a greater regional level.

On a broader context, the ‘JAI’ track could create an environment to prevent Asia from becoming unipolar at a time when China’s BRI, amidst all the scepticism over the ‘debt trap’ diplomacy, is being preferred by many smaller countries. In fact, much credence for Asia’s trajectory having remained multipolar goes to India’s rise and Japan’s effort to re-emerge as a power in global affairs. India’s multi-aligned ambitious foreign policy arc to emerge as an Indo-Pacific power, Japan’s continuous attempt to build a consensus on the “free and open Indo-Pacific” with “like-minded” countries, and the presence of the United States in the region comes as strong overtures to check Beijing’s ambition of making Asia unipolar – a China dominated expanse. Xi Jinping’s “new era” foreign policy, no matter how globalist it may appear, is still very much aimed at stamping China’s authority in regional and world affairs. Amidst this, an ever maturing India-Japan ‘special strategic and global partnership’ reminds Beijing that Asia’s future cannot be kept away from the influence of the

region's prevailing economies – India and Japan – that enjoy maximum strategic confidence with the largest economy of the world, the United States.

The fundamentals that guide India-Japan relations are heavily influenced by maritime undercurrents in Indian Ocean Regions (IOR), the rapidly unfolding free-trading environment, competing connectivity initiatives, politics relating to infrastructure development and the ambition of acquiring resources. These fundamentals as constant complementarities will continue to strengthen India-Japan ties ahead of an assertive China. Besides, lack of any negative historical baggage and the absence of any outstanding political issues make India and Japan natural partners. The 2+2 dialogue between India and Japan is being upgraded to ministerial level from vice-ministerial/official level and is expected to provide a new impetus to the 'JAI' process. Japan would be the second country, apart from the US, with which India will hold the 2+2 ministerial level dialogue.

'JAI' Minus Australia

'JAI' minus Australia points to the undercurrent that it is trilateralism that eventually remains the arc of the Indo-Pacific, strengthening the process of the Quad 2.0. Canberra's exclusion in this 'trilateral' framework reflects the strategic discord that exists among the "like-minded" countries, compelling many to ask: how durable is the Indo-Pacific coalition when Australia is missing, from 'JAI' to 'MALABAR'? A definite answer to this is yet to be foreseen. Nevertheless, it is not difficult to figure out that much of the explanation is about the perceptual gap that exists in Australia-India relations at present, their mutual differences on the construct of the Indo-Pacific, and their respective relationships with China.

While Canberra's perception on Indo-Pacific is still an evolving chapter, New Delhi's perception of the Indo-Pacific is based on a much grander notion of having a 'continental connect' inclusive proposition which perhaps does not exclude China. Prime Minister Modi's speech at the Shangri-La dialogue in 2018 reflects this. Australia and India have not successfully nurtured a mutual perspective to figure out the specifics of their Indo-Pacific cooperation. An upward trajectory has, nevertheless, been evidenced in Australia-India engagement over the last few years, post Indian Prime Minister Modi's visit to Australia after a gap of 28 years. The state visit of Australian Prime Minister Malcolm Turnbull to India in April 2017 also encouraged a grander regional context, and the *Joint Statement* labelled their relationship as "partners in Indo-Pacific". The urge to promote this Indo-Pacific partnership, however, falls short: neither connectivity promotion nor regional infrastructure building has figured as serious discussion points between the two sides.

This stands in contrast to India-Japan and India-US relations. A number of issues like connectivity and building of infrastructure have been the overarching aspect of the India-Japan partnership. While ambitious, the proposition to establish a "Platform for Japan-India business Cooperation in Asia-Africa Region" to promote industrial networks and industrial corridors with the lead of India and Japan signifies their motivation to shape the trajectory of the region between Asia and Africa. Similarly, the first ministerial level India-US 2+2 dialogue focused on the importance of connectivity and infrastructure in the Indo-Pacific focused on "sustainable debt financing practices". This level of an intensive articulation has not been achieved in India-Australia talks.

The non-inclusion of Australia in the MALABAR grouping, however, is a careful strategic act on the part of India to not enter into a conformist maritime coalition that will be perceived as anti-China. Though an inclusion of Australia has not entirely been ruled-out in near future; still India has appeared careful not to encourage 'maritime security' as a collective issue with the Quad partners even though New Delhi shares a common perspective on maritime issues with these 'like-minded' countries. In fact, New Delhi has been cautious in promoting an open coalition against China on the maritime domain on a whole. India's complexities with China on the maritime domain are not that significant currently as friction in India-China relations are focused on land territorial or neighbourhood domains primarily. More importantly, India and China have not yet had a direct maritime dispute.

What remains the strongest sticking point in Australia-India strategic perceptions on the Indo-Pacific is their respective connection with China. Neither Australia nor India is prepared to take an open stance on China or China-specific issues in the region. Australia's membership of the Quad is more to do with its mutual security comprehension with the US and Japan rather than as a security alliance against China. India, following its strategic autonomy and multi-alignment foreign policy, still maintains a strong relationship with China. India's multilateral nexus of understanding from the BRICS to SCO to AIIB reflects an engaging India-China relationship in global platforms, a relationship that New Delhi would find hard to discount with China in a multipolar order. This calls for a more concentrated dialogue between Australia and India on the Indo-Pacific, especially with respect to China.

The Quad Conglomeration

'JAI' compliments the approach India wants to pursue while engaging in Quad 2.0. This new approach depends on a number of factors; India's vision of the Indo-Pacific and its interactions with other actors involved is one of the key defining factors. While it was originally proposed by Japan, the new Quad 2.0 is primarily a result of the closer alliances and alignments that the US maintains in the region. Due to India and China's adverse ties, New Delhi visualizes that association with 'like-minded' countries will result in a "free and open" Indo-Pacific; a paradigm US, Japan and Australia believe in too. Essentially, Quad 2.0 provides India with an opportunity to position itself in a group of strong countries with similar goals as an "equal partner". This positioning allows India to deal with power asymmetry in Asia, a result of Chinese assertive growth, while highlighting Indian national interests amidst US-policy and China led initiatives in the Indo-Pacific.

India's view of the Indo-Pacific is a grand one that is rooted in a 'Asia plus continental connect' concept that hold maritime Asia and Africa as vital factors. This is a fundamental difference between the US approach towards the region as compared to the Indian one. US backed Quad 2.0 has an Indian Ocean and Pacific Ocean focused definition of the Indo-Pacific while the Indian notion ranges from the Pacific Ocean to the Indian Ocean and up to the African coast. Save for Japan, who with India has co-envisioned the Asia-Africa Growth Corridor (AAGC), the two remaining Quad countries do not prescribe to the view. US especially views the Indo-Pacific as a maritime-centric dimension and is focused on securitizing the same. The very renaming of the Pacific Command as the Indo-Pacific Command as made clear the maritime security dimensions of American strategy. India does not subscribe to the same view and considers the Indo-Pacific to be an "inter-connected", "free", "prosperous" and "inclusive" region, thereby implying that it does not think partnership

with China is impossible even though a continental connect approach is pursued to establish a link between Asia and Africa.

Handling of Quad 2.0 needs to be extremely cautious and strategic when it comes to India. Its revival has been a result of an Indo-Pacific reality focused on maritime security, connectivity and rules based order. While India does share these realities with other Quad nations, it is hesitant to engage overtly on these issues with them. This is mainly because while the US wishes to pursue a confrontational approach with China, India does not. India for starters does not have a direct maritime dispute with China and while Indian interests in the Indian Ocean Region (IOR) are threatened by China, it wishes to view China as a maritime security partner. India does not wish to highlight Quad 2.0 as a maritime coalition; this can be seen by the fact that even after Modi's Shangri-La speech in 2018, the press release referred to 'maritime cooperation' only in passing by linking it to HA-DR. The informal summit held between the country leaders of India and China in October 2019 was held in a "friendly atmosphere" where both recognized that they want to advocate for a "rules-based and inclusive" international order. Modi has already accepted an invitation to attend the third informal summit in China in 2020 by President Xi Jinping. With India deciding to opt out of the Regional Comprehensive Economic Partnership (RCEP) and in lieu of the Japan-America-India trilateral 'JAI' gaining momentum, it is vital for India to move ahead with prudence and caution. India and China are emerging global powers with great regional sway; both understand the importance of each other. Allowing any factor, or nation, other than their own national interests and regional goals to influence their bilateral ties will lead to serious security repercussions.

'JAI' amidst the US-China Rivalry

The proposition of JAI arrives at a time when the intensifying trade war between the United States and China has been the focal point of geo-economics as well as geo-politics. Trump's unilateral trade tariffs imposed on China, and the latter's retaliations with further duties against the United States has jostled the global trade chains, which has had repercussions beyond the two largest economies. While the G20 summit in Osaka witnessed US and China returning to the negotiating table to end the tariffs, the tensions are much deeper rooted and are far from being resolved.

The principality in US-China rivalry is however not the friction over trade and tariff. For the United States it is the exceptional and autocratic rise of China, the latter's formidable bid for influencing the global trading environment unilaterally, its mission to emerge as a top technological power through initiatives such as 'Make in China 2025' and the partnership alliance framework that it is currently building through the impressive investment packages that its Belt and Road Initiative (BRI) promises to offer, disrupting the dominant global order. For China, it is the United States' reservation to appreciate Beijing's rise, the strategic determination to protect its persona as the custodian of the emerging economies and societies, to garner its authority in Asia by challenging the American supremacy and the determination to protect the authority of the Communist Party of China (CPC) that are the principalities of this rivalry. In other words, this rivalry is about the United States' urgency and offensive strategy to address the changes that China's rise has brought to the global systemic discourse challenging the supremacy of Washington. For China, the test to co-exist with the United States as the principal decision-maker of the global politics while holding its authoritarian structure under the CPC that is at stake.

Nonetheless, as the impact of this moves beyond the gambits of the two largest world economies, the global economic environment seems to be significantly weighed out of this ongoing rivalry. Lack of immediate bilateral negotiations and the dim prospects of any deal between US and China have made the regional and global trading environments volatile, encouraging many countries including India to fine balance their interest in the US-China tug-of-war. The trilateral of JAI strengthens India-US and US-Japan ties. India, unlike the other countries around the world, does not necessarily foresee the current US-China rivalry strictly being limited to trade and tariff friction. Rather, India would like to read it as a rivalry of legitimate concerns on both ends, unable to make compromises to manage their relationships, arriving out of new realities. India perceives it as a rivalry between the two top economies to preserve their respective positions and space in the rapidly changing world affairs that seems to head towards a hastier polarization. The immediate effect of this rivalry is to jostle an influence in Asia, to which India holds utmost significance for its own rise in the global affairs. The confluence of cooperation with the United States and Japan under the framework of JAI strengthens India's forte in the region.

The US-Japan outlook

While Japan and the US share common perceptions on matters pertaining to China and East Asia, their geopolitical strategy and context regarding China are different. With tensions between the US and China at an all-time high and Chinese encroachment in maritime spaces increasing, Tokyo and Washington seems determined to resist Beijing. But at the same time, Japan has reservations in its approach to tackling China and does not wish to adopt an approach that is completely confrontational. At the same time, the Trump administration has concerns over Japanese PM Shinzo Abe's recent efforts to improve ties with China. Discordance between Japan and the US is a possibility as long as Washington's stand on coexistence with China does not soften, especially in matters of non-traditional security and economics.

Both countries, nonetheless, have common views about China's BRI and hope to slow its execution. Their views on the Free and Open Indo-Pacific (FOIP) again vary, which goes a long way to show the difference in their perceptions of the Indo-Pacific as a whole. US tends to refer to FOIP as a way to check China's growing control in the region while focusing on security paradigms; Japan hopes to use the platform to bolster economic growth. Further, Japan is keen on having continued US presence in Asia and seeks to engage it in platforms like EAS and APEC. While Trump has both in 2018 and 2019 not attended the EAS or APEC (albeit the 2019 APEC was cancelled), chances of continued US presence in the region remain slim. 'JAI' can go a long way in ensuring that US presence in Asia continues; unlike Quad with Australia, 'JAI' will comprise of the 3 nations who have only in the past decade re-realised the importance of continued cooperation with each other and invested immensely in building bilateral ties with each other. The US-India and US-Japan outlook has only strengthened to this degree post the advent of Chinese growth; it is in the face of a common threat that the three have been able to mend their otherwise scattered relationship.

Japan and the US have many common initiatives of a diplomatic nature; Washington consults with Japan and South Korea on matters pertaining to North Korea, with Japan and Australia as part of the Trilateral Strategic Dialogue and Security and Defence Cooperation

Forum. India, Japan and the US coordinate together as part of the Quad. A trilateral cooperation with US-India-Japan in the form of 'JAI' is vital in strengthening not only ties between the three, but also ties the three share in other forums.

When Trump visited Japan in 2019 to meet the new emperor, he also held talks with Abe on trade disputes like the almost \$68 billion trade deficit US has with Japan; including matters of regional security pertaining to China, Iran and North Korea. It is this very disparity between topics of discussion, ranging from trade competition to mutual security concerns that defined the new and developing US-Japan partnership. Japan serves as a major military ally for the US in the Pacific. With American aid, Tokyo managed to establish its Self Defense Forces but continued to follow its Yoshida Doctrine. It limited its own military capacity and instead focused on its economic growth. It was by following this policy that Japan provided financial relief to the US bases in Japan and managed to grow into an industrial economy. This also allowed Japan to basically outsource its own domestic security to the US.

Japan-US ties have their roots in the strategic importance Japan holds, its advanced technology industry and common interests in balancing China. But that still allows for major economic competition to exist between the two countries. This duality can be further balanced and managed via 'JAI', in the presence of a common partner, India. New Delhi has similar approach as Japan about not implementing a directly confrontation approach towards China. At the same time, India values its growing strategic partnership with the US. India could prove to serve as not just a striking power in the larger calculative US-Japan ties, but also as the balancing arch as a 'like-minded' country from Indo-Pacific.

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Jagannath Panda is Research Fellow and Centre Head for East Asia at the Institute for Defence Studies and Analyses (IDSA), New Delhi. He is the Series Editor for Routledge Studies on Think Asia. Dr Panda is an expert on China, Indo-Pacific and East Asian affairs. He tweets at: @jppjagannath1.

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SWP
Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

Ludwigkirchplatz 3-4
10719 Berlin
Telephone +49 30 880 07-0
Fax +49 30 880 07-100
www.swp-berlin.org
swp@swp-berlin.org