

The Free and Open Indo-Pacific Strategy and Uncertainties for India & Japan

By Amitendu Palit and
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The Trump administration has signaled its intention to engage closely with the Indo-Pacific by committing to new strategic investment initiatives and economic cooperation with Japan, India, Australia, and Mongolia. The concept of the Free and Open Indo-Pacific strategy (FOIP) is not new and was originally coined and reflected in Japan's foreign policy strategy under the Abe administration. However, India and Japan continue to face some uncertainties over the nature of their engagement with the United States' vision of the FOIP. These uncertainties arise from lack of clarity over whether the FOIP would focus more on economic development or aim to develop into a security-oriented strategy for countering China; the FOIP's relation with the other prominent connectivity initiative in the region – China's Belt and Road Initiative (BRI); and whether the Trump Administration's foreign and trade policy emphasis on 'America First' would prevent the Indo-Pacific region from acquiring an inclusive character.

Drs Amitendu Palit and Shutaro Sano, Research Fellow at the Institute of South Asian Studies, and Professor at the National Defense Academy of Japan, respectively, explain that “From the perspectives of both India and Japan, the Free and Open Indo-Pacific should remain a development-focused initiative.”

For both India and Japan, it is important to assess the possibility of the FOIP encouraging strategic reorganization of the region for fostering a stronger security relationship among the so-called “Quad” of like-minded states (i.e. United States, Japan, India, and Australia) looking to contain China. The imperative arises from the prominence and progress of the BRI, whose cross-continental geography — including mega cross-border infrastructure projects — makes it capable of creating a global economic center of gravity in the Indo-Pacific. But BRI's geopolitics can be destabilizing for the region.

Notwithstanding downsides surrounding BRI such as high debt to China and alleged corruption in deals, many countries are unwilling to be perceived as taking sides between Beijing and Washington. Both participant and non-participant countries are wary of security initiatives in the region like the revival of the Australia-India-Japan-US Quadrilateral Strategic Dialogue. Also, expansion of membership of a grouping like the Shanghai Cooperation Organization (SCO) indicates a need to take evolving security conditions into account with respect to Central Asia, Afghanistan, and the BRI. Furthermore, the Trump administration has explicitly condemned China along with Russia as “revisionist powers,” and has recently sanctioned Beijing for its purchase of Russian-made Su-35S fighters and S-400 surface-to-air missile systems. But while the United States might have distinct incentives in making the FOIP a more security-oriented strategy including a hardline approach toward China, there are risks in doing so and competing with the BRI. Emphasizing a security-oriented framework and urging partners like India and Japan into more muscular posturing against China would force Beijing to further securitize BRI through efforts like militarizing commercial ports. From the perspectives of both India and Japan, the FOIP should remain a development-focused initiative and should also provide a vision for complementing ongoing connectivity projects like the Asia-Africa Growth Corridor (AAGC), the Bangladesh-China-India-Myanmar Economic Corridor (BCIM), the International North-South Transport Corridor (INSTC), and the Russia-led Eurasian Economic Union (EAEU).

The commercial salience of the FOIP for the United States is evident from President Trump's articulation of the notion - both in November 2017 and July 2018 – at major business forums both US-based and regional. Apart from committing strategic investments worth US\$113.5 million in infrastructure development, energy security, and digital connectivity, the United States is looking to work closely with Japan, India, Australia, and Mongolia in infrastructure development under the FOIP. But going by the experience of the BRI, top-down investment commitments are not sufficient for ensuring the credibility of the initiative. More and more countries are criticizing the BRI's purported motive of building a China-led global order by impairing strategic autonomy of investment-recipient countries and forcing some of them into debt traps. FOIP needs to avoid the legitimacy problems of the BRI. While doing so, it must also fashion ways of co-existing with the BRI.

India and Japan would also expect from the FOIP an economic vision for the Indo-Pacific region that is much broader than an agenda of disparate infrastructure engagement with a few countries. A free and open Indo-Pacific should aim for a 'free and open' economic geography by articulating an economic architecture. Without such a vision, there is the possibility of strategic investments by the United States being viewed largely as efforts to enhance greater access of American goods and services in the Indo-Pacific markets.

New Delhi and Tokyo have been working with Washington to promote regional infrastructure development through initiatives like the Trilateral Infrastructure Working Group set up in 2015 to identify possible collaborative efforts that can help strengthen regional connectivity. Bilaterally, India and Japan have launched the India-Japan Act East Forum and Tokyo and Washington have initiated the Strategic Energy Partnership. The four Quad countries - Australia, India, Japan, and the United States – are discussing a joint regional infrastructure project. The FOIP cannot grow in exclusion of these projects; that would leave New Delhi and Tokyo searching for rationale to stay committed to the FOIP.

FOIP's characterization as an anti-China project with limited economic vision and inclusivity will create challenges for India and Japan in remaining committed to the US efforts. Both countries are conscious about the importance of not committing themselves to any initiative that is construed as a distinct anti-China posturing. India has been particularly cautious in this regard, and has stayed away from the latest US-Japan-Australia infrastructure partnership and has not agreed to elevate the Quad talks to Secretary-level consultations. Specific bilateral issues such as US dissatisfaction over the trade imbalance with Japan and India, and the rising rejection of Indian H-1B applicants by the United States, might also affect India and Japan's involvement in the US-led aspects of FOIP. The different geopolitical approaches of the two countries to the region, such as Japan's enduring reliance on its alliance with the United States, and India's emphasis on the FOIP's inclusive character, will also be important determinants, as would the two countries' respective strategies towards China's BRI. Notwithstanding hesitations, India and Japan should actively consider contributing to FOIP as it provides the opportunity of enhancing both geopolitical and geo-economic cooperation through a regional connectivity agenda.

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