



LOWY INSTITUTE
FOR INTERNATIONAL POLICY



Australia India
Institute

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AUSTRALIA-INDIA ROUNDTABLE REPORT

Outcomes Statement and Summary Record of Proceedings



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Convened by the Lowy Institute for International Policy, Observer Research Foundation and Australia India Institute, with the support of the Public Diplomacy Division of the Indian Ministry of External Affairs and Australia-India Council, Department of Foreign Affairs and Trade. Report prepared by Rory Medcalf and Danielle Rajendram, Lowy Institute.

Introduction

The relationship between Australia and India has reached a new maturity: that was key theme of a major bilateral dialogue convened in early 2014 and reported on in these pages.

In fact the 2014 Australia-India Roundtable itself turned out to be a reflection of the new depth and breadth of the relationship. It spanned four days of dialogue and high-level meetings, from Sydney to Canberra to Melbourne, and involved more than 60 expert and experienced participants from diplomacy, government, academia, business and the media.

The agenda was likewise wide in scope, covering foreign policy, strategy, economics, global governance, science and technology, education, media perceptions and ‘people-to-people’ relations – the important societal level of diplomacy.

First held in 2008, the roundtable has grown to be an institution in Australia-India ties. It involves substantial input from five entities.

Three are the convening partners: the Lowy Institute for International Policy and the Australia India Institute, on the Australian side, and the Observer Research Foundation on the Indian side. Direct funding support is provided by the two governments through the Australia-India Council of the Department of Foreign Affairs and Trade and the Public Diplomacy Division of the Indian Ministry of External Affairs.

A strength of the roundtable is that it is what is known by diplomats as a ‘1.5 track’ dialogue: it involves a mix of official and non-government participants, with the non-government participants leading the discussion. The point is to generate original thinking and candidly assess challenges, choices and avenues for cooperation. Accordingly, the following pages should not be taken to represent the official views of either government.

Instead, this report presents a distillation of ideas and observations intended to help leading decision-makers in both

countries to make the most of the opportunities ahead. The intended audience is not only government – in Canberra, New Delhi and at state level – but also leaders in business and education. With the prospect of Prime Ministerial visits in both directions in the second half of 2014, there has never been a better moment to take Australia-India relations to a new level.

Rory Medcalf

Founding convener and
Australian Co-Chair
Australia-India Roundtable



Outcomes Statement

THE 2014 AUSTRALIA-INDIA ROUNDTABLE

Relations between India and Australia have reached a new maturity, based on deepening connections between their societies, economies, education sectors and policy establishments. This positions these two democracies well to work together to advance their interests in a shared Indo-Pacific region.

This was among key conclusions reached by participants at the Australia-India Roundtable, the leading informal dialogue between the two countries, when it met in Sydney and Melbourne from 3-6 February 2014.

The closed-door discussions involved a candid exchange of insights to produce a range of creative policy ideas for political leaders and officials to consider and pursue.

Priorities identified during the discussions included the need to:

- Federalise the bilateral relationship, encouraging dynamic states and cities in both countries to connect more with each other;
- Renew the Australia-India Strategic Research Fund, through which both governments have supported scientific innovation of long-term economic benefit;
- Build industry and research links so that Indian business can commercialise and scale-up research from Australian universities;

- Improve business and regulatory environments to enable cross-investments by the private sectors in the two countries, including in the entire energy chain;
- Become more ambitious in strengthening defence ties, including through advanced naval exercises, shared maritime surveillance, research in areas of mutual strategic interest and potential cooperation in advanced areas of defence technology;
- Cooperate on issues of cybersecurity and internet governance, and establish deeper institutional interactions in this sphere;
- Work closely together in forums like the G20, East Asia Summit, Indian Ocean Rim Association and Indian Ocean Naval Symposium;
- Foster champions for the bilateral relationship among leaders and opinion-makers in both countries, as well as encouraging the further growth of people-people relations;
- Foster strategic collaboration across research, learning and teaching, student and staff mobility between Australia's leading research intensive universities (Group of 8) and a select grouping of India's best universities;
- Work towards a bilateral visit to Australia by the next Indian

Prime Minister at the time of the Brisbane G20 summit in November 2014.

More than 60 prominent figures from diplomacy, think tanks, higher education, politics, business and media took part in the dialogue, held at the Lowy Institute for International Policy in Sydney and the Australia India Institute in both Melbourne and Sydney, in partnership with Indian think tank the Observer Research Foundation.

The Indian delegation interacted with the Minister for Trade and Investment, Mr Andrew Robb MP, the Minister for Defence, Senator David Johnston, and the Premier of New South Wales, Mr Barry O'Farrell MP. Mr Robb delivered the keynote address, focusing on prospects to advance trade and investment ties, which have great potential to grow further. The delegation also met with Opposition Senator Lisa Singh, recent recipient of the Indian Government's Pravasi Bharatiya Samman award, former Foreign Minister Gareth Evans, the Prime Minister's Parliamentary Secretary Mr Josh Frydenberg MP and NSW parliamentarian Mr Matt Kean MP.

Indian delegates held policy discussions with senior government officials in Canberra, including the Secretary of the Department of Foreign Affairs and Trade, Mr Peter Varghese, and with the Prime

Minister's office. The delegation also met with senior scientific researchers at the University of New South Wales and visited its research facilities in sustainable energy technologies. The delegation visited the Australian War Memorial, in recognition of the shared military history of the two countries in this centenary year of the start of the First World War.

The Roundtable – an innovative composite dialogue involving both government and non-government participants – is the most substantial and high-level exchange of its kind held so far between Australia and India.

The Roundtable is supported by the two governments through the Australia-India Council of the Australian Department of Foreign Affairs and Trade and the Public Diplomacy Division of the Indian Ministry of External Affairs.

Issues discussed included:

- A stocktake of Australia-India relations, which have now moved well beyond a challenging phase;
- An overview of strategic challenges in the Indo-Pacific region and globally;
- A global economic overview looking at potential implications for Australia-India economic relations;
- Prospects for cooperation in



multilateral forums such as the G20;

- Prospects for cooperation in science and technology;
- Prospects for partnership in education and knowledge, including through the New Colombo Plan – which will involve sending young Australians to study in Asia – and through the development of models for Australian vocational skills training in India;
- Developing stronger business links, including a better understanding of the commercial opportunities on offer in the two countries;
- Management of the strategic challenges arising from the Afghanistan transition;
- Multilateral cooperation in the Indian Ocean;

- Opportunities and challenges in people-to-people relations and mutual perceptions, including the role of the 450,000+ Indian-Australians, now Australia's fastest growing migrant community.

The Indian delegation was led by Anil Wadhwa, Secretary (East), Ministry of External Affairs, and also included: Sanjay Bhattacharyya, Joint Secretary (South), Ministry of External Affairs; His Excellency Biren Nanda, Indian High Commissioner to Australia; Samir Saran, Vice President, Observer Research Foundation; Dr C Raja Mohan (Indian Co-Chair), Distinguished Fellow, Observer Research Foundation and Nonresident Fellow, Lowy Institute; Dr Rajiv Kumar, Senior Fellow, Centre for Policy Research; Professor Rakesh Basant, Senior Fellow, Observer

Research Foundation and Director, Indian Institute of Management, Ahmedabad; Dr Rajeswari Rajagopalan, Senior Fellow, Observer Research Foundation; and Ashok Malik, Australia India Institute-ORF Chair for Indo-Pacific Studies.

Australian participants included: John McCarthy AO, Chairman, Australia-India Council, Department of Foreign Affairs and Trade; Ric Smith AO PSM, Nonresident Fellow, Lowy Institute and former Secretary of Defence; Rory Medcalf (Australian Co-Chair), Director, International Security Program Lowy Institute and Associate Director Australia India Institute; Professor Amitabh Mattoo, Director, Australia India Institute; Dr Michael Fullilove, Executive Director, Lowy Institute; Rear Admiral (Retd.) James Goldrick AO, Nonresident Fellow, Lowy Institute; Paul Robilliard, First Assistant Secretary, South and West Asia Division, Department of Foreign Affairs and Trade; Michael Shoebridge, First Assistant Secretary, Department of Defence; Bernard Philip, Deputy High Commissioner, Australian High Commission New Delhi; Bryce Hutchesson, Assistant Secretary, South Asia Branch, Department of Foreign Affairs and Trade; Jennie Lang, Vice-President, Advancement, University of New South Wales; Peta Seaton, Office of

the NSW Premier, Government of New South Wales; Professor Arun Sharma, Deputy Vice-Chancellor (Research), Queensland University of Technology; Professor Mark Hoffman, Pro Vice-Chancellor (Research), University of New South Wales; Dipen Rughani, Chair, Australia India Business Council; Ruchir Punjabi, Chair, Australia India Youth Dialogue; Neville Roach AO; Mark Thirlwell, Chief Economist, Austrade; Mike Callaghan AM, Director, G20 Studies Centre, Lowy Institute; Susan Elliott, Deputy Vice-Chancellor (Engagement), University of Melbourne; Professor William Maley AM, Director, Asia-Pacific College of Diplomacy, Australian National University; Melissa Conley-Tyler, National Executive Director, Australian Institute of International Affairs; Greg Sheridan, Foreign Editor, *The Australian*; and Matt Wade, Senior Journalist, *Sydney Morning Herald*.

The convening organisations agreed to build on the momentum of the dialogue and hold the next meeting of the Australia-India Roundtable in India within 12 months.

Rory Medcalf
Australian Co-Chair

C. Raja Mohan
Indian Co-Chair

Roundtable Partners and Supporters

LOWY INSTITUTE
FOR INTERNATIONAL POLICY



THE LOWY INSTITUTE FOR INTERNATIONAL POLICY

The Lowy Institute for International Policy is an independent international policy think tank based in Sydney. Its objective is to generate new ideas and dialogue on international developments and Australia's role in the world. Its mandate is broad. It ranges across all the dimensions of international policy debate – economic, political and strategic – and it is not limited to a particular geographic region. The Institute conducts rigorous policy-relevant research and seeks to contribute to the wider international debate. The Institute is non-partisan and is home to a range of fresh policy ideas. Its staff and fellows speak with individual voices.

The rise of India has been a major preoccupation for the Lowy Institute since the think tank's establishment in 2003. The Institute's first major research paper was titled *India: The Next Economic Giant*. Subsequent Lowy publications and events have related to Australia-India relations, India-China relations, the emergence of an Indo-Pacific strategic order, Indian naval modernisation, nuclear issues, uranium exports, Indian students in Australia, and the role of civil society, media and business in shaping Indian foreign policy. The Institute's policy recommendations have had a bearing on issues ranging from Australia-India relations to India's

efforts to join non-proliferation export control regimes. The Lowy Institute's work on India includes an active program of events, notably the Australia-India Roundtable. In 2013 the Institute released one of the most comprehensive opinion polls ever conducted on Indian attitudes to foreign policy, in partnership with the Australia India Institute. The poll was launched in India with the assistance of the Observer Research Foundation and continues to be widely cited in the international media.

The Lowy Institute's International Security Program, which oversees the Institute's India-related work, is focused on the changing strategic dynamics within Indo-Pacific Asia and how they affect Australian interests. Its major areas of research include the rise of India and China, maritime security, Australian defence and strategic policy, the future of nuclear weapons in Asia, and the development of an Indo-Pacific concept of Australia's strategic environment. The program's funding partners include the MacArthur Foundation, the Nuclear Threat Initiative, the Australia-India Council, the Australia India Institute and corporate and government sponsors. The program has also conducted commissioned projects for government clients in Australia and internationally.

THE AUSTRALIA INDIA INSTITUTE

The Australia India Institute (AII) is a leading centre for the study of India. Through its teaching, research, public policy and outreach programs, it is building Australia's capacity to understand India. AII is also a hub for dialogue, research and partnerships between India and Australia. Based at the University of Melbourne, the Institute hosts a growing range of programs that are deepening and enriching the relationship between the two countries.

The University of Melbourne established the Australia India Institute in October 2008. In 2009, funding for the Institute was provided by the Australian Government Department of Education, Employment and Workplace Relations. Both the University of New South Wales and La Trobe University were also founding partners. In 2012 the Department of Industry, Innovation, Science, Research and Tertiary Education and the State Government of Victoria provided additional core funding. The Ministry of Culture, Government of India, is funding a Tagore Centre for Global Thought at AII – one of three Centres globally that are being funded by the Government of India. AII also hosts a Chair in Indian Studies, funded by the State Government of Victoria and

the University of Melbourne and a Visiting Chair in Indian Studies sponsored by the Indian Council for Cultural Relations.

THE OBSERVER RESEARCH FOUNDATION

The Observer Research Foundation was established as a private, not for profit, think tank to influence public policy formulation. The Foundation brought together, for the first time, leading Indian economists and policymakers to present an agenda for economic reforms in India. The idea was to help develop a consensus in favour of economic reforms in the early 90s. Since then ORF scholars have made significant contributions toward improving government policies.

ORF research projects have resulted in immediate and tangible impact on economic and strategic policies of the country. Today, ORF is known among policy makers, both in India and abroad, as a place pulsating with fresh promises and ideas. Ideas are what shape public policy think tanks. Ideas are an expression of unfettered curiosity and an urge to explore ways and means to find solutions to vexed issues that affect us. At ORF, ideas are reflected in the projects and programmes that are undertaken by various institutes and programmes. Young researchers are encouraged to take up challenges of organising and leading projects which, in the

years to come, would be symbols of pride for the Foundation.

The Foundation's activities can be neatly divided into two categories: Projects and Events. Both are an intrinsic part of the Foundation's objective in shaping and influencing public opinion and creating viable, alternative policy options in areas as divergent as employment generation in backward districts and real-time strategies to counter nuclear, biological and chemical threats.

THE AUSTRALIA-INDIA COUNCIL, DEPARTMENT OF FOREIGN AFFAIRS AND TRADE, AUSTRALIA

The Australia-India Council (AIC) was established on 21 May 1992, in response to a recommendation by the Senate Standing Committee on Foreign Affairs, Defence and Trade, following an inquiry into Australia's relations with India. The Council's purpose is to broaden the relationship between Australia and India by encouraging and supporting contacts and increasing levels of knowledge and understanding between the peoples and institutions of the two countries.

The Council initiates or supports a range of activities designed to promote a greater awareness of Australia in India and a greater awareness of India in Australia, including visits and exchanges

between the two countries, development of institutional links, and support of studies in each country of the other. The Council offers support, in the form of funding, for projects likely to contribute to the development of the relationship, within the context of AIC objectives and guidelines.

By initiating and supporting a range of activities that have put it on the map, the Council has played a recognised and respected role in promoting the relationship between Australia and India. It has informed and educated Australians about India, and it has informed persons interested in the bilateral relationship about the way it is developing. It has furthered the Government's foreign policy and trade objectives and added value to Australia-India relations.

THE PUBLIC DIPLOMACY DIVISION OF THE MINISTRY OF EXTERNAL AFFAIRS, INDIA

The Public Diplomacy Division of India's Ministry of External Affairs works towards creating a better understanding of India and India's position on foreign policy issues. Towards this end, it produces documentary films and publications and uses digital tools to explain the diverse facets of India. It publishes the India Perspective monthly magazine in 17 languages and distributes it in 160 countries

around the globe. It partners with major domestic and international universities, think tanks and research organisations to organise seminars and conferences on subjects that are relevant to India's concerns, hosts delegations from various countries and organisations to provide them with a broad-based exposure to India and organise lectures and other events within India with the objective of fostering a more informed discourse on India's foreign policy. A key area of focus of Public Diplomacy Division is to develop effective Web 2.0 strategies and utilise a full range of social media tools such as Facebook, YouTube and Twitter with the 'Indian Diplomacy' tag to engage with diverse communities across the globe.

Program and Agenda

MONDAY, 3 FEBRUARY – SYDNEY

VENUE: LOWY INSTITUTE FOR
INTERNATIONAL POLICY

8.30am – 9.00am	Registration, arrival tea and coffee	
9.00am – 9.30am	Welcome and introduction	<ul style="list-style-type: none"> • Dr Michael Fullilove, Executive Director, Lowy Institute for International Policy • Amb. Anil Wadhwa, Secretary (East), Ministry of External Affairs, India • Paul Robilliard, First Assistant Secretary, South and West Asia and Middle East Division, Department of Foreign Affairs and Trade • HE Mr Biren Nanda, High Commissioner, Indian High Commission, Canberra
9.30am – 10.30am	Australia-India relations: State of play	<p>Chair: Dr C Raja Mohan</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Bernard Philip, Deputy High Commissioner, Australian High Commission, New Delhi • Sanjay Bhattacharyya, Joint Secretary (South), Ministry of External Affairs, India <p>Discussion</p>
10.30am – 11.00am	Morning tea	
11.00am – 12.30pm	Indo-Pacific strategic overview and implications for Australia and India	<p>Chair: Rory Medcalf</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Dr C Raja Mohan, Distinguished Fellow, Observer Research Foundation, Nonresident Fellow, Lowy Institute for International Policy • Greg Sheridan, Foreign Editor, <i>The Australian</i> <p>Discussion</p>
12.30pm – 1.30pm	Lunch	

<p>1.30pm – 3.00pm</p>	<p>Global economic overview and implications for Australia-India economic relations</p>	<p>Chair: Rory Medcalf Informal remarks:</p> <ul style="list-style-type: none"> • Mark Thirlwell, Chief Economist, Austrade • Dr Rajiv Kumar, Senior Fellow, Centre For Policy Research <p>Discussion</p>
<p>3.00pm – 3.30pm</p>	<p>Afternoon tea</p>	
<p>3.30pm – 5.00pm</p>	<p>Prospects for cooperation in multilateral forums including G20</p>	<p>Chair: Dr C Raja Mohan Informal remarks:</p> <ul style="list-style-type: none"> • Samir Saran, Senior Fellow & Vice President, Observer Research Foundation • Mike Callaghan AM, Director, G20 Studies Centre, Lowy Institute for International Policy <p>Discussion</p>
<p>6.30pm – 9.00pm</p>	<p>Reception and dinner Drinks reception: 18h30 – 19h00, Dinner: 19h00 – 21h30</p>	<p>Host: The Lowy Institute for International Policy Keynote Speaker: Ric Smith AO PSM, Nonresident Fellow, Lowy Institute for International Policy</p>

Program and Agenda

TUESDAY, 4 FEBRUARY – SYDNEY

VENUE: UNIVERSITY OF NEW SOUTH WALES
(AUSTRALIA INDIA INSTITUTE NODE),
KENSINGTON CAMPUS

9.15am – 9.30am	Welcome and introduction	
9.30am – 11.00am	Prospects for cooperation in science and technology	<p>Chair: Professor Mark Hoffman, Pro Vice-Chancellor Research, University of New South Wales</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Professor Vassilios Agelidis, Director, Australian Energy Research Institute, University of New South Wales • Professor Andrew Dempster, Director, Australian Centre for Space Engineering Research, University of New South Wales • John Fletcher, Professor, Energy Systems Research Group and Professor in charge of Nuclear Engineering Program, University of New South Wales • Dr Rajeswari Rajagopalan, Senior Fellow, Observer Research Foundation • Dr Rakesh Basant, Senior Fellow, Observer Research Foundation <p>Discussion</p>
11.00am – 12.00am	Tour of the Tyree Energy Technologies Building	
1.15am – 2.45pm	Lunch with The Hon. Mr Barry O’Farrell MP, Premier of NSW	
7.30pm	Dinner for Indian delegation	<p>Host: Biren Nanda, Indian High Commissioner to Australia</p> <p>Venue: India House, Red Hill, Canberra</p>

Program and Agenda

WEDNESDAY, 5 FEBRUARY – CANBERRA

9.30am – 11.00am	Roundtable with Office of National Assessments	Chair: Mike Hillman, Consultant on South Asia, Office of National Assessments Venue: Office of National Assessments
10.00am – 10.30am	Senior Indian delegates call on Prime Minister’s Office	Venue: Australian Parliament House
11.15am – 12.00am	Indian delegation meeting with senior officials, Department of Foreign Affairs and Trade	Venue: DFAT, R G Casey Building
12.00am – 1.30pm	Lunch with senior officials from Australian Government departments and agencies, hosted by Department of Foreign Affairs and Trade	Host: Peter Varghese, Secretary, Department of Foreign Affairs and Trade Venue: DFAT, R G Casey Building
2.00pm – 2.30pm	Indian delegation meeting with senior officials, Department of Foreign Affairs and Trade	Venue: DFAT, R G Casey Building
3.00pm – 4.00pm	Visit to Australian War Memorial	Venue: Treloar Crescent, Campbell
5.00pm – 5.30pm	Indian delegation meeting with Senator David Johnston, Minister for Defence	Venue: Australian Parliament House

Program and Agenda

THURSDAY, 6 FEBRUARY – MELBOURNE

VENUE: AUSTRALIA INDIA INSTITUTE,
UNIVERSITY OF MELBOURNE

8.45am – 9.15am	Arrival tea and coffee	
9.00am – 9.30am	Introduction and welcome address	Professor Amitabh Mattoo, Director, Australia India Institute, University of Melbourne
9.30am – 11.00am	Prospects for partnership in education and knowledge	<p>Chair: Rory Medcalf</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Professor Susan Elliott, Deputy Vice-Chancellor (Engagement), University of Melbourne • Dr Rakesh Basant, Senior Fellow, Observer Research Foundation <p>Discussion</p>
11.00am – 11.15am	Morning tea	
11.15am – 12.30pm	Managing strategic challenges: Afghanistan beyond the transition	<p>Chair: Dr C Raja Mohan</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Professor William Maley, Director, Asia-Pacific College of Diplomacy, Australian National University • Ashok Malik, ORF-AII Chair <p>Discussion</p>
12.30pm – 1.30pm	Lunch	<p>Speaker: The Hon. Andrew Robb MP AO, Minister for Trade and Investment, Federal Member for Goldstein</p>

1.30pm – 3.00pm	Indian Ocean cooperation, including IONS and IORA	<p>Chair: Rory Medcalf</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Dr C Raja Mohan, Distinguished Fellow, Observer Research Foundation, Nonresident Fellow, Lowy Institute for International Policy • Rear Admiral (Retd.) James Goldrick AO, Nonresident Fellow, Lowy Institute for International Policy <p>Discussion</p>
3.00pm – 3.15pm	Afternoon tea	
3.15pm – 4.45pm	People-to-people relations: Opportunities and challenges	<p>Chair: Rory Medcalf</p> <p>Informal remarks:</p> <ul style="list-style-type: none"> • Senator The Hon. Lisa Singh, Senator for Tasmania and Shadow Parliamentary Secretary to the Shadow Attorney General • Ashok Malik, ORF-AII Chair <p>Discussion</p>
4.45pm – 5.00pm	Closing remarks – outcomes and next steps	
7.00pm	Dinner	Host: The Australia India Institute

Roundtable Participants

Professor Vassilios Agelidis, Director, Australian Energy Research Institute, University of New South Wales

Dr Rakesh Basant, Senior Fellow, Observer Research Foundation

Mr Sanjay Bhattacharyya, Joint Secretary (South), Southern Division, Ministry of External Affairs, Government of India

Dr David Brewster, Visiting Fellow, College of Asia and the Pacific, The Australian National University

Mr James Brown, Military Fellow, Lowy Institute for International Policy

Mr Mike Callaghan AM PSM, Program Director, G20 Studies Centre, Lowy Institute for International Policy

Ms Natasha Chaku, Reporter, The Press Trust of India

Ms Melissa Conley Tyler, National Executive Director, Australian Institute of International Affairs

Professor Anthony D'Costa, Chair, Contemporary Indian Studies, The University of Melbourne

Professor Andrew Dempster, Director, Australian Centre for Space Engineering Research, University of New South Wales

Fiona Docherty, Pro-Vice Chancellor International, University of New South Wales

Professor Susan Elliott, Deputy Vice-Chancellor, Engagement, The University of Melbourne

Professor the Hon. Gareth Evans AC QC, Chancellor, The Australian National University

Dr Tobias Feakin, Senior Analyst, Australian Strategic Policy Institute (ASPI)

John Fletcher, Professor, Energy Systems Research Group and Professor in charge of Nuclear Engineering Program, University of New South Wales

Mr Dan Flitton, Senior Political Correspondent, *The Age*

Ms Julia Fraser, Director, Leadership & Community Programs, Asialink

Mr Josh Frydenberg MP, Parliamentary Secretary to the Prime Minister, House of Representatives, Member for Kooyong, Parliament of Australia

Dr Michael Fullilove, Executive Director, Lowy Institute for International Policy

Mr Arun Kumar Goel, Consul General, Consulate General of India, Sydney

Rear Admiral James Goldrick AO, Nonresident Fellow, Lowy Institute for International Policy

Dr Jim Hagan, Deputy Director-General, Office of National Assessments

Mr Michael Hillman, Consultant on South Asia, Office of National Assessments

Professor Mark Hoffman, Pro-Vice Chancellor, Research, University of New South Wales

Mr Bryce Hutchesson, Assistant Secretary, South Asia Branch, Department of Foreign Affairs and Trade

Ms Manika Jain, Consul General, Consulate General of India, Melbourne

Mr Chris Kremmer, Senior Lecturer and Fellow, The University of Melbourne

Dr Rajiv Kumar, Senior Fellow, Centre for Policy Research

Ms Jennie Lang, Vice-President, Advancement, The University of New South Wales

Dr John Lee, Michael Hintze Fellow for Energy Security & Adjunct A/Professor, Centre for International Security Studies / School of Social and Political Sciences, The University of Sydney

Professor William Maley AM, Director, Asia-Pacific College of Diplomacy, Australian National University

Mr Ashok Malik, Chair for Indo-Pacific Studies, Australia India Institute, Observer Research Foundation

Professor Amitabh Mattoo,
Director, Australia India Institute,
The University of Melbourne

Mr John McCarthy AO,
Chairman, Australia-India Council,
Department of Foreign Affairs
and Trade

Mr Rory Medcalf, Director,
International Security Program,
Lowy Institute for International
Policy, Associate Director, Australia
India Institute, UNSW, *Australian
Chair, Australia-India Roundtable*

Dr C Raja Mohan, Distinguished
Fellow, Observer Research
Foundation, Nonresident Fellow,
Lowy Institute for International
Policy, *Indian Chair, Australia-India
Roundtable*

H.E. Mr Biren Nanda, High
Commissioner, High Commission
of India, Canberra

Mr Robert Owen-Jones, Assistant
Secretary, G20 and International
Economy Branch, Department of
Foreign Affairs and Trade

Mr Bernard Philip, Deputy High
Commissioner, Australian High
Commission, New Delhi

Mr Peter Polson, Chair, IDP
Education Australia

Mr Ruchir Pubjabi, Chair,
Australia India Youth Dialogue

Dr Rajeswari Rajagopalan,
Senior Fellow, Observer Research
Foundation

Ms Danielle Rajendram, Research
Associate, International Security
Program, Lowy Institute for
International Policy

Professor Fazal Rizvi, Professor
of Education, The University of
Melbourne

Mr Neville Roach AO,
Chairman Emeritus, Australia India
Business Council

Mr Paul Robilliard, First Assistant
Secretary, South and West Asia and
Middle East Division, Department
of Foreign Affairs and Trade

Mr Dipen Rughani, President,
Australia India Business Council

Professor Veena Sahajwalla,
Director of the Centre for
Sustainable Materials Research
and Technology, University of New
South Wales

Mr Samir Saran, Senior Fellow
& Vice President, Observer
Research Foundation

Dr Peta Seaton, Office of the
NSW Premier, Government of
New South Wales

Professor Arun Sharma, Deputy
Vice Chancellor, Queensland
University of Technology

Mr Greg Sheridan, Foreign Editor,
The Australian

Mr Michael Shoebridge,
First Assistant Secretary Strategic
Policy, Strategic Policy Division,
Department of Defence

Senator The Hon. Lisa Singh,
Shadow Parliamentary Secretary
to the Shadow Attorney General,
Senate, Parliament of Australia

Mr Richard Smith AO PSM,
Nonresident Fellow, Lowy Institute
for International Policy

Professor Tam Sridhar AO, Dean,
Faculty of Engineering, Monash
University

Mr Mark Thirlwell,
Chief Economist, Austrade

Mr Matt Wade, Senior Journalist,
Sydney Morning Herald

Amb. Anil Wadhwa,
Secretary-East, Ministry of External
Affairs, Government of India

Mr Mike Wilkins, Managing
Director and Chief Executive
Officer, Insurance Australia Group

Summary Record of Proceedings*



* IMPORTANT NOTE: This report contains a summary of key issues and ideas from the 2014 Australia-India Roundtable. Discussions were held under the Chatham House Rule. Accordingly, this document touches on key points and arguments raised by participants in the course of free-flowing discussion, but does not attribute points to individuals. It is intended to give a sense of the scope of the meeting and serve as a reservoir of ideas for future policy work on the Australia-India relationship. It should not be construed as a complete or verbatim record or as a consensus document.

Session 1

AUSTRALIA-INDIA RELATIONS: STATE OF PLAY

Introductory remarks by senior officials from both countries highlighted the achievements in the bilateral relationship, following some challenging times, and the priorities and opportunities ahead. It was recognised that the relationship now had strong bipartisan support in both countries, which would ensure continuity beyond the 2014 Indian elections. Australia and India were increasing trust across four broad areas: politics and diplomacy; economics; knowledge and people-to-people links; and security and defence.

The following areas were emphasised as priorities. Energy and minerals were an important component of the relationship, as was cooperation in the knowledge sector. Indian access to minerals including uranium was a serious objective. Low cost vocational training also provided opportunities for deepening the relationship. The defence and security relationship, and collaboration in regional forums, especially in the Indian Ocean, was also worth focused attention on both sides.

There had been good progress towards finalising new bilateral agreements, notably on nuclear safeguards and social security. While progress had been somewhat slower on a bilateral comprehensive economic agreement, there was

a maturing economic dialogue between lead agencies on both sides. While overall two-way trade was slightly down, and there was some disappointment noted on that score, there were areas of positive economic news. For instance, environmental approvals for Indian mining projects in Queensland and the re-entry of Australian lamb into the Indian market were notable developments. Still, there was a need on both sides to work towards long-term improvements to market access.

Security cooperation was advancing well. A 1.5 track Australia-India-Indonesia trilateral dialogue had commenced, and the Indian Defence Minister's visit to Perth in 2013 had resulted in a commitment to conduct bilateral naval exercises from 2015. There were more regular consultations between Australia and India through multilateral forums such as the UN Security Council, East Asia Summit, G20 and Indian Ocean Rim Association. There was also welcome interest in closer intelligence cooperation.

People-to-people links, including through migration, business, education and tourism were highlighted. The commencement of Air India direct flights to Australia was a positive step. People of Indian origin were making a major contribution to Australian society. Notably, 12 Australians



of Indian origin had stood in the federal elections in 2013. The Australia-India migration relationship was profound: India was now the largest source of skilled migrants in Australia, and Hinduism Australia's fastest-growing religion.

In sum, the prospects for Australia-India relations in 2014 and beyond were strong. The Indian Prime Minister was expected to visit Australia for the G20 in 2014, and the Australian Prime Minister was likely to visit India before then.

Session 2

INDO-PACIFIC STRATEGIC OVERVIEW AND IMPLICATIONS FOR AUSTRALIA AND INDIA



The discussion was couched primarily in terms of major-power relations in Indo-Pacific Asia, but also with reference to global power dynamics. There was a focus on the roles and actions of China, Japan and the United States, and how India, Australia and others might manage change.

Many participants agreed that the Indo-Pacific regional order was rightly multipolar, that Australia and India were two points of stability, and that a strong India was good for the regional balance. Some participants spoke of the prospect of India becoming a more engaged security and diplomatic player in East Asia and the western Pacific.

Some participants observed that a major recent strategic development was growing Japanese concern about the rise of China. It was noted that an easing of constraints

on defence posture in Japan should not be treated as some kind of aberration under Prime Minister Abe. Rather, it had been a continuous theme over much of the last decade.

Participants discussed how real and durable the US rebalance to Asia could be in light of ongoing trouble in the Middle East and elsewhere. On balance, most participants considered the pivot should be treated as real, but allies and partners would need to stay closely engaged to ensure US attention did not waver.

Part of the discussion of China touched on whether Beijing's assertiveness at sea was being centrally directed or involved security actors, such as the PLA or civilian agencies, taking their own initiative. Discussion also touched on to what extent Chinese international assertiveness was driven by concerns about domestic nationalism and social unrest.

Questions were asked about how slowing economic growth in India in 2012 and 2013 had affected India's geopolitical influence. It was argued that India's future success economically would be important both for its strategic weight and the prestige of democracy globally, and that India's policy directions following the 2014 election would therefore bear watching.

Several participants discussed

whether Australia, India and other regional powers could benefit from new 'minilateral' kinds of security cooperation, including in maritime surveillance. The deepening of Indian and Australian security ties with third countries was discussed, in terms both of potential and of limits. For India, an important policy challenge would be how to create a set of security partnerships flexible enough to advance its interests. In this regard, more regional dialogue and cooperation between India and a range of regional militaries, notably those of Australia, Japan and Indonesia, would be useful.

Several participants queried the effectiveness of Chinese security diplomacy in light of the pushback by some regional countries, notably Japan, Vietnam and the Philippines, against maritime assertiveness.

It was noted that, while US extended deterrence was considered vital for a number of US allies in Asia, this needed to be signalled in a way that was both credible to the allies and stabilising in relations with China. Regarding US-China relations more broadly, while there was a strong range of dialogue mechanisms between the US and China, concerns were expressed by some participants about how tensions might be managed in a crisis, and whether the second Obama Administration was as

focused on Asian security as had been the first.

Participants commented also on the potential for individual leaders to influence the Asian strategic environment: the role of human agency and leadership decisions could matter as much as purely structural forces.



Session 3

GLOBAL ECONOMIC OVERVIEW AND IMPLICATIONS FOR AUSTRALIA-INDIA ECONOMIC RELATIONS



It was recognised that both India and Australia were grappling with the risks and opportunities of new economic circumstances. As one participant put it, the gradual recovery in the pace of economic growth had meant that the global economy was now in a ‘post-post-crisis’ environment. The change in global monetary conditions was shifting the relative attractiveness of both countries and creating pressures on the settings of monetary and exchange rate policy.

Building resilience in national economies over the next one or two years would be crucial. Both the Indian and Australian economies were searching for a new growth model, or at least new growth drivers. The future trajectory of global trade and capital flows was a pressing issue for both economies.

One participant, anticipating a change of government in India’s 2014 elections, suggested that a BJP-led government would be more supportive of the private sector. A Modi government also would likely try to coordinate foreign policy with India’s economic interests. So while there might be renewed focus on South Asia, the settings of a Look East policy would remain in place and be further developed. Australia should play a bigger role in all South Asian economies, not only in India.

Several participants emphasised the need to accelerate the shift in the Australia-India economic relationship beyond commodity trade. The role of state governments in both countries in encouraging more textured trade and investment ties was also stressed. The Australia-India economic relationship needed to be federalised. There was also wide agreement on the need to continue to improve business and regulatory environments in both countries, to enable cross-investments by the private sectors in the two countries, including in energy.

Some of the problems in the economic relationship reflected global rather than bilateral trends. Australian business typically saw India both as a market of opportunity and a tough market to get into. Australia and India

each had to be realistic about how much trade liberalisation they could seek to achieve with one another. Regarding the negotiation of a bilateral free trade or ‘comprehensive economic partnership’ agreement, it was noted that governments would need to manage expectations about whether such an agreement could reflect similar outcomes to the agreements Australia was concluding with Japan and South Korea. There was no value in rushing an agreement for the sake of it, some participants noted.

Even so, other participants noted, strong opportunities lay ahead for deepening the bilateral energy relationship. India was investing in Australian thermal coal partly for long-term energy security, and could eventually take an interest in Australian coking coal. The potential for Australian LNG exports to India was also identified. Some participants argued against too much emphasis on fossil fuels, and called for the governments to encourage research partnerships in solar energy.

Session 4

PROSPECTS FOR COOPERATION IN MULTILATERAL FORUMS INCLUDING G20

There was a strong sense of agreement that both Australia and India had a particular interest in the success and credibility of the G20, which Australia would host at summit level this year in Brisbane. The existence and composition of the G20 reflected changes in the global economic and political landscape. It was small enough to be effective yet large enough to be representative. It had the potential to help lift the voice of Asia, broadly defined, in global economic management, even though it emerged in response to a principally US and European economic crisis. Yet it could not be quarantined from the wider challenges facing multilateralism. So the Brisbane meeting would need to be focused and convened with realistic expectations.

One participant outlined India's interests and priorities in multilateralism more broadly, including seeking common positions with others on emerging issues like internet governance and cyber security. India and Australia could have fruitful conversations here, as both were middle powers in this field. Internet governance would be a critical issue for India in future, given it would have the largest internet user base in the democratic world: how could it sustain that while minimising security vulnerabilities?

Bodies like the G20 needed to catch up or keep pace with rapid shifts in the global economy such as shifting value-chains and the fast-changing shape of the digital economy, even in the absence of strong domestic constituencies for multilateral cooperation.

It was suggested that India might also see the G20 as a useful vehicle for addressing such issues as volatility in financial flows and commodity pricing, as well as encouraging other countries to understand its position on climate change. Infrastructure, skilling, employment, cyber governance, tax evasion and money laundering were identified as concerns shared by India, Australia and other countries. Several participants also emphasised the importance of integrating China – including its big banks and fiscal stewards – in multilateral frameworks to help manage and anticipate future global economic shocks.

Several participants observed that part of the value of the Brisbane summit would simply be in ensuring that leaders had space to discuss the issues that mattered to them, including with regard to global geopolitics.

Turning to the East Asia Summit, it was argued that this forum was quite some way from delivering its full potential, while at the same time it had a logical Indo-Pacific



membership and footprint, in step with emerging strategic and economic realities. There were accordingly good opportunities for India and Australia to work together in ensuring that this forum developed a practical agenda, including on regional security and the adherence to a rules-based order.

Special Session

PROSPECTS FOR COOPERATION IN SCIENCE AND TECHNOLOGY

AT THE UNIVERSITY OF NEW SOUTH WALES

After the first full day of talks at the Lowy Institute, the Indian delegation spent a morning visiting the University of New South Wales (also known as UNSW Australia) for talks with research leaders on areas of potential collaboration between Australia and India.

The discussion was chaired by Professor Mark Hoffman, Pro-Vice Chancellor, Research and addressed also by Fiona Docherty, Pro-Vice Chancellor International.

The focus was on cooperation in science and technology, and participants in the discussion were unanimous in emphasising the value and impact of the Australia-India Strategic Research Fund, supported by the two governments. In addition to revealing strong potential for industry and research links, the visit tangibly reinforced the value of that fund, which had so far funded 15 UNSW research projects worth \$3.3 million.

It was agreed there was a clear need for this fund to be renewed. There was also recognition of the extensive potential for commercial applications of scientific research collaborations between the two countries.

The visit, hosted by the university's node of the Australia India Institute, concluded with a tour of the Tyree Energy Technologies building, home to the university's world-class solar energy research.

Delegates were introduced to the areas of research excellence at UNSW Australia in fields relevant to Australia-India partnership, notably in energy, space and remote-sensing, materials engineering, nuclear science, waste management, water management and defence technology. This involved discussions with a range of senior researchers including Professor Veena Sahajwalla, Director of the Centre for Sustainable Materials Research and Technology, Professor Andrew Dempster, Director, Australian Centre for Space Engineering Research, Professor Vassilios Agelidis, Director, Australian Energy Research Institute and John Fletcher, Professor of the Energy Systems Research Group.

Indian participants identified a number of prospects for industry-research partnerships spanning the two countries. One emphasised the potential for collaboration on practical applications of science in the fields of agriculture and water management.

Some participants also pointed to the potential for cooperation between Australia and India in

space, satellite navigation, remote sensing and the development of synthetic aperture radar technology. One participant suggested that, as Australia did not have its own space launch capabilities for satellites, there were complementarities between India's launch capabilities and Australian technology and research support.



Session 5

PROSPECTS FOR PARTNERSHIP IN EDUCATION AND KNOWLEDGE



Following an introduction by Professor Amitabh Mattoo to the work of the Australia India Institute at the University of Melbourne, participants examined ways to build upon this and other achievements of the bilateral education relationship.

It was noted that about 50,000 Indian students were currently studying in Australia, and the education relationship was now on a sustainable footing, after the challenges of 2009-2010. In addition, the Australian Government's 'New Colombo Plan', a major diplomatic and education initiative, was due to extend to India in 2015, and would create opportunities for Australian students to learn in and about India. Building on earlier discussions at UNSW Australia, participants stressed the vital importance of renewing the Australia-India Strategic Research Fund, which had

supported 93 projects to date.

Participants also highlighted the potential for Australia's vocational education and training providers to work with Indian companies to enhance skills training. The need to train 500 million Indians by 2022 was an area in which Australian universities could become further involved. There was a need to connect Australian education providers with Indian organisations, and Australian providers would need patience in finding the right partners.

However, a participant argued, because imported approaches to skills training were often high-cost, it would be important instead to focus the Australia-India partnership in this field on upgrading or adapting existing skills models in India. Australian institutions ought to consider joint ventures in India, as UK institutions were doing.

Although Indian concerns about the student safety issue in Australia had diminished, including due to Australian public diplomacy efforts, there was still a long-term need for vigilance on this issue.

High-level participants from Australian universities, including the University of Melbourne, spoke about the infrastructure of bilateral partnerships that had developed across a gamut of education-related matters, including joint research,

quality control, and student welfare. Links involving doctoral students were particularly important.

An Indian participant noted the need to convert knowledge partnerships to something that goes to the market, and recommended collaborations involving business start-ups, such as in clean energy. The combination of Australian technology innovation and Indian business models may provide opportunities: in India, it might be possible to scale-up and commercialise innovation in ways less achievable in Australia.

Several participants highlighted the record of collaboration between Monash University and IIT Bombay as a model of what was achievable. This had involved joint ventures across engineering, medicine, science, management, water, energy, infrastructure and biotechnology and more. The Monash/IITB collaboration has involved 170 PhD students and 300 academics.

Session 6

MANAGING STRATEGIC CHALLENGES: AFGHANISTAN BEYOND THE TRANSITION

The discussion focused on the troubling range of possible futures for Afghanistan beyond the withdrawal of most foreign forces and the transition to Afghanistan-led security. Several participants emphasised the need for inclusive political processes, both within the country and internationally, which would limit the ability of regional powers to compete for influence in Afghanistan. The 2014 elections were identified as a looming time of added tension and risk.

Australia's considerable contribution to security and development in Afghanistan was recognised, particularly in the training of Afghan forces. Australians had died in seeking security and stability for Afghanistan and the wider region. However expectations of a future Australian role had to be managed; the domestic political context in Australia was important. There was bipartisan support and wide public approval for the drawdown.

Several participants highlighted the risks of a wider civil war, the breaking up of the country and significant further refugee movements. Fears were also expressed about terrorist groups exploiting the propaganda value of perceived failure of the United States in Afghanistan, whether for recruitment and to embolden them on attempting attacks in other countries.

It was observed that the Soviet withdrawal from Afghanistan at the end of the 1980s contributed to extreme turbulence for India, including the Pakistan-sponsored influx of foreign militants into Kashmir in the 1990s. India needed to guard against the dangerous repercussions of instability in Afghanistan.

Yet there were differences this time also. The Karzai government's grip on Kabul seemed reasonably strong. Scenarios of consolidation and muddling through were considered. A near-term risk was growing Taliban attacks on targets outside Kabul, especially striking against symbols of de-Talibanisation such as schools.

India's contributions to order, development and security in Afghanistan were very significant, although it was unrealistic to expect a direct military role for India. But India would continue to provide extensive aid and training. Trade and investment were also becoming a substantial part of the India-Afghanistan relationship.

India's future role in Afghanistan needed to be understood within an exceptionally difficult regional dynamic. India-Pakistan geopolitical tensions extended into Afghanistan, and the deadly attacks on Indians there needed to be seen in that light.

It was in India's interest to foster



inclusive international engagement with Afghanistan. A range of regional players, including Iran and China as well as Pakistan, had interests at stake and needed to be involved.

Keynote Address

SPEECH BY THE MINISTER FOR TRADE, THE HON ANDREW ROBB MP

The Minister was welcomed to the Institute by AII Director, Professor Amitabh Mattoo.



The Minister's address emphasised the centrality of trade and investment ties to the future of Australia-India relations. Friendship, culture, even cricket, were 'not enough'.

The Minister commended the Australia-India Roundtable and noted the complementary role of the Australia-India CEO Forum, which had last met in Melbourne in December 2013, in demonstrating eagerness to bolster economic ties.

The Minister set out his government's agenda of creating an economic environment conducive to growth, focused on such areas as resources and energy, food, agriculture, education, tourism, health and medical research,

and associated areas of high-end manufacturing. He also emphasised such Australian strengths as its Indo-Pacific geographic location, rule of law, and democratic government.

Mr Robb emphasised how the countries of the Indo-Pacific were critical to Australia's future national prosperity, including through investment and the growth of middle class societies in major countries, including India. Australia needed to be positioned for seismic change thanks to the rise of Asian middle classes.

He noted that the growth of the architecture of Australia-India relations was positioning Australia well in this regard. This included annual ministerial meetings on trade, foreign affairs, education and energy. Importantly, there was also now a trade and investment relationship starting to take advantage of the growing complementarities between the two economies.

India was now Australia's 4th largest merchandise export destination, bigger than the trading relationship with the United States. Resources and energy featured heavily among significant Australian exports to India – for example, nearly \$5 billion in coal exports in 2012-13 and \$3 billion in gold.

But the standout sector for the past decade had been education

services. This was symbolised by the fact that a young Indian student had recently beaten 37,000 other entries in Australia's global Win Your Future Unlimited competition, to gain 12 months free study and board at an Australian university of his choice: in this instance, to study materials science at the University of New South Wales. In terms of investment, the level of Indian investment in Australia was around \$10 billion, while Australian investment in India was worth around \$6 billion.

Mr Robb emphasised that a Comprehensive Economic Cooperation Agreement – when complete – would be a vital shot in the arm for a tighter trade and investment relationship. Detailed market access negotiations were currently underway. He added that a Civil Nuclear Cooperation Agreement (on which safeguards were being negotiated) would allow for the export of Australian uranium to support India's growing electricity demands.

Mr Robb also noted that his government had made \$400 billion worth of environmental approvals for new development projects in the preceding five months. These included two important Indian projects: GVK's Alpha Coal project at Abbott Point in Queensland's Galilee Basin, and Adani's Carmichael Coal Mine and Rail

project, in the same area. Each of these projects was tipped to see investment of about \$10 billion, in mines, railway links and associated port expansions.

The energy relationship between the two countries was set for great growth; likewise with agriculture, in a century of food and water security. Australian agriculture could play a much more significant role in helping to sustain a growing India. Australia could also help boost competitiveness and productivity, through links in research, training and innovation.

Mr Robb concluded with a striking example of how services and tourism also could contribute to the bilateral relationship. He noted growing complementarities between the two heavily service-based economies, including in education, financial services, legal and accounting, environmental services, agribusiness health, aged care and logistics. His example was of a young man in Melbourne who had set up a business in facilitating marriage proposals in various parts of the world, and was now successfully offering services in the Indian wedding market.

The Minister took a range of questions from participants, on various aspects of the bilateral relationship. One participant conveyed the views of many about the importance of renewing the

Australia India Strategic Research Fund.

The vote of thanks was given by Mr Jeyakumar Janakaraj, Adani Group's CEO – Australia.



Session 7

INDIAN OCEAN COOPERATION, INCLUDING IONS AND IORA



The discussion picked up from the session on Indo-Pacific geostrategic dynamics, to focus on the potential for India and Australia work together including with third countries and in regional forums. Australia's chairing of both the Indian Ocean Naval Symposium and the Indian Ocean Rim Association was recognised as a prime opportunity to build such collaboration.

It was noted that Asian nations – and not only India – were now shaping the geopolitical balance in the Indian Ocean Region, and that the dominance of the United States in this region as well as the Pacific would be tested. Participants recognised it was inevitable China would take a larger interest in the security of the Indo-Pacific sea-lanes it depended on for energy and trade. China's growing presence and interest in the Indian Ocean was

remarked upon, including reports of a naval transit through the Sunda Strait and a combat-simulation exercise in early 2014 as well as a long-range submarine patrol in 2013. China, it seemed, was demonstrating what its blue-water navy could do.

It was recognised that there needed to be a balanced, measured view of China's presence and longer-term ambitions in the Indian Ocean region. The context was that China was becoming a maritime power that is serious about monitoring and advancing its interests as a trading nation. The thing to watch for was whether Chinese actions were related to this task. Other powers needed to consider ways to engage China in contributing to maritime security 'public goods' in a constructive way.

One problem identified was that the Indian Ocean remained a geographical entity without a regional identity. This hampered efforts to create a framework for regional cooperation, yet also made those efforts more necessary. Indian policy had developed on this front. Since cooperation with Australia, the US and Japan on Indian Ocean tsunami relief in 2004-2005, there had been clear and growing sense of interest in naval cooperation with multiple Indian Ocean partners, including in practical areas like interoperability

and information sharing.

One limiting factor for both Australian and Indian naval cooperation in the region was simply the demanding range of tasks both navies faced on a day-to-day basis. For instance, the Australian navy had commitments to detecting and preventing illegal immigration, and the Indian navy had a patrolling role over a large area of the Indian Ocean.

Several participants emphasised that the Indian Ocean Naval Symposium needed to move on to the next stage of proposing concrete cooperative steps among the region's navies, not just more dialogue. There was a need for IONS to identify priorities and, if need be, assign particular sub-groups of member countries to lead on particular issues. It was argued that it would be difficult to conceptualise IONS as a formal security grouping, as differing political agendas and interests among such diverse participant nations would work against the interest in operational cooperation between navies.

In any case, bilateral building blocks would improve the prospects for eventual multilateral naval cooperation. The prospect of naval exercises between Australia and India was identified here as key, and a range of participants expressed the hope that these

exercises would be serious and sophisticated, involving high-end capabilities.

It was noted that India has been instrumental in refocusing the agenda of the Indian Ocean Rim Association (IORA). Within IORA, four of the twenty countries were members of the G20, while the other 16 were among some of the world's less developed countries. It was a very uneven organisation, and there was no recent history of close regional economic integration in the Indian Ocean region. However IORA presented an opportunity for Australia to reinforce to India our complementary interests in the Indian Ocean region. It was valuable to use the troika mechanism in this regard: Australia, India and Indonesia had formed a natural set of leaders here.

It was important for IORA to start achieving tangible gains. Australia and India should first focus on achievable non-controversial areas of cooperation, such as scientific and oceanic research, and humanitarian and disaster relief.



Session 8

PEOPLE-TO-PEOPLE RELATIONS: OPPORTUNITIES AND CHALLENGES



This discussion moved significantly beyond exchanges of views at previous iterations of the Australia-India Roundtable, in recognition of the shifts in mutual public perceptions since the student crisis of 2009-2010. There were some differences of views about precisely how much perceptions had changed. Some participants cited the 2013 Lowy Institute-Australia India Institute polling as evidence of the new complexity in perceptions. Indians saw Australia as a desirable education destination, with appealing values, institutions and levels of scientific excellence, but some concerns lingered over safety and the kind of welcome received by foreign visitors.

Emphasis was placed on opportunities to build people-to-people links in tourism, the arts and creative industries. Australia and India had embarked upon

building sister-city and sister-state relationships. This session highlighted the need to ‘federalise’ the bilateral relationship, unlocking the potential, goodwill and business-oriented direction of state and municipal governments in both countries.

Participants agreed on the critical role of civil society, diaspora communities and prominent expatriates in ensuring that mutual public perceptions remained balanced and accurate. Civil society and properly-informed, responsible media figures, rather than government, were the most effective first line of response to problems of misperception. It was notable that an informal constituency of champions was now evolving in both countries, partly to ensure that problems like 2009-2010 did not again bedevil the relationship. The development of a dynamic Australia India Youth Dialogue was roundly praised.

One Indian participant commended the efforts of Australian diplomats and others to turn around negative Indian views of Australia, especially in the critical period of 2009-2011.

One striking development was that people in both countries were taking a greater interest in the other country’s politics. For instance, a surprising number of Indians had shown an interest in the 2013 Australian election, and

the level of awareness in Australia of Indian electoral politics was appreciably rising; no longer did Australians see America or Britain as the only overseas elections that mattered to them.

Migration and business connections helped explain this growing interest and knowledge. The fact that Indians now comprised the fastest-growing migrant community in Australia, and one of the largest, at more than 450,000 people, was making a huge difference in building mutual cultural understanding. Indians were adding greatly to Australia’s social fabric. Several participants remarked on the hosting in Sydney in 2013 of the regional Pravasi Bharatiya Divas, a major gathering of overseas Indians.

In time, a strong Indian-Australian community would also help encourage a closer strategic and security partnership. One valuable link between security and the people-people dimension was the forthcoming commemorations of the First World War. Australians and Indians had fought together in Gallipoli and elsewhere. There could also be a maritime focus, as Australia’s sinking of the German raider Emden, which had earlier bombarded Chennai, had mattered to Indian security. It was suggested that WWI commemorations could provide a reason for increased

defence diplomacy involving military units on both sides.

The basing of Australian journalists and news bureaus in India was welcomed, and several participants stressed the need for a more substantial and permanent Indian media presence in Australia; flying visits were not enough. There was still room for improvement in media reporting on both sides: there was still a risk of reflecting stereotypes and missing the 21st century complexities of both societies.





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