



INSTITUTE OF  
CHINESE STUDIES

## **Perspectives on the Indo-Pacific and Taiwan's New Southbound Policy**

**Opening Remarks:** Amb. Ashok K. Kantha, Director  
Institute of Chinese Studies

Dr. Tan-Sun Chen, Chairman,  
The Prospect Foundation

**Date:** 7 June 2019

**Venue:** India International Centre, New Delhi

### **Session I**

#### **“Recent Trends and Developments in Indo-Pacific: China Factor”**

**Chair:** Dr. Manoj Joshi

**Speaker (Taiwan):** Dr. Arthur S. Ding

**Speaker (India):** Lt. Gen. S. L. Narasimhan

### **Session II**

#### **“India-Taiwan Relations and Taiwan's New Southbound Policy”**

**Chair:** Dr. Tan-Sun Chen

**Speaker (India):** Amb. Anil Wadhwa

**Speaker (Taiwan):** Dr. Ming-Fang Tsai

**Discussant:** Dr. Prashant Kumar Singh

**The special conference** on “Perspectives on the Indo-Pacific and Taiwan’s New Southbound Policy” began with opening remarks made by Amb. Ashok K. Kantha. Welcoming the Taiwanese delegation, Ambassador Kantha explored the contemporary international background. He identified three major issues: (i) the world is faced with an uncertain environment. (ii) Ongoing Power Competition, and (iii) US led liberal international is being eroded but no new order has replaced it and hence this is a ‘transitional period.’ Dr. Tan-Sun Chen followed with his opening remarks by making observations about Indian culture, India’s contributions to the world, and recognised India as a ‘working power’.

**Session I** on the topic “Recent Trends and Developments in Indo-Pacific: China Factor” started with the opening remarks made by the Chair, Dr. Manoj Joshi, who emphasised and deliberated on the need to recognise ‘Asia-Pacific + India’ instead of only the ‘Indo-Pacific’, which although not recognised also extends to the Persian gulf and the east coast of Africa.

Dr. Ding, the speaker representing the Taiwanese side, began his speech by elaborating on Chinese domestic’s issues and how they greatly impact their external issues. He further explicated China’s internal politics by focusing on the Hu Jintao (Former Chinese Premier) period, which was a tumultuous time for US-China relations. Hu played a less proactive role in the relationship and the approach to US-China relationships was not very systematic, according to Mr. Ding. In contrast the current President Xi Jinping is very assertive. Dr. Ding also analysed Xi Jinping’s policies, especially the BRI which he argued was Xi’s flagship project and he couldn’t possibly fail in it, although the BRI is already a money-losing project. Dr. Ding also spoke about the new Beijing Consensus and its challenges to the Washington Consensus and the Liberal World Order.

Lt. Gen. S. L. Narasimhan, the speaker on the Indian side, began by briefly discussing a few issues related to India’s view on the Indo-pacific construct and its effects. He noted what Indian Prime Minister Narendra Modi outlined in the Shangri-La dialogue about free, open and inclusive trade in the Indo-Pacific and the evolution of a common rule-based order and freedom of navigation. The speaker also pointed out the various challenges related to ASEAN unity and challenges posed to the ASEAN states by different players like Japan, Australia, Republic of Korea etc. in the Indo-Pacific.

**Session II** was on the topic “India-Taiwan Relations and Taiwan’s New Southbound Policy”. The chair of the session, Dr. Tan-Sun Chen, began by highlighting the state of India-Taiwan relations and shed light on Taiwan’s New Southbound Policy (NSP) and the role India can play in the scheme. The chair explained

that the NSP was introduced by the incumbent President of Taiwan Cai Ying Wen around 3 years ago and it has already made progress in a variety of areas including increased business and tourism with countries such as Indonesia, Malaysia etc.

The first speaker was Amb. Anil Wadhwa who argued that the NSP was beneficial for India because of the following reasons:

- i. The New Southbound Policy (NSP) doesn't counter the improving trade relations with China
- ii. The Geographical Scope of the NSP has been expanded to increase trade with South Asia and India could benefit the most.
- iii. The previous "Go- south" policy in Taiwan was concerned with "cost-down", while the NSP focuses on 'value-up'.

The speaker also identified certain Indian industries which could or already are looking at Taiwanese investments like the Bamboo Industry in Assam, Electronics Manufacturing, Solar Power Manufacturing, R&D, among others. Amb. Wadhwa ended his speech by expounding a vision for the future of India-Taiwan relations especially with regards to the Pacific-Island states.

The next speaker, Dr. Ming-Fang Tsai, began his presentation by detailing the main aspects of the New Southbound Policy which include economic and trade collaboration, people-to-people exchanges, resource sharing and the promotion of institutional links. Dr. Tsai stated the important role Taiwan played in the process of Asia's economic development by acting as resource consolidator and a provider of capital and technology and being a major source of FDI for many of the countries that the NSP is directed towards. He noted the effects of the NSP and how there was a growing interest among Taiwan's general public in the NSP countries. He also detailed efforts of Taiwan's government in promoting NSP countries' native languages, encouraging people-to-people contacts, assisting SMEs heading south, boosting tourism, among others.

This was followed by remarks by the discussant Mr. Prashant Kumar Singh, who noted the growing number of educational and think-tank exchanges and the various functional cooperation which include the US\$6 billion worth of bilateral trade. Dr. Singh noted that constraints and hesitations on India-Taiwan trade still exist and that perceptions need to change to increase Taiwanese investments. He mentioned that more awareness and acceptance can lead to increased cultural, educational and technological exchanges without inviting the ire of China.

The session ended with an engaging Q&A session dwelling on Bollywood making a foray into Taiwan, high-tech scholarships for students among others.

*The Report was prepared by Hrishikesh Kayshap, Research Intern, Institute of Chinese Studies.*

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