

Essay

Towards a Grand Strategy for India in an Era of Global Instability

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A recent report of the International Institute for Strategic Studies (IISS) noted that at the end of 2023, there were over 183 conflicts raging in different parts of the world—a substantial rise in recent years. Old conflicts have resurfaced, taking new forms. New conflicts have added to the total numbers. While even in the best of times, the world was never conflict-free, a multiplicity of conflicts, with many of them feeding into each other, thus cumulatively aggravating them has led to the notion that the world is facing a ‘polycrisis’ of unprecedented proportions.

For India’s national security and foreign policy, it is important to have an analytical framework that is designed to serve our interests. Such an analysis would need to unpack the essential meaning of popular phrases or categories such as unipolarity versus multipolarity, globalisation and the weaponisation of interdependence, hybrid wars, the geopolitics of technology, resilient supply chains and others, often used but for differing purposes. These concepts are important, but their value is optimal when the context of their use serves India’s national interests. This essay is an attempt to contribute to a discussion in the Indian strategic community on how to see global instability from India’s perspective, with the objective of strengthening its strategic autonomy as an essential pillar of India’s grand strategy.

Global Instability

The term ‘global instability’ encompasses not just traditional military conflict but also non-traditional conflict situations which impact on the security of states. However,

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the scope is broader — as the forces that impact national security also relate to global forces that seek to weaken the ability of states to make sovereign decisions in terms of their military, economic, technology, information, or energy domains and on their social stability. Inter-state conflict has also become more pronounced as a result of the weakening of intrastate structures by transnational interventions of various forms. External security is linked more than ever with internal stability and resilience. There are now global companies and networks that are more influential than the majority of states. There are armed groups with terrorist and extremist ideologies that are better armed and more potent than many of the states they target. There are weapon capabilities with countries that were non-existent in some regions a decade ago. There are domains of conflict where state attribution is difficult to pin down even while no state is invulnerable to attacks by armed groups. There are developments in technology that give a new meaning to global asymmetry and power hierarchies, making them more difficult to assess correctly. These developments have increased the pressure on global rules and institutions, thus weakening the traditional moderating factors of conflict-diplomacy, international law, public pressure, and correspondingly, an overall increase in the propensity to use or threat to use force to settle disputes and conflicts. The number of conflicts is rising but the number of conflicts abating remains small. Some wars seem to go on forever. Despite relative economic development and prosperity in many parts of the world, the feeling of insecurity has risen and is all pervasive. Global instability now appears to be at an all-time high.

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Categories of Instability

It is beyond the scope of this essay to detail all the global and regional hotspots, but mention must be made of those that are relevant for the purposes of constructing an analytical framework. The first category of conflicts are those involving the big powers and their proxies. These may not have escalated to open and direct conflict between them but nonetheless have strong and widespread destabilising effects on energy, commodity and food costs, and the cost of financial and technology transactions. The ongoing Russia-Ukraine war is the prime example of the first category. US-China competition in the economic, technology, infrastructure and energy fields and the tensions over Taiwan also

relate to this group. Both countries have alternative visions of a global order which are as self-serving as hierarchical.

The second category of conflict situations relate to the weakening of global rules and norms of sanctions or of the United Nations (UN) resolutions, which result in countries crossing previously established limits. Some examples are the full roll out of the Democratic People's Republic of Korea (DPRK) nuclear and missile programmes or Iran's advancement of its nuclear enrichment capabilities or the Myanmar military's defiant crushing of democracy or the Taliban's defiance of external pressures to control Afghanistan. The ability of the World Trade Organization to govern global trade has weakened over time. Even on urgent global issues like Climate Change, the high visibility Paris Agreement follow-up is high on rhetoric and low on implementation. The rules being drafted on Artificial Intelligence (AI) are being influenced as much by states as by the handful of private companies that possess this cutting-edge technology.

The third category of conflicts relate to the weakening of big power control in various regions or failed interventions by them. They opened up the space for armed groups or those representing Islamic radicalism that survived or even thrived after the global war on terror lost steam to control territories across many national borders. The conflicts in Nagorno Karabakh, Yemen, Libya, the Sahel, and to some extent, Sudan and Ethiopia can be cited as examples. The eruption again of conflict in Gaza also shows that the Middle East today is very different from that of a decade ago where American dominance was absolute and helped keep the peace. The increased lawlessness in the maritime domain, with piracy and attacks on shipping in the Red Sea by the Houthis following the eruption of conflict between Israel and Palestine in Gaza, is another example.

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The fourth category of conflicts are those that are more systemic. They are consequences of the diffusion of economic, military, and technological power and influence away from the West and G7 countries towards new centres of power. These are: China, India and Indonesia in Asia, Saudi Arabia and the United Arab Emirates (UAE) in the Middle East, as well as Turkey, Brazil and South Africa elsewhere. There is greater economic vitality outside the G7 today, even though the US remains the predominant global power. Now more countries are able to produce medium-grade weapon systems — these include South Korea, Iran, India and Turkey— as compared to the traditional suppliers.

While more than 70 percent of global trade is related to supply chains, and even though China's significance in it has vastly increased, the US still retains dominant control over the instruments of globalisation, which it has used or misused explicitly to weaponise global interdependence as a conscious instrument of state policy. This has resulted in the death of the central premise of globalisation as practiced since the end of the Cold War — that economic engagement would result in slowing the drivers of conflict and promote greater political conciliation under US leadership. Only Europe has accepted US leadership, even if grudgingly. Russia has taken the other extreme of defying US domination in Ukraine through the use of military force. China engaged deeply with US-dominated globalisation for three decades to ensure its own national development, but drew the line with respect to being subordinate to US global domination. Other countries have chosen a middle path, depending on their specific circumstances — of accepting US leadership in some areas or hedging their positions while avoiding open confrontation with the US in others. For most countries, China as a partner is not a natural choice, but a necessity dictated by compulsions arising out of the dysfunctionality and disappointment with the US-dominated processes of globalisation.

The fifth category are conflict situations that relate to the weakening of the international framework for conflict management such as balance of power amongst the big powers and equitable political and economic structures at the regional and global levels. These have resulted in the rise of new regional ambitions, the steady sidelining of the UN and its structures, disregard for international law, the erosion of universal multilateral institutions in various fields, and the inability of global rules and norms to keep pace with new developments in technology or the urgency of global challenges such as those arising from climate change. The international community is unable to cope with cross-domain challenges due to conflicts in the security sphere, which in turn creates a cycle of tensions that feeds into every other domain.

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It is clear that the transition from unipolarity to multipolarity will be a contested process with states cooperating where they must and resorting to conflict, including armed conflict, when they can. Multipolarity will not be a unilinear process or even uni-dimensional, and measuring net power and influence will be far more complicated. However, it will provide considerable space for movement and hence, competition.

Domination in one domain, say for instance military, will not translate automatically into domination in the economic domain.

Seven Network Domains

The two dominant powers, US and China, are in a league of their own, quite like the US and the Soviet Union during the Cold War period. But unlike that period, the current flux in the international system makes it necessary for these two powers to compete for power and influence in an interconnected world through global transnational networks in the manufacturing, infrastructure, digital, technology and finance domains. They are also competitors in the related domains of energy, which work through producer cartels, and security domains that work through alliances, partnerships and proxies.

The US has a dominant position in the finance sector but in the four domains of manufacturing, infrastructure (read Belt and Road Initiative, BRI), digital and technology, China has successfully played catch up and is perhaps even ahead of the US in manufacturing and infrastructure. Broadly, China's capabilities may be on par with the US of a decade ago, but it is ahead of Europe and Japan. For instance, in genome editing and additive manufacturing, both countries are on par; in block chain and computer vision, China has a lead; in hydrogen storage, China has surged ahead; in the category of self-driven vehicles, China and the US are on par; and as far as Electric Vehicles (EVs) are concerned, China is the new global leader in EV exports. This is a dynamic competition, and in select high-tech areas the US now has peer level competition from China that it has not faced before.

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Both countries are locked into an interlinked cooperation and conflict mode as both try to occupy a central position in each of these global networks to dominate them but also use leverage in one domain to secure advantage in another. This has led to the politicisation of economic decision-making on an unprecedented level. State capitalism has re-emerged even in advanced free market economies. States are asserting controls on private capital in the name of national security, with China having a prior advantage than the US in this regard. Private firms are being asked to develop a national security consciousness, with profit as the sole criterion for international business taking a back seat.

The US has the advantage of alliances and bilateral military partnerships which it uses to leverage compliance from its allies and proxies to have its way in other non-

security domains. US reassertion of its dominance over Europe in the aftermath of the Ukraine conflict is a case in point. But it was not all conflict; as the US-China Summit in San Francisco held in November 2023 showed, both sides are keen to maintain margins of cooperation to find common ground on the various domains where competition is underway. This 'give-and-take' process is almost exclusively under their control as a bilateral process with other countries as passive by-standers. The contours of an informal G2 may be already underway.

Thus, the driver for multipolarity is not just a desire for dilution of unipolarity, but also a reaction to prevent a G2 of US and China from emerging. This provides space for medium powers like India for pursuing balancing and hedging strategies through various bilateral and plurilateral arrangements even though some of them may seem to have contradictory objectives, such as the BRICS and the Quad. The dynamic nature of this process is a source of some instability in the global system because countries will not make choices unless they have no options left.

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Big Power Confrontation

The re-emergence of open confrontation between the big powers is the result of a fragmentation of deterrence between them as also the weakening of nuclear deterrence in preventing other forms of conflict at the conventional and hybrid levels. Hence the emergence of hybrid wars and grey zone conflicts, which seek subpar attacks that harm but not provoke the opponent into open conflict. The US is now openly challenging Russian interests in its periphery, in Ukraine and through expansion of the North Atlantic Treaty Organization (NATO). The US has sent strong signals that it will not allow Chinese unilateral military action against Taiwan. In some areas such as NATO and East Asia, US has reasserted control and dominance, compelling a massive military build-up of its allies, accompanied by unprecedented rise in defence expenditures.

The conflict in Ukraine, paralleled by that in Gaza, have stretched US strategic bandwidth, raising questions about its ability to conduct dual containment of Russia and China simultaneously. This also comes at a time when there is domestic discord in the US on its role abroad and material limits to a further ramp-up of defence spending, with record levels of national debt accumulation. Russia's weakening control over its peripheries in the Caucasus and Central Asia is an opportunity for expansion of Chinese

influence, while the dilution of American dominance in the Middle East has resulted in the emergence of multiple actors in the region, a churn that will take some time to play out. The US has attempted to address the security challenges to its interests in Europe and to an extent in the Middle East by using its dominance in the energy and financial sectors as leverage. This is seen in the exercise of an unprecedented set of sanctions against Russia and Iran as also using the energy card to reassert its dominance in Europe.

Weaponisation of Global Interdependence

The weaponisation of global interdependence will have long term implications for the dollar as the store of value for international transactions and investments. Even though in practical terms de-dollarisation of the international economy is still a distant prospect, the number of countries, including many of those which are close allies of the US, looking for alternatives has risen dramatically. This has given a new lease of life to banking structures outside US control and to efforts in forums like BRICS to encourage the use of national currencies and to establish payment mechanisms that are not subject to US control. International systems run on power and legitimacy. The Bretton Woods system dominated by the US still has a lot of power, but its legitimacy has started to wane as there is a greater realisation that it is, as the title of one recent book calls it, an ‘underground empire’ of the US.

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The geopolitics of fossil fuel energy resources is another dimension of the conflict, encouraging new partnerships between traditional suppliers such as Saudi Arabia and Russia to take on competition from the US, which is now the largest energy producer in the world dominating supplies of Liquefied Natural Gas (LNG) and crude. Its long-standing conflict with Venezuela has been put on the back burner for the time being to stabilise global markets at a time of high confrontation with Russia.

A new dimension of the geopolitics of energy is in the field of climate change. US has positioned itself to dominate green technology and finance through the Inflation Reduction Act (IRA). These conflictual dimensions have had significant downstream effects on Europe, suppressing growth, raising inflation, and pushing major European economies such as Germany towards de-industrialisation. This in turn has impacted the political economy of Europe, pushing the political spectrum to the far right, driven by a strong anti-immigrant sentiment. Instead of pursuing goals of a liberal international

order which is the stated purpose of European Union's external policy, Europe might return to an earlier era of internal conflict and external aggression.

Like Europe, most other advanced economies will also face severe economic consequences of negative demographics which until now have been addressed through open immigration. This option is likely to close soon in Europe and later perhaps, also in the US. In response, these countries would be more aggressive in courting smaller numbers of highly skilled workers from countries such as India. Beyond a point, this would be detrimental to India's own growth prospects. For how long can we bleed our talent pool in such large numbers to the West without damaging our own development? The weak demographics will also impact on the fighting capacities of major Western countries — faster in Europe, including Russia, but later even in the US and China. The US and its allies would seek to fill the gap in the fighting capacities through hi-tech weapon systems and through the search for proxies with countries which have significant manpower resources. But no proxy has ever succeeded in promoting its own interests when caught up in a conflict not of its choosing between the other big powers.

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Prominent instances of weaponisation of global interdependence and reactions to it are thus currently being witnessed in the form of attempts at de-dollarisation, formation of new alliances among fossil fuel suppliers, domination in the field green technologies and immigration policies to deal with negative demographics. In the future, these dynamics may evolve into different forms or we may even witness newer forms of weaponisation.

New Technology

Technology has re-emerged as a critical driver of change in the global power balance. In terms of military technology, a massive proliferation of capabilities to states to develop or acquire weapon systems has occurred that were unthinkable before. So-called non-state armed groups have also gained access to advanced weapon systems through state support or through the international markets, which is transforming battlefields everywhere. The rise of asymmetric warfare has somewhat dented the overwhelming military advantage hitherto enjoyed by the US and other powers. For instance, the use of mass-produced cruise and ballistic missiles, or drones against shipping in the Red Sea by

the Houthis when pitted against expensive but sophisticated missile defence systems, has shifted the economics of battle in favour of the weaker combatants. In terms of doctrine and production capabilities, the western powers have preferred fewer but more sophisticated weapon systems; expensive to produce and hence attractive to the arms industry and standoff in nature to reduce casualties. China may have the capacity to produce both the quality and quantity of weapon systems to fill the entire spectrum and thus may gain an upper hand in this respect in the coming decade. Industrial scale arms production will thus be a critical factor for fighting prolonged wars. There is also a trend of privatisation of war with private companies playing an ever-increasing role in global conflicts.

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The weaponisation of new domains — cyber, space and critical infrastructure — has the potential to fundamentally alter the nature of warfare. There are other factors as well that are changing the nature of warfare. The Ukraine war is now a prolonged war because the international restraints on conflict have been replaced with factors that prolong conflict. These are the return of territorial conquest, the return of advantage of defence over offence, extensive arms supplies and the inability of the international system to enforce a peace settlement due to divisions within the United Nations Security Council, and difficulties in implementing international law, especially when the leading powers are involved. Peace will be restored when a new balance of deterrence is restored in the battlefield.

At the higher end of the spectrum, technology is driving a new revolution in warfare — in the cyber, space and maritime spheres. New domains and more importantly, the interface between them, will become a key driver for doctrine in the coming years. How this will reshape military deterrence is the question that will drive global instability for years to come. This is further complicated by the advent of advanced AI, crypto and quantum technologies, which will have the effect of greater fusion between sensor and striker weapon systems enabling greater endurance and cost-effective Intelligence, Surveillance and Reconnaissance (ISR) for possessor states, compensating for the manpower shortfalls that advanced economies might face. These new technologies will thus further complicate deterrence calculations between the big powers and hence their approach to future conflict situations such as one involving China and Taiwan or an India-China border conflict.

A new power hierarchy will eventually emerge that is multipolar, but its evolution will be contested at every step of the way. It will not be an easy ride for India, for new technologies create hierarchies of possessors and non-possessor states. In the field of AI, India has some distance to cover before it can be called a credible AI power, even though it is a data gold mine and has fairly advanced software design capabilities.

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Towards a Grand Strategy for India

At the best of times, the ebb and flow of international power and the power hierarchies they create are difficult to analyse. This is made even more difficult now by the furious pace of change across multiple domains and the prevalence in our discourse of an information narrative that is still predominantly from the Anglo-Saxon world. Hence, our assessments are often pale replicas of analyses produced elsewhere as we tend to see the world through Western lenses. There is also a strong bias towards groupthink among our strategic analysts. This is reflected for instance, in the debate on the meaning and relevance of strategic autonomy for India. It is also seen in the debate on the extent of external balancing in the form of cooperation, interoperability, and integration with foreign powers that is required in the military and security fields to compensate for India's own power differentials, say with China. These questions require deeper study considering the factors at play driving global insecurity.

As enumerated above, global insecurity is rising due to security fragmentation at various levels. Among the complex web of the seven domain networks mentioned above, the US and China are competing for centrality and control of network nodes in the domains of manufacturing, infrastructure, digital and technology. Neither of them is able to dominate any one domain or a set of domains for realising its exclusive interests. The US has a current lead in the domains of finance, energy, and security over China. Since both countries need each other for operationalising the relative dominance in each of the domains, there is an incentive for them to cooperate even while they are competing globally, leveraging their respective strengths in one domain to secure an advantage in another. For instance, the US is making an effort to get its allies and partners linked to it in its various security networks to agree to restructure their existing supply chain linkages with China in the manufacturing, infrastructure, digital and technology domains. This 'de-risking' is, however, balanced with US efforts to keep the leverages with China

under its control and for its benefit. It is a 'small yard - tall fences' approach that seeks to preserve substantial bilateral engagement except in high-tech areas which have uses for the Chinese military. Allies and partners of the US are broadly expected to agree with this approach.

For India, the benefits of this approach are the so-called China plus- one strategy (though Vietnam has so far benefited more than India). There has been some push back against the expansion of Chinese influence regionally and globally in the domains that it dominates. But the long-term risk in this approach is that India does not have the capability to decisively influence either US or China in any of the seven domains — either in terms of competition or cooperation — both of which would entail significant impact on India's interests. In the interplay of leverage across domains, the key for success, in fact survival, is to have sufficient leverage power of one's own without critical dependencies in any of the domains of a nature that would cause long-term erosion of decision-making power on issues that impact our security.

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It is vital that India retain the means and the will to decide and act autonomously in case there is external pressure. If India is critically dependent on one foreign power or another in all the seven domains, its capacity for independent action would be so much weaker. To make future long-term commitments in the absence of current capabilities would be an avoidable folly. For instance, would it be in India's long-term interest to accept interoperability with US forces or joint basing on its soil when it does not possess any control over US engagement with China in any of the seven domains mentioned above? Compartmentalisation works for the stronger powers, not for powers like India which seek advantage arising from a balance across all the domains. Their totality is what matters.

India's bargaining position would be enhanced when it gains enough power to influence the global discourse on say at least three of the seven domains, and a critical dependency in none. With India poised for sustained high growth in the coming decade, this is not an unattainable objective. There will be no perfect solutions in an imperfect world. Some trade-offs will be necessary in our international engagement on the seven domains mentioned above. But these should be guided by clear redlines that India must not cross. India must retain under all circumstances the means and the will to decide and act autonomously of external pressure on issues of war and peace. This is not merely a

question of foreign policy or national security for India; it is a matter of its grand strategy, whose key question is: *in considering India's rise, what are the redlines vis-a-vis its external dependencies that should govern the content, direction and pace of its national development?* Redlines that leave India vulnerable or impede its rise cannot be crossed.

Strategic autonomy is not an empty slogan but a national objective that will require for its accomplishment clear thought, hard work, and a build-up of economic and military strength. It is important to regain relative freedom of action in our extended neighbourhood — on the China border, with our neighbours and in the Indian Ocean region. India cannot gain global credibility if it is hemmed in regionally. This will be a long haul, but if India is destined to be a great power one day, there is no option but to pursue as a national priority all the necessary measures needed to bring to fruition strategic autonomy as an essential pillar of its grand strategy.