



India-Taiwan Ties: Time for India to Rethink its Taiwan Policy

Chair: Dr. I-Chung Lai, President, Prospect Foundation, Taipei

Speaker: Sana Hashmi, Taiwan Fellow, Institute of International Relations, National Chengchi University, Taipei

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Ambassador **Ashok Kantha** set the floor for the Webinar by giving his brief remarks on the relations between New Delhi and Taipei that developed over the years, but the interactions are at a minimum from both sides. On the one hand, India seems to be excessively cautious in its approach, while on the other hand, Taiwan is carrying forward its South Pole policies with more vigor and energy.

Dr. I-Chung considered the discussion on India-Taiwan ties as the need of the contemporary state of affairs. He called recent clash in Galwan valley as the wakeup call for India and the world to analyze China's International behavior, intention and motivations. He explained how two conventional wisdoms shape India- Taiwan relations around the activities and functions of China-One views Taiwan as the bargaining ship for India, and other consider Taiwan as a liability- in the context of India-China tensions. He emphasized to go beyond these two narrow and limited thoughts or paths, and asked to re-think the India-Taiwan policies. Although there were certain junctures from both sides to improve the interaction but, the official India-Taiwan engagement began with the establishment of India-Taiwan office in India (1995) and in Taipei (1996).

Dr. I-Chung then emphasized to focus upon the certain events and narratives in India-Taiwan relations in last 20-25 years, and draw points of importance to follow. 1) China remained a glass-ceiling for India-Taiwan interaction for a certain period of time. As India felt to avoid the interface with Taiwan believing that it would be lead complications in its relations with China, and vice versa with Taiwan. This glass- ceiling needs to be avoiding in order improving the India-Taiwan ties. 2) Taiwan- India relation has its own merit, considering not only the economic advancement of India as well as Taiwan but also the expertise they have in sectors such as- high-tech, culture,

space, and other areas. Both countries are not pushovers, but have developed on their own and the relationship will substantiate their national interest. 3) Taiwan and India as two democracies located in the Indo-Pacific region, which is an exceptional development in the region. Both share similar values and democratic aspirations. 4) Taiwan and India are natural partners in the Technology area, as Taiwan excels in hardware/software and manufacturing while India has enormous brand power for tech and applications. The partnership has the potential to set new standards of technology. 5) The people-to-people ties between Taiwan and India, last but not the least requirement to sustain the relationship. Dr. Chung called these five elements as having significant potential in improving India-Taiwan relations.

Ms. Hashmi began by noting that India-Taiwan relations are the most understudied and under-appreciated set of relationship, despite having a high potential. She started with giving a brief history about India-Taiwan interactions. According to her, there was hardly regular interaction between the two countries during the Cold War period as India was one of the countries to acknowledge China and its One China policy and gave China extra-territorial rights on Tibet in 1954. India's commitment to Non-Aligned policy also distanced it from anti-Communist alliance forming in Asia that included Taiwan.

The speaker noted that the relation between India and Taiwan began to take a significant shape since the 1990s, with India's Look East policy and Taiwan's Go South Policy. The developments such as the establishment of representative offices, high-level visits, agreements in economics, education, cultural and science areas fueled the interactions. The establishment of the India-Taiwan Parliamentary Friendship Forum in 2016 was the most important step in the bilateral direction. Despite these positive developments, according to Ms. Hashmi, there seems mutual neglect and lack of ambition between India and Taiwan.

The speaker observed that since the Democratic Political Party (DPP) leader Tsai Ing-wen came to power, the focus of Taiwan has been the South Asian region for the first time with India being of core importance. In 2016, President Tsai Ing-wen announced the 'New Southbound Policy' which focuses on six South Asian countries to include those important players which were not the part of Taiwan's geo-strategical interactions. The New Southbound Policy, according to her, is different from the previous southbound policies of Taiwan as it implies to reduce dependence on China and giving up Chinese lens in its interactions with the South Asian countries. However, Ms. Hashmi believes that there is no important progress or initiative from the Indian side. Even though the Act East Policy was announced in 2014, it has no focus on Taiwan in particular. She explained that the neglect from Indian sides is not because of greater importance of China than Taiwan for India, but the hope India has about the boundary settlements with China after the Doklam standoff, and the hesitation that interaction with Taiwan might halt the settlement.

Ms. Hashmi believed two factors as certain obstacles in the India-Taiwan interactions: a) One China Policy - India always adheres to the One China Policy, which should not be the concern, as India can maintain parallel relations with China as well Taiwan b) Boundary settlement - which

should also not be the concern because there are ample evidences that suggest China does not pay heed to the territorial concerns of India even if the latter keep its ties low with Taiwan. According to the speaker, this is the apt time for India-Taiwan to improve their relationship not only because of their differences with China, but to explore the merits involved in the ties. There is no need to shape the India-Taiwan ties in the shadow of China, because this relationship has its own certain benefits in terms of technology and high-tech advancement.

Ms. Hashmi argued that it is not possible to get immediate advancement in India-Taiwan ties, giving the current patterns of the relationship, but requires a sustained interest, time and attention of both the governments. She suggested focusing on the basics of India-Taiwan ties before high-level discussions on economic or security ties, as the evidence suggests that even the basics are not clear about their relationship. The people-to-people ties can develop the basics and the tourist interaction, educational exchanges, dialogues among think-tanks and universities could be useful strategies. Media interaction can also play an important role as there is a growing presence of foreign media in Taiwan, with China banning it in the mainland, which, she believes, can make it viable for Indian media to spread awareness about the tension in Taiwan.

The speaker also observed that Taiwan's position in the Indo-Pacific region is poised to improve, because the Indo-Pacific initiative believes in open-rule based inclusive regional order which can put a great challenge to China. She further noted that during the Covid-19 pandemic, Taiwan is also growing as an alternative to PRC with its limited interaction with the international community and it has been inclusive in its approach to help other countries fight pandemic. In conclusion, Ms. Hashmi reiterated that this is the apt time for India to re-think its ties with Taiwan, an advanced democracy and economy with a strong military.

During the discussion, questions were forwarded to Dr. Chung regarding Taiwan's position on the India-China Border dispute. He responded that Taiwan has been silent and cautious on most of these disputes not because it supports China but the respect Taiwan gives to LAC. In response to the query on people-to-people ties between India-Taiwan and the potential of India's investment in fabrication of chip manufacturing in Taiwan in improving India-Taiwan ties, and the constraints involved, he stated that when one country invests in other country, both should try to reduce the differences and make necessary adjustments. India and Taiwan can learn this strategy from USA-Japan investment, in which the host country stops asking for the investment in the same sector or area from other countries. Finally, responding to the question that several Taiwan companies are being set up in India, but how people-to-people ties can improve in the context of market consideration, Dr. Chung said that most of these companies are set up by top global supply chains such as the Apple in order to locate supply chains in India. The people-to-people ties in this market consideration can fit in following ways: 1) the focus sector for the people-to-people ties should not be IT sector alone, but the educational sector that can translate into business later. 2) the other sector could be tourism, as India is seen as high in spiritual or religious tourism that is even famous among Taiwanese; Taiwan- Korea tourist interaction could be a great inspiration here.

In response to the question on which area in high technology is profitable for India-Taiwan collaboration, and how it should be pursued and what should be done to change India's stance towards Taiwan, Ms. Hashmi emphasized on semi-conductor as the core sector of Taiwan. The New Southbound Policy can fuel up the collaboration in science and technology at government level, which is limited to universities and think-tank level until now. There is also smart pandemic prevention system programme which is also at the university level, but there is need for government involvement to improve the collaboration in technology. She emphasized that India and Taiwan should go beyond the shadow of China activities, and improve ties separately. Responding to whether India should support observer status for Taiwan in the organizations of South Asia to facilitate its participation and how will it impact the rule-based order, she responded by citing the negligence from the Indian official side towards Taiwan's successful role in dealing with Covid-19. Taiwan and India can help each other in joining the regional organizations; India can join APEC, or Taiwan can join SAARC, but this progress, she noted, requires significant government interactions. On the rule-based order, she believes that both countries have similar values and respect for peace and stability, and opposition to Chinese aggression and their ties will further improve the rule-based order.

Dr. I-Chung concluded the Webinar by thanking the Institute of Chinese Studies for organizing the discussion. His concluding remarks perceived real potential in India-Taiwan ties, but remarked that the focus should be to get rid of the obstacles in the way of their improving relations. The recent personnel interaction between both countries carries new dimension as well.

This report was prepared by Neha Mishra, Research Intern, Institute of Chinese Studies.

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