



Delhi Policy Group

Advancing India's Rise as a Leading Power



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Author

Nalin Surie



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Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

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Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

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Author

Ambassador Nalin Surie, I.F.S. (Retd.), Distinguished Fellow for Diplomacy, Delhi Policy Group

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Cover Images:

Indian Prime Minister Narendra Modi meeting the King of Bhutan, Jigme Khesar Namgyel Wangchuck, in New Delhi, on December 5, 2024. Source: [Prime Minister of India](#)

Indian Prime Minister Narendra Modi was conferred the Mubarak Al-Kabeer Order by His Highness the Amir of Kuwait, Sheikh Meshal Al-Ahmad Al-Jaber Al Sabah, on December 22, 2024. Source: [X/@narendramodi](#)

President of Sri Lanka Anura Kumara Disanayaka holding talks with Indian Prime Minister Narendra Modi during his State Visit to the Republic of India, on December 16, 2024. Source: [X/@anuradisayanake](#)

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Global Horizons

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by

Nalin Surie

Christmas 2024 did not bring any cheer. The world entered 2025 with a mix of despair at the present and danger at what lies ahead. International norms and institutions have been driven into the background at best. War or aggression or violation of territorial integrity by different means has become the norm. The hopes and expectations that had arisen when the Cold War ended in 1990/91 have been belied.

The new year could well prove to be instrumental in establishing fresh outlines of new global and regional power balances. Developments in major powers however, gave rise to signals that policy coherence may not be forthcoming, and hence countries would continue to hedge and focus more on resolving internal contradictions at the expense of international relations and security. The biggest sufferer in this process would be the emerging economies and the Global South whose need for rules based order, institutions and systems is the greatest.

The outcome of the US Presidential election has meant that the policy direction of the most consequential power in the world, and the driving force behind NATO, G7 and the Western alliance structure in Asia, lack clarity. For all practical purposes, President elect Trump seems to have already donned the mantle of the Presidency and is making serious policy pronouncements. The chancelleries of the world are taking cognisance and preparing their responses. At the same time, President Biden and his team continue to exercise their de-jure powers to ensure that their policies, domestic and international, are not unduly compromised going forward. In any event, it appears unlikely that President Trump will waver on ensuring that America remains the world's most powerful and consequential nation in the years to come.

Unfortunately for the US, the domestic political and economic situation in some of its major alliance partners is presently unstable. This is true for instance of Canada, France, Germany, Romania, Japan and ROK. The new Keir Starmer led Labour government in the UK also appears to be floundering, a situation really of their own making.

This is happening at a time that the war in Ukraine is not going well for Ukraine, the Sino-Russian alliance remains steadfast, support in parts of Europe for Ukraine is not as strong as before on account of national economic requirements and political leanings of individual nations, the European economy remains relatively stagnant, and critical issues of the global commons remain unresolved. Nevertheless, at its meeting on December 19, the European Council reiterated its firm multidimensional support for Ukraine and its territorial integrity, and condemned those directly or indirectly assisting Russia's war effort, but in the latter context named only DPRK and Iran but not China.

Russia continued to target the energy infrastructure and other civil targets in Ukraine during the month and made some progress in the ground campaign. There were reports of DPRK troop casualties in Kursk. Ukrainian intelligence had a senior Russian general assassinated in Moscow. Some other similar attacks, it seems, were foiled by Russian agencies. The shooting down, apparently by Russian air defences of a civilian Azerbaijani flight on December 27 highlighted the real danger of unacceptable collateral damage as a result of the ongoing war in Ukraine, and the latter's retaliatory actions in Russian territory and airspace.

At the same time, there are positives for the US too. Israel, for all practical purposes, has been enabled to drastically alter the strategic outlook in West Asia with its ongoing military actions against Hamas and Hezbollah, neutralising Lebanon, enabling the removal of the Assad regime in Syria, enfeebling Iran, attacking the Houthis and enlarging Israel's territorial space in the Golan Heights. Whether Syria can be stabilised given all its ethnic complexities and interests of neighbours such as Turkey remains to be seen. Will Russia remain a mute spectator? Will Syria go the way of Libya?

The principal challenger of the US, China, is also facing its own set of domestic political, economic and social challenges. The economic slowdown is a major cause for concern. The churn in the upper ranks of the PLA is not a happy sign for the Chinese leadership either. The threat of further economic and political challenges posed by the incoming Trump administration is also bothering Beijing, which is preparing to face these with potential retaliatory measures if required. Relations with most of Europe remain under a cloud. China will also be concerned about how an eventual settlement of the war in Ukraine will affect its interests with Russia, Europe and the US. Any settlement will need to have the US on board. China began to reach out to countries like Japan and India with which relations have been strained.

When the Ukraine war ends, Russia will need to reorient its domestic economy back to meeting the demands of its population while recouping its military stockpiles. Will Europe and the U.S. continue to shun it or can cooperation in economic, financial and trade issues be resumed albeit gradually? This will have implications for the Sino-Russian alliance going forward. Interestingly, at its meeting on December 19, the European Council held a strategic discussion on the EU's global engagements and priorities in the current geopolitical context. Details are awaited, but clearly the process of forward thinking is underway.

Notwithstanding some differences among themselves, the Western alliance remains strong and unwilling to cede the dominant power they wield in international relations. The steady ongoing shift of the balance of power from the Euro-Atlantic to the Indo-Pacific will continue, but both the US and Europe intend to participate in the evolution of the Indo-Pacific. This will cause discomfort to China in its search for domination in the region, but it has only to blame itself for this conundrum.

As the year ends, emerging economies and the Global South find themselves in an unenviable situation. Their strength lies in unity and greater cooperation and collaboration among themselves but creating new institutions, while an attractive proposition, faces obstacles from those who today control the levers of international trade and finance. Besides, new institutions may well come to be controlled by a new set of powerbrokers from within their ranks! The more attractive option is for much greater equitable cooperation among developing countries which today are better placed with resources, finance, technology and capabilities.

The internal political situation in the ROK gave rise to concern. The unprecedented impeachment of President Yoon, following his inexplicable, very short lived declaration of martial law, and then of his interim successor, by the ROK Parliament created serious uncertainty in a part of East Asia that was witnessing strategic jockeying following the Russia-DPRK engagement over the war in Ukraine. It has also cast a shadow over the future of the emerging trilateral strategic partnership among Japan, ROK and the US.

As mentioned earlier, China and Japan moved quickly to re-stabilise relations. Japanese Foreign Minister Takeshita Iwaya was in Beijing on Christmas Day for the second High Level Consultation Mechanism on P2P and Cultural Exchanges with Chinese Foreign Minister Wang Yi, which was held after a gap of five years. According to the Japanese side, the intention was to revitalise p2p and cultural ties, and several directions of concrete cooperation were

identified. Both sides are evidently keen to re-engage in a more meaningful manner in the light of the evolving geopolitical landscape.

Chinese Foreign Minister Wang Yi gave an important address at the Symposium on the International Situation and China's Foreign Relations on December 17 in Beijing. He described 2024 as a year in which the "world witnessed further transformation and instability marked by protracted and intensified geopolitical conflicts, repeated attempts to decouple and sever supply chains and the rapid rise of the Global South".

Some noteworthy points: The acceptability of Xi Jinping's concept of establishing an international "community with shared future for mankind" is now expressed in terms of countries that have agreed to such communities on a bilateral basis. Once enough mass is generated, success can perhaps be declared. Secondly, he stated that the "China-Russia relationship has grown more mature and stable"; "demonstrated its independence and resilience", and "set an example". Third, Europe holds an important position in China's diplomatic agenda and Xi has encouraged Europe to see China as a "partner". European reservations no doubt persist. Fourth and significant, "China is having more trust, less suspicion with major countries in the region". He specifically referred to India (the recent Xi-Modi meeting) and Japan in this context. And finally, in the context of the all important relationship with the US, after re-emphasising China's redlines (see Global Horizons, November 2024), Wang stated that it "will engage in dialogue, manage differences, enhance mutual trust, remove misunderstandings and expand cooperation with the US side". It will also "explore the right way for our two major countries to get along with each other". The response from the new US administration is awaited.

The Quad foreign ministers issued a statement on December 30 to mark the 20th anniversary of Quad cooperation. It defines the Quad as "a full fledged partnership" addressing complex challenges across the Indo-Pacific including MDA, counterterrorism efforts, critical and emerging technologies and cyber security, in addition to fighting climate change, cancer and pandemics, and bolstering quality infrastructure. The next Quad summit will be hosted by India in 2025.

It was a busy month for Indian foreign policy. The focus was on the immediate neighbourhood, followed by the further buttressing of India's Act West policy.

The official visit to India by the King and Queen of Bhutan, on December 5-6, enabled PM Modi to underscore India's abiding commitment to its enduring bonds of friendship and cooperation with Bhutan, and full support for its socio-economic development.

External Affairs Minister Dr. S. Jaishankar visited Qatar and Bahrain from December 6-9, at which time he addressed the Doha Forum and the Manama Dialogue. He also co-chaired the Joint Commission with Bahrain. This was part of the ongoing process of strengthening relations in a comprehensive manner with the Gulf region as part of India's Act West policy; a region that is civilisationally linked with and of great geostrategic and economic significance for India.

Foreign Secretary Vikram Misri was in Dhaka on December 09 for interactions with the caretaker regime that has replaced the elected government of Sheikh Hasina. He described his talks with the regime's leaders as frank, candid and constructive. The message from India was that it seeks a positive, constructive and mutually beneficial people-centric and people-oriented relationship with Bangladesh. India's desire to work closely with the interim government was conveyed.

The importance of ensuring the safety and welfare of minorities, and concern about attacks on cultural, religious and diplomatic properties, was also underlined. He said: "we expect, overall, a constructive approach on all these issues by the Bangladesh authorities, and we look forward to moving the relationship forward in a positive, forward looking and constructive direction".

The hand of friendship has been extended. The caretaker regime in Bangladesh will hopefully take heed.

The state visit to India by the newly elected President of Sri Lanka, A. K. Dissanayake, his first overseas visit, on December 15-17, was undoubtedly of special significance. A comprehensive joint statement on Fostering Partnership for a Shared Future was issued covering a wide gamut of developmental activities and strategic and defence cooperation.

In his remarks to the press, PM Modi conveyed that the vision behind the cooperation with Sri Lanka was investment-led growth which would have three pillars, namely physical, digital and energy connectivity. He noted that the defence interests of the two countries were intertwined.

The joint statement specifies that both sides will give primacy to each other's security concerns. Also, President Dissanayake "reiterated Sri Lanka's stated position of not permitting its territory to be used in any manner inimical to the security of India as well as towards regional stability".

India and Sri Lanka are to explore entering into a framework agreement on defence cooperation, hydrology, and the provision by India of defence platforms to Sri Lanka, as well as joint exercises.

A new chapter has opened in the India-Sri Lanka saga and the process will have to be carefully nurtured by both sides to mutual benefit.

In pursuance of the decision (see Global Horizons, October 2024) taken by PM Modi and President Xi during their meeting in Kazan on October 23, the Special Representatives of India and China on the boundary question met in Beijing on December 18 to oversee management of peace and tranquility in the border areas and to explore a fair, reasonable and mutually acceptable solution to the boundary question. Their last meeting was held five years ago, before the Chinese aggression in eastern Ladakh in 2020. Both sides issued separate press notes on the outcome of their deliberations. It can be assessed, though, that early forward movement can be expected on peripheral issues to start with, such as border trade, resumption of the Kailash Mansarovar Yatra and data sharing on trans-border rivers. New guidelines for border management and CBMs will no doubt take more time and negotiation. The Indian press note makes clear that maintaining peace and tranquility in the border areas remains a prerequisite to enable the overall development of bilateral relations. China continues to not share this view. Nevertheless, the ice has been broken, but progress will depend on China being able to restore the trust it destroyed with its actions in Galwan in 2020.

Foreign Secretary Misri visited Bangkok on December 19 for informal consultations on Myanmar among its neighbours. Thailand, Myanmar and Laos were represented by their Foreign Ministers, Bangladesh by the Advisor for Foreign Affairs in the caretaker regime, and China by Vice Foreign Minister Sun Weidong. India's position was conveyed. It calls for a cessation of violence and a peaceful resolution of the ethnic issue through the establishment of a genuine federal democracy. The latter process should be both Myanmar led and owned, and should take into account the views of all stakeholders to ensure an inclusive peace and return to stability in Myanmar. The land boundary neighbours of Myanmar also have a particular set of concerns that need to be factored in. India has vital interests in Myanmar, and these will need to be defended.

PM Modi's official visit to Kuwait, on December 21-22, the first in 43 years, opened a new chapter in a relationship otherwise of mutual benefit and significance but shadowed by a historical incident during the early phases of the first Gulf war which should best not have happened. The conferment on

him of the highest Kuwaiti Order of Mubarak Al- Kabeer would suggest that that shadow has passed.

The visit added further depth to India's Act West policy. Kuwait hosts an Indian diaspora exceeding one million.

A detailed joint statement was issued identifying a variety of sectors in which cooperation is to be furthered. These range over trade, investment, security, energy, culture, education, technology and p2p relations. The bilateral relationship has been elevated to the status of a Strategic Partnership. Among the agreements reached is an MOU on Defence Cooperation.

EAM Jaishankar visited Washington from December 24-29 for consultations with the outgoing Biden administration and the incoming Trump administration. India has worked well with the earlier Trump government and the expectation is that a productive relationship can be successfully established with Trump 2.0.

Former Indian Prime Minister Manmohan Singh breathed his last on December 26, aged 92. He had served as Prime Minister for ten years before current PM Modi, and was the architect of the India-US Nuclear Deal. In an earlier incarnation as India's Finance Minister in the 1990s under PM Narasimha Rao, he had piloted a series of economic reforms and deregulation that ratcheted up India's growth trajectory to a higher sustainable level. He was deeply mourned both in India and abroad, and recognised for his contributions to India's growing economic prosperity.

2025 promises to be a really challenging year for Indian foreign and security policy.



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