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Modi reviving NAM won't be enough in post-Covid world. India must reconsider joining RCEP

There is no doubt that once the world has conquered the coronavirus pandemic, there will be a tectonic shift in the global balance of power. India cannot be a lone crusader.

SESHADRI CHARI 8 May, 2020 10:37 am IST



A file photo of Prime Minister Narendra Modi during the ASEAN summit in Bangkok | Photo: ANI

During his intervention at the video conference of the Non-Aligned Movement Contact Group in response to the Covid-19, Prime Minister Narendra Modi **made** three important points.

Despite our own needs, India has ensured medical supplies to over 123 partner countries, including 59 members of Non-Aligned Movement (NAM). Modi also reiterated the now-accepted fact that the coronavirus pandemic has underlined the woeful **limitations** of the existing international order — it has affected the rich and the poor, the most developed and the least developed nations alike. Third, in the post-Covid-19 world, there has to be “a new template of globalisation based on fairness, equality, and humanity”.

It is clear that New Delhi is trying to recreate the six-decade-old movement that sought to stay away from choosing between the two competing powers on either side of the Cold War. New Delhi should engage more seriously with NAM and play the leadership role to its best advantage. Any half-hearted approach will be disastrous not only to India's image but also its strategic outreach in these times of leadership crisis at the global and regional level.

There is no doubt that once the world has conquered the coronavirus pandemic, there will be a tectonic shift in the global balance of power. India cannot be a lone crusader nor can it align with one or the other power. We are neither too powerful nor too negligible.

From 'third-world' group

History will bear witness to the fact that India's moral authority and non-partisan principled stand on global issues guided the much vilified NAM. From being accused of "fence sitters' club" to socialist economies fated to doom, NAM was ridiculed as the "third world group", very antithesis of the developed world during the Cold War era.

Sixty years later, the world is witnessing yet another cold war, a new trade war between two global powers, one that defeated the Soviet structure and the other that seeks to replace the unipolar power centre, the US. At a time when the world was reconciling to accept the power struggle as the new norm, the coronavirus pandemic has thrown the globe into a tailspin.

But one thing is becoming clear: the world is all set to undergo a tectonic shift turning many of the economies on its head. Once the coronavirus pandemic abates, economies of all countries will be in a state of flux.

According to statistics available, maximum Covid-19 related deaths have been reported from G7 countries. Some of the emerging economies have been able to keep the mortality rate at the lowest as well as withstand the sudden collapse of the market

economy. Seen in light of this, PM Modi's act of underlining the importance of NAM indicates New Delhi's willingness, rather readiness, on India's part to assume the leadership role of an important global institution that had been relegated to the background in the last three decades as a "third world" group.

New age with China at centre

The pre-Independence Asian Relations Conference [held](#) in Delhi in 1947 could be said to have set the tone and tenor of India's foreign policy outlook. The conference was touted as an effort in the direction of overcoming the forced isolation of the Asian mind and spirit. But the Bandung Conference in 1955 clearly witnessed the [fissures](#) among the non-aligned countries that found the Soviet colonialism as repugnant as the Western imperialism. While the foundation of the Non-Aligned Movement was laid on the template of anti-colonialism and anti-imperialism, the ensuing Cold War clearly segregated the developed and the developing nations. Interestingly, Pakistan, even then, limited its criticism of colonialism to the erstwhile USSR but absolved China, "which is by no means an imperialist nation and she has no satellites". (Bandung Conference Papers: April 22, 1955).

The rolling out of the ambitious Belt and Road Initiative ([BRI](#)) projects in more than 60 countries brought Beijing to the centre stage of geopolitics in a world that was increasingly being considered unipolar. As of March 2020, a total of "[138 countries](#) are part of the BRI". The 'not-so-peaceful rise of China' not only influenced the economies of the countries signatory to the BRI but also significantly overshadowed a number of international and regional institutions.

Many countries that have suffered the maximum due to the coronavirus pandemic are not willing to stand up to the challenge of Beijing, much less even openly criticise China for the catastrophe it has brought upon the world. The economic prowess of China, combined with its [military might](#) and strategic inroads into more than two-thirds of the countries in the world, is likely to give Beijing the necessary push to catapult it to

number one status. Such a scenario will drastically alter the global trade, political and security architecture.

The crucial issue that confronts everyone is whether the world is ready to accept China as the [unipolar power centre](#), even in a distant future if not immediately. Also, what happens to the numerous regional trade blocs and bilateral and multilateral institutions that have long existed and thrived without compromising with the sovereignty and freedom guaranteed within their respective political and civilisational dispensations?

India's issue with trade blocs

There are more than 16 major trade blocs with varying degrees of arrangements. Along with the World Trade Organisation (WTO), three major independent trade blocs have come up in the past 10 years, of which India is not part of negotiation in at least two – the Transatlantic Trade & Investment Partnership (TTIP), shaped by the US and the European Union, two very large trade entities constituting about half of the global GDP and about 30 per cent of world trade in goods and services; and the Trans Pacific Partnership (TPP), which includes countries that jointly account for 38 per cent of the world's GDP and 25 per cent of the global trade.

The third trade bloc is the Regional Comprehensive Economic Partnership (RCEP) comprising ASEAN+6. India has [declined](#) to be a member of the RCEP at least for the time being citing fears of dumping and trade imbalance with China.

According to the WTO, global trade is likely to [fall more steeply](#) in sectors characterised by “complex value chains, particularly in electronics and automotive products”. The WTO further adds that “all regions will suffer double-digit declines” in exports and imports in 2020, except for “other regions” – Africa, Middle East and Commonwealth of Independent States.

India will have to reconsider joining RCEP on new trade terms and strengthen Asia Africa Growth Corridor (AAGC) and other regional forums. While global institutions will

register a negative growth, some of the regional trade blocs may actually become positive by 2021.

In such a scenario, NAM will need more emphasis and New Delhi will have to seriously consider floating a new trade architecture within the NAM and link it with the present trade arrangements of which India is a member.

The author is a member of the National Executive Committee of the BJP and former editor of Organiser. Views are personal.

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