



Ear to Asia podcast

Title: Growing the Australia-India relationship

Description:

As Australia's relationship with China continues to sour, it should come as no surprise that Canberra is bolstering security ties with New Delhi. Additionally, the two governments are working hard to forge a comprehensive trade agreement. But is a mutual suspicion of Beijing a sound basis for closer ties? What are the real issues that bind -- and separate -- India and Australia? And who will be the winners and losers of any bilateral free-trade deal? Australia-India Institute CEO Lisa Singh and political scientist Dr Pradeep Taneja scrutinise the evolving Australia-India relationship with presenter Ali Moore. An Asia Institute podcast. Produced and edited by profactual.com. Music by audionautix.com.

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Voiceover:

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Ali Moore:

Hello, I'm Ali Moore. This is Ear to Asia.

Pradeep Taneja:

You know when we talk about a free trade agreement between Australia and India, we should remember that the Indian government since Prime Minister Modi came to power in 2014 has not signed a single free trade agreement. Ideologically, the BJP has an economic-nationalist orientation. It is more inclined to protect the domestic economy than to try to increase the competitiveness of Indian economy by exposing it to competition.

Lisa Singh:

You know Australia's traditional exports have been dairy, meat. But they, you know I think, are off limits in this Australia-India trade negotiations. And I think there should be more room for other niche products such as wine, gourmet cheeses and those sorts of things that the growing middle class in India are most interested in.

Ali Moore:

In this episode, growing the India-Australia relationship.

Ear to Asia is the podcast from Asia Institute, the Asia research specialist at the University of Melbourne.

As Australia's relationship with its largest trading partner, China continues to deteriorate, it should come as no surprise that Australia is cultivating its friendship with Asia's other behemoth, India. On the surface, the two nation have a number of similarities, democratically elected governments, British common law, an obsession with the game of cricket and a growing wariness towards Beijing. So not unexpectedly Canberra

and New Delhi have sought to bolster security ties both bilaterally and as members of the Indo-Pacific grouping, the Quad.

At the same time, the two governments are also working towards a comprehensive free trade agreement before the end of 2022, but as India and Australia moved to friendlier relations, it's worth asking whether a mutual suspicion of China makes a sound basis for closer ties. What are the real issues that bind and separate India and Australia? Who will be the winners and losers of the proposed free trade agreement? And what will it take to build better people to people ties? With us, to examine the fabric of issues that underlie the Australia-Indian relationship are the honourable Lisa Singh, CEO of the Australia India Institute and former Australian Senator, and political scientist and regular on Ear to Asia, Dr. Pradeep Taneja from the University of Melbourne. Welcome Lisa, and welcome back Pradeep.

Lisa Singh:

Thanks, Ali.

Pradeep Taneja:

Hi, Ali.

Ali Moore:

Lisa, if I can start with you, you wrote recently that, "In security and foreign policy terms, 2021 should be remembered as the year, the Australia-India relationship soared to unthinkable new heights," given that pretty optimistic assessment, how important do you think the two countries are to each other?

Lisa Singh:

Oh, they're incredibly important to each other, Ali. I think 2021 really put the Australia-India relationship firmly on the map. We know in the past, the relationship has ebbed and flowed over many a decade, but if you look at Australia and India today, they are in a lot stronger position with each other compared to say, after the second World War, when they were both on the opposite sides of the power blocks there. I think one of the really interesting components of last year in terms of the bilateral relationship is the fact that it's now a commitment that both countries want to pursue a free trade agreement again. And we know this has had a chequered past, but now it's full steam ahead to make that happen. And in terms of a trade relationship and the opportunities for Australia in that space, I think that's incredibly exciting as we move into this year of 2022.

All of this of course is on the backdrop of the fact that both countries at the leadership level have signed a comprehensive strategic partnership, and with that comes all sorts of commitments for countries to make sure this relationship becomes a lot stronger than it has been in the past as it should be. If you look at India at the moment, it's the fastest growing economy in the world. Last quarter, I think, or at least in September quarter last year it's GDP growth rate was something like 8.4%. This is off obviously off the back of the fact that we're in a climate of a pandemic. I think the fact that the Australian government has made sure that it's putting all sorts of resources into the relationship through former prime minister, Tony Abbott sent twice to India so far as a trade envoy really shows the commitment, I think by Australia to really want to drive its trade and investment relationship with India.

Ali Moore:

Pradeep, what do you think? How do you describe the Australian-India relationship?

Pradeep Taneja:

Well, I think the relationship certainly has been transformed over the last few years. If you go back to 2014, when Prime Minister Modi came for the G-20 meeting in Brisbane, and then made a bilateral visit to Canberra, this was the first time I think, in 27 years that an Indian prime minister had visited Australia. And since then, of course we have not seen Prime minister Modi visit Australia again, but certainly we have seen a frequent exchange of leaders, ministers, and other officials from both sides. So the relationship I

think has been transformed, but in terms of substance, I think there is still a lot of scope for development in the substantive part of the relationship. The strategic relationship has been growing, we've seen Australia invited to the Malabar Exercises and Australia inviting India to participate in the Australian exercises, so at the defence level, we have seen significant progress.

But economically the relationship is still very underdone, I think. Given the size of the two economies, India is one of the largest economies in Asia, Australia is not a small economy either so there is a significant potential. And particularly when you compare Australia's economic relationship with China, the relationship with India is about one tenth of that relationship. So there is a huge potential for the relationship to develop and I think, at the political level, there has been considerable progress. At the strategic level, there is much greater understanding of each other's position and interest, but at the economic level, I think there is a lot that needs to be done.

Ali Moore:

I do want to pursue that question of economy and trade in a moment, but Pradeep, can I ask you, you talk about defence and strategic ties as being, I guess, the fastest growing, where does China fit in that? And as I mentioned in the introduction, to what extent is mutual suspicion of Beijing the driving force of this closer relationship?

Pradeep Taneja:

I think any realistic assessment of the growing Australia-India relationship, or for that matter growing India-US relationship would suggest that China is an important factor. It is, of course not the only reason, not the only factor, but certainly China's behaviour in recent years, particularly since Xi Jinping came to power indicates that Australia and India have both found themselves at the receiving end of Chinese aggression, of Chinese anger. In India's case, border conflict, India-China border had been peaceful a long time, despite occasional tensions on the border, that there had not been a single casualty on the border, at least no shots fired in anger. But we saw in 2020, more than 20 Indian soldiers lose their lives, a number of Chinese soldiers, although we are not sure exactly how many Chinese soldiers died in the conflict. So both India and Australia have been at the receiving end of Chinese aggression.

In Australia's case, it's been verbal aggression, criticism, abuse language used against Australia and also economic coercion exercised by China against Australia. So that does, I think, play a part in how Australia and India look at China and look at the broader Indo-Pacific region and see the need for working together.

Ali Moore:

Lisa, do you agree with that? How key do you see China as a driver of the relationship?

Lisa Singh:

Well, I think you need to look at both countries individually on the issue of China. I think China looms large in India's security consciousness because it shares a border with China and it's had those ongoing border disputes for a very long time. Australia of course, has been at the end of the economic sanction situation of China, with last year in May, by imposing tariffs on Australia's barley and wine exports. This is where the geopolitics of our relationship with China and indeed in the region is playing out into the economic sphere and that's why I think it's very important that Australia does look for new trade and investment opportunities and India being the obvious one there.

Having said that, I really think we shouldn't just be doing it because of those sanctions that China is imposed, we should be doing it anyway. We should be pursuing a stronger trade relationship with India anyway, because it is, as I said, the fastest growing economy in the world. There is so much opportunity for Australia to build with India and of course, some common interests in the fact that we are both democracies, we're both part of the Commonwealth. There's a lot of alignment for Australia to pursue that with India, regardless of the China factor. But of course, I think we need to also recognise China's growing influence in the Indo-Pacific region, and of course that's playing out there for Australia and India wanting to

be part of the Quadrilateral Security Dialogue and looking at ways in which the Quad can play some counterbalance role there in the Indo-Pacific region.

I think one of the things really interesting for Australia, perhaps not so much for India is the fact that we're becoming more of a multipolar Indo-Pacific and for Australia, that's quite unique. We've always had that strong alliance with the United States, for India that sits quite more comfortably. But this is where the dynamic is changing the region and China definitely is playing the role in that strategic change.

Ali Moore:

Lisa, I take your point that it's not just about China, which is also the point that Pradeep was making, but do you think that China has given a level of momentum to the development of the bilateral relationship without which we wouldn't have this same flurry of official visits, this push for the trade negotiations, which have been going since 2011, but now they want to bring them to a close, the Malabar Exercises, the navy exercises, there seems a renewed vigour. Do you think part of that is the impetus of China?

Lisa Singh:

Well, look, I think in terms of Australia, we need to take a step back here. The Australian-India relationship, it has really increased in the past year or two, but it actually has started to build momentum since Prime Minister, Julia Gillard's time as prime minister. She was the first prime minister to visit India in a very long time and of course, since then we have had Prime minister Modi in 2014, that's some seven, eight years ago now visit Australia. And that was an incredibly important turning point for the Australia-India relationship, which sort of predates the China change that's going on in the region. I think the fact that Prime Minister Modi at that time, he actually acknowledged that, "Australia would not be at the periphery of our vision, but at the centre of our thought," and I think he's lived up to that in all sorts of ways.

Originally India actually snubbed Australia when it wanted to join Malabar and now of course we've been invited to be part of that as we have invited India to be part of AUSINDEX. Now all of that Naval strategic play that's going on between our two countries, I'm sure has China at the heart of it, but it also is about recognising the importance of wanting to create a more stable and prosperous and peaceful Indo-Pacific region overall, be that in the Indian ocean or in the South China Sea or on the Pacific Ocean. So I think it's a bit of more of a broader play going on here than just the China factor.

Ali Moore:

And when it comes to the Quad, Pradeep, what impact is the Quad having on the bilateral relationship and how far do you think the Quad can go?

Pradeep Taneja:

I think, Quad obviously is an important part of the Australia-India relationship, but just before we talk about the Quad in more detail, let me add that apart from considering China as a factor in the Australia-India relationship, I think even more important factor is the United States. And particularly in the transformation of the relationship between the United States and India. Since 2005, the US-India relationship has been completely transformed. Throughout the Cold War, India and the US were on the opposite sides of the spectrum. In 1971, during the Bangladesh war with Pakistan, the United States sent its Seventh Fleet in the Bay of Bengal to intimidate India.

But since 2005, we've seen a significant change, significant improvement, if you like in the relationship between the United States and India. In 1998, when India conducted its second series of nuclear test after the first one in 1974, United States and Australia were strongly critical of India, but by 2005 in the aftermath of 9/11, and also in the dialogue that took place between United States and Australia in the wake of the Indian nuclear test, Indian and Pakistani nuclear test in 1998, I think United States security establishment developed a different understanding, an improved understanding of India security environment.

So much so that in 2005 President Bush Junior, told Prime Minister Manmohan Singh that the United States will help India to achieve a great power status and since then we have seen the US-India relationship as

being on an upward trajectory. And I think Australia-India relationship has also been a corollary of that development because the improvements in India-US relationship have contributed to Australia having a greater confidence in dealing with India.

Ali Moore:

The US, of course, being one of the partners in the Quad together with Japan.

Pradeep Taneja:

Exactly, and the Quad of course, was something which happened not in a very coordinated manner, although I think the former prime minister of Japan, Shinzo Abe, might claim some credit for it. But in 2007, when the officials of these four countries, US, Japan, Australia, and India, when they met in Manila for the first Quad meeting of officials, this was in the aftermath of the 2004 tsunami and how these countries have worked together in providing assistance to the countries that were affected by the tsunami. And they decided that given the cooperation that they had achieved and given the changes in the security environment, that they should try and work together.

But unfortunately, after the first meeting in 2000 for a decade, we did not see a second meeting take place. India blames Australia, Australia says, "No, it wasn't," Australia's fault. But leaving aside who was to blame for it, the fact is that by 2017, these four countries had found a common ground to continue with the Quad. And Quad of course, is on a much stronger footing now. Paul Keating, for example, described the Quad as a joke. I personally don't think Quad is a joke, I think court has much more substance now. And President Biden in hosting the first face-to-face meeting of Quad leaders in the White House, I think has made sure that Quad is here to stay.

Lisa Singh:

Pradeep makes a good point in terms of the fact that the Quad in 2007, it didn't last the distance, but I think if you look back at that time, it really was perceived as lacking coherence in terms of what the Quad was all about. And I think that's where the difference is today. Interestingly, the Quad was founded on a humanitarian basis after the tsunami in 2004, and today, if you look at the agenda of the Quad, it is very much on those similar non-traditional security issues that it's forging ahead with its various working groups on the COVID-19 pandemic, on vaccines, on climate change, emerging technologies, infrastructure, there's a range of areas that fall under that development framework that the Quad is pursuing.

But of course there's no doubt that today because the Quad has elevated to the leadership level, that it is about looking at some strong diplomatic statement of alignment in addressing China in that sense, and I think China is what draws these four countries together. I think the Quad can be read as a means to address the growing Chinese influence in the region, but its agenda is so much more than that.

Ali Moore:

I do want to move away from security issues, but if I can just finish on this Lisa, by asking you, do you think the Quad is an important pillar to the bilateral relationship between India and Australia?

Lisa Singh:

Absolutely. Yeah. Look, I think there's a lot of alignment between the Quad's agenda and the bilateral relationship between Australia and India. I think the fact that India is now more deeply engaged in the Quad also helps the bilateral relationship as it does with its bilateral relationship with the United States. But equally I think there's been a fundamental shift in both Australia and India's strategic thinking, and that is why they are both playing active roles in the Quad so it is helping the Australia-India relationship in terms of shaping a new regional order.

Ali Moore:

Let's look at trade and Pradeep, you said at the outset that economically there are issues between the two countries and you made the point, it's about one tenth of our two way trade to China, the two way trade to

India. So why do you think it has been so hard to grow trade with India, particularly as Lisa was pointing out, India does have such a high rate of economic growth?

Pradeep Taneja:

I think India's economic growth has been fluctuating. First of all, India's recent growth rate is on the back of a collapse, nearly 8% collapse in the economy during COVID. So India's again, starting from a low base in terms of registering this recent spurt of economic growth. India does have significant economic potential, there's absolutely no doubt about it, but the nature of the Indian economy is very different from the Chinese economy. China has become the factory of the world. So over the last 40 years, China has been a key customer for Australian commodities. India on the other hand is not as big a customer of Australian commodities. Indian manufacturing is not growing as rapidly as Chinese manufacturing grew in the 1980s and nineties.

So India's economy has a very different structure. There are fewer complementarities between India and Australia than we saw with Australia and Japan, Australia, and South Korea, and later on Australia and China. So I think simply the structure of the two economies are different, and that's why I think, the two governments have found it very difficult to strike this comprehensive economic partnership agreement, because really on both sides, there are reservations about making concessions. In India's case, of course, Indian government is very unlikely to make concessions as far as agriculture is concerned, so if Australia is demanding concessions in the dairy sector or other agricultural sectors, I think no Indian government, not just Prime Minister Modi, no Indian government is likely to make any concessions anytime soon. So there's a lack of complementarities between these two economies.

If Indian manufacturing were to grow rapidly over the next decade, then it is quite possible that India too would become a significant buyer of Australian commodities. At the moment, for example, if you look at iron ore India and Australia compete in overseas markets, India also exports iron ore, but India's iron ore reserves aren't as plentiful as Australia's. So if India's domestic demand for iron ore were to increase, if India's steel production were to increase, then you will see that India could become a net importer of iron ore from Australia, but I think there is somewhere to go before that happens.

Ali Moore:

Lisa, just before I get you to respond to what Pradeep said, can you actually just draw us a quick picture of what the biggest exports are both ways between the two countries?

Lisa Singh:

Well, look, first two way trade in goods and services between Australia and India has substantially grown in value. If you look at 2007, it was at 13.6 billion, since in 2020, it's 24.3 billion so things are on the upward trajectory. But if you look at the current value of Australian exports to India compared to China, that's where there is a really quite a stark difference. Last year, Australian exports to India were 18.7 billion compared to 167.6 billion to China. Now that is where we've got to do a whole lot better. Some of the key exports to India from Australia include coal, LNG, alumina, and non-monetary gold, but of course our biggest driver of export is education.

Education is by far the largest valued at something like 6 billion and accounting for around 88% of the total of our exports in 2020. So it's something here at the Australian-Indian Institute we really focus on and one of our Institute's senior researchers did a study on student mobility and found that prior to the pandemic, there was massive amount of students coming to Australia from India and that was really driving our exports in terms of education. But since the end of 2020, Indian students to Australia have really dropped and that's obvious because of all sorts of reasons, travel bans obviously played a role, the pandemic itself though. But there are other areas in which Australia's trying to increase its export market, agriculture being one of those, but that's a very sensitive area for India.

Ali Moore:

Do you agree Lisa with Pradeep that the Indian government is not going to give Australia access anytime soon to agriculture?

Lisa Singh:

Absolutely. I think as India seeks to protect its domestic producers with over 50% of the working population employed in the agricultural sector, that's not going to change in the future and Australia needs to recognise that in its trade negotiations. Australia's traditional exports of course have been dairy, meat, but they are, in a sense, off limits in this Australia-India trade negotiations, and I think there should be more room for other niche products, such as wine, gourmet cheeses and those sorts of things that the growing middle class in India are most interested in. There's a lot of room for growth here, but we do need to recognise that India has a deep and historical protectionist instinct that even persists today. And I think the word Swadeshi, which loosely translates to self-sufficiency shows you and you can see it. Several of Prime Minister Modi's policies such as Making India are all about increasing self-sufficiency, promoting domestic industry, domestic trade and reducing reliance on foreign suppliers. It still does have a strong desire to look after its own population, especially its farmers and its overall workforce.

Ali Moore:

So Pradeep, do you think that this Comprehensive Economic Cooperation Agreement that the two countries are now working on and have been for some time, do you think that it is a case that we can get an agreement that can focus on the areas that Lisa talking about, not on agriculture, but areas where there might be room for trade agreement? Are you hopeful that the so-called CECA as that agreement is called might be a game changer?

Pradeep Taneja:

I think it's going to be very difficult. Of course, if there is political will on both sides, there could be some sort of agreement, but will it be a comprehensive agreement? Will it be an agreement that satisfied the Australian industry and Australian agriculture? I think that is highly unlikely. Remember in 2014, Prime Minister Modi and Prime Minister Abbott said that they will conclude this same agreement in 12 months, and that of course, did not happen. We could not even have an interim agreement, early harvest agreement by the end of last year and that is also proving to be very difficult. And when we talk about a free trade agreement between Australia and India, we should remember that Modi government, since Prime Minister Modi came to power in 2014 has not signed a single free trade agreement. India was involved in the RCEP in the Regional Comprehensive Economic Partnership negotiations from the beginning, but India pulled out of that because India was unwilling to make concessions, which would have benefited China, so China was a very important factor.

So I think the general orientation of the BJP, Prime Minister Modi's party, is that of encouraging import substitution rather than engaging in what the economists call export-oriented growth. Of course, the Indian government wants to increase Indian exports and Indian exports have increased, but at the same time, I think, the general orientation is for protecting the domestic economy and not just agriculture, but also protecting domestic manufacturers from international competition. So ideologically the BJP has an economic nationalist orientation. In other words, it is more inclined to protect the domestic economy, but then to try and increase the competitiveness of Indian economy by exposing it to competition, which is what I think drove China's economic growth, in fact, in the 1980s, nineties, and particularly after China became a member of the WTO.

Pradeep Taneja:

So India of course, has been a founding member of the WTO, and before that, GATT, but India has not been a very enthusiastic subscriber to the idea of free trade.

Ali Moore:

Lisa, do you think the trade agreement with Australia is a high priority for the Modi government?

Lisa Singh:

I think it is a high priority for both countries. And in fact, recently the Indian High commissioner Manpreet Vohra said that he has never seen diplomats work so hard on the negotiation of this new free trade agreement. I think both countries are taking this incredibly seriously. And I think over the coming years, Australia will look to lift India into one of its top export markets, which will be driven of course, by this new trade agreement. And making Australian businesses aware that India is an attractive destination for outward foreign investment, because India's got a huge growth trajectory and it provides such secure market access for Australian businesses over the coming years.

But it's hard to know exactly what will be part of this agreement. I think that if we look at people like Ambassador Wadhwa, he's the author of the Australia Economic Strategy, the equivalent to our India Economic Strategy that was written by Peter Varghese. Ambassador Wadhwa highlights that we expect to see progress in areas such as FinTech and cybersecurity, critical minerals, rare earths of which Australia is abundant with, healthcare, education, cloud computing. So there are different sorts of areas that Australia can really push forward with in terms of this trade agreement.

Ali Moore:

Do you think Pradeep is too pessimistic?

Lisa Singh:

Look, I don't think Pradeep is too pessimistic on the challenges of actually getting the agreement signed and sealed. I think that there's going to be a number of bureaucratic hurdles to get through before we actually see the finished product. But I think in terms of the process that is going on currently, I understand from both governments right up to the ministerial level, there is a real high level of commitment to get this job done. And I think 2022, I hope at least will be the year that it happens. It's too important for Australia, but also for India. And as I said before, it plays out not just only in the economic sphere, but also into the geopolitical. It's about really setting the scene for the Indo-Pacific of two really strong democracies in the region wanting to work closer together.

Ali Moore:

You're listening to Ear to Asia from Asia Institute at the University of Melbourne, just a reminder to listeners about Asia Institute's online publication on Asia and its societies, politics and cultures. It's called the Melbourne Asia Review, it's free to read and it's open access at melbourneasiareview.edu.au. You'll find articles by some of our regular Ear to Asia guests and by many others, plus you can catch recent episodes of Ear to Asia at the Melbourne Asia Review website, which again, you can find at melbourneasiareview.edu.au. I'm Ali Moore, and I'm joined by the CEO of the Australia India Institute, the honourable Lisa Singh, and political scientist, Dr. Pradeep Taneja, we're talking about the evolving relationship between Australia and India. We've looked at security and trade, let's turn to the people's side of this bilateral relationship. Certainly I think in the past, it's been always the three Cs, the cricket, the curry, and the Commonwealth view of our shared interests, if you like, but Pradeep, how shallow is that today? Beyond the security issues, we've talked about, what values and interests do you think Indians and Australian share?

Pradeep Taneja:

I think the relationship is significantly different from that stereotype of curry, cricket and Commonwealth. Of course, Indian and Australia have a lot in common. So for example, one of the reasons why we have seen the people-to-people relationship change is because of the large Indian migration to Australia, and that migration is very closely linked to what Lisa was saying earlier, education as an export industry for Australia.

Ali Moore:

Pradeep, can you give us a sense of the size and the demography of that diaspora?

Pradeep Taneja:

I think according to the last census, there's about 700,000 people who are either born in India or are born to migrants from India. So 700,000 makes India one of the largest migrant groups in Australia. And that has completely changed. I came to Australia 37 years ago and there were very few Indians in Australia at the time and there were very few Indian students in Australia at the time, because we didn't really have this full fee paying student market at the time. Even though I came as a student, but I came on a scholarship to do a PhD. And most of the students from India who came to Australia, came on those scholarships, but now things are different. Over the last 20 years, we have seen a huge increase in the number of Indian students who come to Australia to study and remember that in making that decision to come and study in Australia, the possibility of migration, the possibility of settling down in Australia is a very important driving factor in choosing Australia for education. And many of these students are successful, they become successful migrants when they do settle in Australia.

So that has contributed to a really major difference in the people-to-people relationship, because you can imagine when you have 700,000 people of Indian origin living in Australia, they make friends, they intermarry, and that develops the connection with Australia, and the connection between Australia and India. At the moment, for example, when you go to any big city in India, there's hardly any family in Delhi or Bombay or in Ahmedabad that doesn't know someone who lives in Australia. So because of this recent migration, we've seen a significant interest in Australia and because of the migrants, we also have tourists and numbers increase, of course, because of COVID, we haven't seen any tourists coming through, but before COVID we saw a significant jump in Indian tourists. So overall Indian media, for example, pays much more attention to stories from Australia, even though India still doesn't have full-time journalists operating out of Australia. Australia has, I think, one full-time correspondent in Delhi.

But overall, the hunger for stories about Australia and India has significantly increased. Indian media is using stringers, in other words part-time reporters who report on events in Australia and not just cricket, but developments related to Australian politics, Australia's foreign relations and of course, about the Indian diaspora in Australia.

Ali Moore:

And I want to look at what role that diaspora is playing in the relationship, but Lisa, just on this people-to-people movement, is it one way? The picture that Pradeep was painting there was very much about Indians coming to Australia to work, to study, to live, to travel. Is there much movement the other way?

Lisa Singh:

I think there's a number of Australian foreign nationals in India, there's mobility on both sides or at least there was before the pandemic. But I think the point that Pradeep makes is that we need to go into a little bit more depth in terms of our India literacy, especially when you think about corporate professionals, businesses seeking to expand their operations into India, there needs to be a level of depth and understanding about India. But at the same time, I'm sure in India, there needs to be a bit more level of depth and understanding about Australia. I've had a number of conversations with Indians who some of them see Australia as a racist country. It wasn't that long ago, I think it was a year I was born that the White Australia policy was only just ending. So we do have a history in this country of racism and it's not been that long since we've tried to address that and continue to do that with our indigenous Australians.

Lisa Singh:

When I was elected to the Tasmanian Parliament, I was the only Member of Parliament from an Asian background, full stop. And when I was elected to the Australian Parliament, I was only one of four parliamentarians from an Asian background. So I think you can't be what you can't see, and I think this is where things need to change. It reinforces in my mind that multiculturalism is in a sense, just a term and not a lived experience for a lot of people.

Ali Moore:

And Lisa, to what extent did we see that at the height of the pandemic? Australia shut down flights from India and only India at the height of the pandemic. They effectively locked out so many Indian Australians. What sort of an impact has that had on the relationship?

Lisa Singh:

Well, I think it had a very negative impact, particularly for our Indian diaspora here in Australia. That travel ban only to one country, I think, did play out quite negatively at the time. And it went further than that, of course, it meant that our diaspora families here who had children stranded in India had real difficulty in trying to retrieve their children and bring them home. I think we need to learn lessons from that policy mistake in my view, whilst we all know the challenges of dealing with a pandemic, that travel ban really did send the wrong message in terms of the Australian-India relationship and I would hope that we wouldn't repeat that sort of thing. On top of that, of course there were a number of Indian students that were studying here in Australia, full fee paying students that were also stranded at that time.

All of these sorts of things don't play out well, but I think we do need to recognise that our diaspora here, fastest growing diaspora in Australia is the Indian diaspora. It would be really good to see more visibility of those Indian-Australians at the leadership level, as we do see very often in the UK and the US, but not so much here in Australia. And I'm hoping that over time as our Indian diaspora grows and develops, it is obviously a lot younger diaspora in terms of its migration pathway to Australia than say the UK and the US. If we do need that, I think diversity and representation across all aspects of leadership in a Australian society that's reflective of the multicultural basis upon which we live in.

Ali Moore:

And Pradeep, do you think there's a question when we look at that, I suppose, appreciation of the diaspora in Australia, is there a question around the level of India literacy?

Pradeep Taneja:

I think India literacy has always been an issue. We have not really made a serious effort to understand India. I think there is a misperception because English is very widely spoken in India, at least by the educated classes and the urban elite that you really don't need to study Indian languages, it's not just about Hindi, but also many other languages, which is spoken in various parts of India. So we haven't really made a serious effort to study India for a long time. There was a time when Australia used to be one of the leading centres of Indian studies in the Western world, but that has eroded and we haven't invested, governments haven't invested in India literacy. China became much more important in the 1980s and nineties because of the economic relationship.

Pradeep Taneja:

But we haven't seen the same investment by governments and by institutions, by universities in Indian studies. So India literacy has been undermined, hasn't been fully developed by governments and by educational institutions, but also media. Australian media largely relies on foreign news agencies for reports on India. Any journalist will tell you that there is really no shortcut to understanding a complex country like India, you need to have your own people there. So I hope that in the next few years we will see more Australian media organisations, not just ABC hosting their full-time correspondents in India, because as consumers of media, Australian people want to see reporting from an Australian angle.

Ali Moore:

Pradeep, do you see much more effort being made in India about Australian literacy than effort in Australia about India literacy?

Pradeep Taneja:

No, India doesn't make any effort about any country. India is so large, countries like India and the United States don't really make a lot of effort. They tend to be very inward looking, they tend to be very focused

on their own problems. China was different because China was a unitary political system where the party could decide the priority. So if you look for example, at the number of Australian studies centres in China, it's huge. There is nearly I think, 40 something, Australian studies centres in China, at least there were until recently. In India, there is only a handful of Australian studies centres, but it's not surprising. As I said, India is a very complex country, very large country, tends to focus on itself. Even American studies is not huge in India, there's only a handful of departments in Indian universities that study United States foreign policy or United States politics, so it's not just Australia, India ignores everybody.

Lisa Singh:

I'll just add to that, Ali, that I think when Australia thinks about India, it needs to really recognise that it's many countries in one. This is a very diverse country, made up of states, made up of different languages, religions, cultures within culture, it's not one homogeneous country. And any Australian business doing business in India needs to understand that. It really needs to expand its India literacy to understand the different dynamics across different regions of the country.

Ali Moore:

There is of course, another very important side to this, and if you look at the relationship between Australia and China, Australia's been very vocal over human rights abuses including Beijing's treatment of the Uyghurs for example, and yet Pradeep, under Modi, Hindu nationalism is the hallmark of the ruling party. We've seen increasing Hindu extremism targeting the minority Muslim population in particular, and yet Australia says nothing. Does Australia have a blind spot towards India's human rights abuses?

Pradeep Taneja:

No, I don't think Australia has a blind spot as such, but I think the way you deal with these kind of issues, human rights issues or minorities issues with a democracy is different from the way you deal with an authoritarian system. In a country like India, you have options in how you approach, how you try and understand, and how you try and influence outcomes. In a country like India when, for example, Australian politicians, whether it's ministers or opposition politicians, when they visit India, they can actually engage with opposition parties in India, they can engage with the non-governmental sector in India, they can meet with the NGO representatives. Australian High Commissioner, for example, can call a meeting of Indian non-governmental organisations, which can be attended by visiting Australian politicians. So I think the way you approach these issues in a democracy is different and India is still a democracy, it is still at least a representative democracy where you have elections, where you do have a very vibrant media, you do have independent judiciary. Although there is criticism of all these institutions in India at the moment.

But every time Australia politicians visit India, particularly prime ministerial visits, they also involve meetings with opposition leaders. And remember Indian oppositional leaders, don't mince words when it comes to criticising their own government, particularly on issues of importance. They would have a open and frank discussion with visiting Australian leaders. So that is happening, but your question, I think is more about whether Australia should be directly addressing these issues. Certainly I think if the relationship is based on shared values, because remember that one of the mantras of the bilateral relationship is that Australia and India share common values. And if democracy and freedom of expression, independence of the judiciary, respect for the minorities' rights, if that is important, then clearly it becomes incumbent upon Australian government to speak when it is called for. And when there is a recognition on the part of Australian diplomats, Australia's intellectual elite, that something is not quite right, then Australia simply cannot sit quietly.

Ali Moore:

Lisa?

Lisa Singh:

Ali, look, India has demonstrated a very constructive stance on human rights issues around the world, such as in Afghanistan, in Myanmar and currently through its tenure as a non-permanent member on the UN

security council, its two tenure. But obviously this is hard to square with the fact that it's now got to deal with some of these internal human rights issues that it's facing. And I know the Indian government is well aware of what is happening with regards to its Muslim population in India, which I think makes up around 15% of its total population, and working through that I'm sure is not going to be easy. But what I've seen in terms of concerning news reports that have come out on this, I'm sure India is looking to manage these issues in a way that doesn't damage its image on the international stage, but also addresses them domestically.

It is the world's largest democracy and a country that is on the verge of signing a flurry of trade deals, not just with Australia so I am sure that the Indian government is taking some of these issues that are occurring seriously. I think on the Australian side, we are a country that have always spoken out and advocated for human rights issues. I think something that former Prime Minister Paul Keating said recently in his national press club address is interesting. And he talked about the fact that we should always speak out on human rights, whether it's Muslims in India or Uyghurs as in China, but the point he raised was that, that should not be the whole conversation of our relationship, that you have to speak firmly on these issues of rights of citizens in other countries, but you do it in such a way that it doesn't supplant wholly your bilateral discussions between the two countries and I'm sure that is the approach of Australia is taking.

So our diplomatic engagement with India and other countries, I'm sure happens a lot of the time outside of the media, very quietly, but in a way that continues to ensure that our bilateral relationships stay strong.

Ali Moore:

Particularly given that you're a former senator, you sat in parliament and you do speak quite a lot about human rights issues, not necessarily just with India, when Pradeep says that Australia can't sit quietly if it feels that something is not right, do you believe Lisa, that Australia does not sit quietly? You do believe that those exchanges away from the glare of the public eye, you do believe those exchanges are taking place?

Lisa Singh:

Yes, I do. Yes. Look, I have a lot of faith in our department of foreign affairs and trade. I think the diplomatic work that they do across a range of countries in the human rights space is very sound and yes, I have been a part of a number of briefings and a number of Senate inquiries over nearly a decade that prove that to me. And I'm sure things have not changed on that front.

Ali Moore:

We are almost out of time, so if we can just do a little crystal ball gaze into the future, not too far, Lisa, do you think the momentum and the incentives are there for the various challenges to close the ties that we have discussed for them to be overcome, how strong do you think the current trajectory is?

Lisa Singh:

I am incredibly optimistic, Ali. I think that the Australian-India relationship in 2022 is going to be the strongest it's ever been, whether we look at it from an economic point of view, a geostrategic point of view, or even a people-to-people point of view, I think it's going to be a lot stronger than it's ever been. I think that momentum is there now to stay, and I think the proof of that is covered by a lot of what we've discussed. The fact that both countries are so committed to the Quad, to its naval exercises, to its trade agreements, to ensuring we have more mobility between our flight hubs between both countries, despite the fact that we are still dealing with a challenging pandemic all shows really strong signs. But I think overall there is that diplomatic and government-to-government cooperation to really want to ensure this relationship is a lot stronger.

And in a way, it's one of those things that you sit back and think, "Why isn't the Australia-India relationship a lot stronger?"

There's so much we do have in common. We're, of course, two different countries, but same time with a growing Indian diaspora in Australia, there is a lot more reasons why we should be ensuring we're a lot stronger partners in the Indo-Pacific region.

Ali Moore:

Pradeep, do you share that optimism?

Pradeep Taneja:

Yeah, I think the relationship is on a much stronger footing than it has been for a very long time. The economic dimension of the relationship will grow, particularly as India's economy continues to grow. India's economic history has been relatively chequered, but India sort of tends to surprise sometimes, but also often disappoints in terms of India's economic growth story. But I think the fundamentals of Indian economy are looking strong, and India should grow at a faster clip in over the next decade. And as that happens, I think they'll be more substance added to the bilateral relationship between Australia and India.

Pradeep Taneja:

But in the meantime, I think the core logic of the relationship would be strategic. In other words, the strategic opportunities for cooperation, the common perception of the changed, the strategic environment in the Pacific region that is going to drive the relationship. And of course, the people-to-people relationship, there's 700,000 strong and growing Indian diaspora would continue to add momentum to this relationship. So, as I said, the fundamentals of the relationship are looking quite good, and particularly if the economic relationship begins to grow at a faster pace, then I think all the pieces would be in place.

Ali Moore:

That said though, Pradeep, I don't like to finish on a negative note, but there's a lot of people who have promised a lot of things about India so the potential is there, we just have to see a realised. Is that not a fair comment?

Pradeep Taneja:

Well, it is. As I said, India has been taking off for a long time and it kind of fails to take off. And everybody hopes that India is now really at that stage where it will actually become, not just one of the fastest growing economies in the world and not just one of the largest economies in the world, but at least the second largest economy after China in Asia. And I think the fundamentals are there. There is a very strong entrepreneurial spirit in India, amongst Indian youth, amongst Indian technology companies, but there also has to be the right political environment.

And as I said earlier, although Prime Minister Modi talks the talk of economic reforms and improving the ease of doing business in India, but the fact is that there are still many important economic reforms that need to be done in India. But politics comes in the way where winning elections becomes more important than implementing economic reforms. As we saw, for example, with the agricultural laws, the three agricultural laws which were enacted by Prime Minister Modi's government, and then under very tough pressure from the Indian farmers and close to an important state election, Uttar Pradesh, Prime Minister Modi decided to withdraw those laws and therefore the reforms have been rolled back. So this seems to be a problem with democracy, not just India, where politics comes in the way of significant economic reforms. But hopefully India can develop a national consensus on important economic reforms and implement those reforms, which will really unleash India's economic potential.

Ali Moore:

Well, as you say, Pradeep, India is not alone in politics getting in the way of reform. Before I let you both go, can I ask, if listeners want to find more about your work and your views online, Lisa, where can they find you?

Lisa Singh:

They can find me at the Australia India Institute here at the University of Melbourne or on social media, just drop me a line.

Ali Moore:

Do you have a Twitter handle?

Lisa Singh:

Yeah, Lisa-Singh.

Ali Moore:

That's pretty straightforward. Pradeep, what about you?

Pradeep Taneja:

Yes, they can find me if they look under Fellows of Australia India Institute, and also if generally they look at the University of Melbourne, I'm very easy to find. I also tweet infrequently on @PradeepKTaneja, so again, it's not too difficult to find.

Ali Moore:

Well, thank you so much to both of you for your insights. It's been a fascinating conversation. And as I said, I hope it's one that we can revisit a little later in the year. Thank you very much for your time.

Lisa Singh:

Thanks, Ali.

Pradeep Taneja:

Thank you, Ali.

Ali Moore:

Our guests have been the honourable Lisa Singh, CEO of the Australia India Institute and former Australian Senator and Dr. Taneja from the school of political and social sciences at the University of Melbourne. Ear to Asia is brought to you by Asia Institute of the University of Melbourne, Australia. You can find more information about this and all our other episodes at the Asia Institute website. Be sure to keep up with every episode of Ear to Asia, by following us on the Apple Podcast app, Stitcher, Spotify, or Google Podcasts. If you like the show, please rate and review it on Apple Podcasts. Every positive review helps new listeners find the show and please help us by spreading the word on social media. This episode was recorded on the 24th of January, 2022. Producers were Kelvin Param and Eric van Bommel of profactual.com. Ear to Asia is licenced under Creative Commons, copyright 2022, the University of Melbourne. I'm Ali Moore, thanks for your company.