Free and Open Indo-Pacific strategy

What is the issue?

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US administration is pushing the Free and Open Indo-Pacific (FOIP) strategy as its major economic initiative.

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What is the aim?

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- Many observers consider it as an initiative for gathering an anti-China alliance.
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- The impression of the FOIP being a US-led anti-China alliance was strengthened by the existing security groupings like the Quad involving US, Japan, Australia and India.
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- But the impression in itself could create exactly the same problems for it as the BRI is suffering from.
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- Several critics of the BRI have argued that availability of alternative sources of financing would have reduced the dependency of smaller countries on Chinese funds.
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- They further argue that a multi-country initiative such as the FOIP can make a difference.
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Who will be the potential members?

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- From the US perspective, members would include its military partners in the Asia-Pacific region, such as Japan and Australia, as well as a major strategic partner like India, whom the US recognises as a defence partner.
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- India’s inclusion in the US FOIP is inevitable, given the US’ visualising of Indo-Pacific as a geography engulfing the Indian Ocean.
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- Japan, Australia and India are clearly the three most important strategic allies of the US in Asia.
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- Any US plan to counterbalance Chinese influence particularly the ambitious Belt and Road Initiative (BRI) requires the active support of all the three countries.
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What is the problem with BRI initiatives?

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- Poor Chinese diplomacy and lack of substantive engagement with partner countries.
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- Opaque project financing terms
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- Demand og concession in strategic autonomy
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- Strong arming several small countries to unreasonable terms.
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How far FOIP is similar to BRI?

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- **Non-inclusiveness -** The FOIP could hardly avoid being identified as an anti-China military grouping.
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- An ‘inclusive’ FOIP is inherently counter-intuitive for a US administration that prefers handling economic relations bilaterally.
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- **Market Access -** US has announced strategic investments worth $113.5 million in the Indo-Pacific, with particular emphasis on expanding digital connectivity, energy security and sustainable infrastructure.
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- Cooperative projects were announced such as the ‘Strategic Trade Authorisation Tier 1 Status’ to India for export of high-technology items by American firms and LNG agreement with Japan.
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- These steps indicate efforts by the US administration to secure greater market access for American businesses in key regional markets such as India and Japan.
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- Such market access in recipient countries is focused on areas that can provide American businesses control over production of strategic assets like energy.
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- This is exactly the same reason the Chinese investments in the BRI are criticised for.
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- **America First -** While advancing ‘Made in China’ is a core objective of the BRI, ‘America first’ appears to be a similar objective for the FOIP.
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Can it materialise?

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- India and Japan, notwithstanding their multiple issues with China, is not keen on committing to a distinct anti-China regional agenda.
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- Both of these countries need to keep working with China in their own economic and global interests.
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- India has emphatically asked for an ‘inclusive’ Indo-Pacific, while not committing to a US-Japan-Australia infrastructure partnership.
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- As an economic project, it needs to establish intentions of pursuing collective benefits for the region, as opposed to just those of American businesses.
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- Otherwise, it could well turn out to be an initiative that begins looking biased in much the same way as the BRI.
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Source: Financial Express

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