

Think

new things

Make

new connections

Terms of Reference

Partnering with the Indo-Pacific:
how can the West best partner with
the fast-growing economies of the
Indo-Pacific to maximise global
economic growth, make progress
on the climate crisis and increase
shared resilience to shocks?

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DITCHILEY

Terms of Reference

The West, China, India, Japan, Australia and other countries in the Indo-Pacific all share a common interest in continued global economic growth but alongside the hunger for growth there is also an increased shared need for resilience to shocks, whether natural, geopolitical or technological, and an increased urgency for action on climate change and energy security. Many countries in the region see the achievement of progress on cutting edge technologies as essential to future prosperity, to maintaining parity in power and to resilience.

This Ditchley conference will bring together politicians, government officials, business leaders and technologists to explore how the hunger for growth and the need for security can be best stewarded in new forms of partnership between Indo-Pacific countries and the West.

On the substance of cooperation, we will focus in particular on the joint development of advanced technologies such as AI, quantum and biosciences through diversified and de-risked supply chains; the joint development of green transition technologies, supply chains and policies; and shared approaches to energy security.

We will explore different frameworks aimed at increasing partnership with the region, including for example:

- US led engagement with the region through initiatives such as the Quad, AUKUS and the US-India Initiative on Critical and Emerging Technology
- ASEAN programmes on Science, Technology & Innovation
- European initiatives such as the EU's Indo-Pacific Strategy and France's various national initiatives in the Indo-Pacific
- The expansion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) beyond the Pacific, with the UK as the first non-Pacific signatory
- The UK and India [statement on shared prosperity](#) through national resilience, April 2022
- The Australian Strategic Policy Studies Institute [Report Critical Technologies and the Indo-Pacific](#): a new India Australia Partnership.
- The Singapore Hub for British International Investment

But we will give most attention to Indo-Pacific countries' own visions for partnerships beyond the region for growth, technological innovation and energy and economic security.

What drives Indo-Pacific countries to want to cooperate to meet their needs? What channels and fora are proving most effective and could be expanded? What are the barriers inhibiting cooperation? What guardrails could be put in place so as to maximise cooperation, rather than to constrain it, for example on cyber security and legal protection for intellectual property? How can we liberalise the flow of goods, ideas and talent to the greatest degree that is sensible with regard to resilience and security?

Although a great deal of what the West and Indo-Pacific countries want to do is about de-risking supply chains and dependencies dominated by China, no conversation about growth and security can exclude China as, currently, the dominant player in the region. For all the countries involved, including the US, China is a significant economic partner as much as a rival, competitor and potential threat. China is also engaged in its own version of de-risking its supply chains. How can we draw sensible limits to cooperation across lines of geopolitical tension that allow continued global economic growth but also damp down the risks of shocks shaking the whole economic system to destruction?

For the middle part of the conference we will break into three working groups so as to be able to explore some of these issues in greater depth:

Group A will look at **shared strategies for resilient innovation and supply chains**. How can countries work together to reduce over reliance on single sources of supply of critical technologies? How can innovation in areas that confer strategic and especially defence and national security advantage be made a cooperative enterprise amongst like-minded countries in the region but not shared with China? Example technologies might include semi-conductors and semi-conductor production technologies, as well as AI and biosciences.

Group B will look at the **green transition and energy security strategies** and the economic opportunities they should bring for cooperation between Indo-Pacific countries and the West. China currently has close to a monopoly on some of these technologies. Where should China and the rest of the Indo-Pacific be cooperating to maximise the positive impact of the production of these technologies at scale? Where should we be moving rapidly to promote the diversification of supply chains for the green transition, for example on critical mineral processing? How can the West best support green transition policies in the fast growing Indo-Pacific?

Group C will focus on **methods and frameworks for engagement**. What can the various multilateral and minilateral frameworks such as ASEAN, CPTPP, the QUAD, AUKUS, the WTO and investment banks do to promote economic cooperation on cutting edge technologies between the West and the Indo-Pacific? How can these frameworks overlap positively and where might there be tensions and unhelpful duplication? What could be a good relationship between such frameworks and other groupings such as the G7, the G20, the UN and, on defence, NATO?

Please note that the second day of the conference will start very early to enable engagement of a wider range of Indo-Pacific opinion and expertise through hybrid discussions with speakers in the region during their working hours.

Context

In the context of geopolitical competition between the US and China played out through the medium of technology, the aim of this conference is to develop scope with and within the Indo-Pacific region to increase collaboration and positive competition on emerging technologies.

How can the US, the UK, Australia and other G7 countries work with India, Japan and emerging powers in the region to accelerate innovation, develop resilient supply chains and develop manufacturing capabilities in pursuit of broader economic development? How can

India's priorities for the G20 Presidency be best supported in the years following? What is ASEAN becoming? Indonesia is the current Chair of ASEAN for 2023. How can economic initiatives best navigate political tensions and coordinate with political security initiatives such as AUKUS? What role will the QUAD play, especially given Indian concerns over the Himalayan border areas?

Which of the existing bilateral partnerships with the US, Germany, Japan, France and the UK work best for India especially in the light of Director Burns' remarks at the Ditchley [Annual Lecture](#) (2023) about rising powers wanting and needing more open and diverse relationships in order to expand their strategic autonomy and to hedge their interests, militarily, politically and economically? In a region that is feeling the US/China competition, what can India expect from the US and how can India assess US security guarantees?

How do Japan, Australia, Indonesia, Korea and other significant powers in the region see their growing relationships with India *vis-à-vis* China?

Themes to explore:

Critical and emerging foundational technologies. What are the overarching trends and what counts as critical and foundational from the perspective of countries in the Indo-Pacific? On which technologies is there most need and enthusiasm to cooperate with the West? How could such cooperation adapt to the reality of US and Chinese competition on foundational technologies?

Digital public infrastructure. Digital public infrastructure has been championed by India and Singapore, with the digitisation of large-scale systems said to have the potential to revolutionise the ways public services are delivered and support governments to release market innovation and entrepreneurship. Such infrastructure could facilitate the verification of identity, credentials, payments and data exchange to support all the systems that make up essential public functions and services. How can the West learn from and contribute to the development of digital public infrastructure? What are the challenges for democratic values, for example data privacy?

Climate, clean energy and biodiversity. How the region deals with climate change is going to be crucial for the rest of the world. What are the major opportunities for collaboration on climate change policies, climate technologies and research? What progress could be made together on disaster-resilient infrastructure? What can we do together on the ocean and ocean biodiversity?

Demographics and education. What impacts will demographic change have on the Indo-Pacific region and on innovation and resilience? What are the effects of intra-regional flows of workers and how do economies facilitate cross-border movements and opportunities for younger workers? Japan for example is becoming reliant on imported labour from the Philippines and Indonesia. What has the effect been of the 'Sea Turtles' – the diaspora within the US and especially in Silicon Valley – who come back to lay their eggs? On education, the on-line education market (edtech) in India is set to grow rapidly (as a result of the impact of Covid and an increase in opportunities for personalised and adaptive learning). Demand is high and will inevitably be linked to innovation in generative AI. What about educational

relationships and student visa exchanges: how effective are these in cementing bilateral relationships?

Defence, security and a multi-aligned Indo-Pacific. How can partnerships between Western and Indo-Pacific nations be formed in ways that take account of, or at least understand and recognise the deeper motivations and reasons for the refusal of many countries to take sides in what many see as an emerging new Cold War? To what extent does partnership on innovation and supply chains demand a shared world view?

Further Background

The Indo-Pacific is likely to remain one of the world's fastest growing regions, albeit with growing political tensions between China and the West creating potential instability.

The Indo-Pacific is already the global centre for growth, responsible for 60% of global GDP and 40% of exports from Europe. By 2030, 2.4 billion people will exit poverty and join the middle-class across this region [1]. The freedom of navigation through the South China Sea and Taiwan Straits is crucial for global trade.

The expectation of the Ditchley conference [*The Indo-Pacific: how can we best promote strategic stability, economic growth and the rule of law in the region?*](#) (October 2021) was for this region to exert a strong gravitational pull on the rest of the world. The UK, the EU and the US all stress the importance and value of new and stronger cooperation with the Indo-Pacific for global defence and security.

The UK's [*Integrated Strategic Review Refresh 2023*](#), building on the 2021 Integrated Review, re-emphasised the need to forge stronger bonds in the Indo-Pacific, the Gulf and Africa as regions of growing importance to the UK. Since 2021, the UK has a 'dialogue partner status' with ASEAN and joined CPTPP amongst other investment and defence measures in the region. It stresses an ambition to prioritise the Indo-Pacific, *"a region critical to the UK's economy, security and our interest in an open and stable international order. Developments there will have disproportionate influence on the global economy, supply chains, strategic stability and norms of state behaviour. Having delivered the original IR ambition for a 'tilt', we will put our approach to the Indo-Pacific on a long-term strategic footing, making the region a permanent pillar of the UK's international policy."*