The Quadrilateral Grouping and India

What is the issue?

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- Japan has proposed a “Quadrilateral” grouping consisting of India, Australia, USA and Japan.
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- The purpose is to provide alternative debt financing for countries in the Indo-Pacific.
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- While India has consented, caution is needed as the proposal will enhance the engagement of extra-regional powers in its backyard.
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How is India’s current regional profile?

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- India is already working with the U.S. on transmission lines in Nepal, and with Japan on a LNG line in Sri Lanka.
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- Nevertheless, an active encouragement of extra-regional powers by India to operate in the sub-continent is a new beginning.
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- If seen in the larger context, this is a mark of India’s reducing clout over the neighbourhood.
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- **Bhutan –** Bhutan’s parliament recently noted high debts owed to India’s due to its un-sustainable ‘hydro-power project’ loans.
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- As India has also shown reluctance to revise buying tariffs and facilitate power swap deals for Bhutanese companies, considerable friction has been caused.
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- **Sri Lanka -** Over the past decade, India ignored various offers to build ports despite Sri Lanka's pressing need for infrastructure.
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- Despite Sri Lanka's pro-India outlook, China stepped up to grab multiple projects by bankrolling them through its ExIm bank.
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- As India is currently worried about growing Chinese presence, it is upturning for everything on the offer without rationality.
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- The un-viability of such bids has been exemplified by the $205 million offer for the development of Hambantota airport that sees just 2 flights a day.
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- While, the intention to build a counter to China in the neighbourhood is apparent, it isn't being strategically thought out.
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- **Nepal –** Here, India lost out to China as it allowed a five-month-long blockade at the border, which pressed for constitutional reforms.
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- Notably, China has created roads and other infrastructure to make Nepal's terrain more accessible from their side.
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What are the risks for India?

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- While the quadrilateral grouping will bring developmental projects, it will considerably erode India's primacy in the neighbourhood region.
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- While India has impeded Chinese desires to have a diplomatic mission in Bhutan, it would be a challenge if US pursues the same.
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- Similarly, India also runs the risk of seeding ground to Japanese & US Navies in Sri Lanka.
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Source: The Hindu

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