



Economic Diplomacy & States Division  
Ministry of External Affairs



# DECCAN DIALOGUE

## CONFERENCE ON ECONOMIC DIPLOMACY IN THE AGE OF DISRUPTIONS

**CONCEPT NOTE**

August 31, 2019  
ISB, Hyderabad Campus

Deccan Dialogue, jointly organised by the Indian School of Business (ISB) and the Ministry of External Affairs, Government of India, is an annual flagship event aimed at promoting multi-stakeholder conversations on economic diplomacy and India's external engagement. Deccan Dialogue brings together policymakers, representatives from business, diplomatic and strategic community, media and academia on a common platform, to engage and deliberate on emerging aspects of economic diplomacy and development. The maiden edition of Deccan Dialogue was held last year on the theme 'decentralised cooperation'.

The 2nd edition of Deccan Dialogue is scheduled on August 31, 2019, at ISB's Hyderabad campus and with its theme centred around 'Economic Diplomacy in the Age of Disruptions'. We are witnessing extraordinary times where geopolitical shifts, trade tensions, technology transformations and climate change are all churning businesses simultaneously and impacting economy, society and environment in a significant way.

The scope and scale of these disruptive forces are unparalleled in recent history. No country or company is immune to these forces or can endure them, single-handed. All stakeholders must keep pace with the changes and engage in a policy dialogue where 'international', 'national', 'regional' and 'local' come together to address and adapt to these disruptions jointly.

In this context, the 2nd edition of Deccan Dialogue will deliberate on the changing counters of international economic relations and the role of economic diplomacy in fostering new partnerships and strengthening multilevel cooperation on crosscutting issues of trade, investment, international finance, climate change and sustainable development.

The event is structured to have inaugural and valedictory sessions and five thought-provoking and informative dialogues around the theme 'Economic Diplomacy in the Age of Disruptions'.

## **DIALOGUE I: RESHAPING ECONOMIC ENGAGEMENT IN A RAPIDLY TRANSFORMING WORLD ORDER – CHALLENGES AND OPPORTUNITIES FOR INDIA**

Globalisation, as nurtured by the post-cold war liberal order, transformed the organisation of international economic relations ushering an unprecedented level of interconnectedness and interdependence among all countries. But the tectonic geopolitical disruptions of the recent years – from the widening transatlantic rift to the shifting pivot to the Indo-Pacific, from the rise of China as a high power to the new power games in the gulf – are all upending the established rules of economic engagement and forcing nation-states as well as business community to recast their strategies and search for alternative solutions. As the fastest growing emerging economy and at the same time facing a multitude of vulnerabilities, India is in a unique position to play a vital role in reshaping global economic governance and lead new partnerships. The panel will focus on navigating the geopolitical disruptions to trade and commerce and the challenges and opportunities for India in this context.

## **DIALOGUE II: TECHNOLOGY AND TRADE – NEGOTIATING NEW FRAMEWORKS FOR INDUSTRY 4.0 AND SOCIETY 5.0**

Cutting edge technologies like AI, machine learning, IoT and digital genomics are drastically changing industrial structures as well as the society at large. Many countries like Japan, Germany, Singapore and Estonia have come up with bold initiatives to accelerate the adoption of these technologies in diverse sectors from industry to governance and from individual to a community level. The anxiety over who would dominate and control such disruptive technologies is already manifesting in new-age tech and trade cold wars. Maximising the benefits and at the same time managing the negative impacts of such disruptive technologies would require new cooperative frameworks that balance concerns related to national security, individual privacy, economic interests and developmental priorities. Unfortunately, existing platforms like WTO have turned out to be ill-suited for facilitating such discussions. Panellists will share their views on how governments can negotiate and evolve new frameworks/ models that benefit all stakeholders.

## **DIALOGUE III: ‘SOFT POWER’ DIPLOMACY AND HIGHER EDUCATION**

Ease of global travel, the rise of social media and an empowered diaspora have helped project India's rich cultural and constitutional heritage making India a major soft power state in the world. Various facets of soft power like Bollywood, TV serials, Yoga, Ayurveda, political pluralism and religious diversity have facilitated in their significant way India's economic engagement with the rest of world and also opened up new opportunities for Indian business. Cultural affinity plays a significant role in gaining trust and clinching trade and investment deals. Soft power and economic diplomacy go hand in hand. Businesses and policymakers need to pay more attention to these aspects. An agenda that calls for focused deliberations in this context is the internationalisation of higher education and how it can strengthen India's stand as a 'soft power' and can be leveraged as a useful tool of economic diplomacy.

## **DIALOGUE IV: INTERNATIONAL FINANCE IN A MULTIPOLAR WORLD**

The global economy is undergoing substantial structural shifts primarily driven by three megatrends – digital transformation, the economic strength of emerging economies and a possible breakdown of a multilateral framework, within which the global economy has functioned since World War II. Within this context, the salience of the Bretton Wood Institutions in the international monetary and financial systems is diminishing. New multilateral financial institutions like the Asian Infrastructure Investment Bank and the New Development Bank have become attractive alternatives for meeting the daunting infrastructure investments needs of developing countries. At the same time efforts as the Belt and Road Initiative have come with their own set of challenges related to transparency, sovereignty, national security and sustainability of debt. It is essential to see how the rules of international finance can be revisited and existing and new multilateral frameworks strengthened and made more representative.