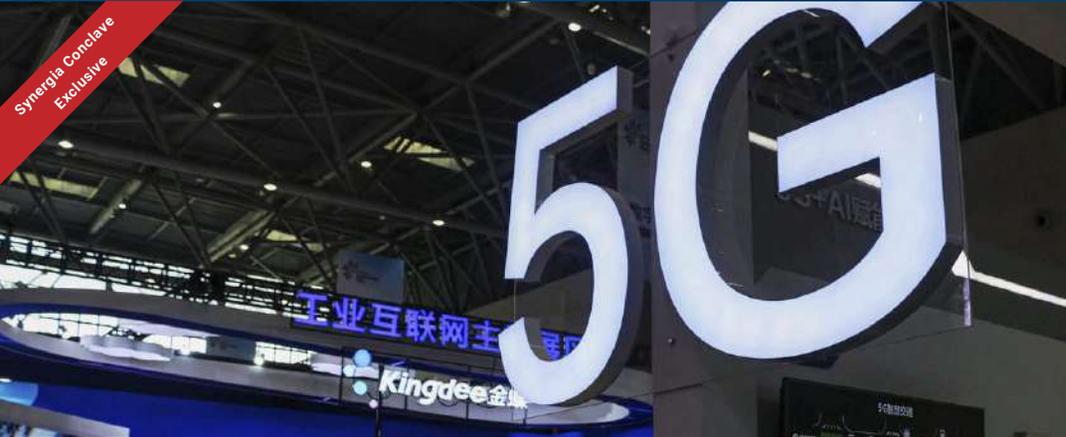


# IN@SIGHTS

VOLUME 194

 SYNERGIA FOUNDATION

DECEMBER 2019



 Admiral Dennis Blair: 5G implications for India



UK elections: Boris wins big



Dr Paulraj: The US-China tech war



Protests: Are social cracks widening?



Making electoral bonds transparent



N Korea: Nuke threat festers



Remembering Versailles at 100

# The 5G Revolution: Implications for India



Admiral Dennis C Blair, former Director of Intelligence, United States

Admiral Dennis C Blair, former Director of National Intelligence, US, addressed the Synergia Conclave-2019 on the guidelines for building and deployment of the revolutionary 5G technology.

## Background

As the global race to develop and deploy 5G telecommunications networks heats up, the urgency for investment in digital infrastructure is rising in tandem. The first country to achieve large-scale, reliable 5G coverage stands to reap significant economic gains—starting with higher technological innovation, faster economic growth, and stronger national competitiveness. The returns will be far larger than upfront investments.

5G is the next big thing in information communication technology (ICT) networks. It will provide the infrastructure for the Internet of Things, for smarter and more automated factories, for autonomous vehicles, and for applications most of us can barely imagine when cloud and artificial intelligence systems mature further.

There are huge economic payoffs of this technology which will be shared by all countries. From an economic point of view, it is estimated that 5G will add \$500B to the American GDP, along with 3 million jobs. The economic impact in other countries such as India will also be significant.

The implications for India will be very different to that of US. India, which has gained vast experience in the deployment of 3G and 4G, is still to spread these technologies to its entire population. However, it has large urban areas which are well placed to absorb this technology and with its software industry, it can contribute to the formulation of international regulations to guide the roll out of 5G.

## Analysis

While the Huawei controversy has dogged the 5G rollout in US, the issue is much larger. Going beyond the Huawei controversy, Admiral Blair illustrated the three interlinked challenges all countries will face as they build their national 5G policies.

First is the economic challenge as the costs involved in the ecosystem are huge. Should this be allowed to be cornered by foreign companies leaving own domestic companies out in the cold? Foreign companies supported by their government do not expound fair competition. Although most countries will purchase some of

their 5G equipment from foreign companies, they should structure the domestic 5G market so that their own companies can compete for business to the extent they are capable and competitive. Countries should not allow first-moving foreign companies, especially those subsidized by their own governments, to lock in a dominant position, giving them monopoly power to raise prices and to choke domestic competition.

The second challenge is that of security when the infrastructure is foreign built. Are there imbedded systems which will endanger privacy of private individual and state agencies? Both to protect the privacy of their citizens and to safeguard national security, countries cannot allow foreign equipment on 5G networks to be exploitable by their adversaries.

The third important issue is ensuring quality and reliability of the ecosystem. If software and hardware are designed and built overseas, how will the end users monitor their quality and reliability? Is it secure from opportunistic hackers? Once systems switch to 5G, there is no longer the option to change to old world technologies if there are disruptions in 5G. Thus, the technology must be tamper-proof and domestic companies should be able to handle any disruptions.

If both ONAP succeed, then no longer will a single provider such as Nokia, Ericson, Samsung or Huawei deliver integrated, proprietary wireless systems to wireless providers. Instead, the providers will be able to procure components for both the core and the Radio Access Network of their 5G systems from different hardware and software providers, depending on their requirements and pricing and quality.

In other words, the open architecture initiatives will provide an opportunity for wireless providers to maintain competition as 5G networks are both installed and upgraded and expanded. This will keep prices lower and will provide more opportunities for domestic companies to compete. Open standards will also help with the issues of security and equipment reliability. However different measures are required to meet these challenges, this time involving government participation.

For both security and privacy reasons, the Indian government should look closely at the susceptibility of foreign wireless equipment providers to exploitation by their home governments. This judgement needs to be made by government national security agencies, based on their best information from defence, diplomatic, economic and security departments. Foreign companies that are susceptible to home government pressures should be proscribed from deploying equipment into the core sections of networks. Huawei in its current configuration, if not a tool of the Chinese government, is certainly a willing partner. It needs to make structural changes in its governance and activities if it is to gain the confidence of other countries.

As broadband access becomes more pervasive, it makes sense to augment the intelligence of local computing devices by connecting them with computing power and data repositories “in the cloud.” Access to cloud-based resources provides benefits to both businesses and consumers and has become an important driver of mobile data traffic. According to Cisco, cloud-based applications are already responsible for more than 80 percent of mobile data traffic and are expected to account for 90 percent by 2019.

Finally, 5G networks will become so important to the health, safety and welfare of citizens, that there must be confidence in the reliability and security of the hardware and software systems in both the network components and the applications that ride on them. Experts in US marvel that India is able to work through massive electrical power outages of several days, because companies and homes have generators, and many activities powered by electricity are optional, even if their absence is costly and uncomfortable.

However, to lose portions of a 5G network controlling personal health devices and autonomous vehicles will be a humanitarian disaster. There are no backup systems and the health and life consequences are dire.

The United States, India and other countries must set up public/private bodies to certify new hardware and software both for 5G network equipment and applications. The only organization which can act as a model is the UK’s “Huawei Cyber Security Evaluation Centre” or HSCSEC. This group of technical experts was established to verify Huawei software, but an organization like this is needed in every country to evaluate all equipment on wireless networks.

## Assessment

- Rapid and large-scale deployment of 5G would not only help countries maintain its economic and technological edge globally, but it would also offer an opportunity to realize its other national objectives.
- It would support the transition of the economy to the Fourth Industrial Revolution ushered in by dramatic technology innovations.
- It would promote a stronger, more innovative, and more competitive business landscape, which in turn would support sustainable and high-paying jobs.
- It would provide increased access, benefiting both local communities and the private sector in under-served areas.

- 5G will not represent a smooth, evolutionary improvement over the current standard, but will involve significant discontinuities from the earlier generations of wireless technology.
- This shift will likely confront policymakers both domestically and internationally with a number of novel legal and regulatory issues that will have to be resolved if the technology is to realise its full potential.
- It is important for India, in partnership with telecoms and hardware and software vendors, to make the right decisions now on the implementation of 5G. 5G is too important to allow a single player to dominate it. We need to build the ecosystem by multiple agencies with a large domestic footprint.
- To end up with a resilient 5G ecosystem, India has to rope in academics, industry captains and most importantly the user to form regulation and guidelines which enable a smooth rollout.

## UK elections: A full English breakfast for Boris



Boris Johnson concluded his early morning victory speech like only a journalist gifted with the pen of humour can. “*Ladies and gentlemen, so let’s get Brexit done. But first let’s get breakfast done,*” he said. Johnson’s was taken care of. He’s just had the opposition Labour Party and its beleaguered leader Jeremy Corbyn for breakfast. In the snap general elections held in the UK on December 12, Johnson’s Conservative and Unionist Party secured a landslide 365 seats in a house of 650 and the comfortable cushion of an 80-seat majority. With his thumping win, Brexit will finally be done, but the United Kingdom could be undone.

In an election forced by the parliamentary logjam over the modalities of exiting the European Union mandated by the referendum of 2016, Brexit provided the context and crux for the contest. The Conservatives kept their slogan simple: *Let’s get Brexit done*. In contrast, the Labour Party, in the main, offered two things: unprecedented levels of public spending that even its traditional voters did not consider credible; and plenty of dithering on the question of Brexit. The amount of freebies on offer—no tuition fee, free broadband, free childcare—in the Labour manifesto that Corbyn called “radical” and “fully costed” was too good to be true.

The result, while not wholly surprising, has fundamentally reshaped the political geography of UK. Britain has seen bigger electoral victories. Under Tony Blair, Labour won two consecutive elections with more than 400 seats at each time of asking. But Labour hasn’t lost as badly since 1935.

### Fresh fault lines

But the big story is the complete reversal of the support base of the two major British parties. The Conservative Party, for long the natural party of governance, traditionally drew its support base from the affluent southern towns and countryside of England. The Labour Party’s strengths lay in the industrial and poorer midlands and north of England so much so that a vast tract of land coast-to-coast from the midlands northwards was known as the Red Wall that the conservatives have hardly ever managed to penetrate. But in post-Brexit Britain, the Red Wall now has big blue holes. Nearly 60 hard-core Labour seats from these parts switched to Conservative. There are many seats in the region that have never in history had a Conservative MP. These after all were the regions that voted heavily to leave the European Union. The mines had long disappeared, and the once thriving factories and shipyards of the north too vanished under the force of globalization. Its people were convinced that cheap immigrant labour from Eastern Europe and stifling EU regulations had made their lives more miserable. In such ‘leave’ strongholds, the Conservative Party in 2019 has won seats it has never managed to in the past. A vast number of die-hard labour supporters, who couldn’t dream of voting Conservative, seem to have “lent” Johnson their vote in a Brexit election. The Labour Party inside the parliament has decidedly been anti-Brexit. Its support base, the working class, saw this as a betrayal and the election results can be viewed as a revolt of the die-hards against their own Party. The Labour’s catchment now remains restricted to university towns, the well-off in London and the big cities, the young cosmopolitan liberals whom Brexit would hurt the most, and ethnic minorities.

While there is no now ambiguity about Brexit, the union of UK appears shakier than ever. Almost 60% of Scotland had voted to remain in the EU. The Scottish National Party (SNP) that governs the region has won 48 of the 59 House of Commons seats today, increasing its votes here by some 8%. With such overwhelming support, the SNP has already started pushing for a new independence vote after the first in 2014 was defeated. It will be hard for the new government to drag the Scots out of the EU on the basis of a majority won entirely in England. In Northern Ireland too, the nationalist outfits led by Sinn Fein that seek the territory’s unification with Ireland for the first time outnumber the Unionists (those who support being in the UK) in the House of Commons.

### Fixing ‘Broken Britain’

The contrasting approach of the Labour and Conservative parties to the campaign makes for an interesting political case study. In their ruthless pursuit of power, the Conservatives had no qualms in sacrificing Teresa May as prime Minister earlier this year and quickly coalescing around Boris Johnson. Despite being dissed by his opponents as a “liar”, “far-right fundamentalist” and “clown”, Conservatives knew only Johnson had the feel-good factor to take them into electoral territory out of bounds for most others in the party. Meantime, the Labour party had been turned into a cult of Corbyn. The empty idealism of his loyalists called Corbynistas made little sense even for Labour lifers. People who could not prove their ideological purity were purged from the Party. His incompetence and arrogant refusal in dealing

with rampant anti-Semitism in the Party that made its claims to liberalism seem increasingly hollow. Corbyn the bogeyman supplied an endless stream of electoral gifts to Boris Johnson. Post poll surveys conducted in the former Labour strongholds suggest disaffection with Corbyn a bigger reason than Brexit for choosing Johnson.

As is usually the case with such campaigns cloaked in self-righteousness, the only constituency where decisive victories can be scored is the social media.

Boris Johnson is an election campaigner extraordinaire. He won two back to back

mayoral elections in London, another Labour stronghold. He was the face of the 'leave' campaign in 2016 that scored a victory against all odds. But now begins a new challenge. Getting Brexit done with minimal impact on an already stagnant economy requires more than smart slogans. The election results will force the Conservative Party to undergo a drastic change. It is now the Party of the working class. Tallying its traditional economic instincts of government austerity, low taxes, light touch-regulation and championing free markets with the new vote base in long-neglected regions that require massive public investments will test its capacity to the limits. And, yes, there's the minor matter of keeping the Union together.

## I Global protests: A society at war with itself?



The society at present is full of paradoxes-- on the one hand, we are on the threshold of the next phase of the digital revolution and the other hand there is anger, distrust and disillusion with the government. Does this signify a failure of the state to fulfil its responsibility towards governance?

### Background

Going by TV news, it seems as if the world is in protests in perpetuity. Be it Asia, Africa, the Middle East, South America or even the richer states of Northern America and Europe, protests are sweeping across the world. All have a common denominator-poor governance due to state apathy, corruption and social injustice. So while some get richer, the larger majority continues to slide down the scale of living index.

Some protests have been peaceful, while others have taken violent turns. While some harness the power of the social media and internet to gain traction, others remain more conventional in their methods sitting down silently in mute protest, waiting for the inevitable baton charge or the water cannon. It is interesting to note how governments across the world are responding to these protests- at times it appears as if the two belong to two different countries and are waging war!

### Analysis

A protest is a powerful declaration of objection, disapproval or dissent often in opposition to something. When people are powerless against something, they are bound to express their discontent in some manner or the other.

The 2011 Arab spring gained momentum, over the same issues that are plaguing the world today- oppressive regimes and low standards of living. The internet and social media have become facilitators to express dissent. In the protests happening this year, the coverage received by a protest in one corner of the world seems to be giving impetus for civil society in another part of the globe to raise their voice against what is happening locally.

Despite the smothering of the Arab Spring, the Arab countries are still very much simmering with protests. In Algeria, Egypt, Iraq and Lebanon, all of the protests were aimed against a corrupt ruling class, rising unemployment and against peculiar laws passed by their respective regimes. In Lebanon, a government of rich oligarchs with huge wealth stashed abroad, proposed taxing of something as basic as messaging services as part of the austerity budget. The Hong Kong pro-democratic protests, which began as a response to the controversial extradition bill, is now widespread and threatening the tenuous ties to the mainland and the very concept of 'one country two systems'. Hong Kong Government has labelled the protests as a public safety threat- a common weapon of the state. The US government had also accused the 1960s civil rights movement as 'a threat to public safety'.

Latin America as a region, on the whole, is itself witnessing dissent in almost all countries of the region. In Ecuador, a fuel price hike to secure an IMF loan triggered violent protests, in which an indigenous leader and four other people died. Chile, once a prosperous and stable nation of South America, is in turmoil with President Sebastian Piñera invoking an emergency. Violence broke out mid-October, paralyzing the capital of Chile. Reasons for such discontent stemmed from a hike in metro prices, living costs and the privatization of education, health care and water. In Bolivia, there was a flouting of the democratic mandate when the incumbent president was re-elected after a controversial vote. In Haiti, there has been anger over corruption, inflation, a scarcity of basic goods and demand for the resignation of the president. In Europe too, the populace has been restive. In France from November 2018 till present day, the working class is protesting Macron's "Jupiterian" regime and rigid pension scheme that he seeks to introduce.

India has seen its own share of protests- from the spirited students of JNU fighting for the rights of the economically underprivileged sections of their students to the silent civil disobedience simmering in the beautiful Kashmir Valley for over four months with no end in sight.

Another set of protests seen across the world this year is those for climate change. We have seen school children protesting across the world. An environmental rights group called 'Extinction Rebellion' saw the arrests of its protesters in the UK. The group demanded that the UK government declare a climate emergency and that the government must commit to reducing carbon emissions to net 0 by 2025. On the other hand, the Netherlands was in a Catch 22 situation- in an effort to implement the Nitrogen levels, the farmers were up in arms resulting in huge traffic jams.

### Counter Point

William Faulkner says "*Never be afraid to raise your voice, for honesty and truth and compassion against injustice and lying and greed. If people all over the world would do this, it would change the earth.*" However, the question to be asked is will it and does it?

The decade opened up with protests in 2011 and as it wraps up, from 2018-2019, it has again seen an upsurge of protests. Countries like Egypt, in 2011 saw the overthrow of its oppressive government, of Hosni Mubarak. The protest saw a change in leadership, by the Muslim Brotherhood who were subsequently overthrown by Al Sisi in a coup. Ironically, Al Sisi has banned all forms of protests but Egyptians took to the streets again in the month of October this year to defy this law. The question however posed is, what happens to the country in constant political upheaval.

As in the situation in Hong Kong with 6 months of protests, there have been severe economic repercussions. The collateral damage of having protests are huge, there

are human rights violations, violence and unrest, that can affect the functioning of societies and ultimately that of a nation-state.

### Assessment

- While the governments would vehemently deny it but any impartial observer would lay the blame on the failure of governance at all levels. From Hong Kong to Russia, from Egypt to France, the masses are seeking dignity and a place in the sun.
- Different regimes and governments are reacting to the demands of the protesters in different ways. Some governments have remained indifferent to the demands while some have responded and there has been a positive outcome, other governments have resorted to violence. Overall, around the world, there is a hardening of attitude and even established democracies are showing a marked intolerance for dissent.

- Social media was used in the 2011 protests and it remains an effective medium even during the current protests. The scale and replication of protests across the globe can be attributed to global internet penetration.
- The protests are not limited to any one kind of governance be it authoritarian or representative democracy. They are uniquely egalitarian in their application!
- The reasons for protests are also widespread and are not limited to one reason. As seen, some of the main contentions are governance, democracy and social services.

## I US-China tech war: What awaits the world



Dr A Paulraj, Professor Emeritus, Stanford University

Dr A Paulraj, Professor Emeritus, Stanford University, Winner of the Marconi Prize and IEEE Alexander Bell Medal, speaking during the Synergia Conclave 2019 provided the larger perspective on the current US-China technology war. He also shared his insights on what kind of implications it holds for the world.

### Background

The US China trade imbroglio is at heart a battle for technological supremacy and the immense commercial and security arbitrages that accompany it. China's strategic plan to dominate these areas provoked the Trump administration after US enterprises operating in China accused the latter about forced technology transfers and intellectual property theft. With tensions spiraling after the US blacklisted Huawei Technologies, the theater of a tech cold war is unfolding.

US-China trade and technology tussle is fueling fears of a renewed Cold War. Mindful of the challenges to its technological suzerainty, US is severing the umbilical cord to 40 years of scientific and economics engagement that brought strategic and fiscal benefits to both sides. China, on the other hand, talks of a 'new type of Great Power relations', meaning it already sees itself as an equal to the US.

### Analysis

In the modern context, the standing of countries across the world is best measured by the strength of their economy and technology plays a crucial role in forming the health of any nation's economy. A strong economy also means resources to build a powerful military.

Technologies come in different tiers, but high technology is the dominant source of national power. Therefore, the combination of mass market and high technology (two important qualifiers) underpin a nation's power and influence today. For nations to be truly committed to the development of high technology, they need to make massive R & D investments and develop talent and the skills required to create a supportive ecosystem. To break into high technology market, there should be capital, entrepreneurial drive and a healthy market-share. That's why only a few countries around the world control high tech.

For years, the US has remained the dominant player in high technology but now, China has become the growing challenger. Dr Paulraj further provided the historic perspective on how technology informed the growth of both US and China. He spoke about how collaboration between academia and governments results in the growth of high technology and how both United States and China has benefitted from just that.

He stated that even though United States had long been supportive of China's rise in the field, it was around 2014-2015, when the United States began to seriously consider China as a challenger in the technology race. It was a combination of China's significant growth as well as President Xi Jinping's policies which began to cause fear and concern in Washington. He noted that this concern in Washington has bipartisan support and the United States as a result has begun making serious demands from China.

Some of the recent demands include US asking China to rein in commercial espionage, stopping technology theft and forced technology agreements among others. Dr Paulraj stated that China's response has been somewhat muted. He elaborated that any technology war between US and China would have far reaching implications for the world. He concluded his session by stating that he hoped "good sense" and better judgement would prevail among key decision makers that would prevent the tech war.

## Assessment

- The US has created the most valuable technology companies in the world, with the leading players in software, smart phones, E-commerce, search and social networking. China's technology sector has surged in the past five years, with Tencent and Alibaba edging their way into the top echelons of global companies.
- Innovation has become a buzzword in Beijing as China tried to invigorate a tepid economy and outdo the United States in cutting edge technology. China has bankrolled an estimated 110 billion high tech budget in upping its entire manufacturing industry value chain including advanced manufacturing and integrated circuits.
- The bifurcation of the internet between US/Europe and China/Russia may be the first arena where this conflict is likely to manifest itself in the near future.

- The technology base that maximally impacts the economy are mass market technologies – that is technology used by millions or billions of people inside and outside the country and therefore are huge revenue engines. India has a huge advantage which must be leveraged to its ultimate provided it can produce mass marketed products for its citizens and for the world.
- Currently, only a few countries control high technologies. It is a fraternity very hard to embrace and once accepted, it takes sustained efforts to remain there, primarily due to intense competition for the very few seats at the high table. China is facing this as its efforts are being strongly contested. India must learn from the experiences of China and at the same time, put in place its strategy once the ongoing tussle leads to a bifurcation of the technological world.

# Electoral Bonds: In search of transparency



Free and fair elections are at the heart of democracy. Does the Indian electoral bonds scheme supplement or undermine the fundamental tenant of ensuring transparency in the electoral process in a democracy?

## Background

A flurry of RTI applications by activists recently raised questions on the electoral bond scheme in India. This scheme was introduced during the budget of 2017. The electoral bonds is a promissory note akin to a banknote that is payable to the bearer on demand and is free of interest. It can be purchased at select State Bank of India branches, by any citizen of India or a body incorporated in India. The bond has to be encashed within 14 days by the political party. The donors are anonymous to ensure discretion.

## Analysis

Political parties' worldwide need to generate funds for expenses incurred during elections. The architecture of political parties in India, with their ranks and hierarchy, makes them institutions by themselves. With prominent political parties backing their candidates in elections from the lowest level, that is Universities and College Student Unions and going up through the hierarchy of the political process right up to the parliamentary elections, funding of political activities is a bonafide financial activity to keep the wheels of democracy turning.

Prior to the introduction of the electoral bond, political parties were required to maintain records of donations above Rs. 20,000 and were supposed to furnish details of the donor such as cheque details, pan card no. etc. The cap on donations from corporate entities was limited only to 7.5% of the company's profit. In the case of electoral bonds, there is no limit on how much of a body corporate's profits may be donated to a political party.

To enable the functioning of electoral bonds, the central government has amended some key legislation. First, under the Reserve Bank of India (RBI) act 1934, Section 31, any currency or similar document could only be issued by the RBI. By the Finance act of 2017, this was amended to allow for select State Bank of India branches (a National bank) to issue electoral bonds. Secondly, Political parties are not covered under the ambit of the Right to Information Act, and similarly, companies are exempt from disclosing who they politically fund. Finally, the Foreign Contribution (Regulation) Act, 2010 has been amended to redefine what a foreign firm is.

When the scheme was announced, concerns were raised both by the RBI and the Election commission (EC). Prior to the 2019 general elections, in a petition before the Supreme Court of India, the EC stated that allowing of anonymous political funding has only reduced the transparency of electoral funding.

## Assessment

- By keeping donor names anonymous, the system allows for black money and unaccounted wealth to enter the political sphere. This makes it difficult for voters to make their elected representatives liable for their actions when they do not know who is funding them. India's election campaign is largely privately funded, and this only strengthens a politico-corporate nexus.
- As a democratic and constitutional right, every individual must be able to participate as a candidate in elections. Merely having less money power than another candidate must not be the reason for non-participation. Corruption and a flawed funding system can make political parties misuse the government's discretionary powers to raise funds for election campaigns. This can cause the absence of a level playing field for conducting a fair election.
- There must be absolute transparency and disclosure as to who is funding political parties, in order to ensure that governance is not compromised and is not heavily influenced by foreign corporate donors.
- In its present form, there is an inherent burden on the economy and political parties must limit their spending for elections.
- State funding, a concept that has been explored and recommended by some previous reports, has not been explored due to a lack of political will. State funding has the advantage of limiting interested money.

# I East Asia: Spectre of a nuclear conflagration



As the decade draws to an end, indications are that North Korean dictator Kim Jong Un, is close to breaking off all negotiations on denuclearisation and is likely to stage a significant event to mark this break just before the new year. Is this a bad omen for East Asia?

## Background

Korea was annexed by Imperial Japan in 1910, after years of war, intimidation and political machination. It ended with the surrender of Japan in 1945 after Japan had been comprehensively defeated in World War II. The Korean peninsula was divided along the 38th parallel into a Southern Occupation Zone under the US and a Northern Occupation Zone under USSR. In the early days of liberation, there was optimism and hopes for reunification, but the two opposing political ideologues, the USA and the USSR, drove both sides into forming independent nations in 1948- Republic of Korea (ROK) in the South and Democratic People's Republic (DPRK) in the North.

Peace was not to last long for the long suffering people of Korea. Spurred by its mentors, in June, 1950, North Korean forces invaded South Korea. US which assumed the role of guarantee of democratic freedom in Asia, led a coalition of 16 countries under the UN flag to defend the South. North Korea, under successive generations of Kim Il Sung family, is an authoritarian state with little contact with the rest of the world. Cut off from global markets, North Korea has been able to eke out a living supported by China and to some extent USSR/ Russia. It has made remarkable progress in missile and nuclear technology and is a known proliferator of both.

US fears that nuclear weapons in the hands of a 'madman' is a recipe for disaster for the entire world and in 1994, it was able to convince North Korea to a roadmap for denuclearisation of the Korean Peninsula. On June 12, 2018, President Trump became the first sitting US president to meet with the leader of the DPRK when he met with Kim Jong Un in Singapore. The two leaders signed a joint statement that agreed to the complete denuclearization of the Korean Peninsula, security guarantees for the DPRK, working toward a peace regime, and the recovery and immediate repatriation of POW / MIA remains.

On November 20, North Korean Vice Foreign Minister Choe Son Hui said that only "when the US abolishes all hostile policies toward North Korea" could the nuclear issue be discussed again.

## Analysis

Trump and Kim held a second summit in Hanoi in February this year where Trump refused to lift sanctions before full denuclearisation of North. Since then the talks have been deadlocked.

South Korea on its part has been hanging the carrot of economic investments in front of North Korea. However, recently Kim has come down heavily on the South

Korean financed Mt Kumgang Tourist Region which was operated in cooperation with South Korea's Hyundai Asan conglomerate. This has put another nail in the coffin of traditional forms of North-South economic cooperation. It also illustrated North Korea's growing confidence that it can promote economic growth without direct involvement from South Korea, through systemic economic change and self-sufficiency.

But Kim is smart enough not to shut the doors on South Korean investments- it maintains that with improved diplomatic situation in its favour, loans and investments will be welcomed, albeit without permitting South Koreans ownership of assets in North. The exclusion of South Korean partners from working directly on developing tourist sites would leave China as the sole economic powerhouse on the peninsula, both now and for the foreseeable future.

China's relations with N Korea had suffered a setback as the prospect of confrontation with the US loomed large. This prompted China to withdraw its unconditional support to Kim. War in the Korean Peninsula was not entirely in Chinese interests and Beijing responded with stark warnings and support for tougher UN sanctions.

The year 2018 brought a remarkable turnabout on the peninsula, including historic new US and South Korean dialogues with North Korean leader Kim Jong Un. But as diplomacy accelerated, concern was mounting in Beijing that China was being left out of the game and North Korea was drifting out of its orbit. China moved decisively to reassert itself and repair relations with North Korea through an unprecedented series of summits between President Xi Jinping and Kim Jong Un, the first visit by a Chinese leader to North Korea in 14 years, and renewed contacts between party and military officials.

As regards Japan, in November the much touted diplomatic efforts of Shinzo Abe also collapsed ending the pretence that Tokyo could make better relations with Kim's regime as part of the Shinzo Abe legacy. As a result, Japan's security situation deteriorated significantly, due to a breakdown of diplomacy with North Korea.

Adding to the worry of US and its allies, is the continued worsening of Japan South Korean relations. Both sides are involved in contentious export control talks which appear to go no where and the economic rivalries are impacting security pacts also. The most serious is the collapse of the bilateral military information-sharing agreement that took years to realize. However, any hope for revival of Japan-ROK military cooperation is tenuous at best, due to the substantial build up of resentment on both sides.

Japanese defence planners are concerned that Trump's indifference has allowed North Korean missile engineers to make short-range advances that can be applied to their medium-range inventory. More and better (solid fuel) nuclear-tipped North Korean missiles aimed at Japan is a national security nightmare for the Abe administration, especially if long-range missile tests resume amidst some perceived weakening of US alliance commitments in the region.

## Assessment

- Mistrust leads the US to demand denuclearisation before lifting of sanctions and on the other hand, it compels Kim Jong Un to demand a credible peace before he gives up nuclear weapons. A consensus is possible only if both sides abandon their maximalist positions.
- North Koreans hold some aces as they know that the forthcoming US elections are likely to pressurise Trump to demonstrate favourable outcomes to his supporters. A failure of talks could provide an impetus to Democrats to qualify Trump as being inept at diplomacy.
- North Korea is convinced that nuclear weapons are the guarantee of the regime's survival. It will stall, talk, stall but is unlikely give them up. It also looks at America's toppling of regimes in Iraq and Libya with a great deal of fear.

# Remembering Versailles at hundred



Achala Moulik, co- author, 'Treaty of Versailles and the Remaking of the World--1919 -2019'

The Synergia Foundation hosted its 62nd Round table to discuss the book, the 'Treaty of Versailles and the Remaking of the World--1919 -2019', authored by sisters Aloka Moulik Chatterjee and Achala M. Moulik. Aloka, died in 2017 specialized in international history and relations. Achala graduated in economics, international history and international law from University College, London. Achala Moulik joined the Indian Administrative Service where she served as Education Secretary, Government of India and Director General of the Archaeological Survey of India and was Chairman of the Bangalore Development Authority. The Russian Government awarded her the prestigious Pushkin Medal and the Yesenin Prize in recognition of her work on Russian history and culture.

The author was joined in discussion by Ambassador CV Raghavan, former UN officials J Gururaja and Shree Lakshmi Gururaja, Amitava Bannerjee, a former World Bank executive, and Uday Balakrishnan, a professor of political science at the Indian Institute of Science (IISc).

The book commemorates the centenary of the end of the First World War and the ensuing Treaty of Versailles. The Treaty punished the vanquished nations of WW I, dismembering the Austro-Hungarian and German empires, and by the creation of new European nation-states. The non-Western world--Asia, Africa, Latin America did not acquire freedom. But the subterranean simmering of discontent and rebellion began in these lands. The authors have shown how the fragmentation of the Ottoman Empire carved out new Arab states without consideration for ethnic ground realities. The imperial progress of France and Britain continued. The United States preferred to remain aloof from the gathering storm.

The authors capture how Germany rose like a phoenix from the debris of defeat to in less than three decades, to be able to wage another war against the nations that defeated her. The authors narrate the tragic events in run-up to the Second World War. The ruinous Second World War was the result of many complex factors--Germany's desire to dominate Europe, America's desire to preserve her hegemony, Western European obsession to "contain" and undermine the formidable rising power of Soviet Russia, and to keep their colonial empires intact.

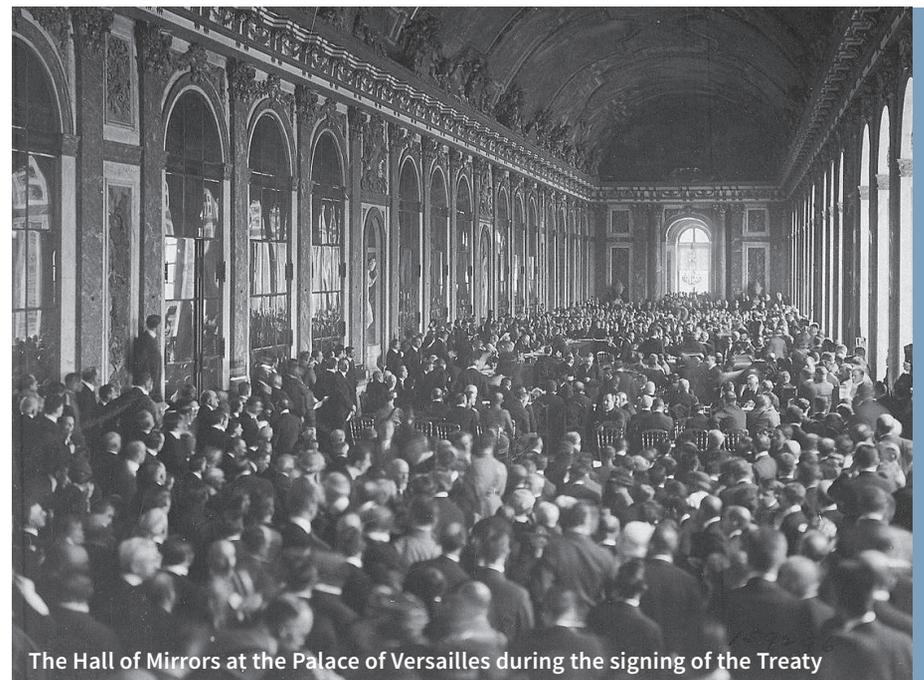
One aspect of the Treaty that was discussed extensively at the round table was how the injustice meted out at Germany, gave rise to a dictator, and how Russians

suffered as the greatest victims of any war that took place in Europe. The Treaty was described by the authors as 'suicidal'. It left Germany debilitated, gave way to the Second World War and came at a time when there was already considerable chaos in West Asia after the Sykes-Picot agreement.

The discussion, then steered towards a rights perspective, as it gave rise to the ideas of a right to self-determination. A lot of human rights agreements as we see today have their beginnings in the Treaty of Versailles. It was only post the Second World War that the Universal Declaration of Human Rights came into being.

The Treaty was formulated by the US President Woodrow Wilson's fourteen points which chart a route map for what global relations then on would be. Incidentally, the US never ratified the Treaty of Versailles, as its participation was not agreed to by the Senate. That apart, the Treaty was very western in its outlook, the division of states according to a western dictate was seen, leaving out the narratives of the rest of the world.

Interestingly, at the time, India was a signatory of the Treaty of Versailles. The Maharaja of Bikaner represented India at the time. Countries that had no stake were also participating with the colonial masters to ratify the Treaty though they, themselves were not independent. The Treaty, could very well have been understood as a political exercise to contain Germany. One cannot ignore the secret agreements that the British and French had negotiated with themselves and some other Mediterranean countries like Greece. India at the time was in the throes of its freedom movement and that very year in April, India had seen the brutal Jallianwala Bagh Massacre which intensified aggression towards its colonial rulers, who in a few months were drawing up a Treaty that only strengthened their hold over the colonized world.



The Hall of Mirrors at the Palace of Versailles during the signing of the Treaty

The Peace of 1945 completely and irrevocably changed the world. The United States and Soviet Russia emerged as superpowers with their extensive spheres of influence culminating the Cold War, which paradoxically preserved peace. As an exhausted Britain, France, Netherland, Belgium could no longer maintain their garrisons in their colonies; new sovereign states emerged to create a new world order.

In 2019, in the multilateral world, the rivalry for power and influence, garnering of valuable fuel resources, keeping alive the arms industry has created a new world of turmoil--whose outcome cannot be predicted.

To access all editions of the Synergia Foundation Key Insights Newsletter, visit: [www.synergiainsights.in](http://www.synergiainsights.in)



Editor - Christina George

## SYNERGIA FOUNDATION

Synergia Foundation is an independent and strategic think tank whose purpose is to augment decision-making at a policy level while enriching individual discourse and public dialogue. With fact based insights, the Synergia Foundation provides impactful solutions that challenge the status quo, turning risks in to opportunities.

## SYNERGIA FORUM

The Synergia Forum is a by-invite only session where we invite eminent subject matter experts to discuss the challenges and disruptions that governments, academia and businesses may face today and in the future.

## INSIGHTS

Synergia Insights is our weekly print and digital publication. Authored by functional and geostrategic experts, we provide unbiased analyses and assessments of both national and international affairs that affect our lives.

## Address

34, Vittal Mallya Road,  
Bengaluru, Karnataka 560001,  
India

Tel : +91 80 4197 1000

Email : [info@synergiagroup.in](mailto:info@synergiagroup.in)



@SynergiaFoundation



@SynergiaImpact



[www.synergiafoundation.org](http://www.synergiafoundation.org)  
[www.synergiaconclave.org](http://www.synergiaconclave.org)