



Prime Minister Narendra Modi's visit to Davos: An Appraisal

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Prime Minister Narendra Modi visited Davos for the 48th Annual Summit of the World Economic Forum (WEF) from January 22-23, 2018. The Theme of the Summit was “Creating a Shared Future in a Fractured World”. The first ever Indian Prime Minister to address the opening plenary, Prime Minister Modi demonstrated India's strong resolve to collaborate with the international community to address the challenges emerging from a “fractured world”. In his almost hour-long key note address on January 23, 2018, Prime Minister Modi outlined three major challenges that confront the world, which include climate change, terrorism and protectionism, and reaffirmed India's commitment to address these challenges.

Climate Change

Recognising the adverse impact of climate change, including shrinking of glaciers in the Arctic, submersion of islands and extreme weather conditions, Prime Minister Modi identified climate change as the first major threat. Invoking quotes from Upanishads and Indian philosophers like Lord Buddha and Mahatma Gandhi, he dwelt on the various efforts undertaken by India to address the challenge of climate change. In this direction, India has committed to produce 175 Gigawatts (GW) of renewable energy by 2022. Out of this, 60 GW, which is more than one-third of the target, has been already achieved. He also referred to the International Solar Alliance (ISA) to harness renewable energy resources across countries.¹

Terrorism

Taking cognisance of the growing threat and changing nature of terrorism, Prime Minister Modi drew attention to two major aspects. First, the distinction made between ‘bad’ and ‘good’ terrorism is a dangerous trend. Second, the radicalisation of educated youth to engage in terrorists' activities is a serious concern. He urged the forum to discuss the ‘fractures’ caused by terrorism and terrorist-related violence and deliberate on its solution.²

Protectionism

Expressing his displeasure at protectionism, Prime Minister Modi maintained that globalisation is shrinking with many societies and countries becoming more and more self-centered. He argued that the growing trends towards protectionism is manifest in the asymmetry which exists in the old systems of global governance, including the United Nations (UN) and World Trade

Organisation (WTO), wherein the needs and aspirations of the developing countries needs to be reflected. He maintained that the adverse impact of the forces of protectionism is visible in the new types of tariffs and non-tariffs barriers, stalemate in bilateral and multilateral trade agreement negotiations, and decline in cross-border financial investments in most countries as well as the stalled growth of global supply chains. Highlighting the reforms and policies undertaken by his government for greater openness, including Foreign Direct Investment (FDI) and Goods and Services Tax (GST), Prime Minister Modi held that the solution to such protectionism is to formulate 'smart and flexible policies' instead of isolationism.³

Building a Shared Future

Sharing his vision for India's future engagement with the international community, Prime Minister Modi suggested four ways to deal with the 'fractures' in the world. These include:

- i. Cooperation instead of competition among the major countries to face the shared challenges, and overcoming the differences to work together with a larger vision.
- ii. Adherence to the international rule-based system, and to follow international rules and regulations in their right spirit and form.
- iii. Improving the major political, economic and security related institutions by making them more representative and democratic in accordance with the changing realities of the world.
- iv. To accelerate economic progress of the world. In this direction, technology and digital transformation could facilitate in dealing with problems of poverty and unemployment.⁴

Dwelling on the multi-dimensional engagement with the world, Prime Minister Modi stressed India's contribution to the protection and promotion of peace and humanity based on the framework of cooperation and collaboration since the time of the Second World War. He emphasised that India has consistently extended support, including its contribution of the largest contingent of soldiers in the UN Peacekeeping operations, providing assistance to countries within and beyond its region in terms of dealing with natural disasters such as floods, earthquakes and others, and collaborating in capacity building and development cooperation.⁵

Conclusion

Prime Minister Modi's visit to Davos, as he remarked in his departure statement, came at a point when the existing and emerging challenges to the contemporary world system and global governance warrant attention from the leaders, governments, policy makers, corporates and civil societies around the world.⁶ His speech underscored the major challenges which pose the greatest threat to mankind as well as offered suggestions to bridge the fissures that fragment the world by invoking the Sanskrit proverb "Vasudhaiva Kutumbakam", wherein the destiny of all is linked with each other with a common thread.⁷

At a time when the growing trends of protectionism and populism have resulted in precariousness and flux, Prime Minister Modi's visit can be seen as significant from many aspects for both India and the world. First, Prime Minister Modi became the first Indian Prime Minister to address the WEF Annual Summit in Davos in twenty years. The last time an Indian Prime Minister addressed the forum was H.D. Deve Gowda in 1997.⁸ Noteworthy, in this span of two decades India's Gross

Domestic Product (GDP) has increased almost six times compared to \$400 billion in 1997⁹ resulting in growing economic resilience and recognition as a global economic power.

Second, the Indian delegation at the WEF was reportedly the fourth largest group, showcasing India's willingness to continuously engage with the world. Prime Minister Modi was accompanied by several ministers and business leaders, including six union ministers, two chief ministers¹⁰, over 100 CEOs and several other high-profile attendees from India.¹¹

Third, and as the theme indicates, with the world fragmented in the wake of emerging trends towards populism and protectionism, the summit gave an opportunity to showcase India's cultural and economic strengths to the world leaders gathered in the forum. Referring to India's cultural and democratic ethos, Prime Minister Modi projected India as a "champion of global unity and against 'fractures'"¹² as well as a favourable investment destination.¹³

Fourth, Prime Minister Modi's defense of globalisation at the WEF is being seen as a welcome remark in contrast to the isolationist policies pursued by some in the west. Noteworthy, the growing protectionist and populist tendencies among countries, particularly generated by the Brexit vote and US President Donald Trump's 'America First Policy', have raised apprehensions regarding globalisation and open trade. US President Donald Trump has already withdrawn from the Paris Climate Change Accord as well as the Trans-pacific Partnership (TPP), and is renegotiating the North America Free Trade Agreement (NAFTA), at times threatening to withdraw from the pact.¹⁴

The main message of Prime Minister Modi's key note address was that greater cooperation among countries embedded in a democratic ethos would ensure unity, peace and stability in a 'fractured' world. Overall, Prime Minister Modi's speech can be seen as an encouraging promise for greater cooperation and openness to globalisation, positioning India as a force to be reckoned with, capable of playing a greater role and exercising influence in shaping a common future.

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 Disclaimer: The views expressed are that of the Researcher and not of the Council.

Endnotes

¹ Ministry of External Affairs, Government of India, "Prime Minister's Statement on the subject "Creating a Shared Future in a Fractured World" in the World Economic Forum (January 23, 2018)" http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018 (accessed on February 26, 2018)

² Ministry of External Affairs, Government of India, "Prime Minister's Statement on the subject "Creating a Shared Future in a Fractured World" in the World Economic Forum (January 23, 2018)" http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018 (accessed on February 26, 2018)

- ³ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018 (accessed on February 26, 2018)
- ⁴ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018 (accessed on February 26, 2018)
- ⁵ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
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- ⁶ Press Information Bureau, “PM’s statement prior to his departure to Davos”, January 21, 2018, <http://pib.nic.in/PressReleaseIframePage.aspx?PRID=1517353> (accessed on February 26, 2018)
- ⁷ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018 (accessed on February 26, 2018)
- ⁸ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
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- ⁹ Ministry of External Affairs, Government of India, “Prime Minister’s Statement on the subject “Creating a Shared Future in a Fractured World” in the World Economic Forum (January 23, 2018)”
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- ¹⁰ The six Union Ministers include Finance Minister Arun Jaitley, Commerce Minister Suresh Prabhu, Railways Minister Piyush Goyal, Oil Minister Dharmendra Pradhan, Minister of State (Independent Charge) for Development of North Eastern Region of India Jitendra Singh, and Minister of State for External Affairs M J Akbar); and the two chief ministers were Maharashtra’s Devendra Fadnavis and Andhra Pradesh’s Chandrababu Naidu).
- ¹¹ “Indian CEOs in Davos: Mukesh Ambani, Chanda Kochhar, Uday Kotak to attend WEF 2018”, January 22, 2018, *Business Today*, <https://www.businesstoday.in/wef-2018/news/indian-ceos-in-davos-uday-kotak-wef-2018-narendra-modi/story/268581.html> (accessed on February 26, 2018)
 “PM Modi heads to Davos with a message for the world: India’s time has come”, January 26, 2018, *Business Standard*, http://www.business-standard.com/article/current-affairs/pm-modi-heads-to-davos-with-a-message-for-the-world-india-s-time-has-come-118012200196_1.html (accessed on February 26, 2018)
- ¹² Alyssa Ayres, “Narendra Modi at Davos”, January 23, 2018, Council on Foreign Relations, <https://www.cfr.org/blog/narendra-modi-davos> (accessed on February 26, 2018)

¹³ Ministry of External Affairs, Government of India, "Prime Minister's Statement on the subject "Creating a Shared Future in a Fractured World" in the World Economic Forum (January 23, 2018)"

http://mea.gov.in/Speeches-Statements.htm?dtl/29378/Prime_Ministers_Keynote_Speech_at_Plenary_Session_of_World_Economic_Forum_Davos_January_23_2018

(accessed on February 26, 2018)

¹⁴ Paritosh Bansal, "Indian PM Modi defends globalization at Davos summit", January 23, 2018, *Reuters*,

<https://www.reuters.com/article/us-davos-meeting-modi/indian-pm-modi-defends-globalization-at-davos-summit-idUSKBN1FC1AL>

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