

National Security Dynamics: The Role of India-Taiwan Collaboration amidst Geopolitical Challenges

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Abstract

Challenges in the Foxconn-Vedanta Joint Venture highlight the necessity for nuanced cross-cultural partnerships and the proposed India-Taiwan Migration Pact aims to fortify exchange, collaboration and trade. While India's 'Act East' policy strengthens Indo-Pacific stability, emphasising strategic priorities, it would have to navigate unique geopolitical challenges for both countries. Shared cultural and religious beliefs between Taiwan and India can serve as potential collaboration bridges, fostering strategic communications and geopolitical collaborations for a more interconnected world.

Introduction

Taiwan has enormous appetite to expand ties with India”.¹ Dr. Jaushieh Joseph Wu, Taiwan's Foreign Minister, made this significant statement addressing the prospectors in India. Taiwan is encouraging its companies to shift their production facilities to India if their present markets lose profitability.

It is always crucial to collect comprehensive data, market research, understand legal and regulatory aspects, and assess cultural norms before starting a business in a new country. India and Taiwan will surely adapt to the new market, becoming aware of risks or trends and plan wisely for market entry. Though the

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process is long and arduous, it promises productivity and is already overdue. It will require patience, persistence, an understanding of mutual needs and the perspective of a human centric approach to a commercial issue, which will bolster international cooperation and national security for both nations.

Case study analyses in this paper attempts to understand the growth trajectory of India-Taiwan relationships and offers a bouquet of options to contribute to such an alliance and strengthen national security without affecting the diplomatic positions taken on the global stage.

Foxconn Case

Hoping to bask in the Indian Government's policy announcement for electronics manufacturing and Postal Life Insurance scheme, the Hon Hai Technology Group (Foxconn) and Vedanta formed a Joint Venture (JV) company in 2022 to manufacture semiconductors in India. The JV collapsed in Jul 2023. Foxconn was guarded in explaining its pull out, attributing it to the 'growing pains' of investing in a 'new geography'² and leaving 'to explore more diverse development opportunities'.³

Interestingly, Foxconn already has factories in Andhra Pradesh and Tamil Nadu that have achieved a turnover of close to USD 10 bn on an annual basis.⁴ This Taiwanese company is also exploring options to make India its third global hub for electric vehicle production. Foxconn's decision to continue with the Indian market indicates profitability, and it is searching for other semiconductor manufacturing options, one such being a joint bid with French-Italian Company ST Microelectronics N.V.⁵ Vedanta is also exploring new possibilities, including splitting the company⁶ to offer 'better options to foreign investors'.

So, what went wrong? A stable and profitable JV necessitates rich human resources (tangible), local market knowledge (intangible), business networks, governmental networks, company control and local partner's international experience.⁷ The challenge could also be attributed to either a shortage of skilled personnel or the failure of a host partner to provide the expected infrastructure and support. While the latest Indian legislations of Digital Personal Data Protection Act and Anusandhan National Research Foundation Bill provide incentives and encourage technology

growth in India, foreign companies have to be accepted and recognised by the society. They have to seek legitimacy by complying with local rules and social norms.⁸ This settling down process is a cognitive process in which the foreign entity expects a major contribution from the local partner. Though as part of initial business intelligence, the 'local geography' is an intrinsic knowledge and is difficult to acquire, if the venturing companies are fundamentally different and unaccepting in their cohabitation models. In societies that are primarily different from one another as in the case of India and Taiwan, such differences will surface quickly and fatally. A collaboration between a highly ordered, disciplined and noiseless (literally) society like Taiwan and a loud, chaotic (cosmic level chaos)⁹ and unorganised Indian one is challenging. In fact, to an Indian visitor, Taiwan, a highly disciplined society, displays a comical aspect in its unwavering dedication to order. The way out would be to understand each other, as PM Modi observed it long ago by providing 'Better Golf Courses'¹⁰ to Japanese Chief Executive Officers and investors in 2014.

Trade Analysis

Economically, India and Taiwan developed strong bilateral relations with the establishment of the India Taipei Association in Taipei and the Taipei Economic and Cultural Centre (TECC) in New Delhi in 1995. Economic interactions gained momentum in the past decade with several bilateral agreements. India now ranks as Taiwan's 14th largest export destination and 18th largest source of imports.¹¹ The exports to Taiwan constitute mineral fuels, aluminium, iron, steel, organic chemicals, and plastics, while the imports consist of plastics, electronic integrated circuits, organic chemicals and electrical machinery. 106 Taiwanese companies currently operate in India, with investments of USD 1.5 bn across various sectors, including information technology, medical devices, and automobile components.¹² The table below gives out the Export-Import¹³ status between two countries with an overall increase in export by 67.06 per cent and import by 139 per cent since 2016.

Table 1

Financial Year	Export (Rs/crore)	Year-over-Year Export (per cent)	Import (Rs/crore)	Year-over-Year Import (per cent)	Balance (India to Taiwan) (Rs/crore)
2022-23	21107	2.70	66479	42.92	-45372
2021-22	20552	71.16	46515	55.89	-25963
2020-21	12007	1.03	29839	4.13	-17832
2019-20	11885	-35.83	28654	-10.46	-16769
2018-19	18520	33.21	32001	26.47	-13480
2017-18	13903	-5.21	25302	20.05	-11399
2016-17	14667	—	21076	—	-6410

The limited people-to-people connection between India and Taiwan will pose a significant impediment to technological transfer and manufacturing. Despite being home to thriving technological ecosystems, fostering stronger ties in this domain is essential for mutual growth. Taiwan's companies seek access to the vast Indian market, and Indian firms will benefit from Taiwan's global supply chain networks. In this era of shifting global alliances, forging strong technological partnerships can help both nations strengthen their geopolitical positions. To overcome this hurdle, India and Taiwan are expected to sign a Migration and Mobility Pact and strengthen ties.¹⁴ This pact, one of many India has with other countries, will promote the mobility of students, professionals, skilled workers, researchers, and lecturers between the two countries. This pact will also work to leverage the respective strengths and resources, aiming to achieve more than what is individually attainable.

Neighbourhood Policies

Taiwan introduced the New Southbound Policy¹⁵ (NSP) to strengthen Taiwan's relations with its neighbours. It addresses a huge swathe from Southeast Asia to Australia and New Zealand. Taiwan aims to reduce risk and overdependence on any single market. Highlights of the NSP include the following:

- Economic, trade collaboration and regional connectivity are needed to reduce single market dependency and integrate deeply into the regional economy.

- Assist small and medium-sized Taiwanese enterprises to expand.
- Expand training programs for young scholars, students, and industry professionals during talent exchange to complement the strengths of partner countries.
- Resource sharing, promoting agricultural cooperation, increasing two-way tourism, and attracting residents of New Southbound countries for top-quality health care and work.

India's Act East Policy (AEP) focuses on strengthening relations with the extended neighbourhood in the Indo-Pacific Region¹⁶ including Southeast Asia, East Asia, South Asia and Oceania to promote economic cooperation, cultural ties and develop strategic relationships in the region. The AEP emphasises following:

- Continental neighbourhood with specific focus on physical regional connectivity, regional growth and development.
- Enhance people to people contact.
- Developmental cooperation through lines of credit, grants-in-aid and capacity building programs.
- Scholarships for students and professionals to build human bridges.
- Human centric efforts to restore and renovate heritage cultural sites creating endearing relationships with India.
- Increase the technology threshold of the neighbourhood by setting up a satellite tracking and telemetry centre, software development institute and agricultural research.

While both policies aim to enhance regional influence, they operate in different geopolitical contexts.

- Taiwan's NSP is implemented in the context of cross-strait tensions with China, which can create diplomatic challenges, and India's AEP seeks to secure more opportunities in this environment, creating balanced aspiration in Southeast Asia and the Indo-Pacific.
- India's AEP places an emphasis on trans-regional cooperation and including Taiwan in this conundrum will require substantial diplomatic and negotiation skills.

- Promoting home-grown industries in the target nations may become a conflation point, which India-Taiwan will have to avoid.

***Xiāngsì* (Similar)**

Understanding culture through direct people-to-people contact offers a more authentic and profound insight compared to traditional market research. The personal, unbiased, and immersive nature of such interactions provides a deeper understanding of cultural nuances. One notable similarity between Taiwan and India is the prevalence of gods and temples. Both nations boast an abundance of temples, often surprisingly large, dedicated to various deities. The rituals associated with temple visits, such as preparation, offering of gifts, and circumambulation, exhibit uncanny resemblances. The presence of city gods and their consorts in almost all temples, and use of incense sticks, highlights the shared reverence for divine feminine figures. While India and Taiwan have distinct cultural practices and religious beliefs, their mutual appreciation for female deities underscores the universal appeal of both cultures. In India, goddesses like *Durga*, *Lakshmi*, and *Saraswati* hold esteemed positions, while Taiwan venerates goddesses like benevolent *Guanyin*¹⁷ (Longshan Temple in Taipei is devoted to her) and protector *Mazu*. These female deities are associated with various facets of life, from motherhood to wisdom, power, and protection, and their worship is deeply ingrained in daily life, creating a cultural commonality between the two nations.

Anthropomorphism is another shared cultural trait between Taiwan and India. Both cultures attribute human characteristics, emotions, and behaviours to deities, making them more approachable and relatable. For instance, in Taiwan, the Love God *Yue Lao*,¹⁸ known as the ‘old man under the moon’, is characterised by a long white beard, yellow robes, and a friendly demeanour. He is believed to possess a ‘book of marriages’ and is invoked to find and bind individuals to their life partners. Similarly, in India, Lord Krishna is worshipped as an Infant God named *Laddu Gopal*, cared for like a child and adorned with daily outfit changes, a bed, and regular baths. This anthropomorphic approach fosters a close connection between devotees and their gods, enabling them to seek guidance and blessings without fear of judgment bringing the gods closer to the people. As two separate

nations decidedly devout to the gods there exists a possibility to celebrate their births, marriages, and victories together or concomitantly in gaiety and for perpetuity.

- The birthday of the benevolent mother Goddess *Guanyin*¹⁹ is celebrated throughout the various temples in the country during Feb and Mar. Effigy of *Mazu*, Taiwan's most important sea goddess and female deity, is carried by believers throughout Western Taiwan temples during *Dajia Mazu* pilgrimage²⁰ in Apr.
- Indian gods are celebrated throughout the year with great festivities. *Jagannath Rath Yatra* (Odisha, in Jul), *Thrissur* (Kerala in Apr/May), *Karaga* (Karnataka), *Nanda Devi* (Uttarakhand in Sep), Royal *Rath Yatra* of Lord *Padmanabhaswamy* of Travancore (Kerala in Mar/Apr) are a few.

There are abundant cultural, seasonal and regional festivities in the two countries. Indigenous people, known as 'tribal' in India, celebrate their unique culture and are an integral part of the respective countries. Joint investments in the land of these people in North Eastern India and Eastern Taiwan to support indigenous crafts and practices will bring the ancient tribes closer to each other, as will the synchronised celebrations of their histories and cultures.

- Taiwan's *Keelung Ghost Month Pole Climbing*²¹ (Jul and Aug) honours ancestors who died protecting their families. *Yimin Festival* celebrates Haka²² warriors in July.
- In India, *Hola Mohalla*²³ (Punjab in Mar) commemorates Sikh valour, initiated by Guru Gobind Singh. *Keil Poldu*²⁴ (Karnataka in Sep) honours the Kovada clan. Hornbill²⁵ Festival (Nagaland in Dec) celebrates Naga warriors and their rich history.
- Taiwan's Dragon Boat Festival (Jan) parallels Kerala's Snake Boat Festival (Aug and Sep). Taiwan's Mid-Autumn Festival aligns with India's *Onam*, Ladakh, Ziro, Pushkar, and Rann of Kutch festivals (Aug to Nov).

- Similar community activities exist in both nations. *Bu Dai Xi*²⁶ (glove puppetry in Taiwan), *Tholpavakoothu*²⁷ (shadow puppetry in Kerala), and *Sakhi Nach*²⁸ (glove puppetry in Odisha) connect to folklore and history. Indian *Panchtantra* tales also resonate with Taiwanese storytelling.
- Traditional Chinese Medicine²⁹ emphasising balance and vital energy (Qi), aims for harmony and balance in Yin and Yang. It seeks equilibrium and a healthy flow of Qi, similar to Ayurveda³⁰ treatments in India that focus on *doshas* (*vata*, *pitta*, *kapha*) aiming to balance the human body and emphasise prevention over treatment.
- Traditional performing arts like Taiwan's Traditional Opera, Theatre, and Dragon Dance align with India's diverse classical dance forms like *Bharatanatyam*, *Kathak*, and *Kathakali*, reflecting shared artistic expression.³¹

National Security

Given India's substantial interests in the Indo Pacific region, India is already paying constant and careful attention to new relationships. The security dynamics in the region, driven by the AEP, underscores the critical importance of India's role in contributing to regional stability and safeguarding national security. As per media reports,³² defence forces have been studying the impact of the Taiwan crisis since Aug 2023. This study will suggest newer thoughts and accomplishments, much in line with strategic autonomy, which has redefined India's arrival on the global stage and actions in 'interest of Indian people'. An academic paper by a senior diplomat³³ too suggests the exploration of 'possible policy' during such an event. Another diplomat³⁴ observes that there are restrictions to what India can do and suggests a 'limited role' and proactive defence of its territorial interests and the security of supply chains in the crisis. People-to-people connections suggested in this paper will play a vital role in communicating intent and concerns to improve India's national security, serving as a critical factor for global aspirations. These connections foster diplomacy, cultural exchange, and economic collaboration, all of which are essential components of a comprehensive national security strategy.

Conclusion

As with people, Taiwanese and Indian foods are quite different too. Taiwanese cuisine tends to be light, loaded with seafood and tofu dishes, almost uncooked with a hint of flavours. In contrast, Indian food is known for its strong spices, mixed vegetables and meats and curries. This culinary diversity also imprints on people-to-people connections. Understanding and appreciating preferences can sometimes bridge hurdles to the stark contrasts in flavours and ingredients, thus, there is a special need to foster additional people relationships that are benign in form but effective in result. Collaborations on shared festivities will allow both nations to express their rich cultural heritage, traditions, and artistic expressions to a broader audience. These events will serve as a bridge between the two countries, attracting tourists and locals alike, encouraging them to explore and appreciate each other's unique customs, and build bridges of friendship and cooperation. Celebrating shared heritage and festivals reinforces the idea of common threads that connect people despite geographical distances.

The exploration of people-to-people relationships as a means to increase collaboration has profound implications for national security too. When nations introduce their people to each other, it enhances strategic communications, diplomatic relations and promotes better geopolitical collaborations. These human connections and bridges, serve as the bedrock of a more secure nation, fostering a network of allies, allies that can be counted on during times of crises. The role of people-to-people relationships in the realm of national security is thus indispensable, as it empowers nations to fortify their security apparatus while striving for a more peaceful, interconnected, and secure world.

Endnotes

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