

## **Waking up to India Down Under**

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Davos has left its footprint in almost every continent. In Australia the version is called 'The Australian Davos Connection', now running for the eleventh year in a far-flung but exotic beach resort at Hayman Islands. It is different than the well-known India Summit in more ways than one. First the India Summit is now locked in an interminable partnership with CII with limited flexibility. The CII, notwithstanding its strong industry and government connection and even after broadening its agenda, is still perceived as an industry outfit. The Australian Davos Connection is an independent entity. Even though it has the support of banks and corporates, it is not perceived as a lobby group seeking policy changes.

Second, for the India Summit, the venue is always Delhi. Delhi has multiple advantages, however, except for the organisers, most other participants are not locked into any real engagement and choose to breeze in and out of the venue preferring to participate in their limited panel discussions. In Australia, Hayman Islands—the venue of the retreat—is over two hours by flight from Sydney and then a one-and-a-half-hour cruise from the nearest airport. The participants closely interact for over two days often in informal and unstructured social events.

Finally the participants at this year's Australian summit where I was invited as a panellist for four sessions had the chance to interact with key central and federal ministers, policy makers, civil servants and academics. There was also high-quality participation from other countries, particularly the United Kingdom, Japan and China. All together a group of about 300 engaged in several plenary sessions, parallel interactive sessions, including night cap meetings, mirroring more or less the Davos structure.

The experience has some lessons for India and the World Economic Forum. They should consider further innovation and restructuring to foster meaningful partnership, and to facilitate 'networking' and future engagement which remain the essence of Davos.

There were several interesting sessions. These included 'The Rise of Asia and the 21st Century Silk Road'; 'Democracy and Global Security'; 'Climate Change'; 'Infrastructure Budgeting'; 'Does Federalisation Need Refixing?'; 'Global Demography'; 'China and Japan'; 'Energy Security'; and 'Globalisation—The end or beginning'. The two sessions on India related to the latest developments in the subcontinent and curiously enough on 'India As a Fair Weather Friend'.

On the future of Asia there seems general agreement on the opportunities and challenges. Asia was seen to have emerged as a global economic power with a consumer class of at least 700 million, rising by about 50-60 million a year, representing a shift in the role of the public sector, but also to have leadership shortage with limited resources in an era of unlimited demand, with rising intra-Asian trade and integration and the re-emergence of the Silk Road. In the business arena, it was acknowledged that there were more global champions from Asia than anywhere else and mergers and acquisitions along with industry consolidation were proceeding at an aggressive pace while innovative business models were enhancing productivity.

No doubt the ageing population of large parts of Asia, particularly China, the role of managing boards in family-owned businesses, water issues, growing environmental concerns and energy shortages remained critical challenges. At a macro level, geo-political risks, the growing threat

of terrorism, the future of North Korea, financial volatility and now the added one of growing Japan-China tension needed close attention, it was felt.

On the future of Australia, greater integration with the fast-growing Asian economies was regarded as critical. Optimising their own depleting natural resources as the war hots up among multiple users from Asia itself needed sensitive handling. "There was a need to re-write the geo-political map if Australia was to survive the next 50 years."

Not surprisingly the need for redressing a perceived neglect of India was voiced both by Philip Ruddock, the Attorney General (also the Minister for Home), and Kevin Rudd, shadow federal minister for Foreign Affairs and International Security. Australia is just coming to terms with the 'New India Story' and the strategic partnership with the US has certainly helped.

However, the most problematic issue, it was felt, was the consequences of environmental and global change. For example global warming has led to bleaching of nearly 40 per cent of their coral reef, with a 12 per cent casualty, and the danger of changing ocean currents with increased submergence of coastline with a similar fate in many of their neighbouring countries is a grim reality. This is coupled with David Bloom's presentation on Demography—which pointed out that the global population in 99 per cent of human history had reached one billion in 1804 and, in a short period of over 200 years, crossed six billion, threatening to exceed nine billion by 2050.

So fear of unprecedented international migration, shrinking land area, unpredictable weather patterns and rising demography is a clear dampener to even an ardent optimist. Given Australia's location, its geo-politics and multiple other vulnerabilities, this is even more so for them. Australia would like not merely to defend itself from Asia but build a more 'purposive engagement'. In the meantime they are coming to terms with 'The Inconvenient Truth' represented in Al Gore's moving film on the world's climatic turmoil.