

The Rise of Paradiplomacy: Harnessing Odisha's ASEAN Connect to Attract Investment

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There has been a paradigm shift in practices of wooing investors for boosting the economy. States have been attempting through special summits. Indonesia and Odisha have shared historical links. Every year in November, the festival of 'Bali Yatra' celebrated commemorates the maritime history of Odisha and Bali (Indonesia). In this regard, India's outreach and connectivity vis-à-vis ASEAN should focus on harnessing the historical linkages and geographical advantages which states possess with respect to the ASEAN region.

One of the important tools of outreach by India's state governments vis-à-vis the rest of the world – with the objective of strengthening economic linkages – has been '**state investor summits**' (the participation of sub-national units in foreign policy is a global phenomenon and is referred to as 'Para-diplomacy/'Constituent Diplomacy/'Multi-layered Diplomacy).

The primary means for Indian states of wooing foreign investors, and build linkages in other areas, with the outside world till a few years ago was visiting various countries by high-powered delegations and roadshows – in most instances led by Chief Ministers of various states.

The past two decades have witnessed an increasing trend of Indian states organizing summits where they highlight their economic strength and potential in areas, such as tourism, to prospective investors from within India and overseas. There has also been an increasing trend of foreign envoys visiting India's state capitals. These summits have specific themes and partner countries. In recent years, ever since India's growing focus on manufacturing via the 'Make in India' program, states have also begun events to attract investors specifically in manufacturing, as well as for promoting a 'start-up' culture. While investor summits have a focus on economics, they also seek to build cooperation with other countries in areas like tourism, education, etc.

Even during the pandemic, when there were numerous travel restrictions, many states held online Investor Summits. While it is true, that in many instances state governments have been unable to convert Memorandums of Understanding (MoUs) into anything tangible on the ground, it is essential to bear in mind, that such events have helped in giving a boost to 'competitive federalism', i.e. a competitive spirit between states to draw investment in their own way, and it is not just the more developed states of Southern India or Western India or those around Delhi, but many others which have got an opportunity to highlight their economic potential and other strengths via such summits (though there is no doubt, that summits held by certain states tend to draw more attention).

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Odisha CM Patnaik said: *"As we move to a modern world, connected more and more through technology, I hope that we can renew strong ties between our two regions. I also hope that we can increase our cultural ties and come up with more cultural exchange programs"*.

The state of Odisha shall be holding the 'Make in Odisha' conclave from November 30-December 4, 2022 with the objective of attracting investment in a number of sectors including Information Technology (the first such Summit was held in 2016).

Significantly, Odisha Chief Minister, Naveen Patnaik held a meeting with envoys of the Association for South-East Asian Nations (ASEAN) nations, on October 28, 2022, and spoke about the need for closer linkages between the Eastern Indian state and ASEAN. While highlighting Odisha's geographical location and other advantages it possesses, Patnaik said: *"As we move to a modern world, connected more and more through technology, I hope that we can renew strong ties between our two regions. I hope that in the coming years we can further strengthen our trade ties, and not just that, I also hope that we can increase our cultural ties and come up with more cultural exchange programs"*.

After the meeting with the Odisha CM, the Ambassador of Thailand to India, Pattarat Hongtong, also referred to the need to rekindle historical linkages between ASEAN and Odisha, and to strengthen cultural and economic ties.

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Indonesia-Odisha linkages

Indonesia and Odisha have shared historical links, and so the Eastern Indian state has been consistently working towards strengthening people-to-people linkages with Indonesia, especially in the past few years. In 2016 for instance, a Kalinga-Indonesia dialogue was held at Ravenshaw University, Cuttack (Odisha). In May 2022, the Indonesian Ambassador to India met with the Odisha CM. Every year in November, the festival of ‘Bali Yatra’ celebrated during Kartik Purnima commemorates the maritime history of Odisha, and the trade linkages between Odisha and Java, Sumatra, and Bali (Indonesia).

Apart from the historical links between Odisha and Indonesia, it would be pertinent to point out that Patnaik shares a close personal association with Indonesia – his father and former Chief Minister of Odisha, the late Biju Patnaik had been granted ‘honorary citizenship’ by Indonesia and also awarded the ‘Bhoomi Putra’ award – Indonesia’s highest civilian award – in 1950, for his role in Indonesia’s freedom struggle. Biju Patnaik shared close ties with the Sukarno family.

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In conclusion, Odisha’s outreach vis-à-vis ASEAN highlights the importance of investor summits organized by state governments. India’s outreach and connectivity vis-a-vis ASEAN have understandably focused on land connectivity with ASEAN via North-East India in recent years. For further bolstering India’s links with South-East Asia, it is important to harness the historical linkages and geographical advantages which not just Odisha, but also many South Indian states like Tamil Nadu, Andhra Pradesh, and Kerala possess in the context of the ASEAN region. It is also imperative to enhance air connectivity between India and ASEAN member states which is currently restricted.

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