India’s Act East Policy: Engagement with ASEAN

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Abstract

Over the years, India has interacted extensively with Southeast Asia nations. This contact began with trade but rapidly extended to other areas. Indian art, culture, and religion have significantly impacted many countries. The changes in the global political and economic environment in the early 1990s and India's march toward economic liberalisation have strengthened the multifaceted partnership between India and ASEAN. Since 1991, the ‘Look East’ policy (LEP) has played a significant role in India's foreign policy. Though LEP was initially intended only as an economic policy, it has broadened to include political, strategic, and cultural dimensions, developing into an active, result-driven ‘Act East’ policy.

The India-ASEAN partnership has upgraded to Strategic Partnership in 2012, which was previously ASEAN Sectoral Partner since 1992, a Dialogue Partner since 1996, and a Summit Level Partner since 2002. There are more than 30 dialogue platforms between India and ASEAN, encompassing various aspects. India will remain critical to engaging with ASEAN for ‘Act East’ and the ambition for the ‘Indo-Pacific’ geopolitical construct. This paper analyses the Act East policy's objective and highlights India-ASEAN relations during the Look East period and how it has transcended into Act East policy. The methodology employs in this paper is qualitative, using a descriptive and analytical method that draws on secondary data and publicly available government documents.

Keywords: Act East policy, China, India-ASEAN Relations, Look East policy, Southeast Asia.

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Introduction

The ‘Look East’ policy (henceforth LEP) is one of India’s most successful foreign policies with great achievements. In the economic sense, the Look East has also given an important position to India as an emerging global power. It was established in 1991 during P.V. Narasimha Rao’s government to enhance economic engagement and strengthen political ties and security with Southeast Asian nations (Haokip, 2011). When Rao visited Singapore in 1994, he outlined the general principles of the LEP. Through this policy, India signalled a shift in its perspective on the world by focusing economy and recognising Southeast Asia as strategic and economic significance to India's national interest (Rao, 1994).

The India-ASEAN relationship embarked when India was granted a Sectoral Dialogue partner in 1992 and a Full Dialogue Partner in 1996. IK Gujral, in 1996, at the India-ASEAN Dialogue Conference, said, “Partnership with ASEAN would impact India's economic, political, and security involvement in this bigger, concentric coalitions around ASEAN, East Asia, and Asia-Pacific” (Gujral, 1996). India became a Summit Level partnership with ASEAN in the year 2002. In December 2012, the head of ASEAN nations attended the Commemorative Summit of ASEAN-India to commemorate the 20th anniversary and 10th anniversary of the dialogue partnership and the summit-level partnership, respectively, under the theme “ASEAN-India partnership for peace, progress, and shared prosperity” (ASEAN, 2012b). Subsequently, the India-ASEAN relationship was upgraded to a Strategic Partnership in 2012. Dr Manmohan Singh said during the Summit’s opening remarks that:

We see our partnership with ASEAN not merely as a reaffirmation of ties with neighbouring countries or as an instrument of economic development but also as an integral part of our vision of a stable, secure, and prosperous Asia and its surrounding Indian Ocean and Pacific regions (Ministry of External Affairs, 2012).

India’s joining to ASEAN Regional Forum in 1996 strengthened the strategic component of its cooperation with ASEAN. With this, India’s Look East concept has broadened to strategic and geopolitical spheres apart from trade and economy. A few years later, the Look East policy expanded its geographical reach toward Australia and Oceania.

Yashwant Sinha, former External Affairs Minister, said, “We have been engaging countries in East Asia since Prime Minister Narasimha Rao came out with the Look East policy in the last decade in the past century,” at the book launching ceremony in November 2003 (Ministry of External Affairs, 2003). This was broadly viewed as engagement between India and ASEAN.
It was considered that interacting with the ten ASEAN members would constitute interaction with East Asia. In the later period of LEP, it is more comprehensive regarding its territorial and material reach. Whilst in geographic scope, in addition to 10 ASEAN members, Northeast Asia, i.e., Japan, China, and the Koreas, has been covered. Australia and New Zealand are far more actively engaged within the Southern Hemisphere. Therefore, when we discuss the India-ASEAN relationship, it tends to include the entire region of the Indo-Pacific.

The article is divided into five sections. The first section highlights India-ASEAN relations in the post-Cold war period and the rise of Asian tigers. The second section discusses India-ASEAN relations during the Look East period. The third section discusses India’s Act East policy and its primary objectives. The fourth section deliberates India-ASEAN relations on various issues and cooperation after renaming it to Act East policy. This paper concludes by discussing the challenges ahead of India-ASEAN relations and conclusion as the fifth section.

Post-Cold War India-ASEAN Relations and The Rise of Asian Tigers

In the early Post-Cold War period, the foreign policy of the country was mainly focused on interactions with East and Southeast Asia (Pant, 2016). However, India was influenced politically and ideologically during the Cold war period, though India distanced herself from the two world ideological blocs and remained non-alignment. Moreover, India did not emphasise much on the economic aspect of foreign relations during the cold-war period. As the Cold war ended, India shifted its foreign policy greatly toward the economic sphere, and India's primary foreign policy of non-alignment was obsolete. India, as an influential member-state of the world community and a co-founder of non-alignment, thus lost its name fast as the Cold war ended in 1989.

The United States’ understanding of world politics takes precedence over the Soviet Union, and the idea of a free-market economic system advocated by the US and western countries has presented a new hurdle for India’s foreign policy. Although one of the significant factors of the global power equation is still military strength, economic power has started to dominate that equation, and the balance of power has dramatically shifted to the economic sphere(Haokip, 2015). There are enormous pressures on India to integrate its economy into the western economy. This has also meant a severe setback to the Nehruvian foreign policy model for India.

Many countries in the world after the Cold war have reformed their economy to the free-market system, and the country’s economy has become the most important factor in international relations. As the nation’s status highly depends upon the wealth of the nation, Indian Prime
Minister Narasimha Rao 1991 advised Indian diplomats to give more attention to the economic sphere while dealing with foreign countries (Dixit, 1997). As a result, economic diplomacy started to take centre stage in India's interactions with other countries.

China made their economic reform in 1978, 12 years ahead of India. In the past 12 years, China has already started up their economic and political linkages with Southeast Asia countries. India realised this gap and had to reduce it by adopting similar linkages with the countries of Southeast Asia to find its role in the region politically and economically. Gautam S. Kaji, then World Bank managing director, opined his view on the situation in April 1995:

Certainly, the East Asian nations are still grappling with some of the same problems as India, albeit on a lesser scale. However, they have demonstrated that it is possible to move very fast with the right commitment. With the same kind of commitment,

I am convinced that there can be an Indian miracle (Kaji, 1995).

The emergence of Hong Kong, South Korea, Taiwan, Singapore and ASEAN as the leading high-growth economies in the region has given further momentum for India to look at Southeast and East Asia countries for building and conducting economic relations. Moreover, India realised that without the support from East and Southeast countries, Indian membership in the United Nations security council would not work out in India's favour. Therefore, India must make an effort and forge a closer relationship with this region only would materialise India’s endeavour (Nanda, 2003).

As the Soviets Union disintegrated, India became isolated and alone in the international environment. Moreover, India’s economic growth stagnated, and the country’s security was in a tense situation between Pakistan and China. So, India was looking East for alternative partners.

For the first time since independence, the Government of India reoriented its economic policy toward Southeast Asia and placed the economic aspect as the single most vital focus area (Ministry of External Affairs, 1994). India’s economic policy was reformed, with the ASEAN as the most critical region to forge formal economic ties. This policy was further complemented by the presence of common challenges for India and ASEAN countries, shared cultural, historical and geographical proximity etc., added to constructive relations.

India saw Southeast Asia countries, particularly ASEAN, as a huge economic potential as it planned to integrate with the global economy by boosting trade. The volume of trade with
ASEAN has continually been increasing since 1991. But it did not equally significant and consistent with the whole region because of the varies degree of India and each ASEAN member state’s economic complementarities. As per the trade data, Singapore and Malaysia are the two countries that contribute the most to the bilateral trade of ASEAN and India. For example, in 1993-1994, more than 80 per cent of India’s imports from ASEAN came from two countries – Singapore and Malaysia, and 60 per cent of Indian export to ASEAN were absorbed by Singapore and Malaysia (Sridharan, 1992). On the other hand, the countries like Brunei, bilateral trade with India is negligible, and bilateral trade with Indonesia and the Philippines varies and is negligible during the early years of the LEP (Sridharan, 1992).

New opportunities for economic complementarities with ASEAN nations emerged shortly after India’s economy was liberalised. India became a crucial supplier of skilled and trained labour resources to countries like Singapore and Malaysia, where labour shortages exist in various sectors. The sizeable population in India interested in science and technology has created a significant pool of skilled workers that saw an increase in demand in the fast-rising nations of Southeast Asia without constricting the Indian economy (Shantakumar, nd).

As a result of its affordable talent accessibility, market potential, and communications infrastructure, India started to emerge as an important business destination. The US$ 250 million Bangalore Information Technology Park, in which the Singapore consortium owned a 40 per cent share, was a good example of one such initiative (Yong & Mun, 2009). At the same time, skilled Indian labour was making its way into Southeast Asian nations soon and rapidly thereafter.

As part of India’s bold economic liberalisation initiative, Narasimha Rao led economic trips to Vietnam, Thailand, and Singapore in 1993 and 1994 (Yong & Mun, 2009). This has given impetus to the India-ASEAN relationship greatly. With the improvement of the economic relationship, political-diplomatic ties were also gradually improved. The granting of Sectoral Dialogue with ASEAN permitted India to participate in trade in certain fields, like commerce, investment, and tourism. Adding to it, the relationship further improved when India was granted Full Dialogue Partnership to ASEAN in 1995, making India a maiden appearance at the meetings in Jakarta for the Post-Ministerial Conference and ARF(Yong & Mun, 2009). The initiative to re-establish a stronger economic relationship with ASEAN was greatly contributed by Narasimha Rao.
Rise of Asian Tigers

During the early period of the 1950s and the early independence of most South Asian countries, there was a great expectation from India and South Asian countries for a fast growth rate, increased income earnings and lower poverty in the region (Hicks & Kong, 1989). On the contrary, the Asian tigers, referring to “Hong Kong, Singapore, South Korea and Taiwan” were considered ‘outcasts’ and ‘basket cases’ and were not counted as potential economic development countries (Paldam, 2003). The Asian tigers, however, saw remarkable growth starting in the 1960s, confounding all predictions and development theories put forward at the time by developed economists, and they became Asia’s ‘poster child’ for a considerable period (Arora & Ratnasiri, 2015). They quickly transformed their economy from less developed to high-income generated countries. The fast income growth rate paves them into joining the OECD club. Their growth continues even post-1990, giving inspiration to the newly emerging economies country like India (Indermit & Homi, 2007). According to Indermit and Homi, this growth can also be described as the beginning of an “economic renaissance”, which is being fuelled by swift changes in trade, innovation, and technology.

Asian tiger’s rapid economic growth before 1990 was attributed to ‘getting the basics right’ (World Bank, 1993) and economic, social, cultural, and political adjustments to several policies (Hughes, 1995). Some studies show that their success growth was also contributed by a conducive external environment and desirable domestic policies. The World Bank identified seven essential factors that have resulted in development of Asian tigers and other high-economic performing countries. These were:

- Rapid output and productivity growth in agriculture; higher rates of growth of manufactured exports; earlier and steeper declines in fertility; higher growth rates of physical capital, supported by higher rates of domestic savings; higher initial levels and growth rates of human capital; generally higher rates of productivity growth (World Bank, 1993).

Recent studies on East Asian economic development and Asian tigers have described the region’s growth and development as a dynamic process supported by rigid laws and emerging institutions (Khan, 2013). It has been acknowledged that knowledge, enhanced regional trade integration, coherence and policy coordination are the main drivers of growth (Fukasaku, 2006).
India-ASEAN Relations During the Look East Period

Despite the opportunity of independence, India did not establish a strong relationship with Southeast Asia before the dissolution of the erstwhile Soviet Union. This was exacerbated by the competing bloc’s ideology during the Cold War, which led to division in allegiances among Southeast Asian countries and ASEAN in particular. Rajiv Sikri, a then Indian ambassador, claimed that given the circumstances, India's link to Southeast Asia was restricted to their shared colonial history and cultural ties only (Louise et al., 2009).

The collapse of the Soviet Union severely affected the country's economy. So, Indian policymakers decided to reassess their economic and foreign policies following the 1991 Indian financial crisis. Due to this re-evaluation, India's economic policies were liberalised, and its foreign policy toward its neighbours in Southeast Asia was revived after years of neglect. India had the chance to embrace its neighbours in Southeast Asia because of globalisation and the rise of regionalism in world politics at the time. As a result, the Look East policy (LEP) was introduced in 1991, rapidly becoming prominent in India's foreign policy.

Through fostering and deepening ties with the political, cultural, social, economic, and geopolitical levels of Southeast Asian nations, LEP enhanced India's position as a regional power. As India transitioned from a protectionist to a more liberal economic policy, the LEP signalled a change in its foreign policy. Narasimha Rao made it clear that he considered the policy primarily an economic effort in a speech given in Singapore in October 1994. He suggested that India may begin its worldwide market entry from the Asia-Pacific region (Devare, 2005).

Myanmar is considered a gateway to Southeast Asia due to its only nation, which has a land boundary connection with India. Following this, the Indian government created motorways, pipelines, ports, and other infrastructure projects to secure lucrative business prospects with Myanmar. Since then, India and Myanmar have improved their military collaboration, and the two nations are working together to battle rebel activity in India's the Northeast States.

India’s involvement in ASEAN before 2001 was minimal. There were differences among ASEAN members on India's level of involvement in Southeast Asia, despite India being an ASEAN Full Dialogue Partner. For instance, Malaysia opposed engaging with India, but Singapore supported it. India gained credibility as a partner ready to engage ASEAN constructively since it had given ASEAN a Free Trade Agreement (FTA). As part of its Look East programs, India was also wanted by ASEAN to balance China. India started a concerted
effort to establish free trade agreements with nations and regional groups around Asia in 2002. The fact that Indonesia and Malaysia chose not to object to India and the US’s naval escort operation in the Malacca Straits indicates more acceptance of India in the region. Realising the strategic goal, ASEAN and India completed work on FTA Framework Agreement in Bali in 2003. Additionally, India and ASEAN signed a counterterrorism pact, and later India joined the East Asia Summit, which was founded in 2005. These programs can be considered accomplishments for the LEP.

After the 2004 general elections, the United Progressive Alliance (UPA) came to power, a significant development in the policy took place. Between 2004 and 2014, Manmohan Singh presided as India's Prime Minister under the UPA-led government. Significant geopolitical upheavals during this time, as well as difficulties in Asia, were notable. The Indian National Congress (INC), the largest party in the UPA coalition, formed a centrist administration with assistance from a few smaller left-aligned parties. The UPA promised a responsible government free from corruption, open to the public, and consistently answerable to its constituents (Indianet, 2004). The UPA is also committed to safeguarding, defending, strengthening social ties and administering the law impartially to deal with extremist or obscure groups that aim to undermine societal harmony and tranquillity. The government also pledged to create jobs that would guarantee each family a safe and prosperous way of life while ensuring that the economy would grow at a rate of seven to eight per cent annually for at least ten years. The UPA is also committed to improving the status of women in the fields of politics, education, business, and law. In addition, the government promised to give all groups, including religious minorities, SC/ST, and OBC, equal opportunities, particularly in employment and education (Roy, 2020).

The United Progressive Alliance (UPA) administration acknowledged the significance of expanding connectivity. The organisation of the India-ASEAN motor rally that took place in 2004 from Guwahati to Indonesia's Batam Island provides an early illustration of how important this is. This motor rally travelled through Malaysia, Singapore, Thailand, Laos, Vietnam, and Cambodia. The 2004 rally created several prospects for possible business collaborations and opportunities to improve India's connectivity with neighbours in the north and southeast, in addition to the UPA government’s similar initiatives carried out on soft power (Banerjee, 2004).
Southeast Asia and India's connectivity is based on hard and soft connectivity, such as the Trilateral Highway project, Kaladan Multi-Modal Transit project and the Mekong Ganga Economic Corridor. India was willing to use cultural diplomacy, quiet power diplomacy, and its extensive cultural past and customs to deepen its relationships with the Indian diaspora. One such instance was the decision Nalanda International University project by the UPA government in 2007. Nalanda was originally a Buddhist monastery that existed between 500 BC and 1200 BC and played a significant role in spreading Buddhism across Asia. A desire to strengthen the early cultural and spiritual linkages between the Asian nations may be seen in the ancient city of Nalanda and the choice to make it the focal point of contemporary Asian achievements. The initiative, which became accessible to students in 2014 at the Rajgir campus (Bihar), was funded by various Southeast Asian nations through Memoranda of Agreements. From India's LEP perspective, this project was viewed as a ‘tool of soft power (Muni, 2010).

Manmohan Singh signed many Memoranda of Understanding and announced several bilateral initiatives with Myanmar in 2012(De, 2014). These projects included the Kaladan Multi-Modal Project, which connects Kolkata Port to Sittwe Port in Myanmar, the Tamu-Kalewa-Kalemyo Road Improvement Project, and Imphal to Mandalay (Myanmar) bus services. Since then, Indian corporations have also secured substantial trade and economic agreements in the infrastructure and other sectors. To increase travel between India and countries in Asia, particularly BIMSTEC and SAARC members, there has been discussion regarding the feasibility of rail, sea, and road connections. Additionally, India and Singapore signed a Comprehensive Economic Partnership Agreement, significantly improving India-ASEAN relations. The India-ASEAN 20th Anniversary Summit Level meeting 2012 was a crucial step which had a big impact on the geopolitical and economic relations with Southeast Asia. Another element that influenced the growth of bilateral relations was the growing military ties between India and the major ASEAN nations(Louise et al., 2009).

Since Asia is increasingly assuming the role of the geopolitical centre of the world, the 21st century is referred to as the “Asian Century.” One of the LEP’s primary goals has been to restore India's position as a prominent Asian nation and rebuild her strained ties with her neighbours while preserving her strategic independence. As part of the new realpolitik, as apparent in India's foreign policy, the Look East policy makes an effort to create bigger and deeper economic relations with its eastern neighbours, as according to Haokip (Haokip, 2011). India has an influential voice in almost every Asian and Asia-Pacific conference. Its commercial and security ties with the Indo-Pacific and the IOR have grown. Its primary goal
of expanding India’s export markets and securing economic integration into the global market has been accomplished. India has also developed the ability to handle several challenging issues in its bilateral relations with China, Bangladesh, and numerous other neighbouring nations.

**Act East Policy and Its Objectives**

Prime Minister Modi, at the 12\textsuperscript{th} East Asia Summit (EAS) in Myanmar in 2014, formally announced the change of name to the Act East policy (Parameswaran, 2014). Since the name change to the Act East policy, many official statements highlighting India's desire to take a proactive role in the East have been indicated. Several times, Prime Minister Modi has made in-context references to Act East. The first was the EAS Summit in November 2014. He visited South Korea in May 2015 and brought up Act East once more, underlining the importance of South Korea as a partner in the policy. During her visit to Bangkok in June 2015, Sushma Swaraj, then External Affairs Minister, also mentioned India's efforts to forge partnerships with Southeast Asian nations through the Act East policy. In this regard, she referred Thailand as an important strategic ally for India (Press Trust of India, 2015a). Former President of India Pranab Mukherjee also mentioned the policy in his speech in August 2015 when the meeting of the leaders of the Pacific Island nations took place in Delhi (NDTV, 2015). In another visit by Prime Minister Modi to Singapore in November 2015, he explained the visionary picture of the policy. Compared to the LEP, the policy's broader, more comprehensive and deeper strategic depth are among the features that stand out the most. The policy seeks to position India as a significant regional actor, a goal congruent with the Modi administration's desire to increase its geostrategic influence on the international and regional levels. Apart from interacting with ASEAN countries, the Act East policy also aims to interact with larger Asia-Pacific countries like New Zealand, Japan, Australia and South Korea. On that account, this policy reflects the intention of the Indian government intention for global influence.

It can be said that the successful diplomatic clout of India has brought foreign investment from countries like Japan that funded critical infrastructure projects such as high-speed railways transportation in India and the Delhi-Mumbai Industrial Corridor. Stronger cooperation in defence and security, like joint maritime exercises with the Southeast Asian countries of Malaysia, Myanmar, Vietnam, etc., has been conducted. Upgrading and expanding road, railways and air connectivity between Southeast Asia and India have been enhanced. India has also outreached to the Indian diaspora in Singapore and Malaysia by involving them in Indian
development projects (Rajendram, 2014). Transformational and closer bilateral relations with the countries of Australia, Japan and Vietnam are among the notable successes of the Act East policy. Act East policy has consequently become one of India's leading foreign policies.

The Act East policy has two main objectives: i) strengthening economic growth and ii) counteracting China’s rise and its growing regional influence. In the following paragraph, these objectives are briefly explained.

**Strengthening Economic Growth**

Prime Minister Modi campaigned during his General Election in 2014 on the pledge to fight corruption, enhance governance, and promote India's economic expansion. Therefore, the Act East policy is crucial for him to fulfil the electorate’s promises to accelerate the growth of India’s economy. Modi’s leadership saw India’s foreign policy increasingly promoting of nation’s economic development and expansion, which requires significant investments in manufacturing, infrastructure, and trade agreements with other countries. For that reason, it is equally crucial for India to recognise the significance of the Asia-Pacific.

To increase the export of goods and services for market access, India signed a CECA with ASEAN on July 1, 2015, in addition to its Free Trade Agreement in January 2010. Talk with Thailand on CECA and Indonesia on FTA are in the pipeline. Other critical initiatives India takes to strengthen economic development include “Make in India – to permit foreign manufacturers to produce goods in India” and “Digital India – to enable e-delivery of government services to citizens.” Other related initiatives include “Swachh Bharat Abhiyan – to clean up streets and neighbourhoods in cities and towns across India” and “Smart Cities Mission – for enhancing municipal services, infrastructure, housing, educational facilities and healthcare facilities across the country.”

The construction of the high-speed rail network along the Mumbai-Ahmedabad corridor began in 2015 through Japanese funding and is among the ambitious and concerted efforts by the Modi government to upgrade India’s physical infrastructure. The project would cost US$12 billion in the form of a 50-year loan with a 0.1 per cent interest rate and a 15-year repayment moratorium. Japan funded the project with 81 per cent, while the remaining expenses would be borne by the state government of Maharashtra and Gujarat (Press Trust of India, 2015b). Japan has become an important and crucial strategic partner for India. Shinzo Abe and Narendra Modi’s friendship has enabled bilateral cooperation on various issues.
Oil and natural gas were the main commercial energy sources during the industrial period of the 20th and 21st centuries. Since Cold War ended, India has significantly increased its oil imports because its total per capita energy production is insufficient. India's enormous population and expanding industrial production show that oil demand will rise into the second half of the twenty-first century. India has sought oil exploration sites in other countries because of its poor fossil fuel reserves. One of India’s Oil companies, “Oil and Natural Gas Corporation Videsh Limited” (OVL), in partnership with Petro Vietnam (PVN), has invested in exploring offshore oil blocks that have received well in Vietnam. Additionally, India has signed agreements to explore natural gas and oil offshore in Vietnam and Myanmar (Borah, 2016). Locating gas and oil deposits in India’s ‘extended neighbourhood’ will support the country’s economy and meet the country’s high and rising energy needs.

India signed civil nuclear cooperation agreements with Japan in 2016 and Australia in 2015 (Mohan, 2015). Equipment for nuclear power plants will be shipped to India due to these agreements with Australia and Japan. Additionally, India would receive regular uranium supplies from Australia. As a result of this agreement, India will be able to enhance its nuclear energy supply to satisfy the country’s rising energy demands in the coming years. This will also help lower the pollution caused by burning fossil fuels in Indian cities, address climate change issues though in a minimal degree and enhance the quality of life. Australia and Japan are supporting India in the construction of new nuclear reactors. Hence, these agreements on atomic cooperation are significant political accomplishments even though India is not a signatory to the NPT.

**Countering China’s Rise and Its Growing Regional Influence**

China is India’s largest trading partner, and for the first time, the bilateral trade amount surpassed US$125.66 billion in 2021-22 (Press Trust of India, 2022). But the relationship between India and China has been complicated because of the competing historical, geographical, and geopolitical ambitions of both nations. Territorial disputes, recurring military incursions, especially near the Sino-Indian border dispute areas by China into what India views as its territory, China’s assistance to Pakistan in the political and military and their expanding regional influence, its objection to India’s membership into the NSG, and the abundance of Chinese commodities in the Indian market is causing problems and have harmed India China bilateral relationship. The threat of importing cheap Chinese goods into the Indian
market and subsequent unaddressed Indian issues heavily influenced India’s decision to opt out of the RCEP Free Trade Agreement.

Border disagreements in October and November 1962 badly harmed bilateral ties between India and China. India experienced significant setbacks during the disputes, still influencing how it views China. However, since 1976, the two country’s relations have gradually improved. As a result, analysts have suggested that the two nations will develop more cordial and collaborative relationships (Jain, 2004). However, these conclusions might be too soon. It seems unlikely that the long-standing rivalry between the two nations will end quickly. Due to their mutual interests in achieving regional hegemony, if not a global power, political clout on the global scene, economic growth, and military superiority, Asia’s two leaders were engaged in a power competition after the Cold War period. Other important aspects that affect the Sino-Indian relationship include the presence of the Chinese military in Tibet, China growing relationship with Myanmar, supplying of arms to Pakistan, the Dalai Lama, India’s apparent support and cooperation with the US to counterweight China, and the dominant position of China in Asia.

“Both nations are competing for resources, foreign investment, and markets in the post-Cold War era, making India and China’s strategic rivalry inevitable” (Malik, 1995). The respective historical experiences of these two nations have contributed to their strategic cultures. The competition stems from each nation’s desire to regain its historical stature and influence held in Asia before the arrival of European powers. Each side believes that it is the dominant force in Asia. Both nations have controlled their neighbours as the first step in their efforts to regain their past greatness (Malone, 2011). Growing ambitions brought on by expanding economies will likely result in conflicts between the two within Asia and beyond. That being the case, competition between the two countries is inevitable given the overlapping “spheres of influence”.

China currently has a significant advantage over India in terms of status and influence internationally. India wants to catch up to China, and this desire adds a competitive factor between the two nations. Because of China’s threat, India is advantageous in several ways. It helped improve India’s international standing, weakening the effort of Pakistan for strategic parity with India, high defence expenditure, and Chinese expansionist plans brought India closer to the United States and the other Asia Pacific nations. Because of all of these, India came to be seen as a nation that the countries of the Asia Pacific and beyond should turn to if
they were worried about China's growing influence. The relations between China and India, both of which the international community believes are poised to become significant power centres, will increasingly determine the future of the Asian region.

India has recently been concerned about claims that China is increasing its naval footprint in the Indian Ocean region by developing civil maritime infrastructure. In what is referred to as a ‘string of pearls,’ “China has supported the building and refurbishing of port facilities in Myanmar (Kyaukpyu), Hambantota in Sri Lanka, and Gwadar in Pakistan” (Burgess, 2015). This made to believe that China was encircling India. The geopolitical rivalry has increased due to the development of Bangladesh’s first deep-water port at Matabari by India, the US, Japan and China. (Shepard, 2016).

India has the opportunity to cooperate with ASEAN nations like Vietnam to counter China’s ascent as China advances in the South China Sea. Countries like Indonesia, Singapore, Japan, and other nations in the Asia-Pacific are getting closer to India due to the need for open navigation, energy transit, and trade. Finally, “China’s Belt and Road Initiative (BRI) have exacerbated India’s concerns about being excluded from trade and commercial relations with Central Asia”(Palit, 2016). Despite China’s offer, India has not yet expressed interest in participating in the BRI.

**India-ASEAN Relations Since ‘Act East’ Renaming**

India started engagement with ASEAN in 1992 by joining sectoral dialogue partners. Thereafter relationships were improved, and upgraded its Dialogue partner status to a higher level. One of the important landmarks in India-ASEAN relations happened in 2014 when Prime Minister Modi, in his inaugural speech at the 12th East Asia Summit in Myanmar, said, “Externally, India's Look East policy has become the Act East policy”(Ministry of External Affairs, 2014). This policy’s geographical range starts from Bangladesh and is planned to include the entire western region of the USA. India-ASEAN celebrated its ten years of Annual Summits and twenty years of partnership in 2012. At the Anniversary event, leaders from the ten ASEAN nations attended.

The 2004 “ASEAN-India Partnership for Peace, Progress and Shared Prosperity” Agreement’s guiding principles were integrated at the 2012 ASEAN-India Commemorative Summit into a more extensive Vision Statement(ASEAN, 2012c). A more organised and comprehensive Plan of Action for 2016-2020 (ASEAN, 2015) has replaced the ad hoc Plans of Action for 2005–2010 and 2010–2015 (ASEAN, 2012a). The ASEAN “Political-Security Community, Socio-
Cultural Community, and Economic Community” are the three pillars of “Community Vision 2025”. India has reaffirmed its commitment to collaborating with ASEAN on these issues.

India and ASEAN commemorated their 25th partnership as a “historic milestone” throughout 2017. All ten ASEAN leaders were present for the memorial event, which led to the adoption of the “Delhi Declaration” of the “ASEAN-India Commemorative Summit” on January 25, 2018 (Ministry of External Affairs, 2018a). Another important event in the India-ASEAN relationship was the 10 ASEAN leaders’ attendance as the Chief Guests at India’s 69th Republic Day celebration in 2018.

India-ASEAN bilateral relations and the ten individual nations have improved tremendously throughout these 25-year. There are 30 dialogue mechanisms for collaboration, including Ministerial gatherings on various topics, defence and security, commerce, external affairs, environment, tourism etc., and yearly summit-level discussions.

India and ASEAN have extensively collaborated in political and security domains as crucial allies. India was present in the defence and strategic organisations of ASEAN, including ARF, Defence Ministers Meeting Plus (DMM+), EAS, and the Expanded Maritime Forum (EMF). This shows how India's defence ties with the ASEAN and each ASEAN member state are growing. India and ASEAN are working together more closely and sharing more information to fight global issues, including covert nuclear material proliferation, international terrorism, drug trafficking, money laundering, and cybercrime.

Under the Act East policy, the Indo-Pacific region has received more attention and relevance. In his remarks at the “Shangri-La Dialogue” in Singapore in June 2018, Narendra Modi said, “The Indo-Pacific is a natural region. It is also home to a vast array of global opportunities and challenges” (Ministry of External Affairs, 2018b). The ten nations of Southeast Asia serve as a geographic and cultural link between the two large oceans.

Inclusiveness, openness and ASEAN centrality and unity, therefore, lie at the heart of the new Indo-Pacific. India does not see the Indo-Pacific Region as a strategy or as a club of limited members (Ministry of External Affairs, 2018b).

India shall embrace an inclusive approach to its presence in the Indo-Pacific region.

The “ASEAN Outlook” of the Indo-Pacific was endorsed at the ASEAN’s 34th Bangkok Summit in June 2019 (ASEAN, 2019). The Outlook highlighted that:
ASEAN will continue to play a prominent and strategic role in the Indo-Pacific”. India welcomed this, saying, “We perceive significant elements of convergence with our views, notably from the standpoint of principles, as well as its methodology and ASEAN’s listing of areas of collaboration” (Ministry of External Affairs, 2019).

Most countries agreed that the Indo-Pacific is crucial and supports the ASEAN Outlook. Instead of using the term “Indo-Pacific,” China and Russia refer to the region as the “Asia-Pacific.” These two countries have a fierce rivalry and feel US interests predominate in the Indo-Pacific area. There have been many sub-regional multilateral forums where India and ASEAN have had the opportunity to interact, such as BIMSTEC and the Mekong Ganga Cooperation (MGC). The Delhi Dialogue, an annual Track 1.5 forum hosted by India, discusses issues between ASEAN and India regarding politics, security, and the economy.

The Way Forward

Despite the Act East policy’s declared nature of intention, the expanded outreach falls far short of its intended capabilities. Infrastructure development and the ability to increase regional connections through India’s North East have not been sufficient. A good example is the Trilateral Highway, which connects Thailand, Myanmar, and India. While Thailand has finished building its portion of the highway, India has not been taking off on its side of the border (United News of India, 2018). India’s promises to assist ASEAN with infrastructure are sure to sound hollow if it takes too long to materialise. India wants to support ASEAN in counteracting China, but ASEAN nations are still unsure that India can effectively replace China (Press Information Bureau, 2015).

The wealth and power centre of the world is moving eastward. Additionally, this region’s geopolitics are essential for balancing security concerns from the West and North to India. The combined defence budgets of Japan, India, and the 10 ASEAN members are 56% lower than China (Lemahieu, 2019). Only international security alliances, organisations, and state interests can balance these power disparities. The US has maintained the position of dominating power in the Indo-Pacific region for a long time. The USA is unlikely to be able to stop the decreasing power gap with China unless there is war or a nuclearised security system, neither of which should occur.

Despite India’s Act East policy efforts, India is still performing poorly in the economic and defence networks. In terms of diplomatic influence for 2019, it was also going down, according to the power index created by the renowned Australian think tank Lowy Institute (Katoch,
2019). These are the exact things that allow the USA, far away, to have a disproportionate impact on Indo Pacific Region. However, India can make up for its lack of influence. By 2030, it is expected that India's economy will have nearly caught up to that of the United States(Katoch, 2019). By 2045, 200 million more people in working age are expected in India than in China, a difference of around 158 million people(Munro, 2019). Security in the region may deteriorate due to changes in military and economic power. For India to overcome security obstacles, it must strengthen its bilateral and multilateral security alliances and links. Among the significant bilateral security exchange, the most complicated one is AUSINDEX (Exercise Australia-India) which last took place from April 2 to April 14, 2019, and included cross-deck landings, live-fire drills, air defence exercises, anti-surface warfare operations, and replenishment at sea(Press Information Bureau, 2019). The strategic connections and defence cooperation between India and Australia have significantly improved due to this exercise, which Australia’s exclusion had previously hindered some activities and the nature of the QUAD(Prakash, 2019). If India wants to gain from its Act East economic growth and security policy, it must manage, balance, and extend such security alliances.

Conclusion

Since adopting India’s Look East policy in 1991, the relations between India and ASEAN have advanced significantly. In 1992, India joined the ASEAN Sectoral Dialogue Partnership and was upgraded to a full partnership in 1996 and ARF in 1996. India is among the founding member of the EAS, which was established in December 2005. Since 2002, India has held an equal position with China, South Korea, and Japan as ASEAN Summit partners. In 2012, the relationship between India and ASEAN was elevated to a Strategic Partnership. For greater interaction and fostering deeper ties, India and ASEAN have more than 30 dialogue platforms. Not only expanding in the economic sphere, the relationships between India and ASEAN have also deepened at the political, strategic, security and defence levels.

Notwithstanding having multiple engagements with ASEAN, improving economic and commercial ties remain the core objective of India’s relations with ASEAN. India's fourth-largest trading ally is ASEAN, and ASEAN’s seventh-largest trading partner is India. The 2010 “Free Trade Agreement” between India and ASEAN strengthened this economic relationship. India-ASEAN “Service and Investment Agreement” of 2015 boosted the relationship further. Despite all these interactions, trade and investment are still well below their achievable potential. Moreover, the trade balance between India and ASEAN has negatively impacted
India. India’s outbound FDI to ASEAN, most of the time, is more than the FDI to the US, EU and Japan, whereas ASEAN FDI into India is very minimal and skewed, except for Singapore. Other significant economic countries in Southeast Asia like Malaysia, Indonesia and Thailand do not contribute much to India’s inbound FDI and have few trade activities. Perhaps this need to be improved. But in all, the interactions between India and ASEAN have been successful. To keep the momentum continuing, this needs to be developed and maintained. In a region like Indo-Pacific, where one great power is waning, and another more assertive and highly ambitious China is emerging, India and ASEAN need each other more than ever. Even though the political, security, cultural, and inter-ethnic relations between India and ASEAN have improved, much more has to be done to support the expansion of the partnership on the grounds of connectivity, trade, and economics. Additionally, bilateral ties between India and ASEAN nations and international collaboration would boost the Indo-Pacific region’s security, development, and progress. As the Southeast and East Asia region is ready for long-term growth in the twenty-first century, engaging with this region should be a top foreign policy priority for every government.

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