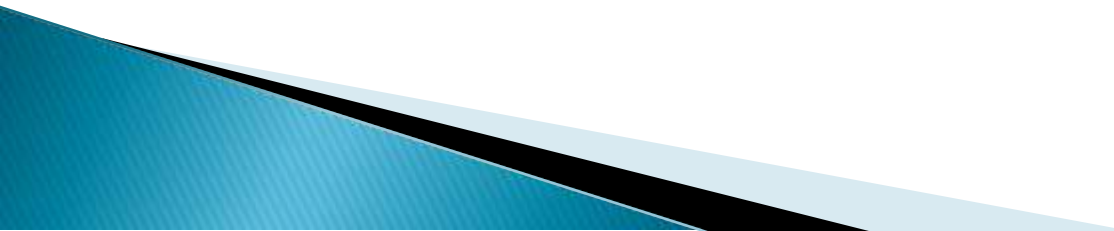


Semester-III
INDIA-ASEAN RELATIONS
Paper XV-IRIO

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2020



MEMBERSHIP

- ▶ 8th August 1967
 - ▶ Bangkok Declaration
 - ▶ Indonesia, Malaysia, Phillipines . Singapore, Thailand
 - ▶ Brunei, Cambodia, Laos, Mayanmar, Vietnam
 - ▶ **Timor Leste**
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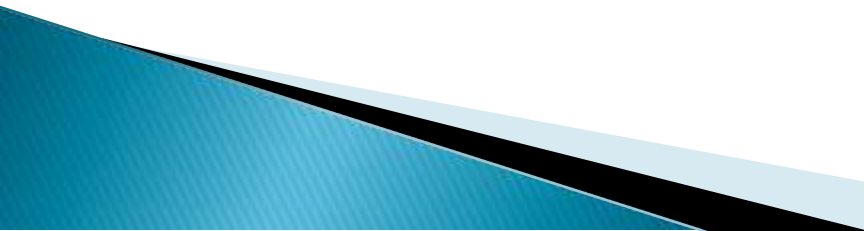
INDIA–ASEAN RELATIONS (Outline)

- ▶ Historical Context
 - ▶ Post World–War II
 - ▶ East Asia after Independence
 - ▶ End of Cold War
 - ▶ ‘Look East Policy’
 - ▶ ‘Act East Policy’
- 

Historical Context

- ▶ Spread of Hinduism , Buddhism: While Hinduism reached much of Indonesia, Malaysia; Buddhism reached Japan, Vietnam through China and Korea. Also reached Burma, Cambodia and Thailand.
- ▶ Establishment of Hindu Kingdoms: Malaya peninsula(now Malaysia), Cambodia , Java, Sumatra, Borneo , Bali
- ▶ Indianization also included the alphabetical basis of Southeast Asian Scripts
- ▶ Adoption of Sanskrit, Hindu–Buddhist religious beliefs
- ▶ Prosperous trade between India and Southeast Asia, China .
- ▶ 15th century : rise of Islam
- ▶ Connections continued from British colonial expansions
- ▶ Encouraged large scale migration particularly Tamils
- ▶ But weakened cultural and civilizational links with promotion of European values
- ▶ Trade discontinued.

Post World–War II

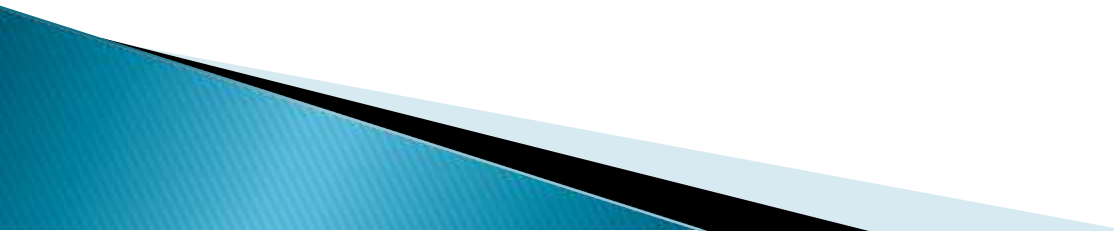
- ▶ Genesis of look east policy
 - ▶ Southeast Asia became a distinctive term during WW–II
 - ▶ Formation of Allied Southeast Asian Command (SEAC) during wwII to fight Japanese.
 - ▶ From SEAC till Asia– Africa Bandung Conference (1955) India considered as part of SE Asia rather than South Asia .
 - ▶ Major market for India
 - ▶ India shared a common interest with Southeast Asia on decolonization . Shared feeling of nationalism, anti–imperialism of Japan
 - ▶ India supported freedom struggle in Indonesia, Burma, Malaysia, Vietnam
- 

East Asia after Independence

- ▶ Also called as ‘ **leading Asia**’
- ▶ Nehru aimed at building new Asian century
- ▶ Forged regional solidarity and unity
- ▶ First Asian Relations Conference,(ARC) 1947,
- ▶ Focus on issues such as national freedom movements, racial problems, intra-Asian migration, transition from colonial economy, labour issues, cultural problems and the status of women and women’s movement in Asia.
- ▶ **Asian Relations Organization** formed in 1947, but folded in 1955

- ▶ But India was resented for domineering style.
 - ▶ Policy towards China; ‘engaging China’. Nehru underestimated China’s strategic designs.
 - ▶ 1962 War with China
 - ▶ India started moving towards global non-alignment. This stage called ‘**leaving Asia**’.
 - ▶ This was a strategic mistake
 - ▶ Cost India the membership of ASEAN in 1967
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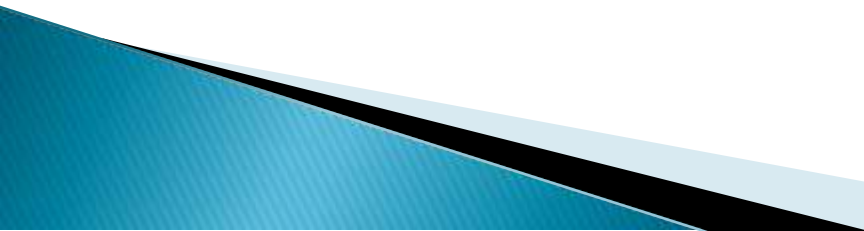
End of Cold War

- ▶ End of CW and Soviet collapse
 - ▶ India began process of **'returning to Asia'**
 - ▶ Driven by trade, investment and production
 - ▶ **Look East Policy** adopted
 - ▶ 3 dimensions
 1. Economic
 2. Strategic
 3. Institutional
- 

Look East Policy

- ▶ Initiated in the early part of 1990s
- ▶ 1st phase: focus on South east Asia(until recently)
- ▶ 2nd phase : looking beyond Southeast Asia towards larger Asia–Pacific region
- ▶ India has been dialogue partner since 1995; member of ARF since 1996; a founding member of East Asia Summit(EAS) since 2005; member of ASEM since 2006; part of ASEAN – plus 6 mechanism since 2011

Factors of Look East Policy

- ▶ strategic and diplomatic developments changed the outlook of India and SE Asia
 - ▶ End of cold war and collapse of soviet union (India seen as pro-Soviet; anti Chinese; position on Vietnam; End of Vietnam – Cambodia conflict in 1991; rise of China
 - ▶ Domestic economic liberalization (P.V Narasimha Rao)
 - ▶ To promote economic integration with East Asia and Pacific countries
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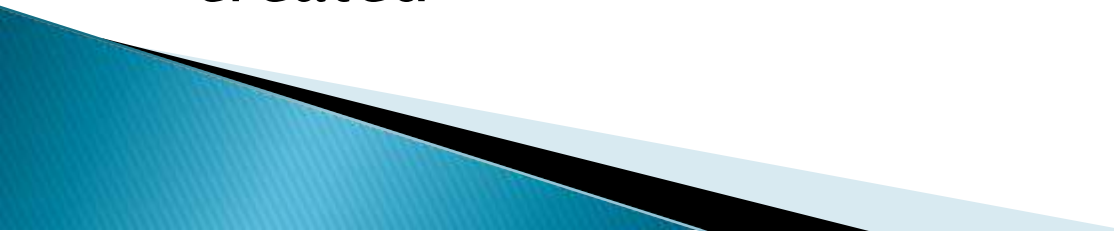
Factors ...contd

- ▶ ASEAN diluted ZOPFAN; inclusive posture of ASEAN
- ▶ Expanded network of **dialogue partners** by inviting China, South Korea and India(1995) among others.
- ▶ ASEAN also launched a wider security forum, **ARF(1994)**, affecting the the security of Asia–Pacific region(India member in 1996)
- ▶ Advancement of **cooperative security** helped advance India's Look East Policy beyond economic focus.
- ▶ Rise of China created further common ground
- ▶ China, a mix of security challenge and economic opportunities.
- ▶ Look–East has helped india emerge as as an important player in SE Asia and wider Asia–Pacific region.

Dimensions of Look East Policy

- ▶ 3 main dimensions : **Economic ; strategic and Institutional**

1. Economic Dimensions

- ▶ Look East policy driven by economic calculations.
 - ▶ Provided tremendous ties between India and ASEAN on one hand and its members on the other.
 - ▶ Creation of a number of institutional mechanisms for economic exchanges.
 - ▶ India became full dialogue partner in 1995; 1996 ARF member, ASEAN -India Joint Cooperation Committee and ASEAN -India Working Group on Trade and Investment ; ASEAN-India Fund created
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Contd..

- ▶ Malaysia , Singapore emerged as 10th and 12th economic partners by 2002 followed closely by Thailand (18th), Indonesia(33rd) and Phillipines(35th)
- ▶ Singapore largest investor in FDI in India among ASEAN countries; 2009 (\$7900m)
- ▶ Bilateral trade; 1997 a slowdown in trade because of Asian Financial crisis
- ▶ Trade picked up in 2000,
- ▶ **In 2003 India –ASEAN Comprehensive Economic Cooperation Agreement Signed(CECA): the areas of economic cooperetion were identified**
- ▶ **FTA in goods between India and ASEAN signed in 2009; became operational in Jan 2010 (by 2010 \$25800m). gradually to cover 75 % of two-way trade.**

Contd..

- ▶ Nov 2004: Another landmark agreement : **ASEAN -India Partnership for Peace, Progress and Shared Prosperity** (Vietnamese Agreement)
- ▶ Provided roadmap to for consolidation of India's relations with S.E. Asian states.
- ▶ **Inline with Vision 2020 to create a more integrated ASEAN Community**
- ▶ **Energy sector** regarded most promising
- ▶ India already engaged in in gas sector in Myanmar, Malaysia, Vietnam and Indonesia.
- ▶ **Infrastructure another sector** where high level cooperation is taking place(Quadrilateral road project)


Contd..

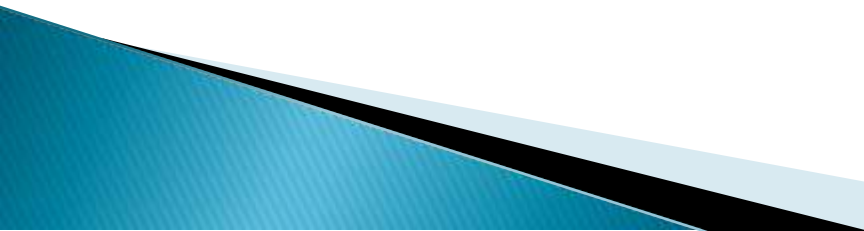
- ▶ **ASEAN Plus 6(2011)** partnership extended to India, Australia and New Zealand

Regional Comprehensive Economic Partnership(RCEP)

- ▶ (The Regional Comprehensive Economic Partnership (RCEP) is a mega-regional economic agreement being negotiated since 2012, between **ASEAN and Free Trade Agreement (FTA) member partners.**
- ▶ ASEAN has free trade agreements with six partners namely **The People's Republic of China, Republic of Korea, Japan, India, Australia and New Zealand**
- ▶ **India opted out of RCEP in Nov 2019** due to concerns of dumping of manufactured goods from China , dairy products frm Australia, N.Z, affecting its own domestic industrial and farming sectors.
- ▶ **August 5, 2020:India reviews continuation of trade pact with ASEAN, india is relooking**

Strategic Dimension

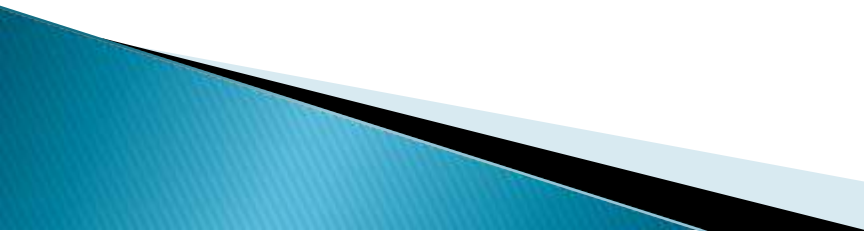
- ▶ Strategic dimension have gained significance in the relationship.(ZOPFAN-1971)
 - ▶ ARF:1996; TAC, 2003
 - ▶ Factors:
 1. Lack of territorial disputes between India and ASEAN members
 2. Growth of Chinese Naval power in South China Sea and Indian Ocean
 3. India's growing security ties with USA(welcomed by ASEAN)
- 

- ▶ India regarded as balancer in Asia and East Asia
 - ▶ India can balance China's diplomatic and strategic influence
 - ▶ Also seen in the US 'pivot' or 'rebalancing' strategy in Asia (outlined by President Obama in Asia and the Pacific to counter growing Chinese assertiveness)
 - ▶ Growing ties between India and USA
 - ▶ Support of USA to India regarding Chinese incursions in Ladakh
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ACT EAST POLICY

- ▶ Formulated in 2014: Focus on the extended neighbourhood in Asia-Pacific region. maritime policy which would go beyond immediate Indian Ocean strategic interests without neglecting the Pacific.
 - ▶ This factored on the following:
 - a) Development of Northeast to reap the benefits of linking with eastern economic success models (while tackling insurgencies). Set in motion in the East Asia Summit in Nov 2014 by PM Narendra Modi. Modi has described **India's** vision in the region in one word, **SAGAR** which **stands for Security and Growth for All in the Region**. ... Maritime security is an important aspect of **India's Act East policy**
 - b) Its relationship with some of its closest regional strategic partners like Vietnam
 - c) Its strategic/economic interests with the major powers including the USA and China and also Japan and Australia
 - d) Its approach to the emerging regional security architecture and the regional economic architecture (especially RCEP)
- Closer cooperation in combating terrorism, peace and stability in the region and promoting maritime stability.


AEP contd...

- ▶ The Look East Policy (LEP) under Narasimha Rao was confined to Southeast Asia only. The LEP acquired a strategic dimension with India's deepening engagement with the ASEAN process.
 - ▶ The Act East Policy (AEP) under Prime Minister Modi includes within its ambit a wider geographical expanse (extending up to the Pacific Island countries, and within India, greater attention to the Northeastern part which border ASEAN's Myanmar)
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AEP contd...

- ▶ In 2012 the India ASEAN Commemorative Summit raised the partnership to the strategic level.(Delhi Declaration)
 - ▶ India has emphasized engagement with immediate and extended neighbours: There were high-level visits to Bangladesh, Myanmar, Vietnam, Singapore, Japan, Australia and Fiji. PM Modi noted: “India’s Act East starts with Bangladesh”.
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Emerging Regional Alliances


- ▶ China's economic and military rise and growth of nationalism has prompted the quest for new security architecture.
 - ▶ India sees a role for itself in shaping the emerging Security and Economic Architecture.
 - ▶ At the 14th EAS, Bangkok India mooted the 'Indo-Pacific Oceans Initiative' to enhance maritime security.
 - ▶ ASEAN-India FTA needs to raise current trade figures to \$200 billion by 2022.
 - ▶ India has conveyed its decision to withdraw from the RCEP negotiation process
 - ▶ India has actively engaged in different regional forum
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Contd

- ▶ BIMSTEC: In 1997 India became the founding member of a sub-regional group (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) comprising of Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, Thailand brings together 1.5 billion, people – 21% of the world population, and a combined GDP of over US\$ 2.5 trillion.
- ▶ EAS : East Asian Summit(2005)
- ▶ QUAD: Quadrilateral Security Dialogue is an informal strategic forum between the US, Japan, Australia and India.
- ▶ Formed in 2007; collapsed by 2008; revived in 2017 amidst heightened concerns of China's aggressive and expansionist behaviour.
- ▶ ACD(Asia Cooperation Dialogue)
- ▶ IORA(Indian Ocean Rim Association)
- ▶ Mekong Ganga cooperation (MGC)
- ▶ Increased road connectivity with the region

- ▶ Eg India helped Myanmar in completing 160 km of the Tamu–Kalewa–Kalemyo sector of the proposed Trilateral Highway that seeks to link India, Myanmar and Thailand.
 - ▶ Mekong –India Economic corridor(MIEC) project links India to Laos , Cambodia and Vietnam.
 - ▶ The Kaladan Multi–Modal Transit Transport between India and Myanmar
 - ▶ Access to seaports in Bangladesh(new ports in 2020)
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CONCLUSION

- ▶ Much progress in Act East Policy
 - ▶ India's role being carried out within ASEAN diplomatic framework, and also backing of the USA and pro-western players like Japan and Australia, (unlike in the 1950s).
 - ▶ India is a growing power today and can definitely has a major role in East Asia and the larger Indo-pacific region
 - ▶ India should continue to focus on strengthening cooperation with ASEAN and other countries.
 - ▶ Strengthening of soft powers like Buddhism, tourism , cultural ties also significant
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THANK YOU

