



ISSUE BRIEF

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A Critical Look at India's Look East Policy

by Prof. Baladas Ghoshal



In early 2007, Ong Keng Yong, then ASEAN secretary-general, insisted that India,

Australia and New Zealand be included in plans for a free trade zone covering 16 nations participating in the East Asia Summit. ASEAN economic ministers agreed to study a Japanese proposal for a free trade area harnessing three billion people and an economic output of \$9 trillion. But the Singapore summit in December that year recognised China's demand that only ASEAN+3 be included. India's failure till then to sign a free trade agreement (FTA) with ASEAN facilitated China's attempt to keep it out of the big club. This highlighted India's failure to recognise that time and opportunity, once lost, are difficult to come by again. However, Prime Minister Manmohan Singh was able to recover lost ground by convincing his cabinet colleagues that India would not only suffer a diplomatic loss of face by pulling out of the FTA, but it would also drive ASEAN into a tighter strategic clinch with China.

Finally, on August 13, 2009 he asked his commerce minister to sign the FTA on the sidelines of the ASEAN trade ministers' meeting in Thailand.

This was a good example of India's fitful approach to its Look East Policy (LEP), initiated more than two decades ago to connect with the dynamic economies of the Asia-Pacific. During negotiations lasting over six years when India dithered many times, an impression gathered in ASEAN countries that India was not serious about engaging Asia. India was able to remove that impression somewhat by fast-tracking the FTA, but the lingering doubt about India not just "looking east" but also "acting East", to paraphrase US Secretary of State Hillary Clinton, still persists. To quote Kavi Chongkittavorn, a leading columnist from Thailand, "Since (East Asia Summit 2005), apart from the free trade agreement, ASEAN-India ties have moved in a snail-paced manner. In comparison, China-ASEAN relations have grown in leaps and bounds over the same period.... ASEAN hopes that with the support of India, increased dialogue and engagement among major powers using the ASEAN-led EAS as a fulcrum, would further promote the longevity of ASEAN's centrality."

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by Ambassador Hemant Krishan
Singh

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Amb. Hemant Krishan Singh
Chair Professor

This is not to suggest that LEP has not achieved any success. In fact, the interactions between India and ASEAN have resulted in considerably greater integration with the rest of Asia than is commonly realized or acknowledged. Beginning with its sectoral dialogue partnership with ASEAN it has graduated itself first to full dialogue partnership with attendant membership of the ASEAN Regional Forum (ARF), to the status of ASEAN+1 (India) summit, founding membership of East Asia Summit (EAS), and finally participation in ASEAN Defence Ministers Meeting (ADMM+8). Free trade agreements with Singapore, South Korea, Malaysia, Japan and the Association of Southeast Asian Nations (ASEAN), and one more in the offing with Thailand, now provide substantive economic linkages between India and the region. However, even in the economic area, the progress is far short of its potential.

Given the fact that the flow of trade between the two regions was very low when India began interacting with ASEAN, the present figure of more than US\$50 billion is a quantum jump, but when compared with other countries, it is still meagre. India-ASEAN trade lags behind that of South Korea and is several times smaller than either Japan's or China's trade with the region. Until and unless India's trade with the region becomes more substantial and compares favourably particularly with China, Beijing will always find an excuse to exclude India from the Asian Economic Community that ASEAN proposes to set up by 2015. It will also not allow ASEAN+3, still the

fulcrum within the evolving economic, political and security architecture, to be converted into an ASEAN+4 as the agenda-setter in the Asia-Pacific. India, therefore, needs to be more active in seeking economic integration with ASEAN, leaning on its strategic partners to help push forward the stagnant negotiations for a free trade agreement on services and investments, and in the evolution of the mindset among ASEAN elites favouring deepening engagement with India.

Whatever success India has achieved in terms of greater integration with Asia, it has not led the region in terms of creating a future economic or strategic architecture in Asia, as in the case of China which has seized the leadership in practically everything that happens in the region. Even while India was economically fragile and militarily weak in the 1950s, its status as an important actor and an agenda-setter in the affairs of Asia was secured only because it was able to offer a new paradigm in the form of non-alignment as a foreign policy model for the Third World countries. India today is economically strong and militarily formidable, yet it has failed to articulate a vision that others in Asia could emulate in the changed economic and strategic environment in the post-Cold War period. India's strategic role in the security of Southeast and East Asia is still quite marginal, notwithstanding its status as a nuclear power and the second

largest country in Asia. Apart from its participation in the ARF dialogues/ADMM+, some defence cooperation agreements which are shorn of any substantive content, occasional forays into the Straits of Malacca for patrolling the area to help Indonesia in combating piracy and series of biennial MILAN exercises, India unfortunately is an insignificant player in the security structure of the region.

India's LEP lacks a strategic vision of a future Asia-Pacific that can inform its policies and actions, helping it establish its rightful place in the Asian balance of power. Such failure to articulate a vision is not restricted to LEP only, but pervades other areas as well, particularly at a time when India faces new challenges and opportunities in its rise to influence in an uncertain international environment. No major power's foreign policy can be effective without a guiding framework of underlying principles reflecting its geopolitical requirements and values. Instead of defining its role in an emerging economic and security architecture, India is almost depending on others to accord it a role. Its foreign policy and security establishments speak more about what the US, Britain or France says about India's rising power and potential.

A major power cannot depend on others to communicate its status but must assert it by articulating its own vision and role in the world. It must shape the strategic environment in a way that moves others to adjust themselves to its proclaimed world view. In other words, the status of a power is determined by its capacity to set

the agenda within a strategic space that is its area of interest. India's policymakers are more prone to ad hoc policy decisions. India's South East Asia policy has been reactive, particularly to what China is doing, not proactive in terms of trying to influence regional developments in its favour.

India's interactions with ASEAN over the last decade were more a result of the latter's eagerness to cultivate India in the post-Cold War and post-Asian economic crisis environment for its own strategic and economic compulsions. It now looks towards India because of its potential as an economic powerhouse and partly to balance China's overwhelming economic and strategic influence. India's LEP was initiated not so much to 'rediscover Asia' and secure India's natural strategic interests, which historian K M Panikkar had highlighted as early as the 1940s. While the ostensible reason was to promote economic interests, India's policy was fashioned as a response to China's growing strategic depth in Myanmar. The geopolitical reality of Myanmar as the only land-bridge to South East Asia and its strategic importance for India's security, particularly in the disturbed north-east, should have dawned on our foreign and defence policymakers long before the consolidation of Sino-Burmese strategic and economic relations. India has not spelt out its strategic objectives in South East Asia. It has, however, sought strategic partnership and

defence cooperation with Myanmar, Indonesia and Vietnam, which recently granted access to its ports for a sustained Indian naval presence in the South China Sea.

Now that the countries in the region have become wary of China because of its sudden assertiveness, India has somewhat overcome its hesitation to take a more assertive role when it took a firm stand in continuing with oil and gas cooperation with Vietnam in the South China Sea in spite of China's threatening note to India to stay away from the project. India now has the opportunity to establish a sustainable maritime presence in the region, as its naval warships have been granted permission to drop anchor at the Nha Trang port in southern Vietnam. It should draw comfort from the fact that the Indian Navy is the only foreign navy in the world to have been granted such a privilege at a port other than Halong Bay near Hanoi. India is also boosting its defence capabilities at the Andaman and Nicobar Islands, located close to Southeast Asia.

India has also affirmed, along with the United States and ASEAN, at the last Bali EAS summit, its support for freedom of navigation and free flow of maritime trade across the South China Sea. Having taken these initiatives, the Indian navy's regular deployments to Southeast Asia will not be enough, but have to be supported by its show of nerve by assisting littoral nations in ensuring the freedom of navigation along the South China Sea. ASEAN is interested in India's active involvement in Asia's evolving strategic order. India must respond proactively, envisage a new strategic architecture for Asia

and its own pivotal role in it. India alone cannot do that, and needs to take advantage of the US's growing involvement in the region by calibrating its policies in such manner that it can benefit from that presence without becoming its proxy. India must not join any attempts to contain China, as New Delhi's relations with Beijing are also important for peace and stability of the region. India requires a secure and peaceful environment to pursue its economic development, territorial integrity and energy security. What New Delhi must do through its defence and foreign policy diplomacy is to neutralize Beijing's ability to harm India's interests in the region.

India should also pursue with greater vigour its strategic partnership with the Asia-Pacific countries like Japan, South Korea, Indonesia, Thailand and Singapore, again, not to create an anti-China lobby but to hedge its bets in the event of any Chinese move to undermine its security. India also needs to pay much greater attention to Myanmar not only for its strategic location as a bride-head to Southeast Asia, but also for the fact that the success of India's LEP is intrinsically linked to its Northeast's integration with Myanmar. Northeast India's economic needs, security from insurgent groups and alienation from the Centre cannot be remedied without active cooperation from Yangon. More importantly, Myanmar is at the cusp of a political transition, which requires enormous amount



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**Indian Council for Research
on International Economic
Relations**

Core 6A, 4th Floor

India Habitat Centre

Lodhi Road

New Delhi-110 003

Phone:

91 11 43112400 X 402 /435

Fax:

91 11 24620180

Website:

**WWW.ICRIER.ORG/ICRIER_WADH
WANI**

E-Mail:

uschair@icrier.res.in

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of capacity-building support for democratic institutions, human resource development, training of bureaucratic personnel and education. In all these spheres, India has the capability to help Myanmar in overcoming the challenges to its transition towards democracy. For securing India's strategic interests in Myanmar, India will not only have to invest greater capital, but also fast track all the projects that it had promised to Yangon. Progress at the level of Mekong-Ganga Initiatives and BIMSTEC is essential to establish India's credibility as a country that not only proclaims but also delivers. Implementation holds the key to India's sustained engagement both at the ASEAN and EAS levels.

Finally, India's 'niche' is in its soft power – education, culture and democracy – and its ability to play an effective and enduring role in the region will depend on leveraging such comparative advantages to build interdependence and mutual benefit. India also needs to narrow the knowledge-gap about the region by strengthening existing Southeast and East Asian Centres with facilities for language training and build a dedicated core of researchers who can advise the government in formulating its policies. Unfortunately, the existing institutions in the Ministry of External Affairs (MEA) are not sufficiently equipped to undertake these tasks. Revival and strengthening of MEA's Policy Planning Division with the induction of "Area experts" from universities and think-tanks are a must for more coherent policy-making. These are doable and small steps that India requires to take to infuse greater substance to its Look East Policy.

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- ❖ **Prof. Baladas Ghoshal is Distinguished Fellow, Institute of Peace and Conflict Studies, and former Professor and Chair in Southeast Asian Studies, Jawaharlal Nehru University.**