

Revisiting Indo-ASEAN Relations & India's Push to 'Act East'

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On 26 January 2018, New Delhi will roll out the red carpet for the heads of all Association of Southeast Asian Nations (ASEAN) states. This will be a first for any Republic Day celebration, which is marked by a grand display of India's cultural heritage and military potential. 2017 marked 50 years of India-ASEAN relations, 15 years of strategic partnership, and 25 years of Dialogue Partnership. Not surprisingly therefore, the occasion is being utilised as an opportunity to showcase high diplomatic symbolism.

Boost For India's 'Act East' Policy

ASEAN countries view India as a non-expansionist power and share no territorial or maritime disputes with it. This benign aspect facilitates New Delhi's efforts towards building a stronger partnership with the region. India's outreach comes at a time when China is deepening its military, economic, and political footprint in South East Asia and beyond, with much anxiety being caused by US' orientation towards the Indo-Pacific in the era of an inward-looking Trump presidency.

Given the strategic flux, India aspires to carve out a more 'action-oriented' and dependable regional role. India's participation in ASEAN emphasises the centrality of South East Asia in the regional economic and security architecture. Viewed in this light, ASEAN leaders' acceptance of India's invitation is a boost to the 'Act East' policy. While this is a welcome step, it is important to not lose focus on substance and actual deliverables.

Nation-states' foreign policy is a combination of symbolism and substance, which should not be construed as substitutes. The symbolism generated by high-profile events does not always complement actual progress on ground, although it enhances goodwill and demonstrates a country's foreign policy priorities.

India's Efforts Driven by 'Act East' Intent

Undeniably, the 'Act East' policy has provided a new momentum to India-ASEAN relations. Under this policy, India has diversified its interactions with ASEAN countries at multiple levels, and undertaken periodic high-level visits. Prime Minister Modi has visited all ten ASEAN countries, signalling his intent and providing a direction to this policy. New Delhi has signed defence and white shipping agreements with a number of ASEAN states. It also proposed a line of credit (LOC) of 1 billion US dollars for physical and digital connectivity with ASEAN, along with offering credit lines and concessional loans to each South East Asian country separately.

Agreements with specific countries (such as Indonesia, Myanmar, Malaysia, and Thailand) in areas of cyber security, and intelligence-sharing have re-invigorated security ties – something that has not attracted enough headlines. Moreover, India has been enthusiastic in employing space diplomacy as a significant foreign policy tool with various regions, including ASEAN.

These developments lend credence and weight to the ‘Act East’ policy but one cannot disregard the limits of what can be realised, given the challenges India-ASEAN relations face.

Hiccups in Indo-ASEAN Relations

The dynamics of India-ASEAN relations are enormously complex. India does not enjoy robust relations with all ASEAN countries alike. Its priorities are guided by the country’s strategic interests, bilateral understandings and idiosyncrasies. As a result, India’s success in interacting with the ASEAN region is largely issue-based and mostly bilateral in nature. This is also natural given that both India and ASEAN have a consensus on tackling common security and non-traditional threats facing the region.

However, there is little consensus among the ASEAN countries on what is expected from India in terms of a political or security role. For example, while Singapore, Vietnam and Myanmar are supportive of a stronger Indian security presence in the region, Malaysia and Indonesia are not. Even as Malaysia and Indonesia undertake periodic Coordinated Patrol (CORPAT) with India in the Andaman Sea, they continue to be sensitive about India’s desire to participate in the security of the Malacca Straits. Kuala Lumpur and Jakarta maintain that the security of the Malacca Straits must lie primarily with the littoral states. Further, Laos and Cambodia – who are closer to China – may not be averse to limiting India’s role. Thailand, Philippines, and Brunei remain undecided on the question of India’s role in the region. Indeed, lack of pan-ASEAN unity is a major limitation and the manifestations of this were witnessed following the Hague’s verdict on the South China Sea dispute concerning the Philippines and China.

Even in areas where there is a degree of consensus on India’s role, i.e., economic integration, there are few reasons to celebrate. So far, there has been inadequate integration of India-ASEAN supply chains despite greater expectations from ASEAN in the economic sphere. Some have pinned their hopes on the finalisation of the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement comprising 16 countries in the Asia-Pacific region. In the ongoing negotiations, New Delhi is facing a number of problems. It has been reluctant to liberalise the tariff barriers in goods but has pushed for greater liberalisation in the service sector. India’s reluctance in terms of goods is based on the fear of cheap Chinese goods flooding Indian markets. Simultaneously, India’s enthusiasm in the service sector is natural owing to its strength in the field.

India’s ‘Delivery’ Problem

These paradoxes, along with lukewarm responses from other countries, have so far made any worthwhile progress unlikely. The kind of economic reforms needed in India’s domestic landscape for it to be competitive in terms of FTA negotiations are overwhelming, and further frustrated by the institutional culture that rarely embraces change. As a result, India pales in comparison to a China that offers a wide range of economic incentives and cheap – but often

dubious – loans to ASEAN countries, a comparison that ASEAN countries’ officials often allude to in their talks with Indian counterparts.

Even in the defence sector, India’s current limitations in its own domestic manufacturing capability inhibits its potential to cater to the ever-growing demands of South-East Asian countries. Adding to the list of challenges is India’s checkered past in project delivery. Even as some steps have been taken by the government to address this issue, results may not be evident fast enough. In the case of countries such as Vietnam that share a relatively robust security equation with India, the big-ticket arms sales (such as BrahMos or Prithvi missiles) have not been finalised yet. These issues continue to be a sore point when it comes to India redefining its image in the region, even as there are signs of progress in other areas.

The Way Forward

When the Republic Day Parade terminates at the Red Fort and curtains are drawn on the Ramayana festival, it would be imperative to attend to the challenges that continue to arrest the momentum of India-ASEAN relations. Even as structural, ideological issues and trade negotiations with ASEAN take a long time to be ironed out, India would do well to tap the enormous potential in the manufacturing and economic sectors in South East Asia.

For it to succeed, it is essential to exploit fleeting opportunities, be receptive to offers and focus on the quality and fast delivery of services/projects undertaken. After all, shared values and principles, together with a common understanding of the emerging regional security paradigm, far outweigh the limitations being posed in India-ASEAN relations.

(The article has been written by Aditi Malhotra, PhD Candidate at the Graduate School of Politics (GraSP), University of Münster, Germany. Her doctoral thesis concentrates on the evolution of India’s security role in Southeast and East Asia. The views expressed above are the author’s own. The Quint neither endorses nor is responsible for the same.)

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