

Whither the Look East Policy: India and Southeast Asia

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Abstract

India's policy with Southeast Asia, which took a distinctive shape since the early 1990s in the form of the Look East policy, has been a multi-pronged approach encompassing political, strategic and economic aspects. Apart from establishing institutional linkages with ASEAN and strengthening bilateral relations with its member states, especially in the field of defence, India has been an enthusiastic participant and supporter of multilateralism in Asia-Pacific. While this policy has so far been reasonably successful, a new phase has begun with the ASEAN Plus One Summit meetings underscoring the growing importance of India to Southeast Asia and vice versa. The other major aspects is that India has become a vital part of the larger Asia-Pacific strategic landscape.

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A prominent foreign policy initiative that India has undertaken in the post-Cold War period is the so-called Look East policy. Initiated in the early 1990s against the backdrop of a struggling economy and the sudden disappearance of the Cold War framework, it is a diplomatic success story by any yardstick. A clutch of new agreements to counter terrorism and to create a Free Trade region between India and ASEAN and accession to the Treaty of Amity and Cooperation (TAC) has occurred during the ASEAN Bali Summit Meeting in October 2003. The Look East policy appears now to be poised for a major take off.

Defence cooperation agreements with a number of countries and regular joint military exercises have taken place. Also, regular top-level political exchanges. Further, bilateral free trade agreements are to be finalised soon with Singapore and Thailand. India appears to be well poised to acquire a key place in Asia-Pacific affairs.

In the Cold War days most of the then ASEAN countries perceived India to be in the camp of the former Soviet Union. Apart from Vietnam to an extent, there was very little political interaction of consequence except normal and 'correct' relations. Strategic links were virtually non-existent and economic bonds were of low importance.

Against this background, the progress that India has made in cultivating multi-faceted relationships with ASEAN and its member states is remarkable. Though policy-makers in the Ministry of External Affairs claim that the Look East policy encompasses the entire Asia-Pacific, the primary focus undoubtedly has been on Southeast Asia. The fact that the Indian Prime Minister Atal Bihari Vajpayee has made the largest number of visits to this region – five in about three years to seven out of the ten countries¹ — is the clearest political signal that India has sent that its relations with Southeast Asia are very important.

To emphasise the economic aspects, India has signed a framework agreement during the Bali summit in 2003 to create a Free Trade and Investments Area with ASEAN by 2016 and an apex body, the Federation of Indian Chamber of Commerce and Industry, has begun to hold India-ASEAN Business Summit meetings since 2002 to encourage greater private sector participation. Relations with Myanmar too have taken off, overcoming the earlier problems. At a time when the ASEAN leadership wishes to look beyond ASEAN, India is perceived as an economic and strategic partner for regional peace, stability and prosperity.

Since there is no tangible evidence to suggest that India has factored in the developments at the Asia-Pacific level to formulate its policy, it appears the Look East policy, as it has been followed since its initiation in the early 1990s, is primarily focused on Southeast Asia. The objectives appear to be three-fold: One, to institutionalise linkages with ASEAN and its affiliates (Dialogue Partnership, ASEAN Plus One Summit Meetings and membership on the ARF); two, to strengthen bilateral relationships with member states of ASEAN; and three, to carve a suitable place for itself so that Southeast Asia will not come under the influence any one major power, especially China. At the same time, it needs to be emphasized that New Delhi wants to project the image that its Look East policy is not related to China's growing involvement in Southeast Asia. In any case, it can be said that the Look East policy has played a vital role in enabling India to become one of the major powers of the Asia Pacific. Today no discussion on political or strategic or economic aspect is complete without mentioning India.

Backdrop

India has geographical proximity to Southeast Asia, sharing its maritime boundary with at least three countries — India's second longest border (land and maritime together) is with Myanmar — the closeness of Andaman and Nicobar Islands in the Bay of Bengal to Southeast Asia than to mainland India and the fact that southern Indian tip is astride some of the most important sea lanes of communication in the Indian Ocean, connecting Southeast Asia (and East Asia) with West Asia and Europe through which nearly 40 per cent of the world's trade passes through. However, Southeast Asia was hardly a high foreign policy priority to India till recently.

India's association with Southeast Asia can be traced back to ancient times. No other country has influenced the region as much as India by way of religion, language, culture and civilisation. There is also enormous historical evidence to suggest that there were flourishing economic and cultural relations between India and the countries of Southeast Asia in the pre-colonial era. While these links were disrupted during the colonial interlude, the freedom struggles in India and many countries of Southeast Asia have led to the rediscovery of each other. Much before India attained independence in August 1947, the leadership envisioned the future importance of Southeast Asia and India's involvement. Even the strategic significance of Southeast Asia caught the attention of a leading Indian strategic thinker who argued that the "Gulf of Malacca is like the mouth of a crocodile, the Peninsula of Malaya being the upper and the jutting end of Sumatra the lower jaw. The entry to the Gulf can be controlled by the Nicobars and the narrow end is dominated by the island of Singapore."²

Indian nationalist leaders convened the Asian Relations Conference in New Delhi in March 1947 primarily to express solidarity with the freedom struggles all across Southeast Asia. Equally important was the Special Conference on Indonesia that was held in January 1949 which was attended by 15 nations and expressed support to the Sukarno-led armed struggle against the Dutch colonial rule. In fact, it has been argued that freedom struggles, especially in Indonesia and Vietnam, provided major inputs in shaping the nascent Indian foreign policy in the late 1940s.³ Interestingly, the Indian military trained the armed forces of Indonesia after it became independent and Indonesia was the only country outside the Commonwealth with which the Indian Navy held joint exercises.

India's neutralist/non-aligned policy had considerable appeal in Southeast Asia even as the Cold War rivalry began having an impact on the region. Due recognition

was accorded to India's stature as a regional power when it was made the Chairman of the International Control Commission that was set up under the 1954 Geneva Accord on Vietnam. The Afro-Asian Conference (also called the Bandung Conference) in April 1955 was co-sponsored by India and was a major turning point.

But India's interest in Southeast Asia dwindled with the wars that India had to fight with China in 1962 and with Pakistan in 1965 and 1971.⁴ The war with China diluted Nehru's vision of an alternative framework of reference in world politics — the non-aligned movement. That policy, with minor changes now and then, continued for the next two decades till the end of the Cold War. Security concerns over-rode foreign policy.

The distinct prospect of facing simultaneous threats from Pakistan and China led India to move closer to the Soviet Union. India's credibility dented with the signing of the Treaty of Friendship with the Soviet Union and in 1971.

While India was trying to come to terms with reality in South Asia and elsewhere, Southeast Asia was also undergoing radical changes. The founding of ASEAN consisting of anti-communist regimes and the intensification of US involvement in Indo-China led to polarisation within Southeast Asia. In the aftermath of the oil shocks in the early 1970s, India's main concern was to secure uninterrupted oil supplies. Flush with petrodollars, the economic opportunities in the West-Asian region also drew India away from Southeast Asia.

In the late 1970s and the early 1980s, India's attention was drawn again towards Southeast Asia. The February 1979 Chinese attack on Vietnam to 'teach a lesson' for the latter's military intervention in Cambodia and overthrow of the pro-Beijing Pol Pot regime brought India and Vietnam closer. India was the only non-communist country that recognised the Heng Samrin government. The ASEAN offer of a 'dialogue partnership' in the mid-1980s to dissuade India from extending diplomatic recognition to Cambodia was seen to be strategically less advantageous and, hence, was not accepted. Thus, much of India's policy toward Southeast Asia in the 1980s appears to be China-centric.

Despite its best intentions and some half-hearted attempts to find a solution to the fears of the Cambodian impasse, India could not shed its pro-Soviet image. There was little that India could do to allay the fears of the non-communist ASEAN nations about Indian intentions in Southeast Asia. It was amidst these developments, that the expansion of the Indian Navy came under focus because of perceptions

that India along with the Soviet Union and Vietnam might make concerted moves to check the growing Chinese influence in Southeast Asia, particularly after the Soviets gained a foothold in the Cam Ranh Bay naval base in Vietnam.⁵ This coincided with India's acquisition of certain high profile naval ships and systems. Although the first reaction came as far back as mid-1986 when Indonesia protested against reported Indian moves to build a new naval base in the Andaman and Great Nicobar Islands,⁶ criticism of the Indian Navy reached its peak in the late 1980s and early 1990s.

From an ASEAN point of view, a possible Indian naval role in the waterways connecting the Bay of Bengal with East Asia appears to be of concern. These straits are important international sea lanes of communication that form the main link between the Indian and Pacific Oceans. Because of its close links with the Soviet Union and Vietnam, it was feared that this trio could undermine the Chinese role, and to a lesser extent, even the American role in Southeast Asia.⁷ ASEAN's second worry was a possible clash of maritime spheres of influence between India and China.

Perceptions of India as a fast growing military power interested in extending influence beyond South Asia remained even after the end of the Cold War by the early 1990s. Acquisition of the second aircraft carrier from the UK, a TU-142 MR long-range maritime reconnaissance aircraft, modern Kilo-class conventional submarines from the Soviet Union, and the expansion of naval facilities at the Andamans in the Bay of Bengal, was seen to be an attempt to acquire power projection capabilities and an ability to control Malacca and other crucial straits in the region. Different concerns also began emerging in Southeast Asia due to the Soviet withdrawal from Vietnam and US intent to downsize its presence in the Philippines. Once again, possible Indian motives and its military potential to extend its reach into Southeast Asia became a subject of considerable debate.

These were the circumstances that prompted policy-makers in New Delhi to make concerted moves to allay the fears in Southeast Asia. The new government under the leadership of P.V. Narasimha Rao, and opening up of the economy, helped to put in place a new policy framework. Although Rao has been credited with the Look East policy, one can trace its roots to the initiatives taken by the Indian Navy in the late 1980s. Economics and politics were added to these incentives.

Post-Cold War Period

Probably, India never felt more isolated in its neighbourhood since independence than during the mid-to-late 1980s at the regional and global level.⁸ It is important to note a few significant changes that were made to adjust the foreign policy orientation to suit the changed circumstances. Apart from re-tuning the non-alignment-centred policy, serious attempts were made to mesh foreign policy priorities with security concerns. Second, in order to give a greater economic orientation to the foreign policy, a separate cell, called the Economic Division, was created, headed by a senior bureaucrat in the Ministry of External Affairs. Third, special efforts were initiated aimed at assuaging the concerns of the smaller neighbours in South Asia.⁹ Last but not the least, the Look East policy aimed at greater economic alignment with, and political role in, the dynamic Asia-Pacific region in general and Southeast Asia in particular, was put in place. It became apparent that, outside South Asia, India saw Southeast Asia as the only region where politico-strategic and economic conditions offered an opportunity to play a role for itself.

It was against this background that one could see a dramatic transformation in India's approach and policies toward Southeast Asia. Refurbishing India's image as a responsible power and convincing ASEAN that it had greater stake in peace and stability rather than merely extending its influence to fill the so-called power vacuum in Southeast Asia, became important. The emergence of ASEAN as an autonomous regional influence and the phenomenal economic success the member-states achieved, further added to the urgency. By then, ASEAN too was responsive to Indian initiatives particularly since the organisation faced the trauma of an uncertain future in the post-Cold War atmosphere of political flux. The earlier Cold War image of ASEAN and India belonging to different political camps in the global bipolar system dissipated removing major obstacles. The strategic divide that segregated India from the ASEAN bloc of nations also disappeared so that ASEAN could appreciate, understand and positively respond to India's overtures. Many ASEAN countries were also attracted by the economic opportunities that a huge market like India offered. The China factor too started weighing heavily in several ASEAN quarters particularly after the closure of the US bases in the Philippines in 1992 and the emergence of the South China Sea dispute, even as Beijing started asserting its claims vociferously. Although India overtly loathed the idea of becoming a counterbalancing power vis-à-vis China, it did not seem to be averse to the idea of using Southeast Asian worries to advance its political and

strategic interests. India was particularly worried about the growing nexus between China and the strategically located Myanmar.

The Look East Policy

A close scrutiny of India's Look East policy reveals that it was not simply meant to improve relations with Southeast Asia but there were a number of other dimensions too. What started as an attempt to assuage negative reaction to the Navy, the post-Cold War political atmosphere offered an opportunity to include aspects political as well as economic. The Look East policy was a multi-faceted and multi-pronged approach to establish strategic links with many individual countries, evolve closer political links with ASEAN, and develop strong economic bonds with the region. Second, it was an attempt to carve a place for India in the larger Asia-Pacific. Third, the Look East policy was also meant to showcase India's economic potential for investments and trade. In a way, this policy also started influencing India's foreign policy significantly. India, which had all along been wary of regional multilateralism, was willing to actively participate. Other interesting dimensions of this policy are exhibition of greater sensitivity towards a large number of smaller countries of Southeast Asia and a total *volte-face* with regard to its attitude toward Myanmar. Last but not the least, the feeling of getting left out in the Asia Pacific, whether it was the Asia Pacific Economic Cooperation (APEC) or the ASEAN Post-Ministerial Conferences (ASEAN-PMC) with the Dialogue Partners of ASEAN, which had emerged as the only forum to discuss regional issues. Although both India and ASEAN refused to admit openly, the rise of China also played an important role in the evolution of the Look East policy.

The Look East policy began with a lot of fanfare but it was not smooth sailing. One can discern three distinct phases of this policy. The first phase marked enormous enthusiasm and a flurry of activity and exchanges.¹⁰ By mid-1990s, there was considerable cooling down of earlier zeal on both sides, which got further dampened by the 1997-98 financial crisis. The third and the latest phase is the revival of interest once again. The multi-dimensional approach and the progress that India's Look East policy has achieved are briefly explained below.

Political Relations

The diplomatic strategy that was adopted appears two-fold. First, after having realised that ASEAN is the focal point around which it would have to rebuild its relationship, India's primary objective was to become a Dialogue Partner of ASEAN. Through intense diplomatic efforts, India was made a Sectoral Dialogue

Partner of ASEAN in 1992 which got elevated to the status of Dialogue Partner during the Fifth ASEAN Summit Meeting of 1995 “reflecting the growing ties between the two sides that have developed in recent years.”¹¹ Second, to target select ASEAN member-nations for closer bilateral relations. Singapore has emerged by far as the most important bilateral partner of India. Singapore was instrumental in strongly supporting India’s case for Dialogue Partnership, membership in the ARF and in the ASEAN Plus One summit meeting. Malaysia and Thailand were the other countries. Malaysia was quite upbeat to begin with but lost interest gradually, probably because of the lack of progress on the economic front. Thailand preoccupied with Indochina and Myanmar, did not show much enthusiasm although it was not averse to a greater Indian role in Southeast Asia.

Strategic Interaction

Interestingly, it was on the defence and strategic front that India has made impressive progress. In the Post-Cold War it became imperative for India to dispel fears about its military expansion in an otherwise traditionally nonhostile ASEAN region. Also, Southeast Asia itself witnessed a sea change in the political atmosphere. The Cambodian issue was no longer contentious and Vietnam was perceived as a potential ally rather than an enemy by ASEAN. Nor could India’s military might in the emergent Asian balance of power be ignored any longer. Contrary to the previous perception, the Southeast Asian nations began to look upon India as a power that could play a kind of ‘balancing role’. It was in India’s interest to ensure that Southeast Asia would not be dominated especially by China once it became obvious that the superpowers would reduce their presence, which coincided with a similar thinking within Southeast Asia. The upshot of the convergence of interests of India and Southeast Asia was the genesis of a new strategic interaction with several ASEAN nations.

Criticism requiring the Indian navy’s ambitions were replaced by many instances of defence cooperation between India and Southeast Asia. A number of confidence building measures (CBMs) that India undertook and greater appreciation of Indian maritime threats by the Southeast Asian countries created a new era of cooperation which began to transcend the naval contours. Perhaps, the most important were the joint naval exercises India started holding periodically with Indonesia, Malaysia and Singapore since 1991 near the Andamans. The Chief of the Naval Staff claimed that the ships visit and communication exercises should dispel the apprehensions about any Indian ulterior motives in Southeast Asia. Equally significant were the defence ties that were being forged between India and many Southeast Asian

countries. It was reported that during the visit by the Malaysian Defence Minister, Najib Tun Abdul Razak in March 1992, a wide range of defence ties was discussed. Prime Minister Mahathir Mohammad indicated in an interview that the level of cooperation between Malaysia and India would be upgraded with the Malaysian decision to buy the Russian MiG-29 fighter aircraft. He explained that India could extend service and training facilities and supply spare parts. India and Malaysia signed a Memorandum of Understanding on defence cooperation in February 1993, which, though primarily meant to train Malaysian air force personnel, was fairly broad ranging to include joint development of certain defence systems of common interest. India expanded facilities at the MiG-29 assembly factory to meet the Malaysian demand and at least 100 pilots and ground supporting staff were trained as part of this MoU, although not much progress could take place with regard to joint development. Malaysia was keen to train its marine commando forces and service its naval boats in India, and have regular exchanges between the navies.¹² Similarly, Kuala Lumpur also expressed interest in the Indian HAL-built Dornier 228 Maritime Patrol Craft and HAL-built *Chetak* helicopters for search and rescue and *Cheetah* light utility helicopters.

India's cooperation with Singapore that began in 1993 is deep and longstanding. A Singaporean proposal for an agreement for the training of its navy and for other areas of defence cooperation, which had been pending since 1994, was reportedly cleared by the Indian Defence Minister in 1998.¹³ Singapore's interest has been to train its naval personnel in India. Singapore is the only country that has the rare distinction of gaining access to the training facilities at the Southern Naval Command in Kochy, in addition to other training facilities. More significant are the anti-submarine warfare exercises India and Singapore have started to hold since 1996 at India's Eastern Naval Command.¹⁴ Apart from joint naval exercises between the two, Singapore has already made use of India's missile testing range at Chandipur to test out its guns and some missiles in its inventory.¹⁵ Singapore also faces problems regarding the training of its air force crew that earlier used to use the US facilities in the Philippines. Singapore has already been using the facility in Australia, but the Indian option is also being pursued. India has also imported a few patrol boats from Singapore. The close defence links between the two countries culminated in the signing of a defence cooperation agreement during the first-ever visit by the Singapore Defence Minister, Teo Chee Hean in October 2003.¹⁶

Thailand too has recently expressed interest in holding joint naval exercises with the Indian Navy. After acquiring the aircraft carrier, Thailand has turned to India to train its naval personnel, as the Indian Navy is the only Asian navy that has

long experience of operating carriers. Thai pilots have been trained to operate Sea Harriers in India. Though strictly not in the realm of defence, Thailand has been keen on developing nuclear energy and has, in fact, broached the idea during the Indian Prime Minister's visit in April 1993 for the supply of a nuclear research reactor.

India had signed a defence cooperation agreement with Vietnam in 1994 in an attempt to upgrade the strategic dialogue between the two countries. Although Vietnam has been downsizing its military quantitatively, its equipment was almost entirely supplied by the former Soviet Union, which urgently needs upgradation or replacement. Recently, Vietnam has contracted to acquire a squadron of SU27 Flankers from Russia, but upgradation of large a number of MiG-21 fighters has been on the cards. India would be in a position to help Vietnam in this regard once its own MiG-21 fighters are upgraded by Russia (which India is expected to do under Russian licence). Similarly, there are indications that Vietnam is interested to upgrade its navy with Indian help in the coming years. So far there is no evidence of any concrete cooperation in defence hardware.

Joint naval exercises and visits by senior officers of the Indonesian Navy to the Andaman and Nicobar Islands naval sites, which were Indonesia's major concern, have dispelled earlier fears. Beyond the usual exchange of visits of senior officers, there was very little substantive cooperation till an agreement was signed during the Indian Prime Minister's visit in January 2001. As part of the 'Agreement on Cooperative Activities in the field of Defence'¹⁷, an Indian defence company, Bharat Electronics Limited, was supposed to supply spare parts for a radar systems and other equipment for the Indonesian armed forces, but failed to do so because of some technical-legal complications. It certainly is a major setback as far as India's strategic relations with Indonesia are concerned especially in view of the fact that after more than five decades defence level contacts were established.¹⁸ Similarly, the earlier anticipated cooperation in the aerospace industry also failed to materialise. More recently, for the first time the navies of India and Indonesia have begun to undertake joint patrolling in the Malacca Straits primarily aimed at curbing piracy. As part of the defence cooperation agreement, India is involved in training the Laotian Army.

Even the Philippines have expressed interest to cooperate with India in the defence sector. Both Defence Minister and the Under Secretary of Defence of the Philippines visited Indian naval ships, two destroyers and a missile corvette, during a port call at Manila. Quoting observers conversant with the Filipino naval needs, a newspaper report commented, "India had already figured in the calculations of

the Philippines as a possible source for the procurement of naval vessels... there is a possibility of the Philippines now looking at India, among others, for the purchase of patrol boats and missile corvettes.”¹⁹

Yet another facet of Indian naval diplomacy is the annual congregation of Bay of Bengal navies — of India, Bangladesh, Sri Lanka, Indonesia, Malaysia, Singapore and Thailand, near the Andamans, called the *Milan*. It was a unique initiative India started in early 1995 involving so many navies of the neighbouring countries.²⁰ Apart from naval exercises, this event includes coordination of search and rescue operations at sea and establishment of inter-operability with other navies. This is followed by seminars at Port Blair on marine environmental protection and pollution control, disaster relief operations and protection of exclusive economic zones.²¹

In the recent past, much of the activity was centred around exchange of personnel for training purposes and periodic naval exercises, especially with Singapore, Malaysia, Indonesia and even Myanmar. An interesting feature after the 9/11 incidents is the Indian Navy’s presence and participation in escort and joint patrolling activities in the Andaman Sea. Apart from escorting US ships carrying supplies to Afghanistan for counter-terrorism effort, the navies of India and Indonesia have started bilateral joint patrolling along the Malacca and other Straits of Southeast Asia. The Indian Navy is also actively involved in the protection of sea lanes of communication.²² Thailand too showed considerable interest to forge defence links with India. The most important of all is the training of Thai pilots on Sea Harriers to operate carrier aircrafts.

Economic Engagement

The Look East policy also gave a tremendous boost to economic ties between India and Southeast Asia. A number of institutional mechanisms have been put in place to promote economic exchanges. The earlier Joint Trade Committees with the ASEAN countries were upgraded as Joint Business Commissions and the India-ASEAN Business Council and ASEAN-India Joint Management Committee were formed. Consequent to India’s elevation to Dialogue Partner status, the ASEAN-India Joint Cooperation Committee and the ASEAN-India Working Group on Trade and Investment were set up. An ASEAN-India Fund was created to promote trade, tourism, science and technology, and other economic activity. From virtually little or no investment from Southeast Asia in the early 1990s, Malaysia and Singapore have emerged as the tenth and eleventh largest in terms of approved investments respectively by 2002. Thailand is in the 18th and Indonesia and the

Philippines are in 33rd and 35th position respectively. Cumulatively, these five countries constitute nearly 5 per cent of the total approved investments in India.²³ The progress with regard to bilateral trade is also equally impressive. The growth in India's trade was the fastest with Southeast Asia as compared to any other region between 1991 and 1997. While ASEAN exports kept the momentum, imports decreased commendably as a result of the financial crisis in 1997-98. The exports grew from about US \$1.4 billion in 1993 to over 6.2 billion in 2000. Imports by ASEAN on the other hand increased from US \$1.4 billion to US \$4.4 billion in 1997 but nose-dived to US \$1.71 billion in 1998 but have since picked up to reach about US \$3 billion in 2000.²⁴

Not to be left out of the free trade area bandwagon that is sweeping Southeast Asia, India too has put across concrete plans to increase the economic interaction and integration through institutional arrangements. In the first-ever meeting of India and ASEAN economic ministers in Brunei in September 2002, the Indian trade and industry minister expressed the desire to enter into a formal agreement with ASEAN as a Regional Trade and Investment Agreement (RTIA) or a Free Trade Area (FTA) in the coming years.²⁵ The Indian initiative has come close on the heels of a similar meeting between Japan and ASEAN in September 2002, where it was decided to establish an FTA between Japan and ASEAN.²⁶ China has already entered into an agreement on FTA with ASEAN to be realised by 2010. These moves are being complemented by the private sector's own initiative to hold annual India-ASEAN Business Summit Meetings.

India and Asia-Pacific Multilateralism

An interesting dimension of India's Look East policy is the new-found interest in regional multilateralism. Although India has been a member of the Commonwealth and more recently of the South Asian Association for Regional Cooperation (SAARC) and the Indian Ocean Region Association for Regional Cooperation (IOCARC), it has always been wary of political/security issues becoming part of the agenda of these fora. Surely, it was not a founding member, but India lobbied hard to get into the new security forum that came up in 1993, the ASEAN Regional Forum (ARF), and became its member in 1996. As part of the ARF's CBM agenda, India has for the first time presented a fairly detailed Security Outlook Paper to the Forum in 2001. The earlier reticence has given way to active participation in a variety of the ARF's activities both at the official as well as unofficial CSCAP levels. India also came up with a number of new multilateral initiatives involving Southeast Asian countries. Prominent among these are the

BIMSTEC (Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation) in 1997 and Ganga-Mekong Swarnabhumi (India, Myanmar, Thailand, Laos, Cambodia and Vietnam) in 2000. These are purported to be for facilitating greater economic and cultural cooperation, but the security angle cannot be ignored.

Prospects for the Future

In the current look East policy phase, importance to security aspects is clearly discernible. Whether with regard to the US, Japan or Southeast Asia, policy-makers appear to be convinced that an enduring bilateral relationship cannot be built unless underpinned by strategic ties. Hence, one can expect security dialogues and defence ties to remain major priorities of the Look East policy. India's status as the largest navy in the Indian Ocean littoral is unlikely to be challenged and the development of a new command at the Andamans is indicative of India's eastward emphasis. As far as economic links are concerned, the investment climate is far better today than in the early 1990s and figures indicate that trade is doing very well. India has certain advantages as well. Unlike China and Japan, there is no historical baggage to worry about either in terms of invasion or interference. India is not involved in any border or maritime boundary disputes with its Southeast Asian neighbours.²⁷ In fact, India is uniquely placed to play a kind of balancing role so that Southeast Asia does not come under the influence of any one great power.

Despite certain problems with regard to decision-making mechanisms and bureaucratic apathy, many projects started by Southeast Asians are doing very well. After successfully building a technology park in Bangalore, Singapore is planning to build another one. Malaysia is involved in building Asia's largest natural gas container project in collaboration with a public sector company and in the construction of highways. Interestingly, Singapore and Malaysia, in particular, appear to have established good rapport with the leadership in investor-friendly states of South India. There is a growing realisation in Southeast Asia that, despite China's greater attraction, India is an expanding economy whose size is more than double that of all of Southeast Asian countries put together in PPP terms, and it is one of the largest emerging markets for products and services in the world. India's open political system and an independent judiciary are additional plus points. Singapore's current policy of engaging India and simultaneously avoiding excessive dependence on China²⁸ is likely to be the path others will follow in the coming years, which means further deepening of India-Southeast Asia relations. There is

one area that can provide immense avenues for cooperation, that is, the maritime security in the region, which includes security of sea lanes, the problem of piracy, trafficking in narcotics and small arms, search and rescue, pollution at sea, disaster management, etc., where a joint multilateral effort can perhaps be undertaken along with some of the Northeast Asian countries.

Conclusion

Undoubtedly, the Look East policy has once again emerged as a major thrust area of India's foreign policy after some hiccups in the mid-1990s. Although it is claimed that this policy encompasses the whole Asia-Pacific region, it is apparent that much of the emphasis has been on Southeast Asia. Despite enormous progress made since the enunciation of the policy in the early 1990s, India lags behind other great powers in terms of geopolitical or economic importance. The Look East policy is responsible in making India an inalienable part of the Asia-Pacific's strategic discourse. The current phase marks the beginning of a vibrant relationship on the economic, political and strategic fronts. A number of institutional mechanisms have been put in place so that there is a regular interaction at all levels and simultaneously bilateral linkages with individual member-states have also been strengthened.

Now that India has become a Summit Partner of ASEAN, it provides an opportunity for the top leadership to visit Southeast Asia every year for political interaction. Unlike in the past, it appears the current phase of the Look East policy is much more substantial. While developing links with ASEAN and other ASEAN-led multilateral institutions, India is also pursuing to qualitatively improve bilateral links with member-states. Three distinct features of the Look East policy emerge: These are: one, India has managed to develop a multi-faceted relationship; two, a successful defence diplomacy has been put in place; and three, unlike in the past, India is not averse to participate in regional multilateralism — security or economic.

References/ End Notes

- 1 The most recent one was in November 2002 in connection with the ASEAN-India Summit meeting In Cambodia. Though it is inexplicable why ASEAN wants to hold a separate meeting with India than expand the existing ASEAN+3.
- 2 Panikkar, K.M., *India and the Indian Ocean: An Essay on the Influence of Sea Power on Indian History*. 1945. George Allen and Unwin; London. p. 21.
- 3 See for instance, Mohammed Ayoob, *India and Southeast Asia: A Study of Indian Perceptions and Policies*. 1990. Routledge; London. pp. 7-8.

- 4 India was sorely disappointed when North Vietnam came out in support of China during the 1962 war, and more so when Sukarno offered to open another front and take over the Andaman and Nicobar Islands located close to Indonesia in the Bay of Bengal during the 1965 war with Pakistan. Malaysia was one of the very countries that not only condemned the Chinese attack but also offered its help to India.
- 5 The expansion of the Indian Navy in the 1980s with the Soviet help and the reactions that it elicited especially from Southeast Asia have been dealt with in detail in G.V.C. Naidu, *Indian Navy and Southeast Asia*. 2002. Sage; New Delhi.
- 6 *Far Eastern Economic Review*. May 16, 1996.
- 7 For a fairly objective analysis of India's naval concerns and the role of FORTAN, See Christie, *India's Naval Strategy and the Role of the Andaman and Nicobar Islands*. Working Paper No. 291, 1995, Canberra Strategic and Defence Studies Centre, Australian National University, p. 18.
- 8 A series of developments in that period had considerably raised tensions with Pakistan and China on the borders; the Indian military adventure in Sri Lanka was a disaster; its policy toward was widely perceived to be strong arm tactics when restrictions were imposed on entry points; and Bangladesh was sore because of what it considered New Delhi's obstinacy over sharing of Ganges waters.
- 9 It later came to be known as the 'Gujral Doctrine'. Its main aspects included: Unilateral concessions with no ostensible reciprocity, except in the case of Pakistan; forging friendly relations with Pakistan while continuing high-level talks to resolve the differences; and making economics as the basis for building South Asian regional cooperation and solidarity.
- 10 For instance, Prime Minister Goh Chok Tong of Singapore in his national address in August 1993 made a special mention about creating a 'mild India fever' in Singapore.
- 11 Communiqué issued at the end of the Fifth ASEAN Summit Meeting, December 1995.
- 12 For a detailed discussion, see G.V.C. Naidu, *India's Strategic Relations with Southeast Asia*. In Baladas Ghoshal, *Ed.*, *India and Southeast Asia*. 1996. Konark Publishers; New Delhi. pp. 28-40.
- 13 *Maritime International*. September 1998. p. 7.
- 14 *The Hindu*. March 14, 1996.
- 15 *The Times of India*. May 13, 1992.
- 16 Suryanarayana, P. S., "Singapore to Sign Defence Pact with India." *The Hindu*. October 13, 2003 at <http://www.thehindu.com/2003/10/13/stories/2003101304441100.htm>
- 17 *Annual Report 2001-2002*. 2001. Ministry of External Affairs, Government of India; New Delhi. p. 19.
- 18 It may be remembered that it was India that was deeply involved in training the Indonesian armed forces soon after independence. Moreover, Indonesia was the

only country with which the Indian Navy held exercises outside the Commonwealth in the 1950s.

- 19 *The Hindu*. October 26, 1998.
- 20 *Maritime International*. March 1995. p. 7.
- 21 *Maritime International*, June 1998. p. 8. Most recent exercises of this type were held in early April 1999. As part of its policy to raise its profile in the Asia Pacific, a flotilla of the Indian Naval ships (comprising Delhi destroyer, Rajput frigate, Khanjar corvette and Jyoti tanker) for the first time participated in the International Fleet Review in South Korea in October 1998. India was also accorded an observer status at the Sixth Western Pacific Naval Symposium held at Seoul. These ships also made port calls at Singapore, Ho Chi Minh City and Manila on the way. *The Hindu*. September 27, 1998.
- 22 Japan has shown a lot of interest in this field to collaborate with India.
- 23 Based on the data published by the Indian Ministry of Industry's SIA Newsletter. Of the total foreign direct investments of Rs 2,805,372 million between 1991 and May 2002, the share of five ASEAN nations is Rs 1,41,703 million. In dollar terms, the data would considerably vary because of exchange rate changes. <http://indmin.nic.in/vsindmin/publicat/default.htm>
- 24 Data derived from ASEAN Secretariat website.
- 25 India Keen on FTA with ASEAN. *The Hindu*. September 16, 2002.
- 26 It was China first took the lead in proposing to ASEAN the FTA idea whereas Japan was very hesitant but round lest Beijing will steal a march over Southeast Asia.
- 27 India has signed maritime boundary and border agreements with Indonesia, Thailand and Myanmar.
- 28 Day, Philip, "Singapore: Dancing with Giants". *Far Eastern Economic Review*. April 18, 2004 at http://www.feer.com/articles/2004/0404_08/p044money.html

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