
INDIA LOOK EAST POLICY TO ACT EAST POLICY: ISSUES AND CHALLENGES

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Abstract: India's Look East Policy initiated under P.V Narasimha Rao in 1992 was mainly driven by India's economic engagement with Southeast Asian Nations. In the recent years, the policy has evolved to broader security and defence ties. The evolution of the policy can't only be seen in terms of India's desire to balance China but also of its willingness to play a greater strategic role in the region. India is inclined to deepen its links with countries of Asia Pacific and also for greater global role. With the remarkable victory of Narendra Modi in 2014, India seeks to revive its relationship with ASEAN as well as expand the country's engagement beyond the region to include Australia, Japan, Fiji, New Zealand and others in the Far East. The NDA govt. has accorded high priority to turn India's erstwhile Look East Policy into an Act East Policy. Through, this policy the govt. wanted to promote economic cooperation, cultural ties and strategic relationship with the countries of Asia Pacific by maintaining continuous engagement at bilateral, multilateral and regional levels.

In this perspective, the paper will reflect the change in Indian foreign policy with reference to the countries of Asia Pacific after the rebranding of Look East Policy to Act East Policy under PM Narendra Modi's tenure in 2014.

Keywords: Act East Policy, India, PM Modi, Asia Pacific Countries.

Introduction: India Acting East: Look East Policy has emerged as one of the prominent foreign policy initiative India has undertaken in the post cold war period.¹ The policy has been described as going through various phases. The policy's first phase lasted till 2002 in which the emphasis was mainly given on improving trade and connectivity along with improving political relations. The second phase of the policy lasted till 2012, which mainly revolved around strengthening of economic and strategic engagement with the region. It has also witnessed number of other impressive gains for 20 years after its inception. In 1992 and 1996, India has become a Sectoral partner of ASEAN and member of ASEAN Regional Forum (ARF) respectively. India and ASEAN entered into a summit partnership in 2002 on the 10th Anniversary of the Look East Policy and launched negotiation for a Free Trade agreement (FTA) in goods in 2003.² The on-going third phase of the policy focussed on taking positive steps towards building closer relationship with India's partners. Bilateral trade and investment showed impressive gains in all these years. While bilateral trade increased from \$ 2 billion in 1992 to \$ 12 billion in 2002, registering annual growth of 12 per cent, it increased to \$ 72 billion in 2012, with a cumulative annual growth rate of around 22 per cent over the preceding decade.³

The Narendra Modi government coming to power in 2014 advanced India's Look East Policy by even greater momentum by upgrading it to Act East Policy during ASEAN summit in November 2014 at Myanmar. The basis of the objective remained the same but the policy was upgraded to increase its importance, focus and impetus as the NDA government not only want to look towards East but also to act in expanding relations with the countries of east. Through Act East Policy, PM Modi wants to expand its scope in order to achieve its fullest potential. Modi government not only focussed on ASEAN members but also expanded to include the wider Asia Pacific region. The desire to have global image is manifested in on-going attempt to strengthen its ties with Australia, Japan and New Zealand among others. P.M Modi's Australia and Japan visit and skilful diplomacy in the international affairs has brought India in the rank of leading power of the globe. India's role in shaping the emerging security architecture of Asia is crucial, so that it is not becoming unipolar.

India's Strategic engagement: The China's Aspect: China has a strong influence in the Southeast Asian region. It dominates the trade and economy of that region through its huge military presence in the region.⁴ India in its desire to see a multipolar Asia, have a motivation for greater role in Asia. Look east policy and later its rebranding as Act East Policy is a more productive and visionary way to balance for India. India is an aspiring world superpower which is growing as a military and economic strength and has a capability to counter its competition on the strategic level. Modi's government Act East Policy focuses on greater strategic,

defence and economic partnership with the countries of Asia Pacific that can counter China's influence in the region.

India's strategic engagement with Southeast Asia has reached another level. The issue of control and exploitation of resources in South China Sea has emerged as a major dispute between China and several countries of ASEAN (Malaysia, Brunei, Philippines and Vietnam). China's stance on maritime territorial dispute in the South China Sea is prompting Asia Pacific countries to look at India to play a balancing role. India at the same time, doesn't want to manifest the perception that it is intruding in the matters or contain China by not speaking out on the issue of South China Sea and pushing both the sides to mutually resolve the issue through peaceful dialogue. Since the inauguration of new government under Modi's rule, India and China's relationship has witnessed high level of interaction and growth in bilateral trade.

India's Partnership with Countries of Asia Pacific: The key aspect of the National Democratic Alliances (NDA) government's foreign policy is P.M Modi's undertaking foreign visits. Australian P.M Tony Abbott's visit to India in September 2014 and Indian P.M Modi's visit in November of the same year is watershed in India-Australia relationship. The visits proved very successful as many bilateral treaties were signed between them. Civilian nuclear deal (bilateral engagement in the energy sector), Frame work for Security cooperation between India and Australia, maritime exercises, counter terrorism operations were some among others. India-Australia growing relationship help to maintain right balance in Asia Pacific against China's growing military power.

Expanding and enhancing its engagement with Japan is always a priority for a NDA government. P.M's successful visits to Japan played important role in expanding collaboration in India-Japan relations. After assuming the office, P.M Modi's first bilateral trip outside the subcontinent was in Japan. PM Modi is able to build a very close rapport with Japanese counterpart Shinzo Abe. Its offers a significant partnership opportunity to India as Japan is an advanced Asian Naval power and potential source of investment and technological assistance to India. The relationship arises from their convergent global interest, growing international responsibilities and maritime interconnection. The two leaders signed agreements to advance their relationship like bilateral maritime exercises, Memorandum of cooperation and exchanges in the fields of defence and recently signed landmark nuclear energy deal in November 2016. The growing relationship between the second and the third largest economies of Asia is mutually beneficial to both. Japanese technology and investment has the potential to assist India in upgrading its infrastructure and manufacturing sector and India's massive consumer market and investment needs may present opportunities to kick start Japan's ailing economy.⁵ Japanese Official Development Assistance (ODA) has supported critical infrastructural projects such as the Delhi Metro, and much of Japan's future investment will go towards supporting the Delhi-Mumbai Industrial corridor and the Chennai-Bangalore industrial corridor.⁶

Though Act East Policy is expanded to include East Asian Countries, but the countries of ASEAN continues to play a pivotal role in India's Foreign Policy. Myanmar has always occupied an important place in India's Foreign policy as it is a gateway to Southeast Asia. Like predecessors, Modi government has left no stone unturned in building closer ties with Myanmar. The country also hold special importance due to its geographical location as it is strategically located at the tri-junction of China, India and Southeast Asia. In order to advance trade, investment and people to people contacts, Modi Govt. are making efforts to speed up the completion of the India- Myanmar -Thailand trilateral highway, which can prove to be a game changer to connect India's Northeast with ASEAN. Cordial relations with Myanmar are also important for peace and development of India's North-eastern States. Myanmar shares its borders with four Northeast Indian states and is infected with the issues of insurgents. India sharing ethnic connection with Myanmar, accepts the fact that any instability in Myanmar will have an adverse impact on India as well. Northeast region of India is the main beneficiary in the policy, since it is our only access point to other nations towards east through the land route. To establish its seriousness of India's commitment towards the people of Northeast India the Modi government must demonstrate that the act east policy is much more than rebranding the existing policy.⁷ Unlike his predecessor, Dr. Manmohan Singh, Modi did meet the pro-democracy leader Aung San Suu Kyi in Myanmar and appreciated her attempts to bring Myanmar back to the democratic path.⁸

Conclusion: India's aspiration to expand engagement with Indonesia has grown from its commitment to improve security engagement with countries of ASEAN. The fact that Indonesia been the largest country of Southeast Asia is viewed by India as a strategic partner that can play important role in Act East Policy. Indonesia is a geographical neighbour with India which have mutual stake in each other's progress and

territorial integrity. Its geo strategic location in the Malacca Straits reinforces the benefits of closer engagement for India. Given that the two Indian Ocean neighbours are separated by a mere 80 nautical miles of water, there is much realised potential for greater cooperation on maritime security.⁹ The interests of both the countries converge, playing an important role in shaping the emerging security architecture of Asia. Both the countries are concerned about building a stable, democratic state along with providing better life and greater liberty to people of their respective countries. The countries are closely aligned in regard to maritime territorial disputes. They stand for regional stability and freedom of navigation. High level visits from both the sides during Modi govt. has proved fruitful for further advancing the relations. The escalation in relations is depicted in the fact that Indonesia-India trade has increased. Indonesia has emerged to become the second largest trading partner of India in the ASEAN region.¹⁰ Efforts were also made to improve relations with Indonesia by Modi govt. from a domestic political perspective. Modi govt. can manifest a secular character by having cordial relations with Indonesia, the largest Islamic nation of the world.

India's ambition in forming closer engagement with East and Southeast Asia, to some extent is restricted by few obstacles. Firstly, India in its pursuit to focus on Asia Pacific cannot side-line the regional situation in South Asia. Pakistan continues to provide terrorist threat to India and Al Qaeda has released a video announcing the establishment of a new branch on the Indian subcontinent in September 2014 bring wider concerns for India.¹¹ It prompts India to shift its attention to its immediate neighbours. Secondly, shift of India's attention from east to west face barriers. India can't entirely ignore and needs to maintain balance between east and west. Countries of west are prime importers of oil and transfer of funds from millions of Indian workers working in Gulf and Middle East will continue to hold significance to India. Thirdly, India's ambition to play more active role in Asia pacific region also face constraints from domestic front. India's economy is facing slowdown and this slump will constraints India's ambition for becoming a larger regional and global player. Prolonged period of lower growth will not only reduce India's capability to commit resources to the region, but will further deteriorate its credibility in the eyes of regional partners.

Act East policy of India is an answer to the changing dynamics of Asia pacific region. It must continue to strengthen its collaboration with countries of East and ASEAN. Engagement must aim at promoting economic revival and strategic cooperation to fight issues like maritime security, freedom of navigation, fight terrorism and defence cooperation. With the rising of China and Japan and their consistent increasing competition, the security architecture of the region is changing. India is aware of this problem and in that context greater role and participation in the region is a way and means to enhance India's presence in Southeast Asian region. India's greater engagement will not only be of immense importance for India but also for the countries of East Asia. Vital trade, investment and physical connectivity between India and Asia pacific along with PM Modi's stance on soft issue like tourism, Buddhism and cultural ties are most crucial for India to achieve its goals.

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