



India's act east policy and north-east: Prospects and challenges

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Abstract

Look East Policy (LEP) is pivotal in India's effort towards globalisation and the economic reform agenda, which was launched in 1991. It is an important foreign policy initiative with respect to South East Asian countries and under the regime of Narendra Modi which came to power in 2014, the policy received immense priority.

Terming it as Act East, India was able to sense the change in the locus of world economic power from the 'west' to the 'east' as necessitated by the evolving geo-politics and trends in the Asia-Pacific. The primary aim is to revive political ties, forge regional security cooperation and develop economic linkages by increasing integration with Southeast Asia.

In context of India's growing and evolving relations with South East Asia, it is but inevitable that its North Eastern region would be the fulcrum of the overall "Look East" policy given its geographic proximity and socio-cultural and historic ties with the South East Asian region.

The Look East Policy is an integral part of North Eastern Region Vision 2020 – a roadmap for development of the Region.

The research paper analyses the various dimensions of Look East Policy since its inception in 1992. It also dwells with the North East Region which acts as a gateway to the South-East Asia, an important component of Look East Policy. Finally, it discusses the various challenges that come in the way. For example, language barrier is a major problem. Teaching of languages of South East Asia and neighbouring countries like Thai, Burmese, Chinese, Vietnamese to youth and business persons of NER can prove to be highly beneficial in doing trade and investments.

Keywords: act east policy, north-east India

Introduction

A prominent foreign policy initiative that India has undertaken in the post-Cold War period is the Look East policy. Initiated in the early 1990s against the backdrop of a struggling economy and the sudden end of the Cold War framework, the policy is a part of a concerted effort to elevate the strategic importance of Southeast Asia in the country's foreign policy agenda (Naidu 2004; Bajpae 2017) ^[5, 1]. The policy is described as a multi-faceted and multi-pronged approach to establish strategic links with many individual countries, forge close political links with the Association of Southeast Asian Nations (ASEAN), and develop strong economic bonds with the region ^[1].

India's association with Southeast Asia can be traced back to ancient times as it has influenced the region by way of religion, language, culture and civilisation. Historical evidence also suggests that there were flourishing economic and cultural relations between India and the countries of Southeast Asia in the pre-colonial era.

Prime Minister P.V. Narasimha Rao (1991-1996) under whose tenure, the Look east Policy was initiated visited Thailand, Indonesia, Singapore, Vietnam and Malaysia to make this policy a political success. India became an active participant in various ASEAN organisations, becoming a Sectoral

Dialogue Partner of ASEAN in 1992, a full ASEAN Dialogue Partner in 1996, and also a member of the ASEAN Regional Forum (ARF) in 1996 (Lee 2015) ^[4].

The first phase of the Look East Policy witnessed accelerated trade and investment since 2000 between India and ASEAN. Exports rose from US\$2.9 billion to US\$19.1 billion in 2009, with imports rising from US\$4.1 billion to US\$26.2 billion. Singapore has become the largest Asian investor in India, above Japan and China.

A number of institutional mechanisms have come into existence 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. With India becoming a Dialogue Partner in ASEAN, the ASEAN-India Joint Cooperation Committee and the ASEAN-India Working Group on Trade and Investment were set up. An ASEAN-India Fund was formed to promote trade, tourism, science and technology, and other economic activity (Naidu 2004, Kelly 2014) ^[5, 3].

The Look East policy became embedded in the foreign policy considerations of successive governments led by Prime Ministers Atal Bihari Vajpayee and Manmohan Singh, with India-ASEAN relations gaining momentum towards the late 1990s and early 2000s. The concept of extended neighbourhood was introduced by the Vajpayee government, which declared, our concerns and interactions go well beyond South Asia.

¹ The Association of South East Asian Nations (ASEAN) is a regional intergovernmental organisation comprising of ten Southeast Asian States namely Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Cambodia, Laos, Myanmar and Vietnam.

The second phase of the policy is marked by increased defence diplomacy along with Free Trade Agreements. India has begun to establish arrangements for regular access to ports in Southeast Asia and defence contacts have widened to include Japan, South Korea and China (Pandya and Malone 2010).

The other important aspects that are taken into consideration during this phase are expanded air and land links to East and Southeast Asia, thus achieving greater physical connectivity with Asian partners; closer political ties through more comprehensive dialogue across a wider range of issues and the development of regional groupings (Pandya and Malone 2010).

Under the current government of Prime Minister Narendra Modi which came to power in 2014, the policy has been rebranded as 'Act East', signifying a more pro-active and action packed policy towards the region with a "priority on security, connectivity and regional integration.

India's extended neighbourhood as conceptualised during Vajpayee times acquired special attention as the government articulated a "Neighbourhood First" policy, while the government pledged to take a more "integrated and holistic" approach to its regional engagement. In a speech in Singapore in November 2015, Prime Minister Narendra Modi reiterated the "purpose and vigour" with which his government had engaged Asia, adding that, "in the course of the last 18 months, my government has engaged more with this region than any other in the world". This was also reflected in the establishment of a separate Indian Mission to ASEAN and the EAS in April 2015 with a dedicated ambassador to manage relations based at the ASEAN Secretariat in Jakarta. In a bid to strengthen ties with the region, New Delhi has also invited the leaders of all ten ASEAN member states to attend as chief guests for India's Republic Day parade in 2018 (Bajpae 2017) ^[1]. This move has reiterated the more action oriented approach towards the Act East Policy.

The Asia-Pacific is considered as one of the fastest growing regions of the world owing to its unparalleled dynamism in political, security, economic and demographic terms. Enhancing ties with our Asian neighbourhood through ASEAN can bridge the gap and increase connectivity to a wider Asia-Pacific region. This also reflects a positive development impact on our North-Eastern region.

In the recent years, the Act East policy has also witnessed a further broadening of its geographic scope amid a growing emphasis on the Indo-Pacific as a new strategic geography for the region. This new strategic geography also reflects China's and India's growing maritime orientation and their ambitions to project power beyond their respective subregions. The growing Pacific orientation of India's Act East policy is evident from the country's deepening relations with Japan and Australia.

Over the years, Japan has been even more determined to forge a closer strategic relationship with India. India is considered as a key partner in the implementation of both the countries strategic vision of a 'broader Asia' connecting the Pacific and the Indian Oceans in an inter-connected network of goods, services, investment, technology and human capital flows (Lee 2015) ^[4].

India-ASEAN strategic cooperation is also significant owing

to an increasingly assertive China. Beijing's territorial claims in the oil and gas-rich areas of South China Sea, a vital international maritime trade route, have generated considerable tension in the region.

Look East and North-East India

In context of India's growing and evolving relations with South East Asia, it has become imperative that North Eastern (NE) region would be the fulcrum of the overall "Look East" policy (LEP) given its geographic proximity and socio-cultural and historic ties with the South East Asian region.

The main aspects of LEP-NE have emerged over the years are as follows:

1. Connectivity and Physical infrastructure that help in facilitating trade
2. Trade and investment protocols
3. Shortfalls in operationalisation of existing assets and facilities
4. Soft aspects of bi-lateral / multilateral relationships such as in tourism and enhanced people to people interaction through sports, culture, academic and medical research etc.

The North East India shares borders with China, Nepal, Bhutan, Myanmar, and Bangladesh culminating in a 4500 long international border. Myanmar alone regarded as the prime gateway for the North East to South East Asia share a 1643 kms of land boundary with the states of Arunachal Pradesh, Manipur, Mizoram, and Nagaland.

Pranab Mukherjee, India's former External Affairs Minister considered that North East India is poised to benefit from India's growing relations with South East Asia as the process of globalization through "crossborder market" access that can uplift people from poverty, economic backwardness and bring in prosperity and inculcate entrepreneurial freedoms and skills. Considering "geography is opportunity", regions in India like the North East have enormous possibilities to exploit their geographical contexts and "bring significant benefits to populace in a direct and participative manner (Goswami 2009).

North Eastern Region (NER) provides a unique platform in terms of growth opportunities it offers by inter-locking the region with the neighbouring countries in the South and South East Asia. It has all the potential and capabilities to develop into India's economic powerhouse as it has a rich source of energy, oil, natural gas, coal, and limestone and other minerals and a perennial water system in the river Brahmaputra and its tributaries. It is also rich in horticultural products, plantation crops, vegetables, spices, rare herbs, and medicinal plants. The region offers unlimited tourism opportunities, rare flora and fauna, natural scenic beauty, unique performing arts, and varied cuisine and handicrafts. On July 2, 2008, the Prime Minister released the *North Eastern Region Vision 2020*, a document which identifies various challenges as well as the strategies required to bring about peace and prosperity in the North Eastern Region by 2020.

The Vision 2020 is based the following development strategy.

- a. Empowerment of people;
- b. Creation of development opportunities;

- c. Developing sectors with comparative advantage;
- d. Capacity development of people and institutions;
- e. Creating a hospitable investment climate;
- f. Significant investment in both public and private sectors (Goswami 2009).

In the infrastructure sector, the Kaladan Multi-modal Transit Transport Project was launched as part of the Look East Policy. The project aims to connect the eastern Indian seaport of Kolkata with the Sittwe seaport in Myanmar; it will also link Sittwe seaport to Lashio in Myanmar via Kaladan river boat route and Lashio on to Mizoram in India by road transport.

The Asian Highway (AH 48), which connects Phuentsholing in Bhutan to Indo-Bangladesh border point at Changrabandha in Cooch Behar, West Bengal via Dooars, which is a work in progress route, will act as a major boost in the region from socio-economic and political fronts.

Therefore, with the Trans-Asian Railway and the India-Myanmar- Thailand Trilateral highway through Moreh in Manipur nearing completion, India foresees a tremendous growth in trade and commerce making North-East India, the next big economic corridor connecting India to ASEAN countries and China.

Conclusion

Look East policy rebranded as Act East Policy has successfully evolved over the last two decades. From the days of being accused as a 'No Action, Talk Only' or being allied with bloc partners, India has reinforced its position as a solid and reliable partner by most countries of the region. It was able to fulfil its primary diplomatic aim of being embedded in the region's ASEAN led institutional architecture. It also provides a platform for India to pursue closer economic integration and advance strategic interests whilst at the same time maintaining its economic and strategic autonomy.

The year 2017 marks twenty-five years of dialogue partnership, fifteen years of summit-level relations, and five years of strategic partnership between India and ASEAN.

India is widely considered to play a major role in the region and is one of the key stakeholders in the emerging security dynamics of the South and East Asia. As a result of the Look East Policy or Act east Policy it has been able to mark itself as a nation of economic, diplomatic and strategic consequence in the region.

But critics claim that the problem that India's Act East policy faces is contingent on internal economic reforms, which will further dictate the pace at which India integrates with the economies of South East Asia and East Asia. Despite the Modi government projection of being an investor-friendly nation chronic problems of bureaucratic inertia and inter-ministerial coordination and complications associated with forging public-private partnerships and financing remain barriers to accelerating infrastructure connectivity.

This can be witnessed in the persistent delays in the completion of two key infrastructure projects: the India (Moreh)- Myanmar (Bagan)-Thailand (Mae Sot) Trilateral Highway (with the goal of eventually extending to Cambodia and Vietnam) and the Kaladan Multi-modal Transit project (connecting the ports of Kolkata and Sittwe which in the long

run can impact the development efforts in the North East region. There is a need to fast tract all the development projects in the North east.

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