

FOR INDIA AND ASEAN, AN OPPORTUNE REORIENTATION

BY SHRISTI PUKHREM

Dr. Shristi Pukhrem

(<u>shristipukhrem@indiafoundation.in</u>) is a Senior Research Fellow at India Foundation. The views expressed are personal.

The 19th Summit of ASEAN and India on Nov. 12, 2022 in Phnom Penh, commemorating the 30th anniversary of their dialogue relations and celebrating the ASEAN-India Friendship Year, elevated the India-ASEAN strategic relationship. Both sides reviewed their strategic partnership, endorsed by the 12th Commemorative Summit in New Delhi in 2012. They declared establishment of the ASEAN-India Comprehensive Strategic Partnership (CSP), and the goals of making it a meaningful, substantive, and mutually beneficial arrangement.

The CSP, coupled with ASEAN and India's shared culture and history, could potentially factor in creating a favorable geopolitical environment for India to sustain its ASEAN-centric "Act East" policy. Act East, announced November 2014, upgraded the "Look East" policy, promoting economic, strategic, and cultural relations with the vast Indo-Pacific region at different levels. It involves intensive, continuous engagement with Southeast Asia in connectivity, trade, culture, defense, and people-to-people-contact at bilateral, regional, and multilateral levels. Act East aims to promote economic cooperation, cultural ties, and developing a strategic relationship with countries in the Indo-Pacific through a proactive, pragmatic approach.

India understands the growing strategic importance of the Indo-Pacific. ASEAN appreciates India's contribution to regional peace and security, trade, building ASEAN community, and India-ASEAN integration. However, with the world economy recovering from the pandemic-cause recession ASEAN and India must work in unison to maintain the upward trajectory of bilateral and multilateral trade, and economic engagements are critical to enhancing strategic relations. The <u>free trade agreement</u> between India and ASEAN in 2010 notwithstanding, there are related downsides, with India facing non-tariff barriers in ASEAN and an import-export imbalance. Nevertheless, given their shared history and culture, India and ASEAN can capitalize on the CSP to enhance bilateral and multilateral and multilateral engagements.

After launching Act East in 2014, India has focused on <u>comprehensive strategic engagements</u> with ASEAN. All ASEAN countries' leaders were invited to India's Republic Day Celebration on Jan. 26, 2018. Prime Minister Narendra Modi visited Singapore and delivered the keynote address at the Shangri-La Dialogue on June 1, 2018. Outlining India's vision for the Indo-Pacific, Modi expressed concern over China's aggression in the South China Sea and emphasized the centrality of ASEAN in India's Southeast Asia Policy. However, India and ASEAN must do much more to enhance their engagements.

The <u>Quadrilateral Security Dialogue</u> ("Quad") revived in 2017, with Australia, India, Japan, and the United States now engaging regularly. The participation of ASEAN countries would help accelerate Quad initiatives.

India is keen to provide a viable alternative to China's presence in Southeast Asia. While China's aggression in the South China Sea remains a concern for ASEAN, its members remain divided due to conflicting interests. China remains ASEAN's most significant trading partner. <u>ASEAN's total trade with China</u> from January to April 2022 was estimated at \$274.50 billion—India's total trade with ASEAN from April 2021 to March 2022 was \$78.90 billion. India also faces the challenge of building a strategic partnership with a divided ASEAN—it has become evident that ASEAN member countries prefer China for economic cooperation while expecting the United States and India as balancing power(s) in Southeast Asia's strategic domain.

India should consider and use the CSP as a platform for reorienting its ASEAN strategy. Economic and technical cooperation in new areas like health, energy, technology, services, and climate change could create a new level of partnership. Greater coordination between India's <u>Indo-Pacific Oceans Initiative</u> and ASEAN's <u>ASEAN Outlook on Indo-Pacific</u> would complement India's—and the Quad's—ASEANcentric policies, while raising India's maritime profile in the region.

The ASEAN Member States and India, last Nov. 12, issued a joint statement on ASEAN-India Comprehensive Strategic Partnership. They acknowledged that ASEAN-India relations have grown more robust over the last three decades and reaffirmed their commitment to establish and nurture meaningful and substantive ASEAN-India а Comprehensive Strategic Partnership. Both agree on maintaining ASEAN Centrality in the evolving regional architecture in the Indo-Pacific region. The summit also resolved to strengthen ASEAN-India relations through strategic cooperation for peace, stability, and prosperity in Southeast Asia.

The CSP will remain critical in steering the ASEAN-India relations ahead. However, strategic relations need to be reinforced by stronger economic engagement. India's support for ASEAN centrality in India's Indo-Pacific Ocean Initiative, ASEAN's appreciation of India's ASEAN-centric Act East Policy and ASEAN also upgrading the relationship with the United States to the comprehensive strategic partnership with India have factored in the Indo-Pacific gaining the center-stage. India's strategic position in the Indian Ocean and as a member of the Indo-Pacific Economic Framework makes it a significant player in the region. ASEAN appreciates India's contribution to regional peace and security, ASEAN integration, and ASEAN communitybuilding. However, despite India's focused, ASEANcentric overtures, member states remain divided when it comes to engaging India and China in the economic and strategic domain.

India should take advantage of the CSP to push its economic agenda and reorient its economic agenda and strategic approach toward a greater presence in Southeast Asia. The CSP should ensure more scope of convergence between ASEAN's Outlook on Indo-Pacific and India's Indo-Pacific Ocean's Initiative, which will give more of a boost to the concept of ASEAN Centrality in the approaches of both India, ASEAN, and Quad countries. India, therefore, will have to enhance its presence in ASEAN countries by using the CSP to its benefit, making trade and connectivity the priority areas to tap the potential of this region.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.