

India's Look East Policy

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India's Look East policy got a clear shape with the meeting of the ASEAN ten heads of state in partnership with India in New Delhi. This process of partnering with ASEAN is not new. In this round two aspects have taken priority, one that furthers the Free Trade Agreement (FTA) framework and two, creating a strategic partnership between the regional grouping of ASEAN and India. It is important to look beyond the headlines to see what the implications of these agreements are on different groups of Indian citizens and how they fit into the promises to India's own North East where the Look East Policy was proclaimed.

On the issue of the FTA, the major focus in this commemorative round was on connectivity and the quick implementation of the India-Myanmar-Thailand Trilateral Highway later extending to other ASEAN nations. This could be a real important step for India's North East which is naturally and geographically closer to ASEAN countries. Road links between these regions can bring major benefits; develop trade and people to people contacts. But not everything is rosy along these areas.

Myanmar has a number of conflicts in these areas, the recent one being the ethnic clashes with the Rohingyas minority community. This conflict spilled into Bangladesh and impacted borders of Assam also. So along with connectivity, these issues must also be resolved as trade and connectivity cannot be isolated from the people in the region.

A major part of the Look East policy is that it should benefit India's North East but no tangible impact has been felt so far. It also should mean that the people of the North East through their Chief Ministers should be consulted on such connectivity and the possibilities of such policies. What has been happening in foreign policy decisions is that they are highly centralised decisions and the states are not sufficiently involved. The consequence is that when it comes to implementation, states resist and do not allow proper implementation. One recent example has been the India-Bangladesh relations that in the future will need to have Kolkata on board.

The other aspect of FTA and ASEAN is trade that has grown to US\$ 80 billion in 2012 and is projected to reach a US\$ 100 billion by 2015. This meeting was part of a process that is taking steps for greater integration of the economies of the region by concluding services and investment agreements. This will increase the forces of globalization and the mixed impact these have had so far. This will mean greater movement of professionals, greater imports of all goods including spices, lowering of tariffs and the earlier protectionist regime. This is likely to benefit the big traders, but it is questionable as to what effects it will have on farmers.

There has been resistance to the India ASEAN FTA by many farmers associations in Kerala and also by the State Government in the past because it will impact the lakhs of coconut, coffee and spice growers in the region. When these markets gradually open up, the local farm products prices get linked to international prices that can have steep fluctuations.

Speculation in farm production also increases and this was one of the reasons for cotton farmers' suicides in the last few years. The North East is also largely dependent on agriculture as a livelihood. Rice production is the mainstay of many parts of this region and if direct rice imports are allowed they can impact local varieties.

There is of course a negative list that protects some of the products from the onslaught of imports, but once the FTA gates open, the pressure from the trader and speculators' lobbies is such that farmers' demands get marginalised. The experience of the South Asia Free Trade Agreement (SAFTA) in the past has been mixed and had led to a steep drop in Indian coconut prices when cheap coconuts came in from Sri Lanka. Such policies thus need careful calibration.

The idea of the strategic cooperation between India and ASEAN is also an important step that was taken in this meeting. But again it depends on how we look at strategic methods. Some strategic analysts see it is a route to an eventual show of Indian naval muscle in the Indo-Pacific high seas. This can also be interpreted as a way to safeguard or 'contain' a possible Chinese threat.

The remark made by the Vietnamese Prime Minister Nguyen Tan Dung that India should play a greater role in peacefully resolving the South China Sea dispute however was not repeated by other members of the ASEAN alliance, all of whom are sensitive about the dispute over the Islands claimed by China and disputed by Vietnam and the Philippines.

The Indian External Affairs Minister's (EAM) reply that "There are some issues like those of sovereignty which should be resolved between the countries concerned," was an appropriate response because China is an old partner of ASEAN; has clear and complex relations with ASEAN nations in bilateral and multilateral ways; India and China are trying to build their own difficult bilateral relations by focusing on aspects like trade, multilateralism, environment so as to bypass the unresolved boundary issues.

The EAM's argument that the benefits that accrue from cooperation with China far outweigh the irritants that occasionally rise between the two reflects reality.

India would not benefit in any way by getting involved in a dispute in the high seas between any ASEAN country and China. On the contrary, only a third big power would benefit if the two emerging powers crossed swords in this period of global economic recession. So this strategic partnership should be based on an inclusive and cooperative security that would further collective Asian interests.

Ultimately then, India-ASEAN relations and India's Look East policy will be judged by how it impacts different sections of Indian society. As India opens up, the makers of foreign policy need to see to whom these benefits accrue. For this the process of consultation has to increase.

The states that will be impacted, in this case the North East and Kerala, will have to be consulted. There is a federalisation of India's foreign policy. The Look East policy has to look at the East both inside and outside India.

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