



GS FOUNDATION BATCH FOR CSE 2024

International Relations- 15

(India-ASEAN Relations)

ASEAN

The Association of Southeast Asian Nations, or ASEAN is a political and economic union of 10 states in South-East Asia. It has a combined population of over 600 million and GDP of approximately \$3.2 trillion. It was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration). Its founding Members were Indonesia, Malaysia, Philippines, Singapore, and Thailand.

Expansion of membership: Brunei (1984), Vietnam (1995), Lao PDR and Myanmar (1997), and Cambodia (1999) joined the ASEAN later.



Evolution of ASEAN:

- 1995 – Members signed Southeast Asian Nuclear-Weapon-Free Zone Treaty to turn Southeast Asia into a nuclear-free zone.
- 1997 – Adoption of ASEAN Vision 2020.
- 2003 – Bali Concord II for the establishment of an ASEAN Community.
- 2007 – Cebu Declaration, to accelerate the establishment of ASEAN Community by 2015.

- 2008 – ASEAN Charter comes into force and becomes a legally binding agreement. It aimed to create a EU-styled community and a single trade bloc.
- 2015 – Launch of ASEAN Community.

Fundamental Principles:

ASEAN Member Countries have adopted the following fundamental principles in their relations with one another, as contained in the **Treaty of Amity and Cooperation in Southeast Asia (TAC)**:

- Mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations; The right of every State to lead its national existence free from external interference, subversion or coercion;
- Non-interference in the internal affairs of one another;
- Settlement of differences or disputes by peaceful manner;
- Renunciation of the threat or use of force; and
- Effective cooperation among themselves.

Objectives of ASEAN

The ASEAN Declaration states that the aims and purposes of the Association are:

1. To accelerate economic growth, social progress and cultural development in the region and
2. To promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries in the region and adherence to the principles of the United Nations Charter.

In 2003, ASEAN moved along the path of the European Union by agreeing to establish an ASEAN community comprising three pillars:

The ASEAN security community: No tension has escalated into armed confrontation among ASEAN Member Countries since its establishment more than three decades ago. To build on what has been constructed over the years in the field of political and security cooperation, the ASEAN Leaders have agreed to establish the ASEAN Security Community (ASC).

The ASC shall aim to ensure that countries in the region live at peace with one another and with the world in a just, democratic and harmonious environment. The members of the Community pledge to rely exclusively on peaceful processes in the settlement of intra-regional differences and regard their security as fundamentally linked to one another and bound by geographic location, common vision and objectives.

The ASEAN economic community: The ASEAN Economic Community shall be the end-goal of economic integration measures as outlined in the ASEAN Vision 2020. Its goal is to create a stable, prosperous and highly competitive ASEAN economic region in which there is a free flow of goods, services, investment and a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities.

The ASEAN Economic Community shall establish ASEAN as a single market and production base, turning the diversity that characterises the region into opportunities for business complementation and making the ASEAN a more dynamic and stronger segment of the global supply chain. ASEAN's strategy shall consist of the integration of ASEAN and enhancing ASEAN's economic competitiveness.

The ASEAN socio-cultural community: The ASEAN Socio-Cultural Community, in consonance with the goal set by ASEAN Vision 2020, envisages a Southeast Asia bonded together in partnership as a community of caring societies and founded on a common regional identity. The Community shall foster cooperation in social development aimed at raising the standard of living of disadvantaged groups and the rural population, and shall seek the active involvement of all sectors of society, in particular women, youth, and local communities.

ASEAN Way: Refers to a methodology or approach to solving issues that respect Southeast Asia's cultural norms. It is based on four principles: **non-interference, quiet diplomacy, non-use of force, and decision making through consensus**. Policymakers constantly utilise compromise, consensus, and consultation in the informal decision-making process. It prioritises a consensus-based, non-conflictual way of addressing problems. The ASEAN Way is considered reflective of the broader principle of "Asian solutions to Asian problems", which aims to avoid Western influence in intra-Asian conflicts.

Important ASEAN-led Forums

ASEAN Regional Forum (ARF)

- It is the first regionwide Asia-Pacific multilateral forum for official consultations on peace and security issues. It was Developed in 1994 to facilitate cooperation on political and security issues to contribute to regional confidence-building and preventive diplomacy.
- Its members are 10 ASEAN nations, ASEAN's 10 dialogue partners (Australia, Canada, China, the European Union, India, Japan, South Korea, Russia, New Zealand, and the United States). Papua New Guinea and Mongolia joined the group in 1999, and South Korea was admitted in 2000.
- The ARF is characterized by minimal institutionalization, decision making by consensus, and the use of both "first track" (official) and "second track" (nonofficial) diplomacy.

ASEAN Plus Three

- Initiated in 1997 brings together ASEAN's ten members, China, Japan, and South Korea. It has evolved as the main vehicle to promote East Asian Cooperation towards the long-term goal of building an East Asian Community, with ASEAN as the driving force.

East Asia Summit (EAS)

- It is an ASEAN initiative aimed at enhancing cooperation among East Asian countries and those in the neighboring regions.
- Began in 2005 with ASEAN 10 + Australia, China, India, Japan, New Zealand, and the Republic of Korea. The United States and the Russian Federation joined at the 6th East Asia Summit in 2011.
- only leader-led forum at which all key partners of the Indo-Pacific meet to discuss political, security and economic challenges facing the region.
- The chair position rotates between ASEAN Members on an annual basis.
- Six priority areas of cooperation – environment and energy, education, finance, global health issues and pandemic diseases, natural disaster management, and ASEAN Connectivity.
- In the past, the issues of claims over the South China Sea, the United Nations Convention on the Law of the Sea, terrorism, the actions of North Korea and the conflict situation in Myanmar have been discussed by the countries.

Importance:

- Represents nearly 50 per cent of the world's population, 20 percent of global trade, and comprising 16 nations that are on a dynamic path of economic development.
- Consists of geopolitical hotspots like Taiwan strait, South China Sea, East China Sea and most dynamic economic regions like ASEAN, India and China.
- Central to the future of Indo-Pacific since it has membership of all the key players.

Significance of ASEAN:

1. It is the 6th largest economy in the world and among the fastest growing markets.
2. It has Free-trade agreements (FTAs) with China, Japan, South Korea, India, Australia and New Zealand. Member of trade pacts like RCEP and CPTPP.
3. It has emerged as Key battlefield for geopolitical contestation between USA and China.
4. It lies at the heart of Indo-Pacific.
5. The region has geopolitical hotspots like South China Sea and Strait of Malacca as a choke point.

Challenges of ASEAN:

1. Nations are divided between Pro-China and pro-USA. They have not been able to take a consensus position against Chinese adventurism in the region.
2. Recent events like exodus of Rohingyas has divided nations on religious and ethnic lines.
3. The organisation lacks military capability to remain a relevant player in the emerging geopolitics.
4. New groupings like QUAD and AUKUS may reduce the significance of ASEAN.
5. China's island building and militarization of islands in the South China Sea.

India- ASEAN Relations

India ASEAN relationship has evolved from the 'Look East Policy' enunciated in early 1990s which led India to become a Sectoral Partner of ASEAN in 1992, a Dialogue Partner in 1996 and a Summit-level Partner in 2002. The relationship upgraded into Strategic Partnership in 2012. There are, in total, 30 Dialogue Mechanisms between India and ASEAN, cutting across various sectors.

Look East Policy has changed into a dynamic and action-oriented "Act East Policy" in 2014 during the 12th ASEAN-India Summit and 9th East Asia Summit.

Look East Policy and Act East Policy

Look East Policy

Look East Policy was launched by PV Narsimha Rao government aimed at fostering economic and strategic relationships with the Southeast Asian nations. It aimed at seeking trade expansion, investments, and enhanced regional integration.

Later on, Vajpayee government pushed the policy further by extending it to include countries beyond ASEAN, like South Korea and Japan. The strategic aspect of the policy was also emphasized.

Act East Policy:

Act East Policy, launched in 2014, was graduation of India's Look East Policy. Which focuses on strengthening India's economic and strategic relations beyond ASEAN to the broader East Asian region. It aims to promote economic integration and security cooperation in the region.

- The Act East Policy aims to enhance connectivity between North-eastern states, including Arunachal Pradesh, and neighbouring nations.
- It was initially an economic policy but has evolved to include cultural, political, and strategic components.
- Institutional mechanisms for dialogue and cooperation were established under this policy.
- The policy focuses on India-ASEAN cooperation in domestic initiatives. This includes infrastructure, manufacturing, trade, and smart cities.

Importance of Act East Policy

- The Act East Policy becomes significant due to China's increasing influence in the Southeast Asian and Indian Ocean regions.
- The policy can help secure freedom of navigation and the rule of law in the Indo-Pacific region.
- India's engagement with QUAD is an extension of its efforts to enhance security in the Indo-Pacific region.
- India's Act East Policy aims to achieve its long-term developmental goals for the North-eastern region.
- It provides an additional path to accelerate economic development, countering China's rising aggression in South Asia.

Significance of ASEAN for India:

1. Central to ensuring China's peaceful rise and ensuring rule-based order in the Indo-Pacific.
2. Critical sea lanes of communication pass through the region.
3. Lies in India's primary area of interest (As per Maritime Security Strategy 2015).
4. India's 4th largest trading partner.
5. Critical to the success of Act East Policy and development & stability of India's Northeast
6. Important investment destination and a market for Indian exports.
7. ASEAN nations like Philippines, Vietnam and Malaysia are emerging as key markets for India's defence exports.
8. Important for India's energy security and food security.
9. Cultural and civilizational linkages.

Economic Cooperation:

India-ASEAN have signed FTA in goods, services, and investment. ASEAN is India's fourth largest trading partner. India's trade with ASEAN stands at \$ 131 billion in 2022-23, with more than \$40 billion deficit to India. India's export to ASEAN stands at 11.28% of our total exports.

ASEAN accounting for approximately 18.28% of investment flows into India since 2000. The ASEAN-India Free Trade Area has been completed with the entering into force of the ASEAN-India Agreements on Trade in Service and Investments on 1 July 2015.

1. Major exports from India: Ships, boats, floating structures, mineral fuels, mineral oils and meat.
2. Major imports: telecom equipment, electrical machinery, mineral fuels, mineral oils and animal or vegetable fats and oils.

India had signed an FTA in goods with ASEAN in 2009, known as the ASEAN-India Free Trade Agreement (AIFTA). In 2014, an FTA in services was also included.

India's exports to ASEAN countries amounted to \$23 billion in 2010, which increased to \$36 billion in 2018, a 5% CAGR. At the same time, India's imports from these countries increased from \$30 billion in 2010 to \$57 billion, a 8% CAGR. This has resulted in India suffering huge trade deficits.

India and ASEAN are in talks to review the FTA in goods to increase more market access.

Security Cooperation:

1. Milan Naval exercise with many of the Southeast Asian nations.
2. Asian nations part of India's HADR initiatives.
3. Engagement through multiple platforms like ARF, ADMM+ etc.
4. India has sold defence platforms to Philippines. Other nations like Vietnam and Malaysia are also interested.

Challenges:

1. ASEAN wants India to have a more prominent security role but India lacks requisite capacity.
2. Concerns about USA-China strategic rivalry in the region and fear of India getting dragged into it.
3. Delay on the part of India to sell defence platforms.

Beijing has been pressurising ASEAN members states to insert certain clauses in the Code to restrict Japan, India, the US and Australia as well as other nations from engaging in maritime security cooperation with the South East Asian states and exploring resources in the South China Sea.

Mission to ASEAN: India has set up a separate Mission to ASEAN and the EAS in Jakarta in April 2015 with a dedicated Ambassador to strengthen engagement with ASEAN and ASEAN-centric processes.

Delhi Dialogue: India has an annual Track 1.5 event Delhi Dialogue, for discussing politico-security and economic issues between ASEAN and India. The 10th edition of Delhi Dialogue was hosted by the MEA on 19-20 July 2018 in New Delhi, with the theme, "Strengthening India-ASEAN Maritime Advantage".

Platforms for engaging with ASEAN Nations:

1. BIMSTEC and Mekong Ganga Cooperation
2. Asia-Europe Meeting (ASEM)
3. East Asia Summit (EAS),
4. ASEAN Regional Forum (ARF),
5. ASEAN Defence Ministers' Meeting + (ADMM+)
6. Expanded ASEAN Maritime Forum (EAMF).

Connectivity:



1. In 2013, India became the third dialogue partner of ASEAN to initiate an ASEAN Connectivity Coordinating Committee-India Meeting.
2. India-Myanmar-Thailand Trilateral Highway
3. The Kaladan Multimodal Project,
4. At 18th India- ASEAN summit, India proposed a \$1 billion line of credit to promote physical and digital connectivity in ASEAN

A possible extension to India-Myanmar-Thailand Trilateral Highway to Cambodia, Lao PDR and Vietnam is also under consideration.

Agriculture: India and ASEAN are cooperating by way of projects such as Exchange of Farmers, ASEAN-India Fellowships for Higher Agricultural Education in India and ASEAN, Exchange of Agriculture Scientists, Empowerment of Women through Cooperatives, Training Course on Organic Certification for Fruits, and Vegetables etc.

Science and Technology: Projects such as ASEAN-India S&T Digital Library, ASEAN-India Virtual Institute for Intellectual Property, ASEAN-India Collaborative Project on S&T for Combating Malaria, ASEAN-India Programme on Quality Systems in Manufacturing, ASEAN-India Collaborative R&D Project on Mariculture, Bio-mining and Bioremediation Technologies etc.

Convergence:

1. Commitment to Rule-based World order, multipolarity and multilateralism.
2. ASEAN-centric vision of the Indo-Pacific.
3. Shared concern about great- power rivalry in the region.
4. China as a common geopolitical threat and need to ensure that China's rise remains peaceful.
5. Common desire to deepen economic engagements and diversify supply chain linkages.
6. Tackling traditional and non-traditional security threats and safety of sea Lanes of Communication.
7. Threat of climate change, rising sea level and extreme weather phenomena.

Divergences:

1. India's withdrawal from RCEP and talks about review of India-ASEAN FTA in goods by 2025.
2. India- ASEAN trade is one-fifth of ASEAN-China trade.
3. Delay on the part of India to complete connectivity projects Asian trilateral Highway and Kaladan Multimodal Project.
4. India has been circumspect in its security commitments to the region.
5. There has been a delay in export of military platforms from India.

ASEAN Outlook on the Indo-Pacific

- ASEAN Outlook reinforces the ASEAN-centred regional architecture which is not aimed at creating new mechanisms or replacing existing ones.
- It intends to enhance ASEAN's Community building process and to strengthen and give new momentum for existing ASEAN-led mechanisms, including the East Asia Summit (EAS), the ASEAN Regional Forum (ARF) etc.
- It enumerates the four functional areas through which ASEAN believes collaboration can be tangibly advanced: 1. Maritime cooperation 2. Connectivity 3. Sustainable development 4. Economic and Other Possible Areas of Cooperation.

India's Vision for Indo-Pacific

In the **Shangri La Dialogue**, India's Indo-Pacific vision was explained by the Prime Minister:

- It stands for a free, open, inclusive region, which embraces all in a common pursuit of progress and prosperity. It includes all nations in this geography as also others beyond who have a stake in it.
- Southeast Asia is at its Centre and ASEAN central to its future.
- A common rules-based order for the region formed through dialogue. These rules and norms should be based on the consent of all, not on the power of the few.
- Rather than growing protectionism, India seeks for a level playing field for all. India stands for open and stable international trade regime.
- Connectivity is vital and India is doing its part, by itself and in partnership with others like Japan – in South Asia and Southeast Asia, in the Indian Ocean, Africa, West Asia and beyond.
- India's view can be summarized into five "S" in Hindi: Samman, Samvad, Shanti, Sahyog and Samriddhi.

China and ASEAN:

1. China has become largest trade partner of ASEAN, replacing EU. Bilateral trade is over \$500 billion.
2. They have upgraded their relationship to Comprehensive Strategic Partnership.
3. China aims to strengthen connectivity with ASEAN through Digital Silk Road and infrastructure projects like high speed rail project.
4. Chinese influence has resulted in division within ASEAN. Cambodia, Laos and Myanmar are Pro-China while Vietnam, Indonesia and Philippines have concerns with China.

Challenge:

1. Concerned about great power rivalry.
2. Due to territorial disputes in South China Sea, most nations see China as threat.
3. Fear of China weaponising trade, just as in case of Australia.
4. Concerns against BRI projects: In Laos, locals are complaining about involvement of Chinese labourers, Malaysia had cancelled many projects while Myanmar has scaled down the projects.
5. Due to lack of unanimity, ASEAN is unable to take a common position against Chinese coercion.
6. Capacity difference between ASEAN and China results in poor bargaining capacity of small ASEAN nations.

Myanmar Coup and ASEAN:

Coup in Myanmar: On 1 February 2021 the Myanmar military (also known as the Tatmataw) launched a coup against the civilian government, declaring the results of the November 2020 general election invalid and instating a one-year state of emergency. It stated its intent to hold a new election at the end of the state of emergency. Military has launched crackdown on anti-coup protestors resulting in civilian deaths.

ASEAN's Five-point peace plan for Myanmar Crisis:

- First, there shall be immediate cessation of violence in Myanmar and all parties shall exercise utmost restraint.
 - Second, constructive dialogue among all parties concerned shall commence to seek a peaceful solution in the interests of the people.
 - Third, a special envoy of the ASEAN chair shall facilitate mediation of the dialogue process, with the assistance of the secretary-general of ASEAN.
 - Fourth, ASEAN shall provide humanitarian assistance through the AHA Centre.
 - Fifth, the special envoy and delegation shall visit Myanmar to meet with all parties concerned.
- In 2021, ASEAN banned from meetings.
- ASEAN has now banned Myanmar's generals from meetings until the organization's supposed peace plan makes progress.
- However, Myanmar has not taken efforts from implementation of the proposed plan. In September, Myanmar rejected ASEAN statement condemning the violence in Myanmar, calling the statement biased and one sided.