
UNIT 10 INDIA AND SOUTH EAST ASIA

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10.1 INTRODUCTION

Southeast Asia is comprised of ten countries namely Burma, Brunei, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam. All these countries are members of Association of South East Asian Nations (ASEAN). Burma (Myanmar) shares a contiguous land and sea frontier with India while Thailand, Indonesia and other countries in the region share common maritime frontiers. Needless to say, that they are India's close neighbours, with whom its relations date back to time immemorial. The history of the ancient Southeast Asian Kingdoms, i.e. Funan, Champa, Cambodge, Pagan, Dwarabati, Srivijaya and Majapahit indicate India's intimate cultural ties. The art, architecture, epic and language have had similarities and their origin and growth cannot be understood in proper perspective without understanding their Indian counterparts. Ashoka the Great, had sent his emissaries, Sona and Uttara to spread the gospel of Buddhism in the region of Burma, Thailand, Laos and Cambodia. These nations declared Buddhism as their state religion. The impact of Hinduism still remains as part of their indigenous culture and religion. The ethnic Malays accepted Islam as their religion but the Muslims in Java have not yet disowned their Hindu traditions. Some of them still believe in animism and worship many spirits in different names. Bali remains a Hindu dominated society, and adherents of Buddhism can be found in all parts of the Southeast Asia.

Malacca, Sunda and Lombok are the important sea-lanes linking East Asia with the rest of the world. Singapore, Malaysia and Thailand are industrially advanced. Singapore has an effective service sector in the field of finance, airlines, computers and shipping. Mainland Southeast Asia has diverse mountain ranges and rivers running from North to South, and most of them originate in Tibet. The main rivers are Mekong passing through Laos, Thailand, Cambodia and Vietnam. Other rivers are Irrawadi, Chindawin and Salween in Burma, Menam Chao Phraya in Thailand, Song Koi (Red River) and Song Bo (Black Rivers) in Vietnam. These rivers bring rich alluvial deposits regularly to make the land fertile. Most fertile areas created by these rivers are lower

Burma, Central Thailand, Tongking and Mekong deltas. Thailand and Vietnam are the largest rice exporting countries in the world.

This unit examines various aspects of socio-economic-political features of South-East Asian countries. India's relations with ASEAN countries are analysed in this Unit.

10.2 NATURAL RESOURCES

The Southeast Asian region is richly endowed with natural resources. The region produces 90 per cent of the world's natural rubber, 50 per cent of tin, 75 per cent of world's copra, 55 per cent of palm oil and 20 per cent of tungsten. The gold mines are located in the Philippines and Indonesia and rubies in Burma (Myanmar) and Cambodia. Timber and other hard woods are available everywhere in Southeast Asia. Oil deposits are found in Indonesia, Vietnam, Malaysia, Burma and South China Sea.

The land in Southeast Asia is extremely fertile. Rice, sugarcane, maize, papaya and banana are grown in abundance and the area is an important fishing zone. Soil is mostly alluvial and the climate is tropical. This region is thus richly endowed with fertile nature. The vegetables can be grown even on hilltops.

10.3 FOREIGN POLICY DETERMINANTS

India attaches great importance towards pursuing good neighbourly relations with the countries in Southeast Asia. The policy of "Look East" is the strategy of the Indian diplomacy ever since 1991 and its major thrust has been to improve India's existing ties with the ASEAN region, and promote trade, investment, tourism, science and technology relations. Indian policies are endeavoured to resurrect close historical and cultural ties, which were marred during the colonial period. The Cold War paradigm in the past prevented India to attend various issues in its bilateral relations but the situation changed only after the end of the Cold War. Various initiatives have been taken to rejuvenate our economic, cultural and strategic connections. Total bilateral trade with ASEAN countries has shown increasing trends from 5.98 billion in 1998-99 to 7.98 billion in 2002-03.

ASEAN investments which were dismal during the Cold War period, started coming and confidence was displayed on both sides. Various packages for the promotion of tourism were mooted and now it is not limited only to visit Buddhist sites in *Bodh Gaya*. India is willing to attract investments from the ASEAN region and they have been advocating liberalisation and free trade. ASEAN is trying to reciprocate the Indian gestures. They recognise the importance of India as a great market where they find the existence of middle class people in millions. Besides, they have common historical, religious and security interests. Both of them support the policy of democratisation, liberalisation and free trade. Both are opposed to the rise of fundamentalism and terrorism and both are supporting human rights to be universally respected.

10.4 CONTEMPORARY HISTORY

The history of colonisation and de-colonisation of India and Southeast Asia coincided with each other. The European colonial masters scrambled with each other to occupy different parts of India and Southeast Asia. Great Britain colonised India, Burma, Malaya, Sri Lanka, Singapore

and Brunei. The Dutch colonised Indonesia and the French occupied present Vietnam, Laos and Cambodia as 'Indo-China' by the French rulers. Spain and subsequently the US, colonised Philippines and the anti-colonial struggle started after centuries of colonisation.

A great chunk of the area in Southeast Asia was considered as part of the Indian subcontinent, which was arbitrarily occupied. Indian people were made to understand that in case of de-colonisation, most of the separate areas would rejoin India. Notwithstanding the urge for unity, it was found that India herself was partitioned and lost more territories on Western and Eastern sides as a result of the Mountbatten plan. Together the new country was called Pakistan, which was further formed into two States—Pakistan and Bangladesh in 1971.

However, the nationalist leaders understood the importance of a common strategy and struggle for de-colonisation. They supported one another in the crusade for de-colonisation. The Indian National Congress regularly passed resolutions to express solidarity for the support of the freedom struggle in different countries of Southeast Asia. Prominent Indian leaders, and intellectuals, such as Jawaharlal Nehru and Rabindranath Tagore, travelled in the region and spoke about India's cultural, linguistic and religious ties. On the other hand, Ho Chi Minh (Vietnam), Sukarno (Indonesia), Tunku Abdul Rahman (Malaya) and Bogyoke Aung San (Burma) complemented India and reciprocated the feeling of common solidarity against colonial rulers.

10.5 JAPANESE CONQUESTS

The Japanese conquest of Southeast Asia started in the beginning of the Second World War. They occupied Thailand and forced it to sign a military pact in June 1940 and thereafter swiftly moved to Saigon to force the French Governor to permit the use of ports and airports in Indochina. The military action of the Japanese was very meticulous in defeating the British, the Dutch, the American and the French forces in Southeast Asia and gave the slogan of "Asia for the Asians". The Japanese adopted "the policy of co-prosperity", and promoted local leaders to govern the country. Thus Sukarno (Indonesia), Phibun Songgram (Thailand), Emmanuel Roxas (the Philippines), Bao Dai (Vietnam), Bogyoke Aung San (Burma) and Netaji Subhas Chandra Bose (India) were groomed to provide leadership to their respective countries.

The Indian National Army of Netaji Subhash Chandra Bose had been organised and based in Southeast Asia. Its funding was solely mobilised in Malaya, Singapore, Siam and Burma. The Southeast Asians, with the support of Japan, solidly backed the volunteers and training of the INA. The sympathy and support for the INA volunteers in the Southeast Asia were so deep that none of them were forcibly repatriated even after the defeat of Japan. A large number of INA volunteers from India preferred to stay back in Thailand and Singapore in the postcolonial period.

The Japanese conquest of Southeast Asia had exposed the vulnerability of Indian security. The British rulers were alarmed so much that they sent Sir Stafford Cripps to India to find out the constitutional means to grant freedom to India. The Congress Party advocated that the Britishers should "Quit India" without any pre-conditions. They believed that Indian security was interlinked with Southeast Asia and if the latter had fallen, there was every possibility of India meeting the similar fate. The history is a testimony to the fact that when India was colonised, Southeast Asia too was colonised. When Southeast Asia faced Mongol invasion a little earlier, the geopolitical implications on India were substantial. Today if China is assertive of its territorial rights over

every nook and corner of the South China Sea, including the Spratlys, it is a matter of concern equally for Southeast Asians and the Indians.

10.6 COLD WAR ERA

The end of the Second World War saw the beginning of the Cold War wherein the world was divided into the Western bloc led by the US and the Communist bloc led by the Soviet Union. Greater parts of Southeast Asia were under the influence of the US, which had a substantial military presence in the region. The US had Subic Bay naval base and Clarke air base in the Philippines, Cam Ranh Bay naval base in Vietnam, Sattahip and U-Tapao naval bases in Thailand and several air bases in Thailand and adjoining areas. It was the main destination for military training and the CIA was active in different parts of the Southeast Asia. The US had organised Southeast Asia Treaty Organisation (SEATO in 1954) and had adopted the policy of containment against communism. It was determined to fight against communist movement in Vietnam and was militarily involved from 1964-75 to crush Communism. It was the main party in Vietnam war and was accused of sabotaging Geneva Accord (1954), and Paris Peace Accord (1973). It was opposed to any solution wherein communists could gain power.

India was opposed to the formation of SEATO and the containment drive. It had adopted socialist postures and criticised the American bombing of Vietnam. Although India supported democracy and human rights at the global level, it did not understand the American ethics of fighting communism. Again it was not comfortable with Pakistan, which as a member of SEATO, used the American support in crusade against India. Most of the arms used by Pakistan in its war against India in 1965 and 1971 had been acquired through the US under SEATO arrangements and the US was not ready to address the legitimate concerns of India in the context of impending Indo-Pak war over the independence of Bangladesh. Therefore, India had to sign the Indo-Soviet friendship treaty in 1971. This treaty proved to be a deterrent against US-China support to Pakistan, and solid foundation for India-Soviet cooperation. On the other hand, the US was annoyed to find growing trend for Indo-Soviet relations. It projected India as a satellite of the Soviet Union and constantly worked for isolating India at the global level. As it was influential in the Southeast Asian region, it was substantially successful in isolating India as well as Vietnam.

The situation was complicated after the Vietnamese military invasion in Cambodia in 1978. Vietnam overthrew the Khmer Rouge regime and installed a new government led by Heng Samrin. India was one of the few countries, which accorded diplomatic recognition to Vietnamese installed regime in Cambodia. Japan, China, the EU, the US and the ASEAN were critical of the Indian recognition and the United Nations continued to recognise the overthrown Khmer Rouge regime of genocidal Pol Pot.

The regional environment was full of polemics and rhetorics against Vietnam, India and the Soviet Union. They were projected as hegemonic powers. On the other hand, although China was a communist country, it was portrayed positively. It was viewed as fighting against hegemonic powers. China utilised this opportunity in its favour by strengthening its naval presence in the South China Sea and the Indian Ocean through Burma. It installed military outposts at Coco and Hangii Islands and thus established its strategic presence in the Indian Ocean region. China had never got its foothold in the Indian Ocean, but the political and strategic developments during 1978- 91 helped it to fulfill its strategic objectives. Southeast Asia became fully aware of the

Chinese strategies only after the end of the Cold War. They were alarmed, indeed, after the Chinese forces captured Mischief Reef from the Philippines possession in 1992. China further asserted its position by publishing a Chinese map showing the entire group of the Spratlys under its sovereignty, and derecognising the possession of Vietnam, Philippines, Malaysia and others.

The dissolution of the Soviet Union in 1991 saw the rise of a new world order in which the preponderance of the US was recognised. The US emphasised the importance of democracy, human rights, free trade and patent laws. Thus new issues emerged and collective regional response was required. The ASEAN subsequently felt the need to cultivate partnership with both Vietnam and India because the global interests of all the third world countries were found to be complementary.

10.7 INDIA AND ASEAN

The Association of South East Asian Nations (ASEAN) was born in 1967 and was aimed at promoting regional trade, investment and joint ventures. It proved to be the nucleus of regional cooperation, was booming and looking for new markets and investment opportunities. It found India and Vietnam complementary, now attracting investment opportunities. It also perceived India and Vietnam complementary for strengthening regional political and security profile. Vietnam had started the process of *Doi Moi* (Renovation) aimed at liberalisation, privatisation and globalisation. India on the other hand, adopted the policy of economic liberalisation under the stewardship of P V Narasimha Rao and Manmohan Singh, prime minister and finance minister respectively, in 1991. The new government in India also started initiating the process of liberalisation, privatisation and globalisation. India too announced tax-free incentives for foreign investors. These policies encouraged the ASEAN for further consolidation of its co-operation with India.

ASEAN offered sectoral dialogue partnership to India in 1992. Accordingly, four core sectors of co-operation were recognised, namely trade, investment, tourism, science and technology. Sectoral partnership was instrumental in establishing the institutional linkage between India and ASEAN and the partnership proved so useful that the ASEAN upgraded it within two years to full dialogue partnership in 1995. This facilitated the growth of relationship in different areas with economic, security and political implications. India was invited to participate in the post-ministerial conferences of the ASEAN and also in ASEAN Regional Forum (ARF), the security forum of ASEAN. Subsequently, both India and ASEAN began to talk of a common vision and a shared destiny.

ASEAN-India co-operation committee was established to function as a key institutional mechanism to provide substantive content to different sectors of co-operation. ASEAN-India working group was also established to find out the areas for co-operation in science and technology, trade and investment, human resource development and culture. The Joint co-operation committee recognised the Indian expertise in the field of science and technology, especially in biotechnology and IT (Information Technology). Proposals were given to co-operate in food processing, health care, agriculture, engineering, electronics, communication and service sectors.

The meeting of the ASEAN-India co-operation committee decided to set up the India- ASEAN fund to develop co-operation in trade, investment, tourism, computer technology, solar energy and environmental protection. This fund was placed at the disposal of ASEAN Secretariat and

administered by a joint management committee. Joint co-operation committee also agreed to set up an ASEAN-New Delhi committee consisting of the heads of diplomatic missions of the ASEAN countries. The then Indian foreign secretary J.N. Dixit announced the scheme of scholarship and said that each side could offer six post-doctoral fellowships upto six months in the area of science and technology. India and the ASEAN region also started ASEAN lecture series from eminent persons under which prominent ASEAN leaders and intellectuals delivered their lectures in India and vice versa. This has proved useful in the confidence building and objective understanding of the issues in the foreign policy and diplomacy of the ASEAN *vis-a-vis* dialogue partners.

10.8 TRADE AND INVESTMENT

Economic paradigm is the main thrust of co-operation with the ASEAN. India has one billion population of which a major section is comprised of the middle class. As India believed in the socialistic drives and the nationalisation for decades, its relationship with ASEAN was limited. In 1991-92, when India embarked on the policy of liberalisation, the ASEAN group accounted for six per cent of India's total exports but for ASEAN it was less than 1 per cent of their global trade. This situation started changing in the post-Cold War era. Indian expertise in IT, software development, small and medium enterprises and development of infrastructure, particularly in the area of power generation, transportation and construction were appreciated. Certain areas on the territorial borders of Southeast Asia were planned to be included in the growth areas. These included Andamans and Northeast part of India. Though, these proposals have not been operational so far, the potentials for future cooperation are streamlined.

Trade turnover and the growing investments between India and ASEAN display confidence in each other and enhanced scope for closer partnership. India's trade with Thailand has touched more than \$ 1 billion per year. India exports gems, precious stones, cotton and fabric, urea and fertilizers etc. and imports pulses (*urad* and *moong*), rubber, synthetic fibre and inorganic chemicals.

The two-way trade between India and Malaysia which amounted to \$ 772 million in 1994, has also touched billion plus now. India imports palm oil, petroleum, crude rubber and non-ferrous base metals and exports engineering goods, building materials, textile, yarn, chemicals and pharmaceuticals, molasses, fruits and vegetables.

India's trade with Singapore, which accounted for nearly \$ 44 million in the past rose to \$ 1.5 billion in 1992 and is increasing at the rate of 10 per cent per year. India imports engineering goods, oil rigs, palm oil, organic chemicals, glass and telecommunication equipments and exports textiles, spices, fodders, inorganic chemicals, jute, fruits and vegetables.

Trading figures with Indonesia, Philippines, Vietnam, Laos and Cambodia have also shown increasing trends. Burma is also emerging as an important trading partner after the opening of Tamu-Moreh borders. India is supporting a constructive engagement policy *vis-à-vis* the Burmese military regime and it is treated as an important gateway of trade especially with the ASEAN region. India and Burma signed an MoU on 20 May 2001 agreeing to the maintenance of Tamu-Kalemyo-Kalewa road. Multimode transport projects concerning the upgradation of Sittwe port, navigation on the river Kaladan, and highway development from Kalewa to India-Burma border in Mizoram were other areas of co-operation. Energy related projects including solar, fossil fuel

and hydroelectric energy remained items for future co-operation.

Bilateral trade figures between India and Burma stood at US \$ 7 million, with Indonesia at \$ 1,186 million, and with Malaysia \$ 1,544 million in 1996-97. The Indian exports to the ASEAN region has been largely in the areas of animal feed, cotton, rice, groundnut, synthetic fibre, machinery and bio-chemicals. There is a great potential for trade in a range of products such as auto parts and components, electronic components, railway equipment, computer and software, synthetic and organics. Indian steel, herbal products, textiles and yarns are in great demand in the region.

The bilateral trade with the Indo-Chinese countries is also increasing. In 1997-98, bilateral trade with Cambodia amounted to Rs. 10.3 crores. India donated medicines worth Rs. 5 lakhs for humanitarian assistance and evinced interest in assisting agricultural development. On the other hand, bilateral trade with Laos increased to Rs. 2.9 crores in 1998 compared to Rs. 1.3 crores in 1996. Several Indian companies such as Kirloskar, Tata, BHEL., etc. showed interest in exploring Laotian market. Kirloskar exported irrigation pumps valued at US \$ 30 million in 1998. Again bilateral trade with Vietnam registered a marginal increase of 12.5 per cent over the 1996-97 volumes of Rs. 425.2 crores. As far as Indonesia was concerned, bilateral trade amounted to Rs. 4330.3 crores as compared to Rs. 4226.2 crores in 1996-97. However trade with the Philippines showed a downward trend in 1998. India's export to the Philippines at \$ 90 million was down by 31.36 per cent in 1996-97.

10.9 BIMSTEC

BIMSTEC is a sub-regional economic grouping involving Bangladesh, India, Myanmar, Sri Lanka and Thailand. This is the first grouping of its kind in which two ASEAN partners have come together with three South Asian Countries for economic cooperation. Established in 1998, this grouping has already identified important areas for cooperation such as communications, infrastructure, energy, trade and investment, tourism and fisheries. Each country has assumed a specific responsibility for coordination and important projects under consideration of the forum have been Asian Highway Link, Asian Railway Network and a Natural Gas Pipeline Grid. Constituted on the Bay of Bengal Rim, BIMSTEC aims at tapping the vast potential of resources, both natural and human in this sub region.

BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation) is endeavoured to provide an economic forum with both private and public sector participation from member countries to promote a high level exchange of views relating to trade, investment and economic cooperation. The primary emphasis is on the exchange of views on sectors such as textiles and clothing, drugs and pharmaceuticals, gems and jewellery, horticultural and floricultural products and information technology. Economic and Social Commission for Asia-Pacific (ESCAP) hosted an expert group meeting in March 1998 at Bangkok to promote private sector participation in the BIMSTEC process. There were more than 80 participants at the meeting from all five countries. The meeting urged the private sector to play a key role in enhancing economic cooperation and concluded with a series of general and specific recommendations.

A BIMSTEC chamber of commerce and industry was established and decided that there would be annual meetings of BIMSTEC Economic and Trade ministers to follow up on the implementation

of economic cooperation initiatives. A BIMSTEC Senior Economic Officials Committee (SEOC) was also established. The responsibilities for the various sectors identified for cooperation were delegated amongst the five countries, as follows:

Bangladesh	-	Trade and investment
India	-	Technology
Thailand	-	Transport and Communication
Myanmar	-	Energy
Sri Lanka	-	Tourism and Fisheries.

It is remarkable that the economic ministers agreed that BIMSTEC should aim and strive to develop into a free trade arrangement. The new sub-sectors were added to the aforementioned five sectors for future cooperation and they were the following:

- i) Commodities such as rubber, tea, coffee, coconut and spices.
- ii) Automotive industries and parts thereof.
- iii) Processed food.

BIMSTEC Ministerial meeting in Dacca on 19 December 1998 stated: “We emphasise the need for establishing a BIMSTEC economic forum which will work as an important engine of greater economic cooperation and progress within the BIMSTEC sub-region. We reiterate our resolve to take all necessary steps to making the BIMSTEC economic forum operational for convening at the next ministerial meeting”. It stated further that, “conscious of the important role that can be played by transport and communication linkages in enhancing commercial, industrial, cultural and social interaction and tourism, we reiterate the emphasis that we place on developing rail, road, multi-modal transport, shipping and air-linkages. This would reinforce complementarities arising out of the Bay of Bengal rim identity of BIMSTEC”.

The BIMSTEC meeting in Myanmar in December 2001 emphasised the desirability of strengthening linkages among the think tanks of the member countries. They also agreed to explore external financing of Mekong-Ganga Co-operation (MGC), a programme of action involving India and Indo-China states. It was hoped that the flexible nature of the co-operation agenda, ranging from culture and tourism to transport and communication could enable speedy progress. MGC involves India with five ASEAN countries, namely Cambodia, Laos, Myanmar, Vietnam and Thailand. It is endeavoured to build a road linking Thailand to India through Myanmar. MGC wants to go a long way in developing the infrastructure for transnational trade involving India’s northeast border, Myanmar, Mekong region and beyond. Located between India and China, Mekong region is very important for India’s security, peace and trading with East Asian countries.

The first India-ASEAN Summit, which took place at Phnom Penh in November 2002, had focused attention on relations with the countries in the Mekong region. Prime Minister A.B. Vajpayee on this occasion spoke about the common visions and designs with the ASEAN. India extended \$ 10 million credit to Cambodia and signed three agreements in the areas of trade, technical education and maintenance of the 1000-year-old Tam Pram Temple. India also accorded/ granted greater tariff concessions to Myanmar, Laos, Vietnam and Cambodia. It was considered as an important gesture towards the ASEAN.

10.10 SECURITY COOPERATION

Security cooperation between India and Southeast Asia had started during the Second World War. The Indian National Army of *Netaji* Subhas Chandra Bose had been strongly backed by the Southeast Asians and the INA headquarters were based in Singapore. The INA volunteers infused a sense of patriotism and independence and it had a great appeal in mobilising the people in anti-colonial struggle. The INA had conquered territories near Assam and Meghalaya but it had to withdraw after the disappearance of *Netaji* and the defeat of Japan. Had INA been successful in its objectives, the strategic ties with Southeast Asians would have been impregnable.

When India became independent, it signed defence treaties with Burma and Indonesia. Accordingly, the defence forces of Indonesia and Burma were given advanced training in India and it was reciprocated. But defence relations with both Burma and Indonesia were halted in 1957-58 and thereafter they could not be revived due to Cold War paradigm.

When ASEAN was born, it was viewed as an anticommunist organisation and therefore India was not ready to associate with the ASEAN activities. The ASEAN countries also did not want to involve India in defence matters. India-ASEAN relationship began to improve only after the end of the Cold War, when the Indian Navy was invited to join in the joint exercises with the ASEAN countries.

Southeast Asia has been facing substantial threat to its security and its stability. Security threat in the past was posed by the threat of communist subversion but now the threat of fundamentalism and terrorism are substantial. The external threat they perceive emanates from the northern region. Japan had invaded Southeast Asia during the Second World War and now the threat of China is underlined.

China has a presence in the Pacific and the Indian Ocean and its Navy is impregnable compared to the ASEAN states. It is keen to fill up vacuum in case of the American withdrawal and in that endeavour, it has established Naval installations at Pescadores (Pengshu), Pratas (Dongsha), Paracels (Xisha), Spratlys (Nansha), Coco and Hangii.

The ASEAN states are afraid of China and willing to strengthen security profile by allowing the United States to retain their bases in the region. Malaysia offered Lumut Naval Dockyard, Thailand offered Sattahip Naval Base and similarly Singapore, Indonesia and Philippines offered strategic facilities to the United States.

In this context, ASEAN countries prefer to collaborate with India. Malaysia, Indonesia and Singapore also looked for security connections with India. Initially India agreed to give training to the Royal Malaysian airforce pilots on MIG-29 aircraft. The Malaysian Navy showed interest in buying Indian fast patrol craft boats. ASEAN states were ready to share Indian expertise in Marine Commando training, postal surveillance, and anti-piracy operation, weather observation, coastal search and rescue operation, defence of ports and harbours and shallow water mining etc., India also offered to provide coastal surveillance radars and L-70 guns.

India took part in UNTAC activities in Cambodia along with the ASEAN countries and the subsequent participation in strengthening defence system in Southeast Asia proved to be effective

in confidence building. Therefore, India became a member of the ASEAN Regional Forum (ARF). The objective of the ARF has been promotion of confidence building, development of preventive diplomacy mechanism and conflict resolution mechanism. ARF has 24 members in which ASEAN has the leading role. It is mainly aimed at resolving political and security problems. The style of ARF is *musyawarah dan Mufakat* (consultation and consensus). ARF has promoted track -1 and track -2 diplomacy to resolve regional security problems. Track-1 is conducted at institutional levels such as ARF, ASEAN or individual ASEAN governments but Track-2 aims at mobilising non-governmental organisations, business groups and strategic institutions in the region. In Track-2, preventive diplomacy is preferred so that the belligerent is restrained.

The principal objective of the ARF as stated earlier was to foster constructive dialogue and consultation on the political and security issues of common interest and concern. India was associated with this organisation so that it could contribute to regional understanding, confidence building, and preventive diplomacy in the Asia-Pacific. India has been supporting the regional consensus and constructive engagement policy with Myanmar. It has invited ASEAN for joint exercises in the Andamans and attached importance to China despite border problems.

The ARF achievements are not impressive so far. The much talked about transparency in the defence matters has yet to change. Many members of the ARF do not publish defence white papers and those who do so, reveal nothing. At the same time, official defence spending figures are not trusted. The earlier plan to create a regional arms register for conventional arms transfer has remained only on paper. It has done nothing to curb drug trafficking or rapid spread of light weapons to the criminal and rebel groups. Again it failed to take any initiative on the issue of East Timor and the rise of terrorism.

The problem of terrorism is substantial in the region and they are of different types. First of all, Southeast Asia is the biggest producer of opium and opium related products. There are connections between drug peddlers and insurgent groups in the Northeastern part of India, comprising Assam, Meghalaya, Arunachal, Nagaland, Manipur and Tripura. The drug peddlers have a network and collusion with politicians, terrorists and police and they supply narcotics inside and outside the region. The American President, Bill Clinton, had highlighted the threat of narco-terrorism before the UN General Assembly by saying that “no one is immune, not the people of Latin America or Southeast Asia, where drug traffickers wielding imported weapons have murdered judges, journalists, police officers and innocent passerby”.

Cox Bazar provides an important market for the sale of M-16, different types of Kalashnikovs, Ak47, and Chinese guns. The weapons left by the insurgents during the Vietnam War and the Cambodian civil war are cheaply available through arms dealers in Southeast Asia. The insurgents in the region are in liaison with arms merchants and rebel groups in Aceh, Ambon, Mindanao and West Irian are constantly getting their supplies. This problem has been very chronic, which eludes an effective solution.

Islamic terrorist outfits cause the most important and immediate threat to the Southeast Asian security. They are spread in different parts of Southeast Asia and have linkages with the terrorist organisations at the global level. *Al Qaeda* has supporters in Indonesia, Malaysia and the Philippines and they have their secret cells in Singapore, Bangkok, Jakarta and other areas.

Islamic terror groups are striving for *Darulah Islamiah Raya* (DIR) aimed at the creation of a

union of the Malay world. The areas comprising DIR are Malaysia, Singapore, Indonesia, Burma, Mindanao and Patani. They have trained militants and acquired modern weapons. They want to overthrow the existing order and establish Taliban type of regime in the region. Thus unity in diversity (Bhineka Tunggal Ekka) and Panchshila principles, which were the guiding principles of governance in Indonesia, have been threatened. Brunei and Malaysia are constantly reviewing their policies to cope with the demands of the terrorist groups. Although both Brunei and Malaysia had to declare Islam as the state religion, it was not sufficient to please the terrorists.

A new history of terror and bloodshed started in Indonesia on 12 October 2002, when *Jemaah Islamiyah* (JI) bombed the tourist resort at Bali. This event had international ramifications. In this bombing 190 people died and 300 were injured. Majority of the victims were from Australia, Britain, France, Germany and Sweden. India was alarmed and it was one of the first countries to express its anguish. The American ambassador in Jakarta, Ralph Boyce met president Megawati and told her to wrap up the terrorist cells, block them and demonstrate that they were serious. The US emphasised that Indonesia has been a terrorist haven after the bombing in Bali and ordered 350 Americans connected with the US embassy to leave the country. A terrorist strike took place in a 5-Star hotel in Jakarta in July 2003, killing a number of innocent people in a car bomb explosion.

The US denounced the Bali bombing by calling it a despicable act of terror. Abu Bakar Bashir was projected as the main leader of the crime and JI was declared a terrorist organisation. Hence it is a crime to contribute funds to JI. Members of JI were debarred to enter the United States.

The terrorist outfits are disliked because of their inhuman attitude. They are propagating *Jihad* for their adversaries and they kill their fellow Muslims for offering opposite opinion. They do speak of *Shariat* laws and Islamic ethos for governance but it is theocratic in nature.

India is also facing the threat of Islamic terrorism in Kashmir. Over two lakh Kashmiri *Pandits* have been driven out of their homes and their properties have been usurped. The terrorists are killing innocent people in the valley regularly and the terrorist outfits are strongly backed by Pakistan and some other Islamic countries. The Government of India has been trying to resolve the dispute but the bloodshed and dispute remain as before.

However, the experiences in Indonesia show that terrorism thrives even under one religion. Islam, by all means, has been given due importance in Indonesia, but the Islamic terrorist organisations are not ready to recognise this reality. They talk of Darul Islam, or Islamic raya or *Al-Qaida*. Thus both India and Indonesia are facing similar problems and they have many common ideas to share for conflict resolution and peace making. Other partners in the ASEAN have expressed much concern for political developments in Indonesia especially after the Bali massacre. They have arrived at a consensus to fight terrorism and enlist the cooperation of India to the extent possible.

10.11 SUMMARY

India's relation with Southeast Asia has been deep-rooted and integrated with one another. The Indian influence in Southeast Asia is visible to such an extent that some Indians commit the error of projecting them as Indian territories.

India's relations with Southeast Asia were disturbed during the Cold War period because of three factors. Firstly, it opposed the American policy of containment and the formation of SEATO. Secondly, it expressed its solidarity with the communist forces in Vietnam. It upgraded its diplomatic relations with North Vietnam in 1972 and exchanged ambassadors. But it did not offer the same privilege to South Vietnam. Another issue, which came in the way, was India's diplomatic recognition to Vietnamese installed regime in Cambodia in 1979. The ASEAN was unhappy with India's decision.

Thirdly, India became friendly with the Soviet Union and Vietnam, which were disliked by the Americans and the pro-American leaders in the Asia-Pacific. The adversarial environment changed only after the end of the Cold War.

India became a Sectoral partner of the ASEAN in 1992 and a dialogue partner in 1995. It was thereafter that the relations began to improve. The core sectors that were identified for cooperation are trade, investment, tourism, science and technology, IT, biotechnology and human resources.

India is a member of the ARF and thus India and ASEAN are cooperating in security matters. India has been participating in the ASEAN post-ministerial meetings and the ARF meetings and has contributed to confidence building and peace making.

When Pokharan-II was conducted in 1998, America, Japan and Australia displayed great anger but some of the ASEAN countries expressed appreciation of India as a nuclear power.

India and ASEAN have similar views on the threat of terrorism. They believe that terrorists are inhuman, who have no respect for religion or human ethics. The ASEAN countries have displayed better understanding of India's problem in Kashmir and the seven states of the Northeast. Unlike during the Cold War period, they are not supporting polemics against India.

To conclude, India's endeavours at conducting good neighbourly relations with Southeast Asia are paying dividends in the economic and strategic terms. This has the support of the Indian Parliament and of all the countries in the region, so that Asia-Pacific might emerge as an important centre for democracy, free trade and globalisation.

10.12 EXERCISES

1. Define Southeast Asia and its geopolitical connections with India.
2. Why did India fail in promoting India-ASEAN ties during the Cold War?
3. Discuss the achievements of India's dialogue partnership with the ASEAN.
4. Analyse India's security connections with Southeast Asia in view of its association with the ARF.
5. Examine the prospects of cooperation under BIMSTEC and its achievements.
6. Evaluate the thrust of "Look East" policy and its impact on India.