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FIRST ANNUAL SEMINAR INDIA'S LOOK /ACT EAST POLICY:A COMPREHENSIVE REVIEW



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Background

On cessation of cold war hostility between the Eastern and the Western blocks and breakup of the erstwhile USSR, India found itself in policy wilderness and was forced to revisit its strategic options. India undoubtedly is geo strategically well located to leverage its power as a pivotal country in the Indian Ocean . At the same time, it is at a disadvantage being sandwiched between two nuclear neighbours who have unsettled borders with India and also connive to jeopardize her development and growth to become a major power.

As a result of economic crisis of 1991 where Indian economy was barely able to meet her foreign exchange obligations, India had to look for options to ensure her strategic and economic future. The problem continues to be further accentuated by the fact that India geographically lies in a very unstable and volatile

neighborhood which is marked by insurgencies and economic backwardness. As a result of the above circumstances, India's Look East Policy took shape.

One view expressed by sandy Gordon in the East Asia forum on India's look East policy was that India's Look East Policy was initiated out of failure :The failure of India's cold war strategy of playing both ends against the middle while at the same time attempting to adopt a pro-soviet 'tilt' and the failure of India's command economy, which by 1990 had managed to command only 0.4 percent of world trade – insufficient to cushion India from 1989-90 oil shock. While the collapse of Soviet Union was no fault of India, it left New Delhi searching for an alternative set of economic and strategic approaches. The look East policy seemed to fit both needs.¹

¹ Gordon, Sandy (2010), *India's 'Look East' as History* [online] eastasiaforum.org



Rising China and its growing influence in Asia including South East Asia necessitated India's policy makers to reach out to countries of East and South East Asia some of whom have territorial and maritime disputes with China. Look East policy was launched by the Narasimha Rao Govt in 1991 with the aim of developing political contacts, increasing economic integration and forging security cooperation with countries of South East Asia. The policy marked a shift in India's perspective of the world, where the strategic and economic importance of South East India to India's national interests was recognized.² This policy was vigorously pursued by the subsequent governments of Atal Bihari Vajpayee and Manmohan Singh. PM Modi gov't has upgraded this partnership to Act East Policy.

The Look East Policy during the period 1991 to 2003 mainly concentrated on trade and investment with members of ASEAN, however since 2003 the reach of this policy has been expanded to focus on countries of East Asia as well. The policy is also aimed at achieving the objectives of regional integration, implementation of reforms and liberalization thus resulting in economic growth and development.

The year 2017 marked the Silver Jubilee of Indo – ASEAN Partnership, 15 years of summit level engagement and 50 years of ASEAN. It also marked five years of strategic partnership between India and ASEAN. There are 30 sectoral dialogue mechanisms and seven ministerial level initiatives to promote this partnership. In order to further consolidate trade and investment, new areas such as global production networks (GPNs) new technologies, artificial intelligence and services are being explored.³

² Mir, Javid Ahmad (n.d.) *India's "Look East" Policy: Its Evolution, Objectives and Approaches* [online] pen2print.org

³ Chaturvedi, Sachin (2018) *India-ASEAN ties hold the key to Indo-Pacific stability* [online] hindustantimes.com

ASEAN forms the foundation of India's Look East Policy. ASEAN represents the most institutionalized and most acceptable grouping of all major world powers. It has gained further importance with the global power shift from Antarctica to the Pacific. As a result of these changing power dynamics and keeping India's own strategic interests in mind, the upgradation of Look East to Act East policy was formally enunciated by Prime Minister Modi during the 12th India-ASEAN Summit in Myanmar in Sep 2014.⁴ In order to consolidate this partnership further as also to exhibit the closeness of this relationship to the world at large, India invited all ten heads of State of ASEAN countries as chief guests for the Indian Republic Day on 26 Jan 2018.

The world media widely covered the presence of 10 ASEAN heads of state in a very marked endorsement of India's growing integration into SE Asia which is nudging discourses on Asia Pacific geopolitics towards new Indo-Pacific formulation with India at its centre.⁴

Indian gov't has been giving a push to upgrade the BIMSTEC initiative. One reason for India pushing for multilateral Asian cooperation in the form of BIMSTEC is to further consolidate the India-ASEAN partnership and bilateral free trade agreements with various countries. Another factor is the failure of SAARC where continuous acrimony between India and Pakistan does not allow any major regional cooperation initiatives to take shape.

Besides the politico-security engagement, Modi has sought to take the India – ASEAN partnership into socio – cultural and civilizational connect that underlines India's advantages over other world powers. Closer links to Buddhism and Ramayana from the first millennium have been revised.

⁴ Singh, Swaran (2018), *India-ASEAN Summit: Modi's Act East Policy* [online] hindustantimes.com.

Initially, the Look East Policy primarily concentrated on ASEAN. However over a period of time and with the fast changing strategic landscape in Asia, the Look East and Act East policies highlight India's military, political and economic interests along with those partners in the East. Modi doctrine emphasizes enlarging an earlier Indian mindset confined to South East Asia to include entire East and spreading to west Asia and Africa. India and Indian Ocean are appropriate halfway points between west and SE Asia.⁹

Strategic Perspective

India's look east policy has two strategic dimensions: one looking at the connectivity and strategic importance of India's NE which is the surface transport connect with the South East Asia and second is the fast changing strategic dynamics of East including SE Asia, the Pacific and the Indian Oceans. In order to make success of India's look/act east policy, India needs a vibrant and well developed North East Region (NER) which is strategically, an extremely important part of India. Prior to independence NER consisted mainly of Assam and the kingdoms of Manipur and Tripura. NER as a distinct geographical region comprising of eight states of Assam, Meghalaya, Mizoram, Tripura, Nagaland, Manipur, Arunachal and Sikkim took shape over the years. One of the key critical aspect of this region is its connectivity with rest of India which is through the narrow Siliguri corridor. The region was further isolated from rest of India due to partition in 1947 which resulted in creation of East Pakistan (now Bangladesh). It is ironic that distance between Kolkata and Agartala through Bangladesh is about 550 Kms whereas it is almost 1250 Kms through the Siliguri Corridor. Post partition direct movement between Eastern parts of India from port cities like Kolkata and Agartala has international ramifications. To add to this isolation is the absence of Indian ports in the vicinity of NER which has adversely affected the economy of the region. Per capital income

of Assam prior to independence was more than the national average whereas it is almost 30% less than the national average as per the 2016 estimates. Waterways connecting East India (Kolkata) to NER ceased to exist post the partition which were very well established prior to 1947. India has a total of 15106 Km long border of which almost 60% lies with countries neighboring NER states.⁵ NER is connected with rest of India through a narrow Siliguri Corridor of about 23 Kms width which makes the region extremely sensitive from the security pt of view. NER shares borders with Bhutan, Nepal and China on its north, Myanmar on its East and Bangladesh on her South and West. The region provides access for China to Bay of Bengal and the Indian Ocean. Lhasa is 1200 Kms from Kolkata port and Kunming is 1200 Kms from Sittweport in Myanmar. Myanmar is the sole land link between NER of India and other ASEAN Countries. Not only is the infrastructure in the NER of India extremely underdeveloped, it continues to be very deficient in Myanmar as well thus impeding the integration with East Asia and ASEAN. Moreover, the Indo-Myanmar border is extremely porous and runs along hilly and inhospitable terrain which lacks basic infrastructure. As a result, it provides adequate cover to illegal activities of various Indian insurgent groups besides anti-social elements including smugglers who also indulge in drug trafficking.⁵

Another Impediment to establishment of good surface connectivity to East and SE Asian countries through India's NE is the fragile security situation in the NE states. The security situation in the North Eastern states has remained complex for quite some time because of diverse demands of ethnic groups and various militant outfits. The situation has improved over the last few years substantially.⁵

⁵ Ministry of Home Affairs, Government of India, *Annual Report 2016-17 (border management)*



Keeping in view the multiplicity of diverse ethnic groups, the resultant complex situation in the region, the central govt has been pursuing a policy for talks/ negotiation with such groups which categorically abjure violence, by laying down arms and seek solutions for their problems peacefully within the framework of Constitution of India.⁵

Unprecedented rise of china is a shared concern and ASEAN nations engage India as their alternative to an increasingly assertive China. However, neither side seems willing to confess or address this dichotomy of their dependence and discomfort with China. India's confrontation at Doklam last year saw ASEAN wary of taking sides.⁴This aspect needs to be correctly understood and factored in by the policy makers in India.

India needs to have more maritime presence in the South China Sea without putting the ASEAN countries of the region in a difficult situation. While there is a need to expand India's security profile, it needs to balance her position between China and the ASEAN. USA and Japan are pushing ASEAN for larger role in the Indo-Pacific security architecture. The term Indo-Pacific has been repeatedly used in the recent past in American official briefs. This obviously implies a more pro-active role which the USA expects India to have in this region specially with respect to maritime security so as to contain assertive Chinese influence and establishing rule of law.⁶

As stated above the term Indo-Pacific has gained frequent references recently by the USA. During the interaction between President Trump and Prime Minister Modi on the sidelines of ASEAN Summit in Manila in 2017, Modi pitched for a vision of India and US working together in Asia and rest of the world. Modi's remarks reflected the growing convergence on strategic issues between the two sides at a time when

India, Australia, Japan and USA have stepped up efforts to formalize a quadrilateral alliance aligned at keeping the Indo-Pacific region free, open and inclusive. They pledged to enhance their cooperation as major defence partners resolving that two of the world's great democracies should also have the world's greatest militaries.⁷

Increasing attention and effort by India in this partnership has a historical perspective. India was embraced as a partner in 1992 by the ASEAN. Now, when doubts have been cast about efficacy of the ASEAN in dealing with hard nosed strategic issues and keeping the flock together, India has returned the favour and embraced ASEAN as the "driver of Asian Regionalism".⁸

North Eastern Region and Look East Policy

One of the objectives of India's Look East Policy was development of India's NER states and use the region as a launch pad for trade with South East Asian countries. Unfortunately lack of industrial base, fragile security situation due to prevalent insurgencies and lack of infrastructure has been a major impediment in achieving this objective. Corruption and lack of accountability of the local govts and the administration are other impediments in the development of the NER. Moreover, alternate modes of transportation via the sea are quicker and cheaper since the industrial base/ sources of export lie in mainland India and not the NER. It is imperative to have peace in the region to give impetus to investment, development of industry and infrastructure so that it becomes the base of trade with the ASEAN nations. Another aspect which merits attention is the human resource of this region. While the locals are well educated and capable, the work culture and problem solving capabilities of the locals are a suspect. Prevalence of AIDS and drug abuse take a heavy toll of the human resources.

⁷ Agencies (2017) *ASEAN summit: Modi meets Trump in Manila, says India and US can work for future of Asia* [online] hindustan-times.com.

⁸ Mishra, Rahul (2018) *ASEAN promises still to keep* [online] indianexpress.com

⁶ Saran, Shyam (2018) *India-ASEAN ties: A cup half full?* [online] hindustantimes.org

Myanmar is critical to surface links with ASEAN markets. Lack of development, poor infrastructure and insurgency in Myanmar are major hindrances to movement of goods through Myanmar to Thailand and other ASEAN economies. Border trade facilities development of the local areas specially is a large country like India where the major domestic markets are far away compared the markets located at the international borders on either side are is another aspect which can be explored. However the aspect of being flooded with cheap Chinese goods and illegal smuggling are the areas of concern while implementing such initiatives.⁹ Informal or illegal trade with NE neighbours like Bangladesh is substantial which must be regulated so that legitimate benefits accrue to the locals.

Impact of Sino Indian relations

China is a giant economic power now flexing her muscles in the international arena on the threshold being a super power. Despite apparently cordial and peaceful relations between India and China, it stays a major competitor. China is a \$12 trillion economy with \$450 billion trade with ASEAN and will continue to be a Major factor in the India-ASEAN equation. Despite this, India and ASEAN have the capacity to ensure that China respects the international norms and laws. This partnership is now adopting flexible strategies of 'Containment and engagement of China'.⁴ It also needs to be noted that ASEAN countries including Vietnam ensure a careful balancing act so that they build their relationships with USA/ Japan without annoying China¹⁰ It needs to be noticed that China has settled her border disputes with all her neighbours except India and Bhutan. This issue remains a tool in Chinese hands to create tensions between India and China at any time in future. A conflict prone environment is

certainly detrimental to economic prosperity and growth which is desperately needed for a country like India. China's economic might and policy of grabbing all economic opportunities around India has rightly been termed as 'string of pearls strategy'. These economic investments by China in the field of critical infrastructure like ports have serious strategic and security connotations.

Doklam Issue

To elaborate the above observation, we may take note of the Doklam incident. It may be observed that China follows the policy of 'Nibble and negotiate' both along the land and maritime borders.¹¹ China is no longer following the Deng Xiao Ping's strategy of 'biding time and maintain low profile' because it feels a time has come for it to be assertive in the international arena. Therefore, the present lull at Doklam can at best be taken as a pause and we should expect China to come up with fresh actions in a different location and may be in a different format. We need to understand that there are no short cuts and quick solutions to counter an assertive China. India needs to have a strategic alliance with countries such as Japan, Vietnam, Australia and USA who also need to counter China's assertiveness besides building our own economic and military might.

China has emerged as India's top trading partner yet the resolution of border dispute between the two countries is nowhere insight. China has mutually beneficial trade links with most countries but its brazen claims in the South China Sea make these countries apprehensive about the future.

Another vulnerability of India with respect to China is the fact that major rivers that flow through the North East India originate from Tibet. Recent news of China building dams to divert water to other water starved regions is worrying. The issue of exploitation of upper reaches of

9 Tripathi, Sudhanshu (2017) *Why India is switching from a Look East to an Act East policy* [online] atimes.com

10 . Dikshit, Sandeep (2018) *What after the photo-op?* [online] tribuneindia.com

11 . Dwivedi, G. G.(2017) *Lull at Doklam: Time for a Holistic Strategic Review* [online] idsa.in



Siang River (Known as Tsango in Tibet) probably by constructing 1000 Km long tunnel to divert the water to Xinjiang was raised by the Arunachal MP, Mr Weiong Ering as Siang turned muddy in Arunachal.¹²

Myanmar's Role in India's Look East Policy

India's shares a porous international border (IB) 1643 Kms with Myanmar. The IB passes through extremely inhospitable terrain which is difficult to monitor.⁵ Not only is Myanmar the only land connection with other ASEAN countries like Thailand but also houses a number of tribes which live on both sides of the Indo-Myanmar border. Myanmar also faces a number of Insurgent movements by these tribes with whom the military Junta over the years had some sort of cease fire arrangement. Despite cordial relations with India there has been no pro-active action by the Myanmar military against anti India insurgent groups who take shelter in Myanmar. Most of the ASEAN countries are extremely well developed economies whereas Myanmar which neighbours India is an extremely underdeveloped country with a poor economy to say the least. Chinese investment and influence is immense whereas India held itself back for a long time on moral grounds of not dealing with a non-democratic regime, thus leaving the field open for China for a long time. China considers Myanmar as a link to access the Bay of Bengal which will facilitate trade and economy of Southern region of China (Kunming). With transition to a democracy India needs to upgrade its engagement with Myanmar to a next higher level. India needs to resolve the impediments to construction of 1360 Kms tri lateral highway to Thailand through Myanmar for which Myanmar recently sought time before signing the vehicle pact.¹³

12 Karmarkar, Rahul (2017) *Siang River turns muddy but Arunachal Pradesh is happy with diversion* [online] hindustantimes.com

13 Jacob, Jayanth and Das Gupta, Moushumi (2018) *Myanmar seeks time to sign vehicle pact as India speed up highway to Thailand* [online] hindustantimes.com

Energy security, border trade and people to people contacts are other areas of cooperation which India needs to pursue to ensure Myanmar actually becomes a link between India and ASEAN Countries. ¹⁴Inclusion of Myanmar in China's one belt one road project further emphasizes the urgency to act fast to produce tangible results in the relationships with Myanmar in the areas of infrastructure, trade and security.

Recent turmoil in Myanmar over the Rohingya issue has further complicated India's position. There has been an influx of Rohingya refugees into India who are now scattered all over the country. Indian government feels that they are a security threat as there are reports of them being radicalized and exploited by Pakistan based jihadi organisations. While India was in a fix whether to criticize the Myanmar govt or not over the excesses, China was quick to take over the role of a mediator between Myanmar and Bangladesh over the repatriation of refugees from Bangladesh to Myanmar.

Economic and Trade Perspective

Trade with South East Asia was one of the Cornerstone of the idea of India's Look East Policy besides strategic, social and security issues. To exploit this aspect of the relationship, a lot more needs to be done by the Indian govt.

ASEAN is India's fourth largest trading partner. ASEAN accounted for 10% of India's exports in 2001 which has declined to 8.7% in 2016. On the contrary, imports have increased from 8.3% to 11% during the same period. ASEAN accounted for 22% (\$18.4 billion) outbound FDI from India whereas there was 12% investment flow into India.³ India and ASEAN signed a free trade agreement in goods in 2009 and now they are preparing to sign India-ASEAN free trade agreement on services and investment for which

14 ¹⁴Gupta, Arvind (2012) *Myanmar's Critical Role in Bolstering India's Look East Policy* [online] idsa.in

Prime Minister Modi Made an appeal at the 2014 Indo-ASEAN meet in Myanmar in Sep 2014.¹⁵

India-ASEAN relations have made impressive progress during the past 25 years but economic and trade volumes have not been able to meet the desired targets. Current India-ASEAN trade stands at \$71 billion against \$ 80 billion in 2011-12. Going by this pattern, it is not likely to meet the planned target of \$200 billion by 2020.

Presence of China in the region will always be a major factor affecting Indian influence and growth in the region. China has reached a level of economic growth which challenges even the super powers. Her economic modernization over the last few decades has been something to envy. To that extent, for the India-ASEAN partnership, China will always be an elephant in the room. In 2016 while India invested \$1 billion in the ASEAN, China invested \$ 10 billion. Similarly Chinese trade with other East Asian countries like Japan and Australia is far higher than India. India has an adverse balance of payments with China. As a result, there is a hesitation on part of India to sign the RCEP (Regional Cooperation Economic Partnership) which involves ASEAN, India, China, Japan, Republic of Korea, Australia and New Zealand. Indian hesitation is based on the fear of India being flooded with cheap Chinese goods.

Connectivity

One of the keys to India's Look/ Act East policy is the connectivity within the NER and through NER to ASEAN countries. Besides the geographical disadvantage of being connected to rest of India through a narrow Siliguri Corridor, existence of rail and road and waterways infrastructure within the region is far from satisfactory, in fact, not even up to the level it exists in rest of the country. Govt of India has initiated a number of projects over the

years but benefits of the same have not reached the masses due to prevalence of insurgency, high levels of corruption and lack of accountability.

Rail road and air connectivity projects in eight states of the region are in focus as the NDA govt aims to open up links with South East Asian nations of Myanmar, Thailand and beyond. Some of the projects completed/ in the pipeline are given in the succeeding paras.

In May 2017, PM Modi inaugurated the Dholasadiya Bridge to connect Assam and Arunachal. The bridge, strategic from the defence point, is earthquake proof and is designed to withstand the weight of a 60 ton tank. Local youth club at Sadiya has started a festival. Club expects festival to be annual attraction.

Roads & Railways

- 3800 Kms of NH have been sanctioned at the cost of Rs 32,000 Cr.
- An amount of Rs60,000 Cr has been earmarked under special accelerated Rd Devp Pgme in the NE (SARDP – NE).
- A sum of Rs 30,000 Cr has been earmarked under Bharat Mala project over the next 2-3 Yrs.
- 15 projects of 1385 Kms at a cost of Rs 47,000 Cr have been approved. Govt of India has decided to spend Rs 5300 Cr as annual average expenditure on rail infrastructure.

Air & Water Ways -

- Plan to serve under served and unserved airports and airstrips of the region.
- Sea plane with capacity of 8 to 10 people to connect remote areas.
- 72 new air routes to be opened as part of Udaan scheme
- Two waterways have been declared national

¹⁵ . Kaul, Manmohini and Chakraborty, Anushree, *India's Look East to Act East Policy : Tracking the opportunities and challenges in the Indo-Pacific*, Pentagon Press New Delhi, 2016.



waterways under the National Waterways Act 2016.

- A stretch of 891 Km over Brahmaputra from Sadiya to Dhola (Assam). A distance of 121 Kms on Barak R from Lakhimpur to Banga to be explored.¹⁶

IOC is planning to adopt a new way of supplying LPG to remote areas of NE States by first exporting LPG to Bangladesh by sea from Haldia (WB)/ Paradeep Port in Odisha to Chittagong Port in Bangladesh and then move it by road and re-export to Indian states of Tripura, Assam and Meghalaya.¹⁷

During the President's visit to Aizawl, he told that the Act East Policy gives Mizoram's agricultural produce and traditional products entry to such markets, as well as strengthen info technology and internet connectivity in the State. During the same function, Lt Gen Nirbhay Sharma, the governor of Mizoram said that Mizoram occupied a strategic place in Act East Policy but while it achieved admirably in various human development indices such as literacy rate and sex ratio, infrastructural deficit is acute.¹⁸

During his recent visit to Assam to attend the global investors summit, the prime minister reiterated that North East is the heart of Govt's Act East policy.¹⁹

Multilateral Organisations

India by the late 1980 India adopted regionalism as a foreign policy concept. She started her engagement with ASEAN in 1991.

16 Agencies (2018) *Connecting the Northeast* [New Delhi] Hindustan Times.

17. Chandra Prasad, Gireesh (2018) *Indian Oil looks to supply LPG to northeastern states via Bangladesh* [online] livemint.com.

18. Press Trust of India (2017) *Mizoram focus of Centre's Act East policy: Kovind* [online] thehindu.com

19. Agencies (2018) *Northeast at heart of government's Act East policy, says modi* [New Delhi] Hindustan Times

India also became a member of new organization called ASEAN Defence Ministers Meeting Plus 8 (ADMM+8), and expanded Maritime Forum (EAMF) in 2005 and attended the inaugural East Asia Summit (EAS).

BIMSTEC was formed in 1997 comprising of select members from SAARC and ASEAN. Initially the members were SAARC (Bangladesh, India, Sri Lanka) and ASEAN (Myanmar & Thailand) around the Bay of Bengal. Bhutan and Nepal joined in later. That Year also saw establishment of IOR – ARE now the IORA.

In 2000, Mekong–Ganga cooperation began particularly with CML part of ASEAN9 (Cambodia, Myanmar, Laos and Vietnam).

In 2002, Asian cooperation & Development initiated by Thailand ASEAN +3, GCC and SAARC.

In 2005, India joined East Asia Summit as a founder member and SCO as an observer.

In 2008, Indian Ocean naval Symposium (IONS) was convened as an Indian initiative.

In 2010, ADMM+8 was formed and in 2012 expanded to East Asia Maritime Forum (EAMF).

India started FTA and ECA/CEPA with the following countries/groupings.

FTA with Srilanka in 1998.

Thailand in 2003.

ASEAN in 2003.

BIMSTEC in 2004.

Singapore in 2005.

Korea in 2009.

Malaysia in 2011.

Japan in 2011.

Bangkok agreement of 1975 was revived as Asia Pacific Trade Agreement in 2005 with China, Bangladesh, India, and Laos. South Korea and Sri Lanka as new members.

QUAD. USA, Japan, Australia and India are entering into a security arrangement primarily for maritime security and establishment of rule of law in the Indo Pacific region. This is in line with the power shift from Atlantic to Pacific.

Assessment

In order to make a realistic assessment of the current state of India's Look/Act East policy, it would be fair to state that the policy as of today is a mixed bag. India's Look/Act East Policy has made stupendous progress politically which was exhibited by presence of all ten heads of state of ASEAN countries as chief guests at the Indian republic day in 2018, a rare display of solidarity. Delhi declaration during the visit of ASEAN heads of state to India in Jan 2018 included conduct of parties in the South China Sea and an early conclusion of 'Code of Conduct' in that area confirmed India's support to the ASEAN's position on a dispute which also involves China.

Emphasis on terrorism in the declaration shows New Delhi's effort to muster support through the multilateral channels.

Delhi has also emphasized that Quad will play an important role in ensuring security in the Indo-pacific region. At some stage Quad will involve ASEAN and India is unlikely to join quad at the cost of ASEAN.

It needs to be understood that full potential of this partnership is far from being realized at this stage. Some issues of concern are stated in the succeeding paras.

Connectivity between India and ASEAN countries continues to be very poor.

Trade between India and ASEAN is low compared to other Asian powers such as China and Japan. Infact our own trade with ASEAN has come down compared to 2012. Similarly investments are also very low specially inbound to India from ASEAN.

BIMSTEC (Bay of Bengal Initiative for Multi Sectoral and Technical Cooperation) and MGC (Mekong and Ganga Cooperation) have not taken off at the desired scale.

India should invest in exploiting the potential of cooperation in health, education and tourism.

India is unable to complete projects – both Kaladani multi modal project in Myanmar and Trilateral highway to Thailand and Myanmar.

ASEAN countries are not enhancing cooperation in defence and security area due to China factor. In the field of trade, China has a major advantage over India.

Our cooperation in counter terrorism field is also below the potential.

Connectivity through Myanmar and India's investments in that country are far less than our competitor China due to which full potential of Look/Act East Policy cannot be realized.

Lack of development, absence of industry/infrastructure in India's NER needs immediate attention and implementation. India's NER is one of regions which exhibits very poor stds of governance and connectivity. It is massed by insurgency and absence of conducive environment to do business. We need to find solutions to problems of insurgency, create infrastructure, connectivity both to the mainland India as well as Myanmar/ ASEAN and an industrial base.

Focus on BIMSTEC – Building Rivers between South Asia and SE Asia. Mekong Ganga Cooperation (MGC) including Myanmar, Thailand, Cambodia, Vietnam and India.

It would be prudent to state that India's need to take giant leaps in economy so that we can execute big ideas which are conceived at various force. Political influence/leverage by any nation is derived from economic strength which can also be translated into major economic investments



and military power. Towards this end India is yet to realise her potential based on its geostrategic strength and size. India's Look/Act East Policy has been very high on exhibition and not so much progress has been made on the ground. In order to derive the desired benefits, Indian govt has to act fast and in a multi-pronged manner to establish an environment which encourage enterprise and ease of doing business.

Conclusion

India's continued assertive emphasis continued the Look/Act East Policy has come in for praise from Chinese think tank China Institute of International Studies(CIIS) stating that 'over the past three years India's diplomacy has been vibrant and assertive and has formed a distinctive and unique 'Modi doctrine' a strategy for the rise of India as a great power in new situation.

It can be easily concluded that both compulsion as also her ambition to play a major role in the Indo-Pacific region hold promise for India to sustain this new enthusiasm in India's expanding engagement with ASEAN.

Recommendations

Following aspects of India's Act East Policy have been analysed in the paper :-

- Background to India 's Look and later Act East Policy.
- Review of the strategic perspective and related issues.
- Importance of India's North East Region (NER) in the context of Act East Policy.
- Economic and trade perspective.
- Connectivity.
- Existing multilateral Organisations.

Having examined the Act East Policy from all relevant aspects it is pertinent to make some recommendations which will contribute to the

success of Indian government's Act East Policy. Recommendations are appended in the succeeding paras.

North East Region (NER) as a Bridge. Prosperity in the NER of India is a prerequisite for the success of the Act East Policy. To achieve this state , following is recommended:

- Security. Security is a must for any economic or social growth of this region. All efforts must be made to establish rule of law and the writ of the central and state govts must prevail. A peaceful region with undercurrents of militant fear and rampant extortion will not lead to longterm growth and prosperity. Steps must be taken to ensure that there is an atmosphere without fear where economic activity including tourism and adventure sports can flourish. This will enhance employment and other economic activity.
- Connectivity. There is a desperate need to enhance both quality and scope of connectivity specially the highways. Well established highways will become engines of growth due to faster movement and the economic centres coming up along the highways.
- Tourism. A peaceful security environment with a well developed infrastructure for connectivity will attract hordes of domestic and international tourists to enjoy the natural beauty. Tourism in NER has immense economic potential and job creation but peace and connectivity are keys to success of tourism industry.

Build own economy to exercise influence

Consequent to policy formulation the implementation needs immense resources to make a difference on ground. We can learn from china who made economic progress as a prelude to flexing any

strategic muscle. India has tremendous potential in manufacturing and services sector which should be converted into a win win exchange mechanism for trade and economic development. Only a developed economy can take the liberty of initiating steps towards major investments in strategically important countries.

Connectivity. While our efforts to develop surface connectivity must continue trade through sea or air must be developed and taken to next higher level:-

- Trilateral highway connecting NER of India with Thailand via Myanmar must be given highest importance.
- Transient agreement between India and Bangladesh must be expedited to connect Agartala with Kolkatta.
- NER should be connected with Sitwe port of Myanmar and Chittagong port of Bangladesh, ofcourse keeping in mind the potential security issues.

Strategic

- Strengthen economic cooperation through BIMSTEC.
- Extend spheres of influence to Bangladesh and Myanmar through
 - ◆ By establishing joint SEZs near the borders.
 - ◆ Transient Agreement.
 - ◆ Investments
 - ◆ People to people contact
 - ◆ Encouragr tourism
- An effective QUAD and upgrade economic and security engagement with countries such as Japan, Australia and New Zealand.
- **Maritime** Both trade and security related maritime dominance/engagement must be encouraged.

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