

Asia-Africa Growth Corridor: Venturing beyond the traditional India-Japan bilateral

By Dr. Ankit Srivastava, Editor – In – Chief on September 25, 2017





Venturing beyond the traditional India-Japan bilateral

The recent two-day visit of Japanese Prime Minister Shinzo Abe to India from 13th to 14th September, 2017 for the ground breaking ceremony of India's first bullet train project and to participate in the 13th India-Japan Annual Summit meeting reestablished the fast-growing relationship between the two countries over the last decade.

The bilateral relationship as it stands right now is quite strong. Japanese exports to India rose from Rs 22, 900 crore in 2005 to a whopping Rs 57,800 crore in 2015, i.e. two and

half times over a decade. As of today, 1305 Japanese companies have their branches in India.

Japanese investments in India—both made and proposed- in projects such as Delhi – Metro and the Delhi-Mumbai Industrial Corridor have been transformational. The investments in during the year 2016-17 alone was \$4.7 billion; eighty per cent increase over the previous year. Abe with Modi for company laid the foundation stone for the marquee Rs 1.1 lakh crore Mumbai-Ahmedabad bullet train project; Japan's financing is 89,000 crore being around 85 percent of the project cost. India hopes to use the project as a model to upgrade technology standards and protocol across the railways. Fifteen MOUs were signed including some Japanese industrial parks to further cement the financial and trade relationship.

The Civil Nuclear Cooperation Agreement came into effect this year and under the defence partnership Japan is willing to supply military technology. It is now the time to take the special strategic partnership to a new level. The launching of Asia Africa Growth Corridor will create quality infrastructure, build capacity, boost human resource development in Africa and facilitate people-to-people partnerships.

This reflects emerging great synergy between Japan's generous financing and India's presence and goodwill in parts of Africa to- help improve connectivity between Asia and Africa. The joint initiative is based on rule of law and transparency showcasing synergy between India's Act East Policy and Japan's Expanded Partnership for Quality Infrastructure. In contrast the top-down investment model employed by China's 'One Belt One Road' projects in CPEC (Pakistan), Hambantota port (Sri Lanka) and another strategic port (Myanmar) has run the economies dry.

This India-Japan alternative model of development for Asia and Africa aims to develop local ownership of projects, skill development and transfer of technology by factoring in respects for sovereignty and democratic principles to transform the development paradigm in Asia-Africa region towards a multipolar Asia.

India-Japan cooperation takes the bilateral ties 'beyond the bilateral' to build

infrastructure and connectivity in third countries. Tokyo's keenness to cooperate on

Chabahar port project will help India overcome geographical constraints in assessing

Afghanistan and Central Asia as Afghanistan has already confirmed Japan's pledge to

develop access for the strategic port. With an eye on China's OBOR, India and Japan

have ensured that Abe's fourth summit with Modi provided an impetus to shared

initiatives like AAGC, Tokyo's participation in development of Chabahar port project.

Japan's claim over Shenkaku Island is disputed by China. It is also tormented by

China's client rogue state North Korea. China has boundary disputes with India and

dragging it without real intent for settlement. China checkmates all moves of India for

membership UNSC and NSG and tries to hyphenate Pakistan with India.

India-Japan partnership holds promises of transforming the development paradigm in

India and Asia-Africa region to usher in a multipolar Asia. AAGC is stated to be Abe's

brainchild who has termed it as 'special, strategic and global.' The group could suck in

the U.S., France and Australia and also looking at Malaysia, Singapore and New

Zealand.

Email: ankits@newdelhitimes.com

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