

# ASEAN-INDIA PARTNERS OF INTEGRATION IN ASIA



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विकासशील देशों की अनुसंधान एवं सूचना प्रणाली

**AIC**

ASEAN-India Centre at RIS



# ASEAN and India

## Partners of Integration in Asia



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# ASEAN and India

## Partners of Integration in Asia

Proceedings of the  
Fifth Roundtable of the ASEAN-India  
Network of Think-Tanks (AINTT)

6-7 January 2018

Jakarta, Indonesia



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# FOREWORD

## **Dr. Mohan Kumar**

Chairman, RIS

ASEAN has been regarded as a cornerstone of India's Act East Policy (AEP). ASEAN and India together are engaged in shaping the Indo-Pacific architecture. Economic, strategic and cultural relations between ASEAN and India are deep-rooted. India-ASEAN relations have witnessed remarkable growth in recent years. The relationship is set to deepen in days to come as the two sides step up their collaboration across a range of economic and strategic issues, including trade and connectivity, socio-cultural areas and people-to-people contacts. ASEAN and India are becoming more economically integrated and there is ample scope for further strengthening the integration. Think-Tanks of ASEAN and India have important role to play in deepening the partnership.

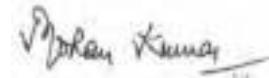
Since 1992, our partnership has evolved from sectoral dialogue to strategic partnership. ASEAN and India celebrated a Commemorative Summit on 25 January 2018 in New Delhi to mark the 25th Anniversary of ASEAN-India Partnership. The leaders of ASEAN and India have not only reaffirmed the importance of institutional linkages but also provided direction and guidelines to strengthen the cooperation through existing relevant mechanisms and extended their support for effective implementation of the Delhi Declaration.

ASEAN-India Centre (AIC) at RIS has been involved in interacting with think-tanks, particularly from the ASEAN region for over a decade. The Roundtable of ASEAN-India Network of Think-Tanks (AINTT) has become an annual event, which is the realisation of an idea put forward by the former Prime Minister of India at the 7th India-ASEAN Summit in 2009. In 2012, RIS was given the task to convene an interaction among think-tanks and provide a platform for sharing of views, ideas and proposals aimed at strengthening ASEAN-India relations. Convening the Roundtable of AINTT since 2012 is an important project that has been implemented successfully.

The Fifth Roundtable of AINTT, held on 6-7 January 2018 in Jakarta, discussed several key issues which are relevant from the point of view of deepening the relations between India and ASEAN. Representatives of the think-tanks presented several ideas at the Fifth Roundtable of AINTT. The proceedings of the Fifth Roundtable of AINTT presents the detailed account of discussions that we had at the Fifth AINTT Roundtable.

I would like to record my appreciation of the efforts that have been put by my senior colleague, Dr Prabir De, and his Team, in putting together this volume. The Proceedings of the Fifth Roundtable of AINTT has provided us new ideas and suggestions in deepening the ASEAN-India Strategic Partnership. I am sure that the Network will meet frequently and make significant contributions in strengthening the relationship between India and ASEAN countries.

I am hopeful that the Proceedings of the Fifth Roundtable of AINTT will be a valuable reference point for policymakers, academics and practitioners.

A handwritten signature in black ink, appearing to read 'Mohan Kumar', with a horizontal line extending from the end of the signature.

**Mohan Kumar**

# PREFACE

## **Prof. Sachin Chaturvedi**

Director General, RIS

The ASEAN-India Cooperation has moved forward steadily through India's deep commitment to the process of its 'Act East Policy.' RIS has been providing the vital policy research inputs in this regard since 1992. Over the years, the institute has also been working closely with Think-tanks in the ASEAN region for fostering policy dialogues. With dedicated ASEAN-India Centre at RIS, we took the initiative of ASEAN-India Network of Think-Tanks (AINTT). The forum brings together policy makers, scholars and representatives from businesses to deliberate on issues of vital concern for promoting ASEAN-India ties.

The present volume containing the proceedings of the Fifth Roundtable of AINTT is being brought out at a time when the whole world is in the grip of the unprecedented medical emergency created by COVID-19. This calls for exploring further opportunities for deepening cooperation in healthcare and related sectors and disaster management along with deepening of the ASEAN-India economic integration through the process of ASEAN Economic Community (AEC). In this context, the realisation of the SDGs, particularly those related to food security, health and wellbeing, inclusive economic growth, employment, combating climate change, protecting ecosystem, biodiversity, etc. becomes all the more important.

This volume is also a tribute to the then External Affairs Minister of India Smt. Sushma Swaraj who had delivered the Keynote Address at the Fifth Roundtable AINTT held at Jakarta in 2018. She had also launched the Proceedings of the Fourth Roundtable of AINTT, entitled the "ASEAN-India: Strengthening the Ties that Bind." On that occasion H.E. Ms Retno Marsudi, Foreign Minister of Indonesia; H.E. Mr Lim Jock Hoi, Secretary General of ASEAN; and Mr Suresh K. Reddy, Ambassador of India in Indonesia were also present.

We are grateful to the Ministry of External Affairs, Government of India for its support and to the RIS Governing Board and the Chairman for their guidance. I also thank my senior colleague, Dr Prabir De and the AIC team for taking the AINTT spirit forward. The RIS Publication Unit led by Mr Tish Malhotra, under the guidance of Mr Mahesh Arora has made tremendous efforts in bringing out this Report. I am sure the Report would be found useful by all those who are committed to take forward the ASEAN-India relations.



**Sachin Chaturvedi**



# MESSAGE FROM EDITOR

The increasing complexity of the global challenge makes it imperative to run and mobilise effective network of institutions, media and business houses involved in the policy dialogue, which can generate considered documents for policy makers to take informed decisions. The mandate to organise think-tanks roundtable, namely, ASEAN-India Network of Think-Tanks (AINTT) roundtable, was given to the RIS. The last five roundtables of AINTT were held at New Delhi (2012), Vientiane (2013), Hanoi (2014), Kuala Lumpur (2015), and Jakarta (2018), respectively. Recommendations of AINTT roundtables were found useful, some of which in fact were taken forward for implementation. It was recommended by the ASEAN scholars and practitioners that we should continue with the AINTT Roundtable in ASEAN countries in order to deal with the challenges, and generate pragmatic policies to support the regional cooperation and integration between India and ASEAN. The AINTT roundtables have been supported by the Ministry of External Affairs (MEA), Government of India through the ASEAN-India Fund (AIF). The other objective of AINTT roundtable is to present a deeper understanding of the ASEAN-India relations in the backdrop of changing geo-politics and the global order. It always has been attempted to analyse the newer challenges and present the scope and opportunities for closer economic cooperation in the region through interaction among prominent think-tanks.

The proceedings of the Fifth Roundtable of AINTT entitled “ASEAN and India: Partners of Integration in Asia” presents a detailed account of discussions that we had at the Fifth AINTT Roundtable in Jakarta on 6-7 January 2018. It also presents 5th AINTT roundtable summary, speeches and the set of papers presented at the roundtable. This set of papers cover some important areas of cooperation between ASEAN and India, namely, maritime security cooperation; services trade and investment; cultural heritage; educational cooperation; and way forward for AEC 2025 and India. This volume will be an important resource for the current phase of ASEAN-India partnership and the new engagements.

The person who encouraged and motivated us in organising the roundtable, Madam Sushma Swaraj, the former External Affairs Minister of India, left for her heavenly abode in 2019. It is a big loss for us and also for the entire humanity.

Finally, I thank my colleagues Dr. Durairaj Kumarasamy and Ms Sreya Pan for their sincere research assistance in editing the volume. I also acknowledge the cooperation received from RIS not only in organising the roundtable but also publishing this volume.



**Prabir De**



# ACKNOWLEDGEMENTS

The *Proceedings of the Fifth Roundtable of the ASEAN-India Network of Thinks-Tanks (AINTT)* has been edited by Dr. Prabir De, Professor and Coordinator, ASEAN-India Centre (AIC) at Research and Information System for Developing Countries (RIS) with the assistance of Dr. Durairaj Kumarasamy, Consultant, AIC and Ms. Sreya Pan, Research Associate.

We are grateful to Dr. Mohan Kumar, Chairman, RIS and Prof. Sachin Chaturvedi, Director General, RIS for their guidance and cooperation in finalizing and bringing out the proceedings.

We are thankful to Ms. Preeti Saran, former Secretary (East), Ministry of External Affairs (MEA), Government of India; Ms. Vijay Thakur Singh, Secretary (East), Ministry of External Affairs (MEA), Government of India; Mr. Srinivas Gatru, Joint Secretary (IP Division), MEA and Mr. Anurag Bhusan, former Joint Secretary (ASEAN Division), MEA for their guidance and cooperation.

We are thankful to Late H.E. Sushma Swaraj, former External Affairs Minister of India; H.E. Retno Marsudi, Foreign Minister of Indonesia; H.E Lim Jock Hoi, Secretary General, ASEAN; Mr. Suresh Reddy, former Indian Ambassador to ASEAN; and Mr. R. K. Upadhyay, former First Secretary (ASEAN), Indian Mission to ASEAN; and the ASEAN Secretariat for making the participation in the Fifth AINTT Roundtable comprehensive. We also gratefully acknowledge the assistance provided by the Indonesian Institute of Science (LIPI), Jakarta in organising the Fifth AINTT Roundtable.

We would like to, in particular, acknowledge the support from the Indian Embassy in Indonesia; Indian Mission to ASEAN; Indonesian Institute of Science (LIPI), Jakarta and LIPI for their cooperation without which the Roundtable would not have been a success. We are grateful to the participants of Fifth Roundtable of AINTT for their wholehearted participation and support.

The Fifth Roundtable benefitted from work done in support by the RIS Administration. Mr. Tish Kumar Malhotra coordinated the production of the Proceedings along with Mr Sanjay Sharma and Mr. Sachin Singhal. Ms. Kiran Wagh extended secretarial support.

Views expressed in the proceedings are those of the participants of the Roundtable and not those of the Governments of India or ASEAN countries, Research and Information System for Developing countries (RIS), ASEAN-India Centre (AIC), ASEAN Secretariat, or the Indonesian Institute of Science (LIPI). Usual disclaimers apply.





# LIST OF ABBREVIATIONS

AC	ASEAN Community
ADMM-Plus	ASEAN Defense Ministerial Meeting-Plus
AEC	ASEAN Economic Community
AFIN	ASEAN FinTech Network
AI	Artificial Intelligence
AIC	ASEAN-India Centre
AIFTA	ASEAN-India Free Trade Area
AINTT	ASEAN-India Network Think Tanks
AIS	Automatic Information System
AITIG	ASEAN-India Trade in Goods
AMS	ASEAN Member States
ANZ	Australia-New Zealand
APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
AUN	ASEAN University Network
BCC	Business Cooperation Contract
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BPO	Business Process Outsourcing
CEPA	Comprehensive Economic Partnership Agreement
CLMV	Cambodia Lao PDR Myanmar Vietnam
CPC	Central Product Classification
CPU	Central Processing Unit
CRIMARIO	Critical Maritime Routes in the Indian Ocean
DCoC	Djibouti Code of Conduct
DJ	Disc-Jockey
EU	European Union
FDI	Foreign Direct Investment
FIA	Foreign Investment Agency of Vietnam

FICCI	Federation of Indian Chambers of Commerce and Industry
FIEO	Federation of Indian Export Organizations
FLOPS	Floating-Point Operations per Second
GATS	General Agreement on Trade in Services
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GFC	Global Financial Crisis
GOI	Government of India
GPS	Global Positioning System
GPU	Graphics Processing Unit
GVC	Global Value Chain
HCCI	Howrah Chamber of Commerce and Industry
ICMA	Indian Chemical Manufacturers Association
ICT	Information and Communication Technology
IFC	Information Fusion Centre
IHO	International Hydrographic Organization
IMO	International Maritime Organisation
IMTTH	India-Myanmar-Thailand Trilateral Highway
INCHAM	Indian Business Chamber in Vietnam
IOFMC	Indian Ocean Forum on Maritime Crime
IONS	Indian Ocean Naval Symposium
IORA	Indian Ocean Rim Association
IOR-ARC	Indian Ocean Rim Association for Regional Co-operation
IPCC	Intergovernmental Panel on Climate Change
ISC	Information-Sharing Centres
IT	Information Technology
ITES	Information Technology Enabled Service
ITLOS	International Tribunal for the Law of the Sea
ITP	Industry Transformation Programme
LDC	Least Developed Country
LSCI	Liner Shipping Connectivity Index
MDA	Maritime Domain Awareness
MGC	Mekong Ganga Cooperation
MIEC	Mekong-India Economic Corridor
MNE	Multi-National Experiments
MoU	Memorandum of Understanding
MSA	Maritime Situational Awareness

MSCHoA	Maritime Security Centre: Horn of Africa
NATO	North Atlantic Treaty Organisation
NER	North Eastern Region
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
ONGC	Oil and Natural Gas Corporation Ltd
OT	Operational Technology
OTOP	One Tambon One Product
PIO	People of Indian Origin
PMC	Post Ministerial Conference
R&D	Research and Development
RCA	Revealed Comparative Advantage
RCEP	Regional Comprehensive Economic Partnership
ReCAAP	Regional Cooperation Agreement on Combating Piracy and Armed Robbery against ships in Asia
SADC	Southern African Development Community
SAGAR	Security and Growth for All in the Region
SBRT	Stereotactic Body Radiation Therapy
SDG	Sustainable Development Goal
SME	Small and Medium Enterprises
STRI	Services Trade Restrictiveness Index
TPU	Tensor Processing Unit
UAE	United Arab Emirates
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNODC	UN Office on Drugs and Crime
UPI	Unified Payments Interface
USA	United States of America
VCCI	Vietnam Chamber of Commerce and Industry
VINATEX	Viet Nam Joint Business Council Meeting, Vietnam Textiles Corporation
WPNS	Western Pacific Naval Symposium



# SUMMARY



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INDONESIA**  
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## 5th AINTT Roundtable ASEAN & India: Partners of Integration in Asia

6-7 January 2018, Jakarta

1. Indian Mission to ASEAN in Jakarta in association with the ASEAN-India Centre at Research and Information System for Developing Countries (RIS), ASEAN Secretariat, Indian External Affairs Ministry, and the Indonesian Foreign Ministry, organized the 5th Roundtable of the ASEAN-India Network of Think Tanks (AINTT) on 6-7 January 2018 at Jakarta, Indonesia. The title of the roundtable was “ASEAN and India: Partners of Integration in Asia”. The roundtable provided scope to experts and scholars from the ASEAN countries and India to exchange views on strengthening the already established linkages in political, economic and socio-cultural areas between the two regions. Leaders of ASEAN and India, namely, H.E. Sushma Swaraj, External Affairs Minister of India; H.E. Retno Marsudi, Foreign Minister of Indonesia; and H.E. Lim Jock Hoi, Secretary General of ASEAN; delivered the Keynote Addresses at this roundtable, and released the 4th AINTT Proceedings titled “ASEAN-India: Strengthening the Ties That Bind”. This roundtable was attended by senior scholars and experts of the ASEAN countries and India.
2. The roundtable was divided into five working sessions to identify the maritime security and safety challenges between ASEAN and India that need to be addressed through greater cooperation; to review the barriers to services trade between ASEAN and India and make a series of recommendations to strengthen the economic relations; to deal with cultural heritage of ASEAN and India and identify the scope and opportunities in promoting shared cultural relations; to identify the barriers to educational cooperation and design a way forward to strengthen the partnership, and finally, to discuss the potential and challenges of ASEAN Economic Community (AEC) and implications for India and other dialogue partners.

## MARITIME SECURITY COOPERATION

3. Security issues within the maritime domain need to be referenced more towards '*common interests*' rather than concentrating solely upon 'threats'. Security and Growth for All in the Region (SAGAR) can be the conceptual structure, India Ocean Rim Association (IORA) can be political structure and Indian Ocean Naval Symposium (IONS) can be used as executive structure to ensure maritime security cooperation in the Indo-Pacific region.
4. ASEAN is a maritime community that enhances maritime security and maritime cooperation for peace and stability in the region and beyond. One of the important challenges to ASEAN maritime community was China's assertiveness, land reclamation and militarisation in the South China Sea (SCS). On the other, lack of physical connectivity among ASEAN ports is another important challenge for ASEAN maritime development.
5. ASEAN and India should develop strategic partnership by complementing the strengths, help overcome weaknesses, cooperate towards common goals. However, both ASEAN and India need to explore joint areas of maritime cooperation, joint training on HADR, anti-piracy, maritime border management and increase people-to-people exchange. It has been recommended that India should take proactive steps in engaging and supporting a stable and sustainable ASEAN maritime community.
6. Maritime security cooperation should also focus on non-traditional matters like cyber security and piracy, where the level of intensity of discussion is lacking. Similarly, resource competition such as food security and energy security are other issues that fall under non-traditional issues that need to be considered for maritime cooperation.
7. Southeast Asia is looking for India to participate in a proactive role and enhance the cooperation in the maritime arena. The ASEAN Regional Forum (ARF) is already overburdened with engagement of 27 countries. Therefore, countries need to find the mechanism to optimise the resources. Instead of looking to geographical issues, countries shall focus on the dialogue as a theme-based issue.

## SERVICES TRADE AND INVESTMENT

8. Both India and ASEAN have not committed much as with the GATS commitments. There is, however, the scope to expand the commitment, increase the investment in terms of transport infrastructure and connectivity, logistics services, etc. In terms of cooperation, there is a lot of scope beyond commerce as well as investment in services, particularly health services. Bilateral agreement in investment and services would be more effective towards enhancing trade in services and investment. Manufacturing in services trade such as IT and logistics, R&D, energy, healthcare should be promoted.
9. While the Indian investment in some of the ASEAN member states such as Vietnam is small, it is growing rapidly. India is among the 15 largest foreign investors in Vietnam with its focus on energy, pharmaceutical and agricultural processing sectors. Strengthening mutual understanding between India and Vietnam through the Indian diaspora is an important channel to deepen the ASEAN-India relations and their operation models should be renewed or renovated and linked to business market exploration activities.
10. India's distinct growth model, fuelled by growth in services, in which India has a comparative advantage, has raised the importance of incorporating agreements on trade in services into multilateral, regional and bilateral trading agreements. The potential for increasing trade in services as a mutual welfare enhancing initiative is largely untapped. The Services and Investment Agreement between ASEAN and India will open opportunities of movement of both human resources and investments from either side between them.

11. As both ASEAN and India are getting increasingly connected with each other through global supply chains, increasing trade and investment in services would benefit both the regions as well as the world economy. The sectors like infrastructure services, road construction, infrastructure management, water purification, and financial services would generate mutual benefits in services and investments between ASEAN and India.

## CULTURAL HERITAGE

12. India and Southeast Asia have been active participants in a rich transregional cultural dialogue since ancient times. However, the narrative of India's cultural interactions with the ASEAN region remains to be fully explored. The influence and impact of Indian culture on ASEAN had been overwhelmed with the ancient Angkor history. With the "Look East, Act East" initiative, there is certainly an opportunity for India to enhance soft power in ASEAN countries.
13. Buddhism could be a tool for enhancing cooperation between India and some of the countries in ASEAN. There are several cultural projects, which can be undertaken between India and Cambodia such as archaeological-historical projects on the Angkor civilization in comparison with ancient India culture; Buddhism-related projects such as cultural tourism and religious studies and IT education in connection with the Bangalore economic zone. Building educational and tourism packages for Cambodian and ASEAN Buddhist devotees would enhance people-to-people contacts and promote tourism.
14. Both ASEAN and India need to address the material and visual aspects of the trans-regional transmission of icons and iconographic formulae and its localization in Southeast Asia, to investigate the nature of ideas, beliefs and practices, found in a range of historical records, that helped in imagining and transforming these iconographies.
15. ASEAN and India should identify the further scope and new opportunities in promoting shared culture, people-based multilateral, multi-sectoral and intercultural communication. To strengthen people-to-people links, India and ASEAN may consider constituting India-ASEAN Writers Award, India-ASEAN Film Festival; Indian Diaspora Museums in ASEAN, etc.

## EDUCATIONAL COOPERATION

16. ASEAN and India shall facilitate academic faculty exchanges and internship/experience opportunities for advanced students and graduates of universities and institutes based in the Northeastern part of India. Both public and private sector developments should come forward to mobilise resources and render their services in the educational sector.
17. ASEAN-India trade in educational services has been growing, rather at a slow pace. India has not committed to GATS in educational services but made GATS+ offers in bilateral FTAs such as with Singapore and Korea as well as India-ASEAN services trade agreement (except Thailand). ASEAN is one of the favourite destinations of Indian students for higher studies such as Singapore, Malaysia and Thailand. Besides, India's investment in ASEAN in the educational sector is also growing (e.g. AMITY University in Singapore). On the other hand, ASEAN students studying in India have declined over time. Indian government has taken a series of steps to promote educational cooperation by extending scholarship programmes and capacity building to some of the ASEAN countries. For instance, ASEAN-India students exchange programme has been gaining popularity. Since 2010, over 2000 students have visited India. To tap the huge potential in promoting educational cooperation, ASEAN and India shall increase exchange programmes and involve youths (ASEAN-India students exchange, ASEAN-India youth exchange); set up Indian university and institute campuses in ASEAN and vice versa; design joint programmes, credit



transfer system, twinning programmes, etc.; open courses on ayurveda, yoga, naturopathy (e.g. ASEAN-India ayurveda studies programme); conduct skill development programmes, technical education, etc.; exchange of faculty; joint publications and disseminations; support annual dialogue; higher education policy dialogue (at ASEAN + level); organise ASEAN-India Vice-chancellor Conference; ASEAN-India Rectors Conference; sign MoUs between ASEAN University Network (AUN) and AIU and UGC; Join ASEAN+3 Unet; set up ASEAN-India University Network (AIUN); set up ASEAN-India Open Universities Network (AIOUN); set-up ASEAN-India Business School Network (AIBSN); and facilitate accreditation of degrees and diplomas by signing mutual recognition agreements (MRAs).

18. ASEAN nations may consider setting up the consular office in the Northeastern region of India to establish educational linkages. ASEAN countries and India shall provide scholarship to the students of the Northeastern region to study in Southeast Asian Universities. Gauhati University has started a series of activities including students exchange programmes with the universities in Lao PDR and Vietnam. There is a need to strengthen the air connectivity between the Northeastern part of India and ASEAN.

## **WAY FORWARD: AEC 2025 AND INDIA**

19. The ASEAN Economic Community (AEC) is a major step toward greater cooperation and integration. ASEAN is going to be a single market and production base, allowing the free flow of goods, services, investments, and skilled labour, and the free movement of capital across the region.
20. India's trade with ASEAN has increased significantly during the last one decade. Exports of manufactured end-products (assembled products) grew faster, compared to parts and components. ASEAN's capability primarily lies in "parts and components", whereas India's strength primarily is in "final assembly", given its vast manpower. Based on imported parts and components from ASEAN, India has a potential to emerge as a major hub for final assembly. Trade agreements may not be effective if there are stringent Rules of Origin requirements. Strict Rules of Origin requirements go against the spirit of Global Production Networks (GPNs) as it involves sourcing components from multiple locations.
21. ASEAN and India have great potentials to foster green economy, tangible cooperation in the areas of agricultural and agro-processing industries, so as to assist countries in the region in joining the global food supply chain.
22. "ASEAN Vision 2025: Forging Ahead Together" opens new space and provides new impetus for the win-win cooperation between ASEAN and India. The completion of AEC building should be a springboard for the future development of ASEAN-India partnership in many areas.
23. Referring to non-traditional security relations, disaster management should be the common agenda for cooperation between India and ASEAN in the years to come. The defense industry collaboration between India and ASEAN needs to be explored.
24. In case of regional security, India and ASEAN need to develop a comprehensive approach and regional legislation in counter-terrorism and related security issues.
25. ASEAN and India should further enhance people to people contacts by focusing on educational and cultural exchanges.



# AGENDA



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## Fifth Roundtable of the ASEAN-India Network of Think Tanks (AINTT)

### ASEAN & India: Partners of Integration in Asia

6-7 January 2018, Jakarta

**6 January 2018**

08:00 – 9:00	Registration
09:00 – 10:00	<b>Inaugural Session</b> <ul style="list-style-type: none"><li>• Welcome Address by Amb. Suresh Reddy, Indian Ambassador to ASEAN</li><li>• Inaugural Address by H.E. Sushma Swaraj, External Affairs Minister of India</li><li>• Keynote Speech by H.E. Retno Marsudi, Foreign Minister of Indonesia</li><li>• Special Remarks by H.E. Lim Jock Hoi, Secretary General, ASEANVote of Thanks by Prof. Sachin Chaturvedi, Director General, Research and Information System for Developing Countries (RIS)</li></ul> <p><i>Release of 4<sup>th</sup> AINTT Proceedings: ASEAN-India: Strengthening the Ties That Bind</i></p> <p><b>Group Photo with Delegates</b></p>
10:00 – 10:30	Tea / Coffee Break

<b>10:30 – 12:30</b>	<b>Session I: Maritime Security and Cooperation</b> <hr/> Chair: Dr. Adriana Elizabeth, Professor, Centre for Political Studies, LIPI, Jakarta <i>Panellists</i> <ul style="list-style-type: none"> <li>• Vice-Admiral Pradip Chauhan, Director, National Maritime Foundation (NMF), Delhi</li> <li>• Dr. Charithie B. Joaquin, Chief, Research and Special Studies Division, National Defence College of the Philippines (NDCP), Manila</li> <li>• Prof. Tri Nuke Pudjiastuti, Deputy Chairman of Social Sciences and Humanities – Indonesian Institute of Sciences (IPSK-LIPI), Jakarta</li> <li>• Prof. Sankari Sundaraman, Jawaharlal Nehru University (JNU), Delhi</li> <li>• Mr. Shahriman Lockman, Senior Analyst, Foreign Policy and Security Studies Programme, Institute of Strategic and International Studies (ISIS), Kula Lumpur</li> </ul>
<b>12:00 – 13:30</b>	<b>Lunch Break</b>
<b>13:30 – 15:30</b>	<b>Session II: Services Trade and Investment</b> <hr/> Chair: Prof. Sachin Chaturvedi, Director General, RIS <i>Panellists</i> <ul style="list-style-type: none"> <li>• Dr. Florian A. Alburo, President, Center for the Advancement of Trade Integration and Facilitation (CATIF), Manila</li> <li>• Dr. Rupa Chanda, Professor, Indian Institute of Management (IIM)-Bangalore, Bangaluru</li> <li>• Dr Dipinder S Randhawa, Senior Research Fellow, Institute of South Asian Studies (ISAS), Singapore</li> <li>• Dr. Agus Eko Nugroho, Professor and Head of Economics, Department of Economics, LIPI, Jakarta</li> <li>• Dr. Nguyen Xuan Trung, Associate Professor and Director General, Institute for Indian and Southwest Asian Studies, Vietnam Academy of Social Sciences (VASS), Hanoi</li> <li>• Dr. Koh Wee Chian, Associate Researcher, Centre for Strategic &amp; Policy Studies (CSPS)</li> </ul>
<b>15:30 – 15:45</b>	<b>Tea / Coffee Break</b>
<b>15:45 – 17:15</b>	<b>Session III: Cultural Heritage</b> <hr/> Chair: Prof. Sankari Sundaraman, Jawaharlal Nehru University (JNU), New Delhi <i>Panellists</i> <ul style="list-style-type: none"> <li>• Mr. Chhem Rethy, Executive Director, Cambodia Development Research Institute (CDRI), Phnom Penh</li> </ul>

- Dr. Parul Pandya Dhar, Professor, University of Delhi, Delhi
- Dr Norhabibah Kamis, Head of International Affairs and Resources, Centre for Strategic and Policy Studies (CSPS), Bandar Seri Begawan
- Dr. Sophana Srichampa, Associate Professor and Chair for Bharat Studies, Research Institute for Language and Culture of Asia, Mahidol University, Bangkok
- Dr. Desmond L Kharmawphlang, Professor, North Eastern Hill University (NEHU), Shillong

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<b>18:30 – 20:00</b>	<b>Dinner [By invitation]</b>
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## 7 January 2018

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<b>09:30 – 10:45</b>	<b>Session IV: Educational Cooperation</b>
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Chair: Mr. Cheem Rethy, Executive Director, Cambodia Development Research Institute (CDRI), Phnom Penh

*Panellists*

- Prof. Mridul Hazarika, Vice-Chancellor, Gauhati University, Gawahati
- Mr. Thuta Aung, Senior Adviser, Myanmar Institute of Strategic and International Studies (MISIS), Yangon
- Dr. Prabir De, Professor and Coordinator, ASEAN-India Centre (AIC), RIS, New Delhi

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<b>10:45 – 11:00</b>	<b>Tea / Coffee Break</b>
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<b>11:00 – 12:30</b>	<b>Session V: Way Forward: AEC 2025 and India</b>
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Chair: Dr Dipinder S Randhawa, Senior Fellow, Institute of South Asian Studies (ISAS), Singapore

*Panellists*

- Amb. Thieng Boupha, Director General, Institute of Foreign Affairs (IFA), The Ministry of Foreign Affairs (MoFA), Vientiane
- Dr Shankaran Nambiar, Senior Fellow, Malaysian Institute of Economic Research (MIER), Kuala Lumpur
- Dr. C. Veeramani, Professor, Indira Gandhi Institute of Development Research (IGIDR), Mumbai
- Dr. Nguyen Huy Hoang, Director General, Institute for Southeast Asian Studies, Vietnam Academy of Social Sciences (VASS), Hanoi
- Dr. Adriana Elizabeth, Professor, Centre for Political Studies, LIPI, Jakarta

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**12:30 – 13:00**

**Closing Session**

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- Remarks by Amb. Suresh Reddy, Indian Ambassador to ASEAN, Jakarta
- Special Address by Prof. Dr. Bambang Subiyanto, Chairman, Indonesian Institute of Science (LIPI), Jakarta
- Special Address by Mr. Benny YP Siahaan, Director/Deputy Director General of ASEAN External Cooperation, Directorate General of ASEAN Cooperation, Ministry of Foreign Affairs, Republic of Indonesia.
- Summary and Vote of Thanks by Dr. Prabir De, AIC

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**13:00 – 14:00**

**Lunch Break and End of the Programme**

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# INAUGURAL ADDRESS

**H. E. SUSHMA SWARAJ**

**External Affairs Minister of India**

Excellency, Minister of Foreign Affairs of Indonesia, Retno Marsudi;

Excellency, Secretary General of ASEAN, Mr. Lim Jock Hoi;

Ambassador Preeti Saran, Secretary (East), Ministry of External Affairs of India;

Dr. Bambang Subiyanto, Chairman, LIPI;

Prof. Sachin Chaturvedi, Director General, RIS;

Excellencies;

Distinguished Guests;

Ladies and Gentlemen;

I wish you all, a very Happy New Year.

I am delighted to address you, at this fifth-round table of the ASEAN-India Network of Think Tanks (AINTT). This fifth-round table, is taking place at a very important juncture.

In less than three weeks from now, India will host the ASEAN-India Commemorative Summit to mark the 25th anniversary of India-ASEAN relations.

Your discussions today, are therefore, timely and opportune.

It will provide useful inputs to our leaders, when they meet on 25th January in New Delhi for the Summit.

It will be an honour and a prestige for us to host all the ten ASEAN Leaders as Guests of Honour for our Republic Day.

Their presence in New Delhi on the Republic Day, will place India-ASEAN relations at centre stage, and at the heart of India's Act East Policy.

I thank Foreign Minister of Indonesia H.E. Retno Marsudi for her active support and participation at today's event. I also take this opportunity to congratulate H.E. Mr. Lim Jock Hoi on his appointment as the Secretary General of ASEAN and thank him for his presence today.

Friends, Think Tanks generate new ideas, in formulating public policy.

They make significant contributions, in shaping the future discourse of our leadership. The AINTT, as an initiative, has successfully enabled our academic and our strategic communities in the region, to come together, on a common platform for exchange of views.

The last four rounds of the AINTT have made important contributions towards policy decisions by the Governments of ASEAN countries and India to further strengthen ASEAN-India relations.

I expect this round of the AINTT, to build upon its past work.

Today, representatives of think tanks from India and ASEAN countries will deliberate on maritime security, trade and investment, education and cultural heritage.

These are important markers in our engagement with South East Asia, in enhancing our strategic ties with ASEAN across 3 Cs. These 3Cs are Commerce, Connectivity and Culture.

Both India and ASEAN countries are maritime nations, with a rich and glorious history of maritime trade.

We have energised our ancient links in a contemporary setting, to become a driving force in Asia's resurgence.

As a mature and responsible nation, one of India's foreign policy interests, is to evolve a regional architecture based on the twin principles of shared security, and shared prosperity.

This was enunciated by our Prime Minister Shri Narendra Modi in 2015, in his vision of SAGAR. SAGAR stands for Security and Growth for All in the Region. It recognises the central role played by the seas and oceans around us in promoting sustainable economic progress in a secure and stable environment.

The Indo Pacific region, is increasingly seen as a connectivity pathway - much of the world's trade passes through these oceans.

These waters must not only get better connected, but remain free from traditional and non-traditional threats, that impede free movement of people, goods and ideas. Respect for international law, notably UNCLOS, in ensuring this is, therefore imperative.

India and ASEAN share a common vision for global commerce and maritime domain. We look forward to working closely with ASEAN in a range of activities:

1. to develop a Blue Economy,
2. in coastal surveillance,
3. in building off- shore patrolling capabilities,
4. hydrographic services, and
5. information sharing for increased maritime domain awareness.

Friends, A deeper economic integration with the dynamic ASEAN region, is an important aspect of our Act East Policy. ASEAN is India's 4th largest trading partner, accounting for 10.2 per cent of India's total trade.

India is ASEAN's 7th largest trading partner. Trade is back on track and registered an 8 per cent increase in 2016-17, as compared to the previous year.

Investment flows have also remained robust. It is our continuous attempt to promote dialogue among ASEAN and Indian business and trade associations, to further enhance bilateral trade and investment. The establishment of a Project Development Fund will encourage Indian companies to develop manufacturing hubs in CLMV countries.

Our offer of a US\$ 1 billion Line of Credit is another important initiative to enhance physical and digital connectivity.

In this context, I invite the scholars, academics and think tanks present here today to offer new ideas, for a greater integration of ASEAN Economic Community with India and identify collaborative opportunities in investment, trade and services sector.

Excellencies, Distinguished Guests,

Promoting greater collaboration among educational institutions, will contribute towards investing in the future of our relationship, especially where it involves the youth of our countries. We continue to offer scholarships to students from the region, for pursuit of higher education in India.

I invite you all to discuss modalities for setting up a network of Universities among ASEAN countries and India, to intensify our cooperation in the education sector.

The revival of Nalanda University in Rajgir, renowned as a centre for learning and Buddhist studies in ancient times, is yet another attempt to energise our civilisational links.

The term 'Nalanda' is a combination of three Sanskrit words -Na+Alam+Daa, which meant 'no stopping of the gift of knowledge'.

Our efforts are to recreate this knowledge hub. A Dharma Dhamma Conference will be organised next week, at the Nalanda University for which we have invited scholars from the entire region. We look forward to an active participation from the ASEAN countries at this Conference.

While physical & digital connectivity initiatives are poised to seamlessly integrate us into a greater Indo-ASEAN community, our shared cultural heritage remains a strong emotional bond that already integrates us.

Our think tanks have done commendable work in rediscovering our cultural and civilization ties.

We commenced our silver jubilee celebrations last year, with the second edition of the Conference on Cultural and Civilisational Links in January 2017.

A potent symbol of our integration through the assimilation of our mythology and folklore, can be seen in the depiction of the epic, Ramayana. The various forms of Ramayana prevalent in the South East Asian region, be it Ramakien in Thailand, Pha Lak Pha Lam in Lao PDR, Yama Zatddaw in Myanmar, Kakawin Ramayana in Indonesia or Hikayat Seri Rama in Malaysia, bear testimony to our historical connect.

Various interpretations of Ramayana through performing arts are part of our shared tangible heritage. We will organise a Ramayana Festival in India, to showcase our cultural interpretations of Ramayana across the ASEAN countries and India. The similarities of Mudra (hand gestures) in our dance forms across ASEAN and India, will also be showcased during this Festival.

I urge the think tanks to strengthen consultations and suggest ways, to enhance maritime, commercial, educational and cultural cooperation. I look forward to new areas to be identified where both India and ASEAN can work together to bring development and prosperity to the region. With these words, I wish all success to the organizers for this event.

Thank You!





# KEYNOTE ADDRESS

## **H.E. RETNO MARSUDI**

### **Foreign Minister of Indonesia**

My good friend, my sister External Affair Minister, Sushma Swaraj;

Secretary General of the ASEAN H.E Lim Jock Hoi;

Ambassadors, Excellences, Distinguished Participants;

Ladies and Gentlemen,

Let me start by wishing you a very happy New Year and hope it will bring peace and prosperity to our region and beyond. We start the New Year with two important activities. Yesterday morning I witnessed the appointment of new Secretary General of ASEAN and the ground breaking of the new ASEAN Secretariat building. This shows Indonesia's commitment towards ASEAN and to strengthening ASEAN Secretariat to enable ASEAN to play greater role in the region and beyond. Later afternoon yesterday, my colleague Minister Sushma Swaraj and I attended the 5th Indonesia-India Joint Commission Meeting. As a land of democracy, India is an important strategic partner for Indonesia, both at bilateral level and as well as at regional and global forums including ASEAN-India, EAS, ARF, IORA, and G20. These two activities reflect Indonesia's strong commitments and determination to increase its engagement and contribution in our region.

Ladies and Gentlemen,

Since its establishment in 1992, ASEAN-India relationship has significantly progressed across political security, economic and social-cultural pillars. A strong cultural dialogue has been established in the 25 years of partnership. The upcoming India-ASEAN Commemorative Summit in New Delhi will add important momentum to further solidify this partnership. Moving forward, in the mid of geopoliticalship in our region and the world, ASEAN-India should continue to collaborate and play a constructive role in addressing regional and international issues.

Let me take this opportunity to share my views on this partnership of ASEAN and India. First, ASEAN and India must work together to strengthen and connect regional architecture in the Pacific and Indian oceans. The regional architecture can secure robust and inclusive underpin the spirit of cooperation and partnership, as well as placing privacy on international law. ASEAN in 50 years of its existence has been able to create an important system of peace and stability in Southeast Asia through the dialogue and cooperation including with its dialogue partners.

Some important eco-systems must not be taken for granted, but must be nurtured constantly. The ASEAN-India partnership, therefore, should be a nurturing the eco-system of peace and stability in the wider region of Pacific and Indian oceans.

Second, enhancing economic cooperation must be a priority for ASEAN and India. We must take the opportunity from the momentum of global economic recovery. In fact, ASEAN and India have huge potentials to be one of the world economic generators. Our market has reached 2 billion people with total GDP US\$ 4.5 trillion. Our trade and investment flows show increasing trend, but yet to reach its true potential. Total trade in 2016, for example, amounted US\$ 58.4 billion, and foreign investment flow from India to ASEAN has reached US\$ 1.05 billion. We, therefore, must enhance our effort to increase two-way trade and investment including through the ratification of ASEAN-India services agreement and ASEAN-India investment agreement, closer business to business interaction and enhancing connectivity including transport connectivity.

We must also work harder to accelerate the conclusion of regional comprehensive economic partnership. RCEP will become largest free trade fact in the world encompassing almost half of the world population, a combine GDP of 31.6 per cent of world GDP and presenting 28.5 per cent of the world trade. RCEP success will send a strong message that economic integration could bring benefit for all and reconfirm our commitment to free and open trade at a time when sentiment of protectionism is on rise in the other parts of the world.

Ladies and Gentlemen,

Third point that I would like to underline is the importance of strengthening maritime cooperation. Our ocean provides huge opportunity and cooperation to maintain stability. Security and safety, promoting sustainable economic benefit, and cooperation on infrastructure development of maritime connectivity are very important. On maritime security, stronger cooperation is of immediate needed to address various challenges, namely, marine fishing, marine piracy, smuggling, drug trafficking and terrorism.

Ladies and Gentlemen,

The 5th Roundtable of ASEAN-India Network of Think Tanks is a strategic forum to discuss the ways and means to advance ASEAN-India relation by providing crucial perspective on future of ASEAN-India relation and identify feasible policy options.

I look forward to receive a concrete recommendation of this meeting and thank you very much for being present here today, on Saturday early morning. And thank you very much once again to my sister Sushma for her to attend this meeting.

Thank you very much.

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## **LIST OF PAPERS PRESENTED**



## LIST OF PAPERS PRESENTED

### Session I: Maritime Security Cooperation

1. **Maritime Security Challenges in Indo Pacific**  
*Vice Admiral Pradeep Chauhan*
2. **India and ASEAN Regionalism amid Challenges to Maritime Security and Cooperation**  
*Shankari Sundararaman*

### Session II: Services Trade and Investment

3. **Indian Enterprises' Investment in Vietnam and the Role of Indian Diaspora**  
*Nguyen Xuan Trung*
4. **On the Emerging Challenges in the Services Industry: Trade and Investment**  
*Florian A. Alburo*
5. **India's Prospects for Services Integration with Asian FTA Partners**  
*Rupa Chanda*
6. **Services Trade: The Unrealised Potential in ASEAN-India Engagement**  
*Dipinder S Randhawa*

### Session III: Cultural Heritage

7. **The Next Decade of Scope and Opportunities between India and Thailand**  
*Sophana Srichampa*
8. **Indigenous Knowledge, Folklore Conservation and Cultural Heritage: The North East Indian and Southeast Asian Paradigms**  
*Desmond L Kharmawphlang*

**9. ASEAN-India Growing Engagement through Cultural and Civilisation Relations**

*Norhabibah Kamis*

**10. Art in Translation: Interpreting Icons and Narratives across the Indian Ocean**

*Parul Pandya Dhar*

**Session IV: Educational Cooperation**

**11. Connecting the South East Asia and India's Northeast through Education**

*Mridul Hazarika*

**12. ASEAN-India Educational Cooperation: Proposal for ASEAN-India University Network (AIUN)**

*Prabir De and Sreya Pan*

**Session V: Way Forward AEC 2025 and India**

**13. ASEAN-India Partnership: Perspective of Lao PDR**

*Thieng Bouppha*

**14. ASEAN and India: Cooperating Towards Convergence**

*Shankaran Nambiar*

**15. ASEAN-India Relations and Prospect of India's Role in Southeast Asia in 2025 and Beyond**

*Nguyen Huy Hoang*

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SESSION: I



# MARITIME SECURITY COOPERATION





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# Maritime Security Challenges in Indo-Pacific

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Vice Admiral Pradeep Chauhan

## 1. Introduction

Traditionally, security used to be thought of only in terms of the defence of territory within a State system whose defining characteristic was an incessant competition for military superiority with other nation-states, all lying, without superior or governing authority, within a classic state of anarchy. Yet, for most people of the world, threats to individual security, such as disease, hunger, inadequate or unsafe water, environmental contamination, crime, etc., remain far more immediate and significant. Thus, as nation-states, such as India and the ten member states of ASEAN, begin to incorporate the many facets of 'Human Security', they find themselves moving away from the earlier, excessively narrow definition. Consequently, new terms such as 'Non-Traditional Security' and 'Human Security', drawn from the 1994 Report of the UNDP, have made their way into our contemporary security lexicon and established themselves within our individual and collective security consciousness.

Over the last 35-odd years, the concept of 'security' has been established within a new construct that incorporates military, political, economic, societal and environmental dimensions. Thirty-five years ago, in 1982, the late Prime Minister of Sweden, Mr Olaf Palme, chaired an "Independent Commission on Disarmament and Security Issues", which authored the famous "Common Security" report. This Commission emphatically drew attention to alternative ways of thinking about peace and security by formally acknowledging that common security requires that people live in dignity and peace, that they have enough to eat and find work and live in a world without poverty. Apart from 'Military Security', which does, of course, continue to enjoy primacy in a world system defined by sovereign nation-states, the UNDP lists as many as seven components of Human Security: 'Economic Security', 'Food Security', 'Health Security', 'Environmental Security', 'Personal Security', 'Community Security', and, 'Political Security'.

It is, therefore, appropriate that within the maritime domain, the concept of '*maritime security*' is increasingly being described as a condition characterised by freedom from threats arising either in-, or from-, or through the sea. These threats could arise from natural causes or manmade ones, or the interplay of one with the other, as in the case of environmental degradation or global warming. Insofar as the targets of such threats (arising from a lack of maritime security) are concerned, these could be individuals themselves — or 'groupings' of individuals, such as societies and/or nation-states. When these threats address the regional fabric itself, nation-states find themselves increasingly enmeshed in a complex web of security interdependence, which tends to be regionally focussed and a robust regional initiative ought to be a logical outcome of this regional focus.

Today, threats to human security, such as religious extremism; international terrorism; drug and arms smuggling; demographic shifts — whether caused by migration or by other factors; human trafficking; environmental degradation; energy, food and water shortages; growing challenges to the rules-based order so painstakingly arrived-at through the torturous deliberations of the UN that led to the 1982 Law of the Sea; all now figure prominently as threats that are inseparable from military ones. These have led to the formulation of new concepts such as ‘comprehensive security’ and ‘cooperative security.’

However, security issues within the maritime domain need to be referenced more towards ‘*common interests*’ rather than concentrating solely upon ‘threats’. At a regional level, it is these very Human Security issues that have been mentioned above that constitute common interests. It is a common regional interest to create and consolidate a region in which the comity of nations is both intrinsic and assured; where every nation, big or small, is treated as an equal; where multiple options of governance are recognised as being functions of the independent choice of the people of each nation-state; where the people of every state of the region can live in dignity and peace; where poverty stands banished and prosperity sits in its place; where the state protects the individual and the individual preserves the state in a symbiotic relationship designed to establish and spread stability across the region; where malevolent non-State entities find neither spatial nor temporal room for manoeuvre. The recognition of the relevance and immediacy of this common maritime interest at the highest political levels of our respective nations is of critical import and must necessarily guide our maritime endeavours to seek holistic security at national, regional and global levels.

Although the Indo-Pacific region has several manifestations of the regional drive towards cooperative security through Constructive Engagement, most of them lie in the Pacific. Examples include ASEAN, ASEAN+3, APEC, ARF, the 6-Party Talks, the East Asia Summit, etc.

The Indian Ocean segment of the Asia-Pacific littoral is now beginning to catch up. However, for much of the 20th century, such sub-regional geopolitical constructs as did emerge within the Indian Ocean remained limited to West Asia and southern Africa (the Arab League in 1945, the SADC in 1980 and the GCC in 1981). There was nothing to be found at a pan-regional level that might knit together at least a significant proportion of the 37 littoral nation-states of the Indian Ocean and its rim. It was not until the closing years of the 20th Century that a Mauritian-led initiative fructified and led to the launch, in March of 1997, of the ‘Indian Ocean Rim – Association for Regional Cooperation’ (IOR-ARC). However, for the first decade-and-a-half of its existence, this grouping confined itself purely to economic cooperation and specifically abjured security issues. It must, of course, be admitted that in 1997, the notion of security within the collective minds of the countries of the Indian Ocean was still very strongly biased towards military security alone. The year 2013 was a watershed for the organisation, for in that year, the IOR-ARC was renamed ‘Indian Ocean Rim Association’ (IORA)<sup>1</sup> and identified for itself six priority areas to promote the sustained growth and balanced development of the region, of which ‘maritime safety and security’ is the priority<sup>2</sup>. The IORA also spelt out its intent to have its work on maritime security and safety and disaster management aligned-with and made to complement the similar initiatives taken or envisaged by the Indian Ocean Naval Symposium (IONS). Late last year, in November 2017, the second Indian Ocean Rim Association (IORA) meeting of experts on maritime safety and security discussed at length how best to establish and sustain an institutional link with IONS<sup>3</sup>.

## 2. Important Maritime Security Structures (IONS, WPNS, MDA and Others)

At this juncture, a few words on the IONS construct may be in order. In February of 2008, driven by the need to address regional vulnerabilities by capitalising upon regional strengths, the chiefs of the maritime-security agencies of very nearly all littoral states of the Indian Ocean Region got together in

New Delhi. Sitting and discussing together — for the first time — both in ‘assembly’ and in ‘conclave’, they launched the 21st century’s first significant international maritime-security initiative — namely, the Indian Ocean Naval Symposium, or ‘IONS.’ That the launch of so important a regional initiative was able to meet with such wide acceptance across the length and breadth of the Indian Ocean was in itself a unique phenomenon — but one representative of a region that is beginning to come into its own and seems ready to evolve a broad consensus in facing the myriad security challenges within the maritime domain.

How membership of the IONS is determined can best be understood if one begins by understanding that each and every littoral and island country that legitimately possess territory within the Indian Ocean or its rim (as described in the IHO’s Special Publication 23), is automatically an ‘Observer’ within the IONS construct. Now, every ‘Observer’ country that signs the IONS Charter is elevated to the status of a member and obtains voting rights. Those that do not sign the charter remain observers and, in that very capacity, are invited to participate fully in all activities of the IONS.

Recognising the different security concerns that predominate in different maritime reaches of the IOR, the 37 littoral states of the Indian Ocean Region have been geographically grouped into four sub-regions, as depicted in Table 1.

**Table 1: IOR Subgroups**

West Asian Littoral		East African Littoral		South Asian Littoral		South-East Asian & Australian Littoral	
1	Bahrain	1	Comoros	1	Bangladesh	1	Australia
2	Iran	2	Djibouti	2	India	2	Indonesia
3	Iraq	3	Egypt	3	Maldives	3	Malaysia
4	Israel	4	Eritrea	4	Pakistan	4	Myanmar
5	Jordan	5	France	5	Seychelles	5	Singapore
6	Kuwait	6	Kenya	6	Sri Lanka	6	Thailand
7	Oman	7	Madagascar	7	UK	7	Timor Leste
8	Qatar	8	Mauritius				
9	Saudi Arabia	9	Mozambique				
10	UAE	10	Somalia				
11	Yemen	11	South Africa				
		12	Sudan				
		13	Tanzania				

*Source:* Author.

Every two years, the chiefs of the principal maritime-security organisations of these countries gather in the conclave and, removed from the glare of the media, meaningfully progress pan-regional cooperation in terms of holistic maritime security. Eight Conclave-of-Chiefs have been held thus far. Each conclave is supplemented by an IONS Seminar, which the Chiefs also attend, along with a galaxy of luminaries in various disciplines relevant to security within the maritime domain. These seminars allow the attendees to constructively engage one another through the creation and promotion of regionally relevant mechanisms, events, and activities related to maritime security.

In accordance with its original design, the chairmanship of IONS rotates sequentially through each of the four sub-regions. This ensures that the somewhat different priorities given even to common challenges, and, of course, such maritime-security challenges as are unique to a given sub-region, are all given the emphasis and attention that they deserve. The first rotation through all sub-regions has already been completed with the Chiefs of Navy of India (2008-2010), the UAE (2010-2012), South Africa (2012-2014), Australia (2014-2016) all having sequentially chaired the IONS. The chairmanship is currently held by the Chief of the Navy of Bangladesh (2016-2018).

There is a great deal of similarity between the IONS and the Western Pacific Naval Symposium (WPNS). This similarity, and the fact that the navies of all littoral countries of ASEAN are simultaneously members of the WPNS and observers or members of the IONS, offers very substantial potential in terms of regional structures for holistic maritime-security.

Twin three layered structures — one for the western Pacific and the other for the IOR — offer a solution that is readily at hand. Each of these three-layered structures involves a conceptual construct, a political construct, and, an executive construct. Insofar as the western Pacific is concerned, ASEAN is the most relevant conceptual construct, while the ADMM-PLUS is the political construct, and the Western Pacific Naval Symposium (WPNS), MALSINDO, MIST and Malacca Strait Patrols are the executive constructs that actually ‘do the doing’. Likewise, in the Indian Ocean, the concept of SAGAR (Security and Growth for All in the Region) is the most relevant conceptual construct, while the IORA is the political construct. IONS is the executive construct, which will, once again, actually ‘do the doing’.

This is not to say that there are no other structures with which these triple-layered ones should interface even within their respective maritime expanses. There certainly are, and the need for information-sharing relevant to the goings-on within the maritime reaches of the region offers an excellent example.

Maritime security is founded upon an awareness of what is going on within the maritime domain. Indeed, it should never be forgotten that ‘response’ is always a follow-through of ‘awareness’. In the maritime domain, this is what is called ‘Maritime Domain Awareness’ (MDA), or sometimes, ‘Maritime Situational Awareness’ (MSA). Within the Indian Ocean region, MDA is the effective understanding of anything associated with the global maritime domain that could impact the security, safety, economy, or environment of the sovereign nations that constitute the IOR. Likewise, it is the case in the western Pacific. MDA forms a superset, within which lie several very important subsets. These include the need to increase transparency, information-sharing (not just between governments but also between industry and government), the adoption of international norms and standards, and the enhancement of response mechanisms. As such, within the IOR, the IONS construct is ideally suited to facilitate this common objective of sharing unclassified information relevant to the maritime environment between sovereign nations to enable its constituents to predict, detect and defeat illegal activities that threaten the safety and wellbeing of the regional maritime common.

IONS must urgently endeavour to establish structures, procedures and processes that will meaningfully supplement ongoing capacity-building and capability-enhancement efforts. Prominent amongst these is the Djibouti Code of Conduct (DCoC) process. The DCoC is a sub-regional agreement for training and information-sharing that has been initiated and is supported by the International Maritime Organisation (IMO) along with the EU’s project on ‘Critical Maritime Routes in the Indian Ocean’ (CRIMARIO), which commenced in 2009 and has led to the establishment of three Information-Sharing Centres (ISCs) — in Sana’a (Yemen), Mombasa (Kenya) and Dar es Salaam (Tanzania), with Sana’a being the overarching regional centre. Similarly, IONS must be able to leverage the enormous strides made by Singapore and India in terms of MDA.

### 3. Other Areas of Marine Cooperation

In the maritime context, the sharing of unclassified information with regard to merchant vessels is often known as sharing ‘White Shipping’ data and this is a well-established first-step to the enhancement of collective visibility. There are several bilateral agreements between nation-states for the sharing of White Shipping data. India, for example, has already signed such agreements with the USA, the UK, Australia, France, Spain, Singapore, Myanmar, Israel, and Vietnam; and is looking to extend this activity to many more countries and multinational groupings as well. Although quasi-formal arrangements for the sharing of such data also exists between India and IONS members such as Maldives, Mauritius,



Seychelles and Sri Lanka, it is timely and appropriate for similar technical agreements to be formally signed between the constituent navies of IONS.

Due to the heterogeneous mix of platforms and sensor technologies in use today, ‘data-fusion’ is a major requirement of MDA. Data obtained from different sources may, for example, show the same vessel as two or more vessels that are slightly separated in space. The reverse, too, can occur. This is due to the inherent errors in bearings, ranges and reference geoids that are simultaneously in use by different contributors to the data. There is a clear need for powerful sensor data fusion architectures — and this has nothing whatsoever to do with nationally-sensitive information regarding military entities. Safety and security are constant concerns of maritime navigation, especially when considering the continuous growth of maritime traffic and the persistent decrease in the number of persons deployed aboard modern merchant ships. For instance, preventing ship accidents by monitoring vessel activity represents substantial savings in financial cost for shipping companies (e.g., oil spill clean-up) and averts irrevocable damages to maritime ecosystems (e.g., the closure of fisheries). One of the main sources of White Shipping data is the Automatic Information System (AIS). However, it is far from adequate as a means of comprehensive MDA. AIS messages are vulnerable to manipulation and, due to the unsecured channel of transmission, are subject to hacking. AIS data can — and often does — contain deliberate falsifications and spoofing, such as identity fraud, obscured destinations, and GPS manipulations. It is believed that some 5 per cent of AIS static data transmissions have errors of one or another kind. Quite often, fishing vessels deliberately avoid transmitting their information, either because they are involved in illicit activities such as illegal fishing, or simply to keep their fishing areas secret from competitors. Quite apart from the formidable challenges posed by the sheer volume, velocity and variety of information on White Shipping that is being shared (or, is sought to be shared), it is essential to establish the veracity of all this maritime data. Thus, to overcome the problem of the incompleteness of data, the correlated exploitation of additional and heterogeneous sources is unavoidable.

Enhanced visibility in the form of Maritime Domain Awareness is not achieved simply by the sharing of electronic or digital data. It also requires the process of trying to understand events — something that Americans call ‘sense-making’ (also often written as ‘SenseMaking’), which is an active process where the human entity within an MDA chain builds and refines questions and recovers situational awareness. While hardware and software for MDA are subjects of much-informed debate, inadequate concentration has been laid upon the ‘skinware’, i.e., the human being. Many human-interaction facets, ranging from cultural differences to language barriers, can affect the maximising of MDA. For instance, human social networking that enhances cooperation and mutual trust is a crucial element in any meaningful collaborative mechanism across national boundaries. In this regard, the numerous Multi-National Experiments (MNE) of Maritime Situational Awareness (MSA [=MDA]) conducted between participating teams from Sweden, Finland, Singapore and NATO in the first decade of the present century<sup>4</sup> offer an excellent model for IONS to adapt and adopt.

Indeed, given the heterogeneous nature of the region (a recognition that has shaped the internal structure of the IONS construct), solutions that rely solely upon high-tech approaches are unlikely to succeed in the IOR. There is a clear need to identify opportunities not only through high-tech means and processes but equally, through low-tech solutions, human resources and regional collaboration for the improvement of maritime domain awareness. While a basic understanding of MDA technology is important, and while training towards this end is certainly required, ‘IONS’ clearly needs to lay far greater emphasis on collating public sources and working with coastal populations so that national and regional capacities are developed simultaneously. For example, the promotion of MDA should be intrinsic to coastal and port-led development ventures (such as India’s ambitious SAGARMALA project). If coastal communities and environmental agencies are sensitised to the benefits of collaborating with MDA centres, MDA would become that much more people-centric rather than

remaining only technology-centric. Fisheries sector offers a useful illustration of this concept. If MDA can be seen to benefit fishing communities by informing them of the presence of desired schools of fish and simultaneously warning off poachers from the community's fishing grounds, the fishing community will become a valuable source of MDA, transforming itself into the eyes and ears of the awareness-project and supplementing the technical measures in place.

Yet, another structure that we would do well to study and interact with is the EU's 'Programme to Promote Regional Maritime Security' [MaSe], established in 2013, which is expected to shortly launch two additional centres for information-sharing (in Madagascar) and operational coordination (in Seychelles) under the leadership of the 'Indian Ocean Commission'.<sup>5</sup> As things presently stand, at the multilateral level, the EU's Maritime Security Centre: Horn of Africa (MSCHoA) is the backbone of the MDA system in the sub-region of north-east Africa. IONS have a great opportunity to support and supplement the transition from MDA-sharing structures created by extra-regional powers such as the EU.

We would also do well to avoid an undue obsession with providing a real-time picture of the regional maritime domain. In this regard, it is extremely useful to draw both, inspiration and lessons, from the excellent work done by ASEAN's ReCAAP (Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia) initiative and Singapore's IFC (Information Fusion Centre). ReCAAP, for example, has gained high visibility and credibility more through its analytical reports and guidelines, rather than by providing a real-time picture of the maritime domain. Likewise, although the IFC capitalises upon Singapore's high technological-base and its generous resources, it's a most substantial contribution to regional MDA are its weekly summary of events and incidents, which rely entirely on open sources. One of ASEAN's many contributions is this model for increased visibility. IONS, too, needs to create a structure that would provide reliable weekly reports on activities in regional waters, using the already-available network of national focal points to verify and disseminate media reports, thereby becoming reliable sources of information and knowledge providers. Yet, another structure with which IONS should urgently develop strong institutional linkages is the 'Indian Ocean Forum on Maritime Crime' (IOFMC). This is an informal technical collaboration mechanism organised and implemented by the 'Global Maritime Crime Programme' of the UN Office on Drugs and Crime (UNODC). Its objective is to enhance the collaboration between law enforcement officials in the region and to 'promote a shared understanding of the maritime crimes' in the region.

Another great common challenge is the security dimension of climate change. Climate change impacts each of us at the 'national', 'regional' and 'global' levels – and, going in the other direction, at 'subnational' and 'human' (individual) ones as well. Perhaps even more disconcerting is the ease with which the various security impacts of climate change transcend the traditional stove-piping of internal and external security. For instance, as rising global temperatures create enhanced heat and water stress, there is a high probability that substantially lowered levels of food security will result in human migration, in turn causing a whole slew of ills ranging from a sharp increase in 'barbarism' to demographic shifts. Professor Shi Yinhong of China's Renmin University explains: "...food could become the single most sought-after resource globally..... Large fluctuations in price, or constraints on availability, could contribute to state failure... Pressure for secure, affordable supply, together with a loss of confidence in the markets, would result in a high priority being placed on the security of imports. The risk of conflict would be significant in situations where the developing countries themselves faced shortfalls. At the same time, the importance of overseas assets to food security would lead great powers to invest more in defending strategic trade routes, which could themselves become subject to military confrontation."

Even outside of State-on-State conflict, the security-impact of climate change has already been severe. The Syrian unrest – and the consequent rise of the ISIS/*Daesh* as a transnational threat – offers an illustrative case. The West Asian, the North African, and the Mediterranean regions have



all been experiencing a drying trend over the last few decades, with a notable decline in winter precipitation — in conformity with the forecasts that had already been made by climate-modelling. As a consequence of the extreme drought suffered by Syria between 2007 and 2011, involving severe and widespread crop failure and the loss of livestock, there was a mass internal displacement of some two million farmers and herders into urban areas that were already stressed with Iraqi and Palestinian refugees. By 2011, around a million Syrians faced extreme food insecurity and another three million had been driven into extreme poverty. While several factors — such as political insensitivity, a lack of democratic mechanisms for the venting of public frustration and brutal State repression — drove the political unrest and conflict that followed (and contributed to the appeal of the ISIS/*Daesh*), it is difficult to pretend that this widespread impoverishment and large-scale displacement, which was a result of climate change, has not played a major role.

Likewise, the linkages between ‘external’ and ‘internal’ threats arising from the impact of climate change are discernible in the maritime space as well. For instance, as a number of battle-hardened ex-ISIS fighters from Indonesia return home, many of them appear to be settling in Aceh province. Should their number reach a tipping point, the possibility of unrest flaring once again in Aceh can hardly be dismissed. Should such a flare-up come to pass, the central government in Jakarta will put severe pressure on these groups. To escape this pressure, some leaders/cadres might flee from Indonesia — and might land up a mere 90 nm away, in India’s Nicobar Islands (the southern part of the Andaman & Nicobar group). For both, Jakarta and New Delhi, such a contingency is not capable of being neatly placed within an ‘internal security’ stove-pipe.

**Table 2: Rank of Countries in terms of Ocean Rise Vulnerability**

Country	Rank		Vulnerable Population (Million )	
	2008	2050	2008	2050
India	1	1	20.6	37.2
Bangladesh	3	2	13.2	27.0
China	2	3	16.2	22.3
Indonesia	4	4	13.0	20.9
Philippines	6	5	6.5	13.6
Nigeria	9	6	4.3	9.7
Vietnam	7	7	5.7	9.5
Japan	5	8	9.8	9.1
USA	10	9	3.8	8.3
Egypt	17	10	2.1	6.3
UK	11	11	3.3	5.6
South Korea	8	12	4.8	5.3
Myanmar	12	13	2.8	4.6
Brazil	14	14	2.6	4.5
Turkey	13	15	2.6	3.9
Malaysia	18	16	1.9	3.5
Germany	15	17	2.3	3.3
Italy	16	18	2.1	2.9
Mozambique	25	19	1.2	2.8
Thailand	19	20	1.8	2.6

Source: Author.

There are also several specifically-maritime manifestations of security infirmities caused by climate change — and India’s is a particularly critical case. The UK Foreign and Commonwealth Office’s most

recent report on the risks involved in climate change unequivocally states that with 1 metre of the rise in the global sea level: “the probability of what is now a ‘100-year flood event’ becomes about 40 times more likely in Shanghai, 200 times more likely in New York, and 1000 times more likely in Kolkata. Defences can be upgraded to maintain the probability of a flood at a constant level, but this will be expensive, and the losses from flooding will still increase, as the floods that do occur will have greater depth.”

Indeed, if one were to rank countries according to the total number of people who would be at severe risk from a rise in sea level, India stood at ‘Number One’ in 2008 and is projected to retain this dubious honour in 2050, too — as Table 2<sup>6</sup> clearly shows:

The vulnerability to sea-level rise of the Republic of the Maldives, whose constituent islands and atolls have an average elevation above the current Mean Sea Level of just five feet, is well known. The Maldives is located a mere 250 nm south-west of India. Its highest elevation is a mere eight feet! Thus, it is extremely susceptible to a rise in sea levels because of global warming. The 5th Report of the Intergovernmental Panel on Climate Change (IPCC) predicts that in a ‘high emissions’ scenario, there will be a global rise by 52-98 cm (20.47 to 36.22 inches) by the year 2100. Even with a regime of aggressive reduction in emissions, a rise by 28-61 cm (11 to 24 inches) is predicted and this could be disastrous for the Maldives — its population is about 336,000 people, many or all of whom could suddenly become ‘boat people’! Where will they all go? These concerns have their mirror-image manifestations in ASEAN and India, too. Large coastal segments of Indonesia, Malaysia, and the Philippines are especially vulnerable. Serious legal issues arise as well. If a country’s coastline recedes significantly as a result of the rise of sea-levels, what happens to the baselines of that country? Will they now lie several tens of nautical miles to seaward of the country’s low-water line? What will happen to judgements relevant to these baselines, whether delivered by the ITLOS or the Permanent Court of Arbitration? Surely, the security community needs to devote scholarship to these issues — and clearly, we need to have multi-dimensional contingency plans in place to deal with the obvious security implications of the unfolding of such scenarios.

The possibility of ‘State-failure’ that may well be the most catastrophic of the several security-related risks inherent in climate-change and yet, it is a relatively poorly acknowledged one. ‘State-failure’ is about the whole or partial collapse and internal dissolution of a nation-State. As the former Secretary-General of the United Nations, Boutros Boutros Ghali, described it: “A feature of such conflicts is the collapse of state institutions, especially the police and judiciary, with resulting paralysis of governance, a breakdown of law and order, and general banditry and chaos. Not only are the functions of government suspended, but its assets are destroyed or looted and experienced officials are killed or flee the country.”

With some 368 years have elapsed since the Treaty of Westphalia was signed in 1648, ‘Conventional Wisdom’ is that the current system of sovereign states is reasonably stable. ‘Conventional Wisdom’ also holds that in assessing climate-change risks emanating from human behaviour, historical experience is an unreliable and inadequate touchstone, since the future is likely to be very different from the past. As with most other nuggets of ‘Conventional Wisdom’, both tenets stand on shaky foundations. In truth, nation-states are far from being either homogeneous or inherently stable and serious errors would arise if were one to treat them so. History has repeatedly demonstrated that every nation-state suffers substantive and near-continuous internal tensions arising from the aspirations and perceived grievances of the various ethno-religious and socio-economic entities that constitute it. The extent to which the writ of nation-states runs is quite limited — certainly in robustness, and often, in geographic terms as well. The resilience of governing-structures in the face of an unexpected and large-scale crisis has frequently been found to be severely wanting. Indeed, recorded history cannot readily replicate the cause of a severe crisis — in this case, climate sensitivity that has been brought (by human action and inaction) to the high end of its likely range. However, it certainly can tell us a great deal about the very limited degree to which nation-states are likely to cope. Even recent history demonstrates that the ‘capacity’

(material wherewithal) and ‘capability’ (skill or expertise) of counties, cities, towns and suchlike are nowhere near that required to execute a mitigating strategy in the face of the sudden collapse of the norms of civic structures. This is so even in economically strong societies such as the USA, as witness, the readiness with which civil unrest — resulting from natural causes (e.g., Hurricane Katrina, September 2005) that are perceived to have been caused or exacerbated by inaction or wrong actions of those ‘in authority’ — degenerates into looting and the loss of respect for the rights of others. When these ‘others’ are already disadvantaged in one or another manner, as is often the case in more economically challenged States, this loss of mutual respect, as also respect for some notionally ‘superior’ authority, is even more rapid and profound. In the immediate aftermath of Typhoon Haiyan (November 2013), the breakdown of civic society in the Philippines is illustrative of the point being made. This is not to deride opinion-makers who hold that the natural tendency of people, when faced with a perceived existential crisis, is to cooperate and pull together. It is, however, a stubborn (if uncomfortable) fact that government structures tend to relinquish control rather easily (if not readily) in the face of sudden and massive adverse impacts. By definition, ‘State-failure’ is about ‘States’. It is by no means certain that even ‘enlightened self-interest’ will force governments to act in the greater ‘common good’. The story of one of the world’s youngest nation-states, South Sudan, where hope for a greater economic ‘common good’ (as represented by its bountiful oil trumping real and perceived injustices of the past vis-à-vis the government in Khartoum) was belied, is a depressing one. Governments, it would appear, can quite readily plump for the option of cutting off their noses to spite their faces. History also shows that the response that most governments have when faced with sudden, traumatic societal impacts is the immediate application of massive physical force, often involving the deployment of paramilitaries and even militaries. Thus, even if one were not to delve further into the specifics of intra-State politics, it is obvious that in terms of climate change, it is eminently possible to assess the risk of state failure by a process of historical reference. This is probably our only reliable bellwether. Quantification along measures of the scale of people affected versus the scale of the disaster in question is only one of several quantitative techniques that need to be used.

#### 4. Concluding Remarks

Given the foregoing, perhaps most important of need of all is to quickly establish robust and proactive linkages between the principal regional-political structure of the Indian Ocean — namely, IORA — and its functional instrument, IONS, and then to extend these structural and functional linkages to ASEAN’s ADMM-PLUS — and its corresponding functional instrument — namely, the WPNS. Such a progression would consolidate the Indo-Pacific into a ‘Maritime Regional Security Complex’, which the eminent strategic analyst and prolific writer of the 1980s, Barry Buzan, had described as “...a group of states whose primary security concerns link together sufficiently closely that their national securities cannot realistically be considered apart from one another.”<sup>7</sup>

#### Endnotes

- <sup>1</sup> 13<sup>th</sup> Meeting of the Council of Ministers of the Indian Ocean Rim Association — Perth Communiqué, 01 November 2013; available at url: [www.iora.net/media/139388/perth\\_communicu\\_\\_2013.pdf](http://www.iora.net/media/139388/perth_communicu__2013.pdf)
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- <sup>7</sup> Barry Buzan; “People, States & Fear: An Agenda for International Security Studies in the Post-Cold War Era”; ECPR Press, 2<sup>nd</sup> edition, University of Essex, Colchester, UK; Reprint: 2009, p. 160

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# India and ASEAN Regionalism amid Challenges to Maritime Security and Cooperation

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Shankari Sundararaman

## 1. Introduction

The first technical session of the 5<sup>th</sup> AINTT roundtable sets the tone for the conference, which is focused on the maritime security. Even as the region changes and shifts from the older understanding of regionalism based on the Asia-Pacific, today we are witnessing a change towards a newer strategic concept of the Indo-Pacific, which is a tangential shift from the older idea of regionalism. The context of this shift to the Indo-Pacific is still being debated. While India has started to look at the option of addressing the newly emerging dynamics of the Indo-Pacific, the ASEAN region still remains focused on the Asia-Pacific, especially with the objective of retaining the role for ASEAN's centrality in the multilateral processes that direct the regional security architecture. ASEAN's evolving understanding of the Indo-Pacific will bring it closer to the focus that India has on the region. For India, this too remains a critical factor, especially as India is committed to the centrality of ASEAN in the wider Indo-Pacific, while simultaneously focusing its efforts to address the newer dynamics that are challenging the region.

While the Asia-Pacific refers to a territorial identity of the states that encompass the region, the Indo-Pacific actually tends to shift the focus on the maritime regions and brings in a maritime perspective to understanding the wider region. This paper focuses on India and ASEAN regionalism amid challenges to maritime security and cooperation. The first part of the paper looks at some of the core challenges to maritime security that are critical for the region of Southeast Asia, extending to East Asia too as these challenges encompass both Southeast and East Asia into a composite unit. The second part of the paper looks at how India and ASEAN have critically focused on the areas of maritime security and how over the a period of nearly one decade India has evolved certain areas of convergences with countries of Southeast Asia both at the bilateral and multilateral levels.

As the focus shifts to the areas of maritime issues, it becomes relevant to understand that there have been strong historical links between the Indian Ocean region and the regions of Southeast Asia and the Pacific. In some senses Southeast Asia, represented by the ASEAN, becomes the core pivot of the links between the Indian and Pacific Oceans, as defined by the Indo-Pacific concept. This region represents a critical area through which a huge volume of global trade and global energy supplies pass, making this region relatively vulnerable to emerging challenges. The nature of these challenges can be broadly classified into two categories – first, those that are traditional in nature, related to the structural changes influenced by the rise of China and major power rivalries that have emerged in this context. A related issue is also the competition over resources and the territorial claims related the maritime regions. As China has risen, it has also begun to challenge certain norms that have been



in place since the end of the Second World War. Second, the challenges emerging in the sphere of non-traditional security threats such as piracy and illegal poaching of marine resources, as well as additional threats from humanitarian disasters and natural calamities, compound the already existing traditional security challenges.

One of the clear hallmarks of the maritime waters around the regions of Southeast and East Asia is the term by which it is known – this region is called known as “semi-enclosed seas”. Sam Bateman *et al.*, describe this concept as one, in which, the policies and actions taken by a particular state has the ability to impact and affect other existing states in the region. The authors also argue that in the context of Southeast Asia, almost all the seas found in this region are “enclosed territorial seas”, as a result of which there is a higher need to ensure that the “international law of the seas” is placed at a higher order for ensuring state behavior.<sup>1</sup> PDP Osman Patra clearly identifies both the East China Sea and the South China Sea as the crucial maritime waterways in the context of any assessment on maritime matters in the region.<sup>2</sup> This is a specific reference to the waters in the East Asian region, where both the challenges from geopolitics and geo-economics is rising as a result of the structural shifts that are shaping the region with the rise of China. Bringing the dynamics of the Indian Ocean to this existing context, to encompass the Indo-Pacific, brings further challenges as well.

## 2. Challenges to Maritime Security Cooperation

As the Indo-Pacific identity begins to take a concrete shape, the issues that plague the region by way of maritime security challenges, are also being reiterated by the regional states. What has often been defined as the “confluence of the two seas”, the Indo-Pacific is increasingly defined as a single maritime strategic unit.<sup>3</sup> Rory Medcalf further states that this region is not merely the linking of the two oceanic extents but is also referenced by the expanding regional and global interests of two rising powers that define the region - China and India.<sup>4</sup> When looking at this region in the broader context of major power dynamics, the continued presence of the US in the region as defined by the Obama governments “pivot to Asia policy” and more recently in November 2017, the Trump administrations “Free and Open Indo-Pacific”, all reiterate the growing power dynamics in the region of the Indo-Pacific, necessitating the need for enhanced maritime cooperation in the region to address rising challenges.

The region occupies a critical position as it is home to some of the most crucial chokepoints – the Straits of Malacca, Sundah, Lombok and Makassar link the Indian Ocean to the West Pacific Ocean through the South China Sea. The volume of trade that passes through the region is one of the critical factors that impact the maritime security issues. According to Angel Damayanti, the United Nations Conference on Trade and Development (UNCTAD) states that nearly 30 per cent of global trade for the year 2016 has passed through the Indo-Pacific. Moreover, in terms of the trade in energy resources, almost 60 per cent passes through these waters.<sup>5</sup> As regards the volume of energy supplies that passes through the region, nearly 80 per cent of China’s energy requirements are met through imports from West Asia, which transit through these waters.<sup>6</sup> As China’s economic growth is projected to be critical and its reliance on energy to further that growth will remain crucial, the need to address an uninterrupted source of energy supply will be important for China. The Asia Maritime Transparency Initiative (AMTI) refers to the US Energy Information Agency’s statistics on the projected energy reserves in the South China Sea; it gives an estimate that there is:

“190 trillion cubic feet of natural gas and 11 billion barrels of oil in proved and probable reserves..... The US Geological Survey estimates another 160 trillion cubic feet of natural gas and 12 billion barrels of oil undiscovered in the South China Sea.”<sup>7</sup>

In addition to this, the region is also a huge reserve for marine life and seafood. The excessive fishing in the waters of the South China Sea has also led to difficulties among the littoral states. Fish is one of the primary sources of protein for the populations of the littoral states, leading to a serious competition

for the same. It has been estimated that over the past three decades the volume of fish stocks have reduced by nearly one third due to the aggressive fishing industries among these countries.<sup>8</sup> There is also a view that if the levels of fishing continue unchecked, by the year 2045 this would have reduced by a further 59 per cent.<sup>9</sup> One of the major challenges in this regards has been the practice of Illegal, Unreported and Unregulated (IUU) fishing in these waters as well as Distant Water Fishing (DWF). Globally for the year 2016 to 2017, China and Taiwan are estimated to account for about 60 per cent of the Distant Water Fishing, in the waters of other countries.<sup>10</sup> This is particularly critical when it comes to the littoral states of the South China Sea because in recent times the Chinese have been violating the rights of other fishing and shipping vessels from other claimant countries, leading to clashes between rival Maritime Law Enforcement groups from different countries in the region.<sup>11</sup> One of the difficulties in addressing the issue of overfishing in the region actually occurs as a result of the migratory nature of fish that move from region to region in these waters. This form of challenge for the regional states can only be addressed through a concerted regional effort at the multilateral level which is currently absent. Any attempt to address the issue has failed because of contested claims over the jurisdiction, especially by China. The basis of Chinese claims to the 'nine-dash-line' lays assertion to almost 80 per cent of the South China Sea, pitting the claimant countries against one another and undermining the role of international law of the seas as endorsed by the UNCLOS.

Apart from these issues, the region of the Indo-Pacific clearly struggles with challenges that were highlighted by Indonesian Foreign Minister Marty Natalegawa in his 2013 speech at the Centre for Strategic and International Studies (CSIS) in Washington D.C., wherein he referred to three basic areas of concern. These include the huge range of actors that constitute this new geopolitical space called the Indo-Pacific which is highly diverse, thereby limiting the possibilities of finding convergence on a range of issues; second he refers to the "trust deficit" among the players in the region as there is growing assertions of nationalist fervor and contested claims; and third relates to the already existing territorial claims which need effective conflict resolution mechanisms to address a mutually acceptable solution.<sup>12</sup> Efforts to build a peace dividend in this broad region would be fully reliant on the effectiveness of multilateralism and adherence to norms building by states of the region.

### 3. India-ASEAN Regionalism and Maritime Security Cooperation

Within this context, understanding the importance of India-ASEAN cooperation in the field of maritime security needs to be prioritized. India's integration with Southeast Asia has been well endorsed by both the Look East Policy, and more recently, the Act East Policy. While there is really no major difference between these policies, the Act East focuses on the need to give greater impetus to the completion of existing projects, especially with attention to the areas of connectivity and infrastructure. While maritime security has been critically emphasized since the 2012 Commemorative India-ASEAN Summit, the more recent challenges in the Indo-Pacific, brings the emphasis on maritime cooperation more prominently into the context of engagement with ASEAN. It is important to understand that the Act East policy is evolved on three premises – first, India's foreign policy calculations are focused on its immediate and extended neighbourhood, making the Indo-Pacific region an area of priority. As stated in the Indian Naval Doctrine of 2016 the Indian Ocean will be an area of primary consideration and the Pacific Ocean will be of secondary consideration, clearly evolving the link between India's foreign and defence policies.<sup>13</sup> Second, the core of the Act East Policy endorses the importance of recognizing the centrality of ASEAN, as well as India's adherence to the normative aspects of ASEAN-led mechanisms for the wider region. Third, the Act East Policy reiterated the significance of linking South Asia, Southeast Asia and East Asia as the core areas of India's extended neighbourhood, emphasizing the territorial extents of the Indo-Pacific that were critical to India. Even as the Indo-Pacific is diversely defined by various countries, India's emphasis on the Indian Ocean and the regions to its East clearly articulates the contours of its foreign policy engagements.

India's focus on maritime security has been visible in the position it has taken at various multilateral forums. Clearly, there are two indicators of this approach – first, India has reiterated the emphasis to act in consonance with other states. Second, there has been a growing reference in its official position on issues relating to the global and maritime commons. This is specifically visible in the references made to the South China Sea discussions, where India has stood for the relevance of the United Nations Convention on the Law of the Seas (UNCLOS). In July 2016 following the ruling of the Permanent Court of Arbitration (PCA), India's position was to urge the claimant countries in the South China Sea conflict to completely respect and adhere to the normative underpinnings of the UNCLOS.<sup>14</sup>

One of the clear areas of convergence for India-ASEAN relations has been the repeated reference for the need to finalize the Code of Conduct for the South China Sea (CoC). Nitin Pai, clearly states that this form of engagement in the context of projecting India's voices within multilateral groupings itself is a change from the early 1990's, when India was an observer. Now with enhanced engagement India is a more "conservative contributor to the balance of power in the region".<sup>15</sup>

#### 4. Conclusions

It is crucial for India and ASEAN to clearly reiterate the options that they have under the given circumstances in the region. Identifying areas of convergence in the Indo-Pacific is a clear starting point for enhanced cooperation. In this context, the Shared Vision on India-Indonesia Maritime Cooperation in the Indo-Pacific of May 2018 is a clear watershed which highlights the core interests between these two states.<sup>16</sup> Similarly, last year the ASEAN Outlook for the Indo-Pacific critically identifies the ASEAN position on the emerging issues in the Indo-Pacific. This clearly sees convergence with the Indian position especially on the question of an "inclusive" region.<sup>17</sup> India will continue to engage with Southeast Asia through bilateral and multilateral options. Both India and ASEAN are seen as normative players in the region and as the Indo-Pacific continues to go through shifts, the India-ASEAN relations will have to be furthered on these normative foundations.

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SESSION: II

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**SERVICES TRADE AND  
INVESTMENT**

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# Indian Enterprises' Investment in Vietnam and the Role of Indian Diaspora

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Nguyen Xuan Trung

## 1. Introduction

Diaspora is an important bridge among nations and Indian diaspora is no exception. In Vietnam, the Indian diaspora is not only the link with the Indian community with India but also with Indian communities in other countries in the region. It has an interdependent impact on Vietnam and India relations. Apart from historical factors, the bilateral relationship will promote the development of the diaspora and at the same time, the diaspora will also have a returning impact on the relations between the two countries. Diaspora is a force that spurs the relationship between nations. In Vietnam, the linkages between Indian diaspora and its country of origin and the Indian diaspora in other countries help better understanding of the business environment, thereby promoting economic and investment relations between the two nations.

Besides, the Government of India attaches high importance to the role of the diaspora in its foreign policy. India focuses on promoting the role of the Indian diaspora as a supply source of soft power and expertise. With this role, Indian diaspora may contribute to India's development without having to return to India. This is an opportunity for the Indian diaspora to develop and contribute to Vietnam - India relationship.

At present, the Indian diaspora community in Vietnam is actively demonstrating its role as a bridge between the two countries. However, due to the small size of the community, contributions are still limited. India's investment in Vietnam is very small and under the potential of the third-largest economy in Asia. By using statistical and sociological methods, this article illustrates the current situation of Indian enterprises' investment in Vietnam and assessing the contribution of Indian diaspora for investment.

## 2. Indian Enterprises' Direct Investment in Vietnam

Vietnam and India have a long traditional friendship. The historical relationship between the two countries is the stepping stone for establishing the formal diplomatic relationship in 1972 and the relation upgrade to a strategic partnership in 2007 to a comprehensive strategic partnership in 2016. Moreover, India and Vietnam have signed Agreement for the Avoidance of Double Taxation, Agreement on Promotion and Protection of Investments to improve business between the nations. Within the framework of ASEAN-India Free Trade Area (AIFTA), there are some important agreements such as the ASEAN-India Trade in Goods (AITIG) Agreement (came into force in 2010), the Services and

Investment Agreements (became effective in 2015), which aim to enhance trade relations of these two countries.

By December 2017, India became the largest FDI partner of Vietnam from central and west Asian region with 169 projects and total registered investment capital<sup>1</sup> of over US\$ 756.35 million<sup>2</sup>; investment mainly comprises manufacturing industry, information technology and mining sectors (FIA, 2017). India ranked 27<sup>th</sup> among the 125 countries and territories, which have invested in Vietnam (Baodauthau.vn, 2017; FIA, 2017). However, the average registered capital of an Indian project in Vietnam is only about US\$ 4.5 million, much lower than the average amount of an FDI project in Vietnam (around US\$ 13.5 million).

Regarding investment sectors, by December 2017, Indian investors had invested in 15 among 21 economic sectors in Vietnam. Manufacturing and processing industry ranked first with 52 projects having a total registered capital of approximately US\$ 496.01 million (accounts for 62 per cent of India's investment in Vietnam). The production and distribution of electricity, gas, water and air conditioning come in the second with 3 projects, which had registered capital of US\$ 135.18 million (makeup 17.8 per cent of India's investment in Vietnam). The mining sector ranked third with 5 projects and US\$ 96.5 million of registered capital (accounts for 12.7 per cent of India's investment in Vietnam) (FIA, 2017) (Table 1).

**Table 1: Investment Sectors of Indian Enterprises in Vietnam, 2016**

No.	Sector	Number of Projects	Total Investment (US\$ million)
1	Manufacturing and processing industry	52	469.01
2	Production and distribution of electricity, gas, water, air conditioning	3	135.18
3	Mining	5	96.50
4	Agriculture, forestry and fisheries	5	22.86
5	Professional activities, science and technology	35	15.98
6	Wholesale and retail; Repairing automobiles, motorcycles, motorbikes	44	7.99
7	Information and communication	13	4.27
8	Construction	1	2.00
9	Other service activities	2	1.05
10	Administrative and support services	1	0.50
11	Education and training	1	0.40
12	Transportation and warehouses	3	0.28
13	Health services and social work activities	1	0.20
14	Accommodation and catering services	2	0.10
15	Water supply and waste treatment	1	0.05
	Total	169	756.37

Source: FIA (2017)

India's projects are mainly in the form of 100 per cent Indian enterprises' capital, with 136 projects and US\$ 562.52 million of registered capital (account for 74.4 per cent of India's investment in Vietnam). The second form of Indian investment is Joint Venture which had attracted 28 projects with total registered capital of nearly US\$ 107.53 million (account for 14.2 per cent of India's investment in Vietnam). The remaining form is Business Cooperation Contract (BCC) with 5 projects and US\$ 86.33 million of registered capital (makeup 11.4 per cent of India's investment in Vietnam) (FIA, 2017) (Table 2).

India's investment is distributed in 25 provinces and cities across Vietnam (including offshore oil and gas area). The Phu Yen province ranked first among all provinces as a destination of 8 projects with total registered capital of US\$ 189.64 million (25 per cent of India's investment in Vietnam). The second was Binh Duong, attracted 12 projects with total registered capital of US\$ 109.86 million (accounting for 14.5 per cent of India's investment in Vietnam). Ninh Thuan with 2 projects and US\$ 93.97 million (accounting for 12.4 per cent of India's investment in Vietnam) ranked third (FIA, 2017) (Table 3).

**Table 2: Form of Indian Investment in Vietnam**

No.	Form of Investment	Number of Projects	Total Investment (US\$ million)
1	100% Indian enterprises' capital	136	562.52
2	Joint Venture	28	107.53
3	Business Cooperation Contract (BCC)	5	86.33
	Total	169	756.37

Source: FIA (2017)

**Table 3: India's Investment in the Provinces of Vietnam**

No.	Provinces	Number of Projects	Total Investment (US\$ million)
1	Phu Yen	8	189.64
2	Binh Duong	12	109.86
3	Ninh Thuan	2	93.97
4	Oil and gas area (offshore)	3	86.00
5	Bac Ninh	5	68.00
6	Ho Chi Minh city	79	62.20
7	Nghe An	5	42.08
8	Yen Bai	5	21.90
9	Long An	6	14.73
10	Tay Ninh	3	14.14
11	Da Nang	2	13.50
12	Hai Phong	2	10.40
13	Ha Noi	20	9.64
14	Bac Giang	1	6.00
15	Hoa Binh	1	3.02
16	Binh Dinh	3	2.84
17	Vinh Phuc	2	2.20
18	Dong Nai	1	2.00
19	Dak Lak	1	1.20
20	Binh Phuoc	2	1.10
21	Quang Ngai	1	1.00
22	Can Tho	1	0.50
23	Thanh Hoa	2	0.25
24	Hung Yen	1	0.15
25	Thua Thien Hue	1	0.05
	Total	169	756.37

Source: FIA (2017)

From 2010 to 2016, the amount of FDI from India to Vietnam had increased continuously. After the ASEAN-India Investment and Services Agreement came into force on 1 July 2015, India's FDI inflows to Vietnam have soared. The ASEAN-India Investment and Services Agreement focuses on ensuring equity and fair treatment for investors. Indian FDI inflows increased significantly in 2015 at 281 per cent. Despite the decline in 2016, FDI inflows from India have generally been higher than what was before of signing of the Agreement. In addition, within the framework of the Look East Policy, the Indian government has also prioritized India's investment in Vietnam, Lao PDR, Cambodia and Myanmar. As a result, the proportion of Indian investment in Vietnam, compared to Indian investment in ASEAN countries, gradually increased from 1.55 per cent in 2014 to 5.07 per cent in 2016 (Table 4).

**Table 4: India's FDI Inflows in Vietnam**

(US\$ million)

Year	India's FDI in Vietnam	Growth (%)	India's FDI in ASEAN	Share of India's FDI in Vietnam vis-à-vis India's FDI to ASEAN (%)
2010	4.05		3801.21	0.1
2011	10.19	151.6	-2067.87	
2012	10.08	-1.07	7311.05	0.13
2013	1.14	-88.69	2108.07	0.05
2014	18.89	1557	1216.25	1.55
2015	72.08	281.5	958.06	7.52
2016	53.09	-26.3	1046.80	5.07

Source: ASEAN secretariat- data updated on 31/10/2017

## Types of Businesses and Investment Sectors of India in Vietnam

One of the first Indian companies came to Vietnam is Namita Ltd., which opened a raw material testing centre for the paper, PP, textile and cane industries. From this centre, many joint venture projects have been established such as Gia Dinh jute factory, Can Tho sugar factory, etc. In addition, several Indian companies have invested in Vietnam, such as the Nagarjuna Group, which has set up a sugar mill near to Ho Chi Minh City in 1995. The KCP Group also built a sugar mill in southern Vietnam and some large companies such as Godrej, Arihant Oil Mills, etc. also invested in the fields of engineering, agricultural product processing and plastics industry.

In recent years, some other typical Indian companies have set up business units in Vietnam, such as Ishan International Pvt. Ltd., ONGC Videsh Ltd (energy), Nagarjuna Ltd (beverage), Venkateswara Hatcheries Pvt. Ltd (food), Essar Exploration and Production Ltd (energy), Reliance Industries Ltd (petroleum - energy), TATA Group (Energy), Philips Carbon, Glenmark Pharmaceuticals Ltd (Pharmaceuticals), Bank of India (finance and banking), JK Tires (tire), McLeod Russell (tea production), etc.

TATA Power, a multinational corporation under TATA Group, has actively sought new investment opportunities in the renewable energy sector in Vietnam in recent years. It is also one of the largest Indian companies in Vietnam. With its business experience in solar energy, TATA Power has actively sought investment opportunities in some provinces such as Binh Thuan, Binh Dinh. TATA Power has conducted a minute detailed survey about solar development opportunities in each of the Vietnam provinces. The group has been licensed by the Vietnamese government to build the Long Phu 2 thermal power plant (worth more than US\$ 2 billion) in Soc Trang province with a capacity of 1,320 MW and is expected to be active by 2020. When it is to be implemented, Long Phu 2 thermal power plant will be India's largest investment project in Vietnam.



India's Oil and Natural Gas Corporation Ltd (ONGC) has been partnering with the Petro Vietnam in oil and gas exploitation services. ONGC is India's largest oil and gas company that has invested in Vietnam's oil and gas industry since 1988. Indian companies have not only invested in the energy sector but also started exploiting other potential industries while investing in Vietnam.

### **Finance and Banking Sector**

On July 31 2015, to provide access for Indian businesses, the State Bank of Vietnam has licensed the Bank of India to set up its branch in Vietnam. The function of this bank is to provide banking services such as receiving deposits from customers, lending in VND (Vietnamese currency) and other foreign currencies in Vietnam. The bank is also to meet the demand of business units including small and medium enterprises in business and payment services. The establishment of the Bank of India – Ho Chi Minh City Branch creates favourable conditions for the businesses of the two countries to expand the investment cooperation (*Baodautu.vn*, 2016).

### **Pharmaceuticals – Health Sector**

During the visit of Prime Minister Narendra Modi to Vietnam in 2016, Vietnam and India signed a memorandum of understanding (MoU) on health care, including the issue of family planning, pharmacy, health services, etc. In addition, the revised Pharmacy Law of Vietnam, came into effect on January 1<sup>st</sup>, 2017, encourages the production by pharmaceutical companies in Vietnam. Since the technical, medical equipment and pharmaceuticals of Vietnam are quite similar to India, there are many advantages of cooperation in the health care sector between the two countries. Indian Business Chamber in Vietnam considers this sector is going to be a key area of India's investment in Vietnam.

### **Official Development Assistance (ODA)**

During the official visit of Vietnamese President Truong Tan Sang to India in October 2011, Indian Finance Minister Pranab Mukherjee announced along with Vietnamese Finance Minister Vuong Dinh Hue that India would increase its ODA to Vietnam, particularly to implement infrastructure projects and help Vietnamese businesses to import equipment and technology from India.

At present, Binh Bo Pump Project (Phu Ninh District, Phu Tho Province) is included in the list of Indian government's capital usage with a total investment of US\$ 12.25 million. The project is expected to drain off the water for 5,367 hectares of natural land, of which 2,660 hectares will be used for agriculture and aquaculture in 12 communes of Phu Ninh district and Viet Tri-city. Up to now, the project has completed the basic bidding package, organised international bidding and selected construction and equipment installation contractors, and made the compensation payment for the households located in the affected area. Moreover, the project is also inventorying main drainage canals, discharge canals and diversion canals, as well as allocating its capital resources reasonably.

In 2016, during the visit of Indian Prime Minister Narendra Modi to Vietnam, Vietnam and India signed an agreement worth US\$ 100 million to build 12 naval patrol vessels by India for the Vietnamese Ministry of Defense and a credit line of US\$ 500 million in the defense sector. Cooperation in shipbuilding is a potential investment area between the two countries. Representatives of many Indian shipbuilders including Goa Shipyard, Bharat Electronics Limited, Larsen&Toubro are capable of meeting the demand of their partners, thereby helping the Vietnamese Coast Guard in all marine patrol activities.

### **Assessment of Indian Investments in Vietnam**

Foreign investment in Vietnam mainly comes from East and Southeast Asian investors such as Taiwan, Korea, Japan and Singapore. India's investment in Vietnam is rather small. There are many areas in which India has strengths whereas Vietnam has demand, but have not yet been invested by Indian companies, such as high technology, software industry, electronics industry, materials, etc.

India's investment is concentrated in the manufacturing and mining sectors with medium-sized capital projects. The mark of India's investment in Vietnam remains to be insignificant. Various reasons have been pointed out in which the most noteworthy reason is the limited understanding of the business environment in Vietnam among Indian investors. This is partially the fault of the Vietnamese authorities but the Indian diaspora in Vietnam is also to be blamed for. This diaspora has not fully done its role in providing information about the Vietnamese market to Indian businesses.

### 3. The Role of Indian Diaspora and Indian Investment in Vietnam

#### Overview of Indian Diaspora in Vietnam

There are over 4700 Indians in Vietnam – mostly living in Ho Chi Minh City. The Indian diaspora in Vietnam are small in numbers compared with other ASEAN countries, except Lao PDR (500 people) and Cambodia (1510 people) (Ministry of External Affairs, 2017). The number of Indians living in Vietnam has reduced considerably after 1975; before 1975, about 25000 Indians were living in Vietnam, mostly in the Southern part of Vietnam.

There are two major categories of Indians in Vietnam: (i) People of Indian Origin (PIO) before 1975: they are the Indians who had resided in Vietnam for several generations starting from the end of the 1800s. The majority of this community came from Tamil Nadu or Mumbai. They were petty traders in textiles, jewellerys, retails business or service sectors. Indian families who are the second/third generation migrants to Vietnam have integrated into the local society and do small businesses or manual works. They have well adapted to native life. Many of them can speak Vietnamese. Some have married Vietnamese women. But, none of them has taken Vietnamese nationality; and (ii) the second category of people are Non-Resident Indians, who are entrepreneurs, professionals and workers, came to Vietnam after the 1990s, particularly after Vietnam implemented "Doi Moi" (Renovation/Economic Reforms). Today, most of the Indians coming to Vietnam work as experts. These Indians are highly qualified and most of them are engineers, accountants and representatives of Indian companies in Vietnam. There is hardly any low-skilled labourers in the Indian diaspora in Vietnam. The main areas of settlements of this community are Ho Chi Minh City and Hanoi. Some Indian companies, where Indians came to work, are Godrej, Arihant Oil Mills, KCP corporation, etc. Some Indians are also working in multi-national companies such as Coca-cola, Pepsi, Lever Brother, Proctor and Gamble, etc. In addition, there are some Indian restaurants as well.

Due to the close political relationship between India and Vietnam which has been nourished since the time of Prime Minister Jawaharlal Nehru and President Ho Chi Minh, the Vietnamese people have always given a warm and friendly look to India. Since then, Indians have easily been accepted and considered as traditional partners by the Vietnamese. Moreover, new developments in India in recent years have helped enhancing India's image in Vietnam. The impact of India's educational system and film industry has also been recognized in Vietnam.

Indian Business Chamber in Vietnam (INCHAM) was established in Ho Chi Minh City (1991) and in Hanoi (1999). INCHAM provides information on economic and investment policies, domestic investment projects, legal documents of the government, ministries, departments of the centre and locality to Indian companies; legal counselling (registration of industrial property rights, trademarks, procedures for bank loans); searching for partners in the country and abroad. To facilitate the provision of information to the business community, INCHAM has published quarterly newsletters for its members and the publication began in Hanoi in 2016 (Ministry of External Affairs, 2001; INCHAM, 2016). INCHAM has become a leading organization that links different Indian businesses in Vietnam not only with each other, but also with businesses and organizations in India and other countries.

In order to support Indian companies in their business activities, INCHAM has been well structured with specialized sub-committees such as Business Development Committee, Pharmaceuticals Committee, Legal and Investment Committee, Public Relations Committee and Website, Sports and Cultural Activities Committee (INCHAM, 2016b). Pharmaceuticals are among the most important businesses of Indians in Vietnam, and the Pharmaceuticals Committee has been very efficient in the past years, through its activities in advertising Indian pharmaceuticals to Vietnam (introducing Indian Pharmaceutical Industry to the Vietnam Ministry of Health (25/8/1999) (INCHAM, 2003), and distributing low cost, high-quality pharmaceutical products to Vietnam. Another important and significant contribution of Pharmaceutical Committee is the establishment of a Vietnam – India Friendship Clinic in Binh Phuoc province, and collaboration with the Vietnam Red Cross in organizing the Voluntary Blood Donation Campaign in August annually (INCHAM, 2003).

Another contribution of the Indian business community is that it is *a resource attracting foreign investment*. INCHAM has entered into trade and investment agreements with Indian businesses in India and in other countries, e.g., MoUs with Howrah Chamber of Commerce and Industry (HCCI) (3/8/2001); with Karnataka Chamber of Commerce and Industry - FKCCI (14/8/2001); with Federation of Indian Export Organizations (FIEO) and Indian Chemical Manufacturers Association (ICMA) (2002) (INCHAM, 2003); etc. Through cooperation agreements, many Indian businesses in big cities and states in India have invested in the manufacturing sector in Vietnam. Indian businessmen have kinship ties and fellow feeling with many Indians living in different countries around the world, and therefore, they have the capacity to appeal to Indian businessmen to invest in Vietnam.

Indian business community is also very actively participating in domestic and international exhibitions to promote the image of Indian businesses and advertise its products to Vietnamese enterprises, such as EXPO exhibition, Annual Pride of India Exhibition, ASEAN – Northeast India Summit on Investment and Trade” (12-14 February 2009), and taking part in bilateral meetings and high-level networking which provide investment and cooperation opportunities (INCHAM, 2010).

To promote trade relations between Vietnam and India as well as to provide opportunities for communication and exchange between business communities of both countries, INCHAM has also coordinated with other agencies in Vietnam such as Vietnam Chamber of Commerce and Industry (VCCI) in organizing promotional seminars, buyer-seller meetings, exchanges, discussion, exhibitions, meetings with Indian agencies and organizations such as India - Viet Nam Joint Business Council Meeting, Vietnam Textiles Corporation (VINATEX) and Hong Kong Joint Stock Exhibition Company (April 2005) (INCHAM, 2006); Export-Import Promotion Council (CAPEXIL) - Mumbai, India (April 2009), Confederation of Indian Industry (CII) (April 2009), Federation of Indian Chamber of Commerce & Industry FICCI (June 2009) (INCHAM, 2010); with People Committee of Dong Thap to discuss the cooperation between Dong Thap businesses and INCHAM (September 2013) (INCHAM, 2014), etc.

Currently, the Indian diaspora in Vietnam expects more support from the Indian government to strengthen bilateral trade relations. Besides, this community is also keen to develop direct transportation services and a direct flight from Vietnam to India.

#### 4. Conclusions

In general, the Indian diaspora in Vietnam, especially INCHAM, has made great efforts in contributing to the development of Vietnam – India relations in general, Indian investment in Vietnam in particular. However, due to the small size of the community, the focus is always more on the introduction of Indian culture to Vietnam. There are not many activities that help Indian businesses to get a better understanding of the business environment in Vietnam. Therefore, it has not helped in attracting Indian investment in Vietnam. This is the limitation of the Indian diaspora in Vietnam. In the near future, more attention should be paid to these activities. And of course, the participation and support of the Indian Embassy in Vietnam are essential.

## Endnotes

- <sup>1</sup> Total registered capital includes: registered capital of the newly licensed projects, supplemented projects and investment by capital contribution and purchasing shares.
- <sup>2</sup> This total capital takes into account the projects' capital that is in operation only.

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# On the Emerging Challenges in the Services Industry: Trade and Investment

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Florian A. Albuero

## 1. Introduction

A common feature of economic growth in the last century is the increasing share of services as agriculture diminishes in importance and manufacturing settles to sustainable levels. Moreover, this has been accompanied by equally increasing trade in services as barriers have come down, as transport and communications reduced the costs of trade, and as technology changed the substance of services. The importance of services to the economy, however, varies by their weight – many of the ASEAN Member States (AMS) services industries' shares between 39 and 48 per cent of GDP; while that of Malaysia, the Philippines, Singapore and Thailand, along with India, have exceeded 50 per cent. What composes this has also been quite traditional – transportation, storage, communication, finance, real estate, trade and defense, among others. On the other hand, trade in services has hovered around 12-14 per cent of GDP for ASEAN constituting mostly of travel, transport, construction, finance, manufacturing services, personal, cultural, and recreational services, and other business services, among others.

After travel, “other business services” constitute the next largest ASEAN exports within the region and outside the region. Most of what these contain is business process outsourcing (BPO) and related services. Financial services, computer and information services follow after transportation services. The importance of these three kinds of services is true also for India and account for some of the foreign direct investments into Asia. As the services industry expands, its trade becomes an important source. Whether this is a long-term reliable anchor for development depends on the region's current advantages in these services enabled by digital technologies, labour cost advantages, educational capacities, and investments.

More than a decade ago in the context of offshoring, Blinder (2006) as if foretelling Industry 4.0, argued on the blurring distinction between tradable and non-tradable products and services. While it was useful then to indicate that those that can be boxed and shipped are tradable and otherwise as non-tradable, the advent of digital technology allowed many services to become tradable. Newer distinction was between those that can be delivered electronically without quality diminution and otherwise. With a blurring crystal ball, a further distinction is between personal and impersonal services where the former requires face-to-face contact and the latter deliverable electronically allowing for significant shifts in-between but mostly towards impersonal services. With recent developments in technology – hardware and software – these distinctions appear to be losing significance as well.



This brief is a comment on recent developments in technology that likely will affect the services sector, their potential trade, and investments. To the extent that as a result of these developments the profile and substance of the sector changes, it would be of interest to countries which have yet to see shifts in their GDP towards services. In the same vein, it would also be of interest even to those with significant services sector to track where it may evolve in the near future. In both instances, there would be implications for regulations, trade and other policies, regional cooperation and agreement.

Accordingly, the next section identifies what are some of the technology enablers for the development of the services sector. We argue that disruptions of established conclusions have been triggers to a more enabling technology affecting services. Some go against existing paradigms which pioneered in the field. A third section summarises the challenges that come with the substantive reconfiguration of the services sector particularly in specific areas of regulation and policy. Indeed, the pace of technological changes that have been taking place indicates how far off regulation and policy have been in ensuring that associated investments, trade behaviour, and sector responses provide adequate safeguards and security to the economy. A final section concludes.

## 2. Technology Enablers in Services

Industry 4.0 (or a fourth industrial revolution) is supposed to be a new industrial landscape shaped by a slew of digital industrial technologies.<sup>1</sup> Depending on the organisations or authors, the number of technologies driving it varies in number and scope. Around 10 of these (in combination) appear to be critical for transforming manufacturing into a cohesive smart factory utilizing real-time data for production decision-making, using robots to assist in floor operations, vertical and horizontal systems integration, simulations to test and optimize machines in plants, and additive manufacturing – all these aimed at higher productivity, speed, and precision leading to better competitiveness and profitability. Some of these are equally critical to the services industry although it is in the area of Artificial Intelligence (AI) developments that matters more.

First of all, is the rise of super-computers. Not only do these devices and systems have the properties of speed and storage, they are also smaller in physical sizes and may become more mobile relative to what we had a few decades back. Their performance and speed are now measured in terms of the number of floating-point arithmetic calculations per second i.e., floating-point operations per second (FLOPS). GigaFLOPS (GFLOPS) [10<sup>9</sup>] are now giving way to TFLOPS (teraFLOPS) and PFLOPS (petaFLOPS) with clock speeds of 1 trillion (10<sup>12</sup>) and 1 quadrillion (10<sup>15</sup>) floating-point operations per second, respectively. What this means is quick algorithms in response to queries and a large cache of data. Central Processing Units (CPU) of desktops have given way to Graphics Processing Units (GPU) and Tensor Processing Units (TPU) in super-computers.

Second, and related to these devices are the complements coming from Data Compression, Big Data, Internet of Things, and Cloud Computing. Indeed, analytics emerge as critical to Industry 4.0 as well as in the evolution of services industry development. Given the big data capacities of supercomputers, they can fully function even without cloud computing using the Internet except for data security it provides. In the desire to create mobile super-computers, cloud computing takes over the capacity needs and thus the ability of the technology to be more nimble and retaining its computing and analytical powers.

Third, robotics has progressed at a faster pace than otherwise as part of AI. If 3-D printing is additive manufacturing, robotics is additive services. While mechanical robots have been seen for some time, the emergence of other digital technologies has led not only to more applications and related devices but also mimicking humans. These have been used increasingly in medicine as robot-driven targeted radiation for specific diseases with improved success rates even if many are on a trial basis such as stereotactic body radiation therapy (SBRT). Nanotechnology robots are employed in orthodontics and other dental services. A robot-arm disc-jockey (DJ) alternates with a human DJ in the entertainment

services. Tourism services augmented reality brings tourists in virtual proximity to a particular site without actual physical presence. Singapore has pioneered in robot masseuse with more precision than human hands. And of course human-like Lumi dolls in Barcelona, Spain.

In the context of advances in robotics, what was originally perceived as natural limits to the development of humanlike robots have effectively been overcome. Pioneering Robotics Professor Masahiro Mori at the Tokyo Institute of Technology identified an “uncanny valley” in the process of creating a humanlike robot where empathy with robots turns into eeriness and revulsion as they attain lifelike appearance – partly due to texture and coldness (Mori 1970). That may soon be addressed with better material (e.g., silicone, Thermoplastic elastomers [TPE]) and heating system.

Finally, the magnitude of algorithm in any automation in services is larger than in mechanical automation in the industry thus within the realm of AI. What this means is that as new data are retrieved, machine learning takes place and may improve the algorithm itself. As big data accumulate in different services (e.g. in medicine and orthodontics as more patient information and results are analyzed) the system becomes more intelligent. Given the speed and storage capacities of super-computers, the degree of learning becomes speedier.

These technology enablers and others as well are brought to bear on many services – both personal and impersonal – which have implications on economic growth and its character. They also pose serious challenges for country-based policies, international trade and investments, and cross-country understanding, cooperation, and agreements.

### 3. Challenges in the Services Industry, Trade, and Investment

Arguably, the enablers outlined above may come to fruition way down the road and there may even be highly technical barriers that have to be addressed. Yet, it is necessary to start reckoning what may be the services industry that would emerge not only from these direct enablers but from developments in the industrial sector particularly manufacturing which appears to be advancing more than services. And as services trade has considerably expanded (in some Asian economies at a faster clip than goods trade), it goes without saying that patterns may change and reliance on specific sources such as BPO and computer and communication services may be threatened. Indeed, as Blinder (2006) had pointed out a key distinction is whether a service can be delivered electronically without quality diminution or requiring a personal, face-to-face contact i.e., between personal and impersonal services. Level of education and skill is not a distinguishing characteristic –for example between a taxi driver and an airline pilot. Yet, autonomous vehicles are already here and aircraft are now fitted with cognitive programs. Although the degree of electronic delivery is essential in a service becoming tradable, its transformation due to technology is necessary before its trade. Perhaps a greater distinction is between a device that can deliver a service that sufficiently mimics its human counterpart by exhibiting intelligence, perceives its environment, and can take actions or decisions that maximize chances of success at a goal, or an irreplaceable personal service.

What then would the services industry look like globally, regionally, and nationally when these enablers become fully operational using information technology (IT) and operational technology (OT)? Will the services currently thriving and crossing borders continue as before? Will there be a “re-shoring” of services (e.g., BPO, computer services and telecommunications) as machine costs go down? Would investments (domestic and foreign) take different routes? Will there be impacts on other services – transportation, travel, finance, wholesale and retail trade, among others – that have flourished in the region and each of the ASEAN and Asian economies? And what about the direction of regional cooperation and agreements in these areas let alone multilateral arrangements? It would take a dissertation to respond to these questions that this short note fails. But it is possible to briefly outline challenges to our economies and our trade along with three inter-related areas – effective adjustments

to structural changes in the services industries arising from technology; responsive regulatory practices and policies; and active cooperation bilaterally, regionally, and multilaterally.

On the production side the manufacture of super-computers will continue to rely on integrated circuits, semiconductors, and other electronics but emphasizes on nano-technology and improved designs. To the extent that developing countries have acquired these capacities over time and supplied them along the value chain does not give them an automatic niche in those markets. Readiness will have to re-boot from mass production in Industry 3.0 to customized production in Industry 4.0, from assembly to design combining IT and OT. Education, skills training, and incubation hubs need further enhancements to become part of the supply chain in emerging technologies. At the services level, many of these are vulnerable to threats of “re-shoring” as AI acquires intelligence and decision making capacities that workers (because of lower wage costs) perform though much will also depend on their eventual costs of maintenance and coordination.

As the services industries embrace all of the enabling technologies significant transformation ultimately takes place. Industries considered to be widely personal may become even more automated displacing substantial employment. Tourism and financial services, for example, maybe robotized – think about tourist guides herding tourists through historic sites with programmed spiels associated with picture recognition. Financial services could be a candidate for a full-blown AI with accumulating machine learning. Hotel front desks could be handled by robots including baggage attendant deliveries and in-room services. At the national level value-added of these transformed services tend to remain significant but employment may suffer. International trade in these kinds of services would still be functions of resource conditions and comparative advantages, but reliance on them for employment will be subdued.

Regulation of these technology enablers or the products and services they create is perhaps one of the more vital challenges in the industry. Technologies have been far ahead in evolution and development of an indispensable regulatory framework. In the absence of socially-based regulations, technology companies define their behaviour presumably in favour of protecting their stock than of the larger public. Thus, Uber considers itself a technology (Internet) company though it deploys transportation services; Air BnB is not in hotel or hospitality services; of course, Facebook claims it is not a media company. Crucial regulation is far behind technology. But it is necessary once the technology-driven services enter the marketplace given the need to protect and provide safety to consumers. The European Court of Justice Declaration that Uber is a transportation (taxi) company and thus subject to regulations for the same transportation services is years behind after the technology-driven services had been deployed. Indeed, one author likens these to the evolution and deployment of the motor vehicle in the Wild, Wild West, without speed limits, traffic lights, driver’s license, and vehicle inspection as part of the necessary regulatory regime (Avenoso 2017).

Evolving services industry driven by newer technologies usually draws domestic and foreign investments. Those in the technology enablers are not short of investments, especially from venture capital. Certainly, investors flock to these stocks with the expectation of windfall profits as enterprises make inroads into the markets. For example, TESLA, a 15-year auto company producing mainly electric vehicles with a stock price of US\$ 311 (12/29/2017), sold 84,000 vehicles in 2016. Ford Motor, a 115-year auto company with a stock price of US\$ 12.50 (12/29/2017), sold 6.65 million vehicles in the same year. In short, investments are not major constraints but the services produced or the technology for them. It would depend if the services currently traded remain thus attracting additional investments. If adjustments to the services industries structural changes are appropriate investments follow.

Where adjustments take place in individual country readiness to these technology enablers and the ensuing industries, they suggest wide participation and involvement in their structural changes i.e. in the overall international value chain. Where each one fits and which stage or tasks, is a function



of existing and acquired capacities. Some of the legacy know-how may retain their relevance but in general new knowledge may be necessary in the formal and informal senses.

The international environment for the emerging services industry enabled by new technologies pose many challenges and may even enlarge the scope for regional and multilateral agenda including (a) consistent if not comparable regulatory frameworks, (b) further liberalisation of trade in services to allow some complementary production bases, (c) strengthened Intellectual Property Rights (IPR) agreements to take into account creativity and innovations the region may develop as part of adjustments to emerging services, (d) regional legal technical assistance for disputes in emerging services industries, and (e) more punctual and quick updating of multilateral identification of emerging services through continuous revisions of the UN Central Product Classification code (CPC).

Most of these items immediately follow from either the technologies themselves as stand-alone products and services or result from the applications of the identified technology enablers. But the international institutional setting, analogous to the problem of regulations, has to keep up with the pace of the emerging changes in the service industries. For example, the ASEAN Framework Agreement on Services can embrace the newer technologies and AI-driven products and services plus the skills required under Mode 4. The previous packages agreed upon by the ASEAN Member States as integral to the ASEAN Economic Community (AEC) may have to be extended to include different configurations of services. On the other hand, as creativity and innovations gain prominence in the services industries, IPR registration and protection take on more prominence as well. But, the ASEAN IPR Action Plan 2016-2025 is too narrowly focused e.g., on geographical indications products as long-term foundations for encouragement and support in a regional programme. This evolving shape of services would have legal ramifications for which a regional concerted technical assistance facilitates potential trade particularly as disputes may arise.

Apart from ASEAN, broader cooperation modalities such as the Regional Comprehensive Economic Partnership (RCEP) arrangements, the Asia-Pacific Economic Cooperation (APEC), and proposed Indo-Pacific cooperation shall be collectively geared for changes in services driven by the identified enablers. Research and analyses of changes in the services industries across different economies that look beyond their technical nature and into economic and social implications would be constrained if data and metrics are not comparable. What this means is that statistical codes have to be constantly revised to account for new types of services in the same way that there have been revisions to the HS code for goods.

## 4. Concluding Remarks

Automation of manufacturing assembly line in Industry 3.0 and the extensive use of digital technology in Industry 4.0 do not mean humans would be replaced by machines or robots. The purpose of these technologies is to aid humans, not replace them; to foster a symbiotic relationship; to explore and control them. Indeed, even while industry and services will see profound changes as a result of exploding technology enablers, there will be spin-offs into related industries and services that are yet to evolve requiring varying levels of education and skills. They range from developing algorithms to the machine and AI coordination. And as growth takes place, significant shifts take place in terms of employment, value-added, and trade.

It is important to fully understand the ramifications of technology developments on services to acquire new advantages, lay the groundwork for adjusting to them, promote international understanding and cooperation, and ensure that the knowledge and creative capacities needed continue to be accessible in a globalized world.

## Endnote

- <sup>1</sup> Though originally narrowly confined to transforming manufacturing in Germany (hence *Industrie 4.0*) into a smart factory it has since taken off into wider developments.

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# India's Prospects for Services Integration with Asian FTA Partners

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Rupa Chanda

## 1. Introduction

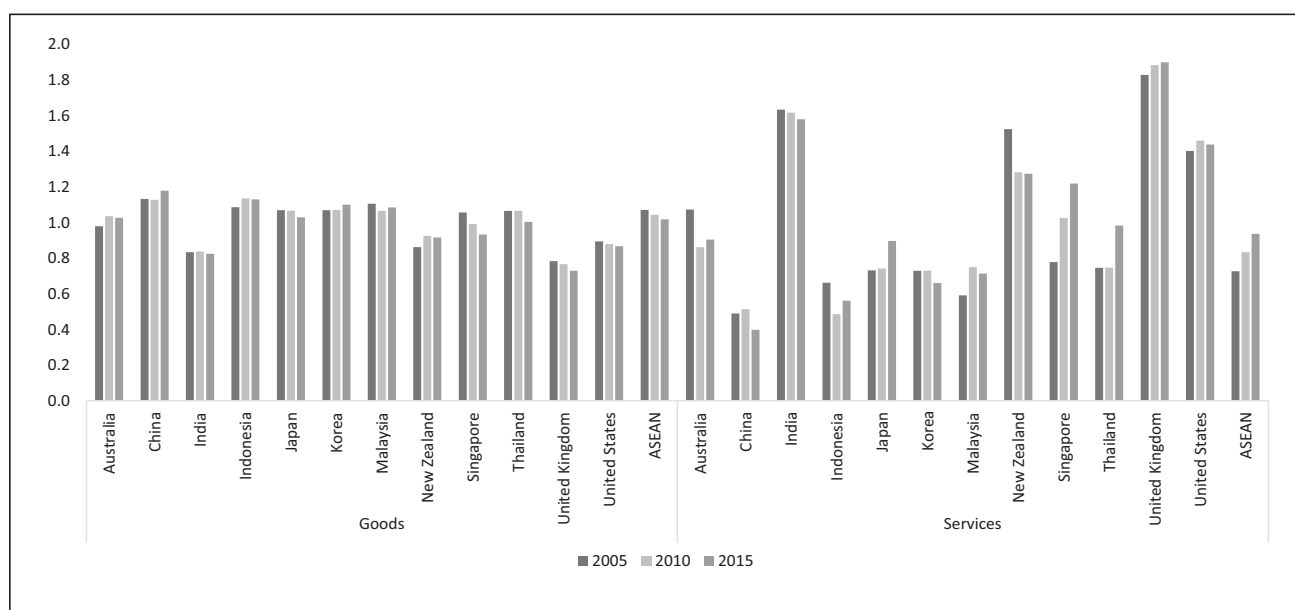
India adopted its Look East Policy in the 1990s. This was followed by the adoption of an “extended neighbourhood” policy which includes the ASEAN region as well as countries like Australia, New Zealand, Japan, China and South Korea in the extended Asia-Pacific region.<sup>1</sup> Since 2005, India has signed several FTAs with countries in this extended neighbourhood. These include the India-Singapore Comprehensive Economic Cooperation Agreement (CECA) signed in 2005, the India-Malaysia agreement signed in 2011, the ASEAN-India Trade in Services and Investment Agreement signed in 2014, the India-Japan CEPA signed in 2011 and the India-Korea CEPA signed in 2009. These are comprehensive FTAs, covering goods, services, investment and new issues such as e-commerce, R&D, and areas of non-economic and strategic cooperation. At present, negotiations are ongoing to sign comprehensive agreements with Australia, New Zealand, and Indonesia and to conclude a mega-regional agreement, the Regional Comprehensive Economic Partnership Agreement (RCEP) comprising of ASEAN plus six other members.

In all these FTAs, services are critical to India's regional integration efforts. Services are expected to potentially offset any losses arising from concessions made by India in goods trade. To what extent these gains arise, however, depends on the strengths and weaknesses of the service sector in India and its partner economies, the regulatory environment, and the commitments made under these FTAs. The following discussion assesses the prospects for services integration between India and its Asian FTA partners and outlines the progress made till date in this regard.

## 2. Bilateral Prospects in Services

The service sector is the dominant sector in India and all its Southeast, East Asian and Pacific partner economies. Forty per cent or more of value added is accounted for by services in all these economies. India is comparable to its developing country Asian partners in ASEAN, with services share of value-added at a little over 50 per cent, while the sector's share in India's developed country Asian partners such as Japan, Singapore and Korea is significantly higher at around 70 per cent.<sup>2</sup>

Trends in trade reveal India's relatively stronger position in services as opposed to goods. India exhibits a much lower share of goods in total exports, compared to its FTA partners in the Asia-Pacific region, while its share of services in total exports at around 30 per cent is much higher than in the ASEAN region or in individual ASEAN member countries.<sup>3</sup> India's relative strength in services is also reflected in Revealed Comparative Advantage (RCA) indices wherein its RCA index for goods is lower than that for all its Asian FTA partner countries but is significantly higher in the case of services, as shown in Figure 1.

**Figure 1: Revealed Comparative Advantage Indices in Goods and Services**

Source: [http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx?sCS\\_ChosenLang=en](http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx?sCS_ChosenLang=en) (accessed April 3, 2018)

There are complementarities in the services trade structure between India and these partner countries across many services segments. While traditional services such as travel and transport constitute less than 10 per cent of India's services exports, they constitute over 40 per cent of services exports from Singapore and South Korea. Another subsector where there is complementarity in trade structure is "other services", which constitute a significant share of imports across all these partner countries and 70 per cent of India's services exports. Within "other services", India is known for its strength in computer and information services and other business services, segments which have experienced growing imports in the Asia-Pacific region. The trends in travel services similarly indicate the potential for increased trade. The segment constitutes a high share in the exports of several of India's Asian partners alongside growing imports in India. These complementarities are evident from the RCA indices for different services segments, as highlighted in Table 1. India's relative strength lies in "other services", while the export prospects for its partner countries with India lie in travel and transport services.<sup>4</sup>

**Table 1: RCA Indices for Services for Selected Countries and Years**

Country	Travel			Transport			Other Commercial Services		
	2000	2006	2012	2000	2006	2012	2000	2006	2012
India	0.66	0.47	0.50	0.52	0.50	0.60	1.45	1.53	1.39
Japan	0.16	0.28	0.40	1.62	1.47	1.37	1.29	1.18	1.14
Korea	0.69	0.39	0.51	1.91	2.07	1.82	0.73	0.84	0.93
Singapore	0.58	0.44	0.68	1.80	1.56	1.88	0.92	1.09	0.84
Thailand	1.72	2.09	2.71	1.03	1.00	0.60	0.50	0.46	0.36
ASEAN	1.24	1.21	1.49	1.23	1.24	1.19	0.73	0.81	0.72
USA	1.11	1.01	1.01	0.69	0.62	0.64	1.07	1.13	1.11
EU	0.96	0.91	0.80	1.01	1.00	1.00	1.03	1.06	1.11
China	1.70	1.41	1.04	0.53	1.04	1.01	0.77	0.80	1.00

Source: [http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx?sCS\\_ChosenLang=en](http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx?sCS_ChosenLang=en) (accessed on April 3, 2018)

These complementarities remain untapped, however. Data provided by the Reserve Bank of India (RBI) indicate that excepting Singapore and Japan, individual Asian FTA partner countries account for less than 1 per cent of India's services exports and for less than 5 per cent of India's IT services exports in contrast to the US and the UK, which account for over 80 per cent of India's exports in this segment. Barring Singapore, the region also accounts for a very small share of India's services imports. Although India's backward and forward linkages in services with these partner countries has grown over the 2000-11 period, this linkage remains much weaker than between India and the US or the UK, indicating the unrealized potential for gross and value-added trade flows in services between India and its Asian FTA partners.<sup>5</sup>

### 3. Reviewing Services Commitments in India's FTAs with Asian Partners <sup>6</sup>

The current low levels of services integration reflect the regulatory and other barriers that impede bilateral relations in services as well as the lack of focused diversification to these markets. To understand whether India's FTAs have addressed these impediments, one needs to take a closer look at the scope and depth of services commitments made by India and its partners in these FTAs.

An examination of the sectoral coverage of commitments shows that both India and its partners have either bound the status quo or have taken GATS plus commitments in terms of the number of services sectors and subsectors scheduled. India has scheduled one set of commitments for 8 ASEAN members, and one each for Indonesia and the Philippines. It has scheduled relatively fewer services in this FTA (although more than under the GATS) and has been more conservative in case of the Philippines. ASEAN members have likewise varied in the sectoral scope of their commitments with countries like Singapore making extensive commitments under the India-ASEAN 1<sup>st</sup> package and others such as the Philippines, Lao PDR, Malaysia and Thailand scheduling fewer sectors.

Such differences most likely reflect sensitivities and overlapping interests with India in some services as well as likely concerns among some of the ASEAN LDC members regarding liberalizing market access for India's services suppliers. Services such as health, education, financial, distribution and environmental services typically feature among the less scheduled sectors for both India and these partners, possibly reflecting social, employment and regulatory concerns that characterize these services. It is worth noting that India has received fewer commitments from several ASEAN countries compared to China under the latter's FTA with ASEAN.

There is some improvement in the depth of India's commitments. The share of unrestricted commitments in modes 1, 2, and 3 has increased significantly for all the selected services except communication services. The improvement is greatest for business services and for modes 1 and 2. Several services which were not scheduled under the GATS, such as education, transport, and environmental services, have been committed under these FTAs, with 100 per cent unrestricted commitments across modes 1 to 3. However, there remain limitations on mode 3 commitments in the form of local incorporation requirements, FDI ceiling limits of 49 per cent or 51 per cent or 74 per cent and authorization and licensing requirements. Mode 4 remains unbound.

A differential approach is again evident. India's commitments in the case of the Philippines tend to be less liberal than under the GATS and other FTAs, with many unbound entries across all four modes. Mode 1, where committed, is often subject to authorization, commercial presence, and other technological requirements. Mode 3 commitments are subject to local incorporation, approval, licensing, and prior collaboration requirements. India has withheld market access commitments in segments like computer and related services, health services, maritime and tourism services specifically for the Philippines and Indonesia. Thus, overlapping competitive interests with some ASEAN member countries has resulted in shallow and narrow commitments by India.

Commitments received by India from non-ASEAN FTA partners such as Korea and Japan are also quite restrictive, especially in professional services. At times, these are more restrictive than these countries' commitments under the GATS. Given the fact that Indian service suppliers also face cultural, linguistic and organizational barriers in these markets, the effective market access for Indian professional and business services exports to these markets remains limited. Under the ASEAN-India FTA, the liberalization stance varies across the member states with some members like the Philippines introducing commercial presence and FDI ceiling limitations and making unbound entries for many services. Table 3 provides the mode wise scores for ASEAN's commitments under its various FTAs to highlight the lower degree of liberalization achieved under the ASEAN-India FTA compared to other ASEAN FTAs.

**Table 3: Liberalization in ASEAN FTAs**

	ASEAN-China	ASEAN-ANZ	ASEAN-South Korea	ASEAN-Japan	ASEAN-India
Modes 1 & 2: Cross-Border Trade in Services					
Simple Average	0.457	0.420	0.531	0.081	0.109
Mode 3: Investment					
Simple Average	0.354	0.538	0.502	0.120	0.120
Mode 4: Movement of People					
Simple Average	0.046	0.277	0.123	0.046	0.046
Total averages	0.286	0.412	0.386	0.083	0.092

*Source:* Based on Appendix Tables in Cornish and Findlay (2011)

Therefore, there has not been any significant improvement in the scope or depth of market access in services for either India or its partner countries under the FTAs vis-à-vis the GATS. The commitments tend to bind the status-quo and services and modes of interest remain subject to limitations on both sides.

## 4. Conclusion

It is evident that although there is much scope for increasing bilateral trade in services across a wide range of services till date, India's FTAs with its Asian partners have not yielded the expected gains. Commitments remain subject to limitations in modes and sectors of interest to India. There has been little or no progress in facilitating the mobility of professionals, a key issue for India in these agreements. Recognition and qualification barriers, failure to conclude MRAs with these countries in selected professional services, employment laws and discriminatory practices impede market access in mode 4. Although occupation lists have been included in these FTAs, discussions among regulatory authorities in almost all cases have not taken off. Further, overlapping and competing interests with some FTA partners have resulted in limited and restrictive commitments.

Going forward, India will need to secure market access in key modes of services supply and sectors. It will also have to negotiate for greater transparency and easing of behind-the-border regulatory barriers. A strategic approach is required wherein synergies across modes and sectors, such as between manufacturing industries like IT hardware, electronics, automotive on one hand and IT and IT-enabled services on the other, are addressed. India must simultaneously continue with domestic reforms so as to boost its own competitiveness, upgrade domestic standards, and improve the business environment so that it can meaningfully leverage these agreements through services integration.



## Endnotes

- <sup>1</sup> Refer, Bhatia (January 2016)
- <sup>2</sup> Source: UNCTAD Statistics
- <sup>3</sup> Source: UNCTAD Statistics
- <sup>4</sup> RCA is the ratio of a country's exports of a sector/product to its total exports to the world's exports of the same sector/product to the world's total exports.
- <sup>5</sup> Source: OECD Statistics
- <sup>6</sup> Much of the discussion in this section is based on Chanda (2014a, b)

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# Services Trade: The Unrealised Potential in ASEAN–India Engagement

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**Dipinder S Randhawa**

## **1. Introduction**

India and Southeast Asia have a history of cultural and economic exchange that dates back well over two millennia. The civilizational links were manifested in diverse settings such as the ancient Funan Kingdom (present-day Cambodia), the Cham Kingdoms in Vietnam, the Khmer civilization, Sirivijaya (Indonesia), among others. The associations are latent in architecture and cultural practices that are evident in daily life, music, dance and other practices to this day. These links were transmitted largely through maritime trade dating back to the earliest contacts with Southeast Asia long before the Chola period. Later, expanding trade with the Arabs through the Arabian Sea, the Indian Ocean and the Bay of Bengal and further east expanded the relations.

Trade in goods has been accompanied by trade in services, including financial services (through the Cholas), trade finance, priestly services (Brahmins in the courts of Siam). Trade continued, mostly through informal trade.

In more recent times following the end of the Second World War when many former colonies gained independence, India and the leading economies of Southeast Asia adopted very different approaches to development, resulting in a sharp slowdown in trade and investment between the two regions, which was far below potential.

This article explores services trade between ASEAN and India in the contemporary period. After a brief overview of the development strategies pursued in the two regions, it discusses the current state and seeks to identify the untapped potential of services trade in India and the ASEAN region. This is followed by a discussion on the obstacles to growth in services trade and some options that policymakers could consider. The article contends that the potential for mutually beneficial outcomes as well as externalities that can provide benefits to the wider population is significant, but policy hurdles and protectionist impulses on nearly all sides remain a significant hurdle.

## **2. India's Growth Model**

The economic exchange between India and ASEAN was largely shaped by the different development trajectories pursued in the post World War II period. India followed an import substitution strategy of industrialisation with high tariff barriers, controls on domestic production imposed through an elaborate industrial licensing policy, restrictions on foreign direct investment (FDI), exchange rate

controls and a repressed financial sector reflecting high levels of directed credit and artificially low-interest rates despite high inflation. The consequence was a high cost uncompetitive manufacturing sector sheltered by high tariff barriers, with little incentives to increase productivity. With an inelastic demand for capital goods imports, especially fuel, and low export levels, the economy was constantly confronted with endemic foreign exchange shortages, Balance of Payments (BOP) problems, and low growth rates. India was arguably the most intensively and extensively regulated economy outside the socialist bloc in pre-nineties.

In 1991, faced with an unsustainable BOP deficit and critically low foreign exchange reserves, India turned to the IMF for an emergency bailout. As part of the conditionalities attached to the loan and a deliberate decision to use the crisis as a catalyst for carrying out much needed economic reforms, India embarked upon an extensive liberalisation programme. The rupee was allowed to find its level in the market, tariffs were substantially reduced, large parts of the industrial licensing policy dismantled, and conditions for firms to raise capital were liberalised.

The liberalisation programme of 1991 and subsequent deregulation and structural reforms boosted investment and growth. India's economy diversified, though in the aggregate the share of manufacturing remained stagnant. The services sector, especially software, business processing, which was not subject to extensive regulatory reach, grew rapidly. Today, India is the world's seventh-largest economy in terms of nominal GDP, and third based on purchasing power parity. The fundamentals of the economy are strong, with fiscal consolidation, low current account deficits and a low inflation rate. India remains the fastest growing economy in the world, yet it is widely acknowledged that there is a vast untapped potential – regulatory constraints and bureaucratic controls are still prevalent, especially when contrasted with other developing economies in East and Southeast Asia that have liberalised since the sixties, very few jobs are generated relative to the country's needs, and poor health and education standards persist.

### 3. The Services Sector

Since the economy opened up in 1991, India's foreign trade has been growing steadily at an annual rate of 4.8 per cent, to US\$ 60.6 by 2016-17. The share in global trade in goods increased from 1.1 per cent in 2007 to 1.9 per cent in 2017. Trade in services grew at an even faster rate with India's global share increasing from 2 per cent to 3.3 per cent over the same period. India is a net exporter of services with the eighth largest global services export volume (Table 1). In the immediate aftermath of liberalisation, services exports grew at a rapid rate of 21.6 per cent. During the Global Financial Crisis (GFC), exports growth slowed down to 11.9 per cent p.a. for almost a decade between 2005-06 and 2014-15, and further to 5.7 per cent in 2016-17. In 2016-17, software services exports accounted for nearly half of total service exports.

**Table 1: India's International Trade in Services**

(US\$ billion)

Year	Export of Services	Import of Services	Trade Balance	Software Services Exports
2012-13	145.7	80.8	64.9	65.9
2013-14	151.8	78.7	73.1	69.4
2014-15	158.1	81.6	76.5	73.1
2015-16	154.3	84.6	69.7	74.2
2016-17	163.1	95.7	67.4	73.7

Source: Reserve Bank of India

**Table 2: FDI Inflows into India from ASEAN and the World**

(US\$ Million)

	2010-11	2011-12	2012-13	2013-14	2014-15
Total FDI Inflows	14939	23473	18286	16054	24748
FDI Inflows ASEAN	1580 (10.6)	3324 (14.2)	1843 (10.1)	4528 (28.2)	5356 (21.6)
Singapore	1540	3306	1605	4415	5137
Malaysia	40	18	238	113	219

*Note:* Figures in parenthesis indicate share of ASEAN in total FDI inflow; Source: RBI Annual Report 2014-15

*Source:* Table culled out from ASSOCHAM Report on India-ASEAN Trade and Investment Relations (2016)

### 3.1 ASEAN

In sharp contrast to India's approach to development, the Southeast Asian<sup>1</sup> countries broadly pursued an export promotion strategy of development with domestic liberalisation, a relatively open financial sector, low tariff barriers and an industrial policy encouraging firms in the export sector and welcoming environment for FDI, especially in sectors with potential for technology transfer, albeit, with a significant role for the state as a catalyst and stakeholder in growth.

ASEAN is an extremely heterogeneous region with Singapore, among the richest and most advanced knowledge economies to Malaysia and Thailand – fast-growing middle-income economies, to Vietnam and Indonesia on trajectories of fast growth and great potential, albeit with very different political systems, to Cambodia, Lao PDR and Myanmar, low-income economies, that are embarking on rapid growth.

India's closest engagement in ASEAN is with Singapore, spanning close economic, strategic and political ties. Trade and security ties with Vietnam have grown over the past decade. India has significant trade with Thailand, Indonesia and Malaysia, though at levels far below potential. The only land border is with Myanmar – the main conduit for physical connectivity with ASEAN. India's trade with the Philippines, Cambodia and Lao PDR has been relatively low.

This article refers to aggregate trade with ASEAN and focuses on issues that are germane to the region and abstracts from issues that are relevant to individual economies. ASEAN, led by the Asian tigers, Singapore and later Malaysia, Thailand and Indonesia, have expanded over 100 times over the five decades since its establishment in 1967. Today, at US\$ 2.8 trillion, it accounts for over 3.5 per cent of global GDP, the fifth largest region in the world, and 9 per cent of the world's population. Trade grew rapidly as the economies opened up, stimulated further with the establishment of the ASEAN Free Trade Area (AFTA) zone. ASEAN's total trade accounts for 7.1 per cent of global trade.

Over time ASEAN economies have become increasingly services-oriented, with services accounting for over half of GDP of the region. Today, ASEAN is a net exporter of services (Table 3). The leading sectors are travel, transport, and other business services, that together account for more than half of the total services trade. Services have attracted the maximum FDI in ASEAN, primarily into finance and insurance, and wholesale and retail trade. The main investors are from the US, the EU, Japan, China, Hong Kong, Korea, India and Australia.

**Table 3: ASEAN's International Trade in Services**

(US\$ billion)

Year	Export of Services	Import of Services	Trade Balance
2010	214.2	226.0	-11.7
2011	253.6	263.1	-9.6
2012	276.7	285.3	-8.6
2013	303.8	311.2	-7.4
2014	319.2	326.1	-7.0
2015	317.0	314.4	2.6
2016	326.8	316.6	10.2

*Source:* ASEAN Secretariat

### 3.2 ASEAN and India

Together ASEAN and India account for a quarter of the world's population and a GDP of over US\$ 3.8 trillion, constituting one of the largest economic regions in the world. Economic liberalization in ASEAN preceded that in India by nearly three decades. ASEAN developed a globally competitive manufacturing sector, with the economies deeply integrated into global supply chains, as well as in services, especially financial services, travel and tourism, transportation - led by ports and in recent years in logistics.

**Table 4: ASEAN: Total FDI Inflows, by Source**

(US\$ million)

	2007	2008	2010	2012	2013	2014
Intra-ASEAN	9634.0	10448.8	15200.4	20548.8	19399.6	24377.4
All Dialogue Partners	51753.5	22530.6	59709.0	58049.3	66144.6	77111.7
Australia	2240.2	1091.3	4000.7	3219.2	3489.2	5703.4
Canada	389.8	546.9	1297.5	1048.0	1030.3	1264.0
China	2129.6	946.8	4052.3	5718.1	6778.5	8869.4
EU	22065.2	9448.8	19017.7	6542.3	22255.7	29268.5
India	2724.8	1505.8	3474.0	4299.0	1330.7	819.5
Japan	8801.4	4285.5	11171.1	21206.1	21766.0	13381.1
New Zealand	109.4	-35.0	21.7	-141.8	388.5	319.9
Pakistan	19.8	6.8	29.5	1.3	-2.1	3.3
Korea	2439.1	1533.6	4298.8	1577.0	3652.4	4468.9
Russia	30.9	81.3	60.3	184.4	542.1	-28.4
USA	10803.4	3118.7	12285.3	14395.7	4913.3	13042.3
Rest of the World	23529.0	16713.6	25450.7	36854.7	32142.9	34692.2
Total	84916.5	49692.9	100360.1	115452.8	117687.0	136181.4

*Source:* Table culled out from ASSOCHAM Report on India-ASEAN Trade and Investment Relations (2016)

India's relation with ASEAN has been an important pillar of India's foreign policy. The relationship has strengthened over the years. The initial ASEAN-India dialogue relations evolved into a sectoral dialogue partnership in 1992, followed by a full dialogue partnership in December 1995 and summit level partnership in 2002. The elevation of the relationship into a strategic partnership in 2012 was a natural progression. The Look East Policy has today progressed into a proactive Act East Policy in 2014 with the intent of strengthening economic, cultural strategic cooperation at the bilateral, regional and multilateral levels.

The year 2017 marked the 25th year of dialogue partnership and the 15th year of Summit level partnership between ASEAN and India. Cooperation between the ASEAN countries and India has grown over the years in several domains including collaboration in science and development, tourism, people to people contacts, cultural exchanges, and other fields, and the scale remains quite modest. Trade and investment are still a fraction of what could be possible given the size of the Indian and ASEAN economies.

### 3.3 ASEAN-India Comprehensive Economic Cooperation Agreement (CECA)

The institutional framework for increased engagement between ASEAN and India has grown steadily. The ASEAN-India CECA, signed in Bali, Indonesia in 2003, offers a framework for economic cooperation covering a Trade in Goods Agreement that came into effect on January 1, 2010, and a Trade in Services and Investment Agreement that came into effect on July 1, 2015. The Investment Agreement “addresses the protection of cross-border investment to ensure fair and equitable treatment for investors, i.e. a level playing field, non-discriminatory treatment in expropriation or nationalisation, and fair compensation”. The Services Agreement encompasses “domestic regulations, transparency, recognition, market access and national treatment, measures to facilitate increased participation of developing countries, the joint committee on services, review, dispute settlement mechanisms and denial of benefits.”

The ‘Trade in Services and Investment Agreement’ covers ‘General Agreement on Trade in Services’ (GATS) plus commitments for the four different modes of supply of services. All the member states have committed to individual schedules of commitments applicable to all countries in the group, and have accepted GATS plus commitments in services and supply modes. Table 4 and Table 5 reflect the uneven trend in cross-border investment in the two region – despite both being among the fastest growing economies.

**Table 5: FDI Inflows into India from ASEAN and World**

(US\$ million)

	2010-11	2011-12	2012-13	2013-14	2014-15
Total FDI Inflows	14,939	23,473	18,286	16,054	24,748
FDI Inflows ASEAN	1580 (10.6)	3324 (14.2)	1843 (10.1)	4528 (28.2)	5356 (21.6)
Singapore	1540	3306	1605	4415	5137
Malaysia	40	18	238	113	219

*Note:* Figures in parenthesis indicate share of ASEAN in total FDI inflows

*Source:* Table culled out from ASSOCHAM Report on India-ASEAN Trade and Investment Relations (2016)

## 4. Why Services Trade is Important?

Services trade is of growing economic and strategic significance in India and ASEAN. Services matter for growth in many ways. Services catalyse increasing productivity and improved allocations of resources, thus enhancing export competitiveness, diversifying exports, increase in productivity and investments, generating employment and eventually sustaining the poverty reduction. Services inputs, including finance, logistics, transportation, marketing, telecommunications, etc., among others, determine competitiveness and have a powerful bearing on the overall competitiveness of the economy.

Contrary to expectations, several developing economies have been successful in exporting a diverse set of services. India has been remarkably successful in exporting software and business services. Singapore is a major exporter of high value-added financial services as well as air and marine transport consultancy services. Other Southeast Asian nations rank among the top exporters of tourism and growing centres of medical services. Over the past two decades, trade in services has grown as fast as trade in goods, often even faster. However, protectionist sentiments in recent years have dampened prospects for growth in trade, both goods and services.

The GATS has classified four modes of supply along which services can be supplied (Table 6). India supplies IT services through Mode 1 and Mode 4, whereas it imports IT services through Mode 4.



**Table 6: GATS Modes of Supply of Services**

Mode of Supply	Description	Examples of Sectors
Cross-border supply (mode 1)  Service provider not present in a member country	Analogous to trade in goods, and arises when a service crosses a national frontier, as with the purchase of software or transport by a consumer from a supplier located abroad.	Accounting, Engineering, Health, IT, Legal Services
Consumption abroad (mode 2)  Service provider not present in a member country	Arises when the consumer travels to the territory of the service supplier, say, to purchase tourism, education, or health services.	Health and Legal Services
Commercial presence (mode 3)  Service provider is present in a member country	Involves foreign direct investment, as when a foreign bank, telecommunications, or retailing firm establishes a branch or subsidiary in the territory of a country.	Accounting, Construction, Distribution, Environmental, Health, IT, Legal Services
Movement of individuals (mode 4)  Service provider is present in a member country	Occurs when independent service providers or employees of a multinational firm temporarily move to another country to deliver a service	Accounting, Construction, Engineering, Environmental, Health, IT, Legal Services

*Source:* The World Bank

#### 4.1 Regional Comprehensive Economic Partnership (RCEP) Agreement

Upon completion of negotiations and ratification, RCEP will be one of the largest regional trading arrangements, accounting for nearly 40 per cent of global trade. Trade in services is an essential component of the agreement. With further liberalisation and implementation of trade facilitation measures, it can lead to a paradigm change in trading relationships between India and the ASEAN states and the five other FTA partners for ASEAN, including Australia, China, Japan, South Korea and New Zealand.

#### 4.2 ASEAN-India Services Trade: The Sub-par Performance

Despite deregulation and a steady increase in political and strategic engagement, India's trade with ASEAN has stagnated and declined from US\$ 75 billion in 2012 to US\$ 65 billion in 2016<sup>2</sup>, with the slowdown in exports as well as imports. This is partly reflective of India's poor export performance, and challenges in diversifying its export base, but also indicates protectionist impulses in India as well among some of the ASEAN economies in safeguarding key industries. India was ASEAN's 11th largest trading partner in the year 2016. Given the proximity and strong linkages, there is immense potential to deepen and diversify trade between ASEAN and India.

India's services trade is dominated by computer and information services, especially software services and information technology-enabled services (ITES). Business with the west dominates India's trade, but in recent years, travel and transport services also assume significance in the overall volume of services trade.

## 5. Impediments to Services Trade

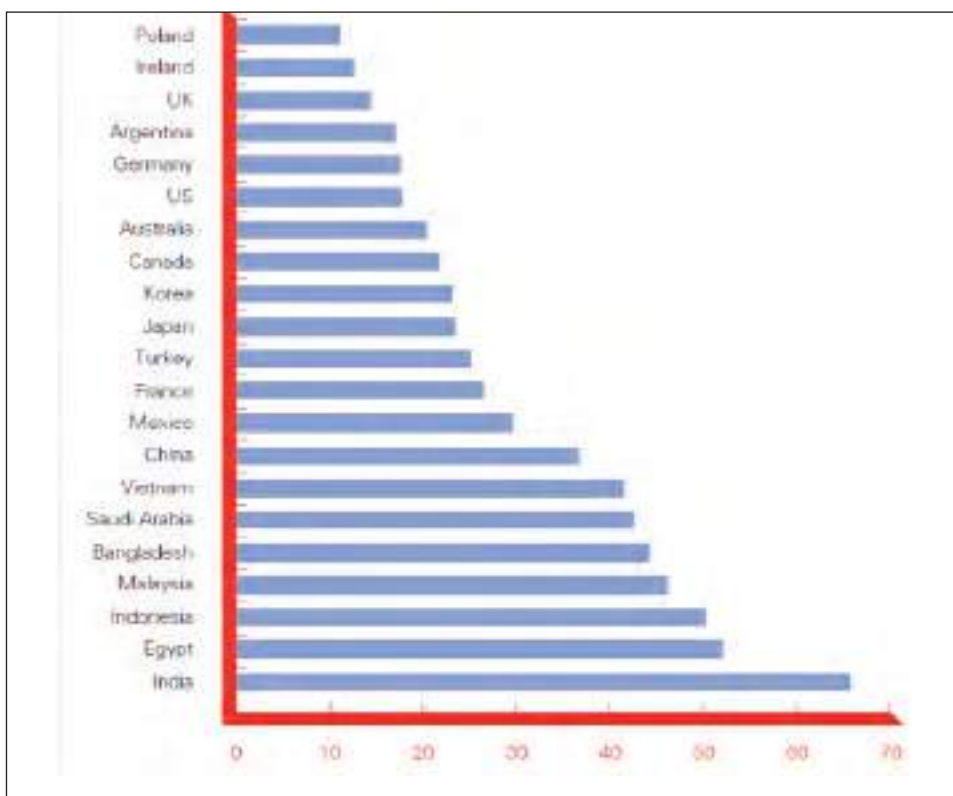
Why the trade between India and ASEAN has been below potential? In fact, as cross-border services increase, trade has contracted. The answer lies in a) trade restrictions that permeate both ASEAN (See Figure 1 and Table 7) and India; b) inadequate engagement between governments; and c) inadequate connections between businesses, especially the SMEs in the two regions. The World Bank's STRI is a useful indicator of the challenges confronting trading partners.

**Table 7: Services Trade Restrictiveness**

Country	STRI Indices Score	Country	STRI Indices Score
Cambodia	23.7	Philippines	53.5
China	36.6	Sri Lanka	38.2
India	65.7	Thailand	48
Indonesia	50	Vietnam	41.5
Malaysia	46.1		

Source: World Bank STRI Database.

**Figure 1: Services Trade Restrictiveness**



Source: The World Bank STRI Regulatory Database (Index: Higher score indicates greater restrictiveness)

### 5.1 Constraints on Services Trade

Aside from Singapore which has one of the most open trading regimes in the world, other major Southeast Asian economies and India accord high levels of protection to their services sector (Table 7). The Trade Facilitation Agreement signed at the WTO has led to some opening up and standardisation, but key sectors deemed to be of 'national importance' remain protected. Services trade is severely constrained due to pervasive restrictions in most ASEAN member countries, except Singapore. The

World Bank's Services Trade Restrictiveness Database<sup>3</sup> classifies trade policy regimes in Indonesia, Malaysia, the Philippines, and Thailand as "virtually closed" to "completely closed" policy regimes in Mode 4 (professional services). Overall, the services trade regimes in these economies range from "restrictive" to "virtually closed".

India is practically deemed as 'completely closed'. Notwithstanding deregulation over the past two and a half decades, India continues to have some of the most restrictive regulations among countries covered by the World Bank Services Trade Restrictiveness Indices (STRI). The burdensome and time-consuming administrative requirements and licensing requirements impose high costs. Despite liberal investment conditions, foreign investors are dissuaded by the cumbersome bureaucratic requirements. Ironically, STRI indices are the highest in services that are essential for viability of the Government of India's flagship 'Make in India' programme. These include finance, communication services, professional services.

Barriers on services trade hurt exporters as much as they impact importers. Restrictions on trade raise costs for functions ranging from auditing and accounting (costs increase by 60 per cent) to courier services (15 per cent). In an economy seeking to trade, this lends an anti-export bias to trade regulations, impairing competitiveness and prospects for exports. The OECD's estimates of the costs of the bias indicate that if restrictions were removed, services exports could increase by 15 per cent to 200 per cent, with the largest impact on telecommunications and banking. The restrictions notwithstanding, there is untapped potential for mutually beneficial trade and investment.

## 5.2 Connectivity

Despite physical contiguity and maritime links dating back to ancient times, South and Southeast Asia has been poorly connected. India has a border with Myanmar, maritime distances with ASEAN are relatively short, yet connectivity is poor. A road connecting Myanmar to India's Northeast and thereon to Thailand, down to Malaysia and culminating in Singapore is in the advanced stages of construction, with the main gaps in Myanmar. However, trade facilitation measures, including easing and standardising of customs and logistics integration are still likely to take time and a concerted effort on the part of all parties. The same challenge permeates maritime connection between ASEAN and India. Maritime traffic between them is minimal relative to potential.

**Shipping:** The UNCTAD compiles an annual Liner Shipping Connectivity Index (LSCI) that reflects a country's integration into existing global shipping networks. India fares poorly compared with Singapore and Malaysia, the ranks suggest that it is at a similar level to Indonesia and Thailand, which also rate poorly.

**Air Connectivity:** Air connectivity has improved over the years, though direct flights from India are limited to Singapore, Malaysia and Thailand, while direct flights to Indonesia were launched as recently as 2016. Inadequate connectivity raises the cost of doing business and deters small firms from exploring opportunities across borders.

Growing links are facilitated by the ease of travel between ASEAN and India. An open sky policy will go a long way in easing connections. Northeast India, in particular, is poorly connected with ASEAN. Enhanced connectivity, backed by policy initiatives will help lower trade costs, especially logistics and transportation costs, which may, therefore, boost the trade flows. The Digital India and ASEAN Digital Connectivity projects can be utilised in furthering connectivity and lay the foundations for enhanced collaboration in the knowledge economy.



## 6. Potential Sectors of Increased Services Trade and Investment

There are several sectors with untapped potential in ASEAN–India services trade and investment. There is space for both the government and the private sector to take initiatives.

### 6.1 Knowledge Economy

ASEAN and India are and will continue to be at the forefront of endeavours to transition to the Knowledge Economy or the 4<sup>th</sup> Industrial Revolution. India has a reservoir of expertise in information, communications and technology systems, reflected in the growing share of the knowledge economy in GDP as well as trade. Likewise, ASEAN economies are at the forefront of efforts to digital services.

#### (a) Software, ICT and Telecommunication

India is at the forefront of business service exports, especially software development and IT services in the world. These account for over a third of India's exports. ASEAN on the whole through the Digital Connectivity project is placing considerable emphasis on ICT. The scope for mutually beneficial collaboration is vast. India has the experience and the skill base to collaborate for developing digital infrastructure. Large parts of ASEAN, especially the CLMV region lags behind the other states in developing digital infrastructure. India can play an important role that helps enhance connectivity within and between the two regions. Digital connectivity helps build broader bridges for investment and trade.

#### (b) Start-ups

India and ASEAN, especially Singapore, and to a lesser degree Malaysia, Indonesia and Thailand have developed robust ecosystems for start-ups, bolstered by a state policy regime that seeks to encourage investments in the knowledge economy. 'Intangible' services transcend regulations and political boundaries. Start-ups have the potential for building economic bridges due to scalability and the spillover effects they generate. Firms in the knowledge economy have the ability to bypass traditional physical and logistical hurdles and generate benefits within the local economies. Uber, Go-Jek, Grab, Ola, AirBnB, several start-ups in logistics, in other services illustrate the speed with which the firms can cross borders and generate positive externalities for employment, logistical services, for expanding existing markets and creating new ones. The only 'commodity' exported is programming code. Singapore and India have encouraged Start-ups in each other's jurisdictions to tap markets in each other's countries.

Launching incubators and accelerators to potential partners can help in encouraging collaborative endeavours. Bridging information gaps is critical here. Industry associations, such as CII or FICCI in India, or government agencies, such as Enterprise Singapore are useful catalysts for these endeavours. Hackathons are useful in bringing together young entrepreneurs to brainstorm and go on to experiment with beta versions of their ideas.

#### (c) Digitalisation of Small and Medium Enterprises (SMEs)

Unlike large enterprises which can take initiatives on their own, governments can help SMEs to take up the challenge of digitalisation through technical assistance as well as information to help avail of government programmes, digitisation endeavours in managing payments and supply chain and finance. When SMEs digitalise successfully, it induces more SMEs to digitalise. SMEs that digitise are more profitable, larger after adjusting for age, resilient and find it easier to draw funds than cohorts that have not gone digital. The experience of the Industry Transformation Programme (ITP) in Singapore that drew up Industry Transformation Maps<sup>4</sup> for 23 industries is instructive in this context.

**(d) FinTech<sup>5</sup>**

One of the most promising areas for enhanced collaboration between governments and the private sector is FinTech. FinTech is a disruptive innovation that entails the use of technology to carry out traditional finance functions, including payments, credit, insurance and wealth management. It is rapidly changing the landscape of the financial sector. At its simplest, it makes access to finance easier for customers and consumers by cutting costs, easing payments and enabling access to credit to demographic groups hitherto excluded by formal financial institutions. As an illustration, FinTech offers new ways of assessing risk and easing access to credit. It is adding diversity to the credit landscape, with innovations such as crowd-funding and person-to-person lending, among others.

Singapore and India lead developments in the use of FinTech – disruptive innovation that is changing the way traditional financial institutions do business. India offers the highest global returns on investment in FinTech, and the world’s largest biometric identity base, a solid digital infrastructure that provides the foundation for the growth of FinTech. Singapore has developed cutting-edge sandbox for testing new FinTech products. It has a world-class digital and physical infrastructure and a highly-skilled manpower base, and risk capital seeking profitable avenues for FinTech. The potential for mutually beneficial collaboration is vast. ASEAN markets are growing rapidly in sophistication and integrating with the global economy. As incomes rise, the demand for financial services such as insurance, savings and investment instruments, risk management products, etc. rises. FinTech has demonstrated the capability to make these accessible to the mass public. Start-ups in FinTech can collaborate and test these products across markets to bring them to the final consumer. Government agencies Industry associations can play a useful role in facilitating the introduction of these instruments.

There is potential for collaboration between governments on information sharing on policies, consultations on data privacy, cyber security, data localisation and development of digital infrastructure. For meaning engagement, interoperability of operating systems is vital for innovation. The benefits are manifold. Interoperability allows for seamless fund transfers across geographical zones via a single account and offers ease and savings in trade and business activity. The network economies arising from interoperable payment systems can catalyse innovations in payments systems. To develop an open competitive system, interoperability, as with the UPI, is imperative. India has done remarkably well on that count, with the UPI, the first such system in the world. It allows for exchanges between a range of products, or transfers across different banks.

Singapore is leading ASEAN’s efforts in FinTech. The ASEAN FinTech Network (AFIN) offers an excellent platform to learn and share experiences and, over time, to increase trade and financial linkages. Affiliation with the AFIN can facilitate innovation and collaboration between financial institutions and FinTech enterprises in India and ASEAN in financial inclusion, blockchain, cyber security and innovations in trade finance with the potential to ease India’s integrations into the RCEP. India and ASEAN should also work towards an interoperable system; with discussions on data privacy, data localisation and cross-border data flow. Broader cooperation in the digital economy is an important instrument to advance the vision of an open, balanced and inclusive architecture for the region and of countries integrated by trade and connected by the cyberspace. It may be useful to draw upon expertise and networks at multilateral institutions, such as the Asian Development Bank (ADB), to catalyse such initiatives.

**6.2 Participating in Regional and Global Value Chains (GVCs)**

Over the past three decades, following successful rounds of tariff and non-tariff reductions under the GATT and later the WTO, and the removal of barriers to cross-border investment, multinational firms have increasingly sought out low-cost locations to produce components, as well as source services. Consequently, manufacturing has become increasingly fragmented as GVCs transform global trade

by breaking production into stages or components that can be carried out in different countries. With their open trade and investment regimes and attractive climate for investment, ASEAN countries have particularly benefitted from participation in GVCs. On the other hand, India despite liberalizing the investment regime has been on the periphery of GVCs.

Participation in GVCs offers numerous benefits to participating countries. Besides increasing exports and overall trade, they enhance the quest for efficiency and competitiveness. GVCs result in an increased focus on productivity via expenditures on R&D, streamlining managerial processes. For a country to participate in GVCs trade liberalization and concrete measures to facilitate trade through lower costs is imperative. The World Bank<sup>6</sup> finds that “non-tariff trade costs related to infrastructure, transportation, and uncertainty remain a relevant barrier to GVC participation.

A recent estimate at the World Bank finds that participation in GVCs generates positive externalities, such as the development of technical expertise that is transmitted to ancillary and other supportive sectors, it also boosts infrastructure development and international linkages. India is practically shut out of GVCs, largely due to inefficiencies in domestic industry, compounded by restrictive trade practices. India and ASEAN can explore opportunities to participate in regional and global value chains. This would require a concerted and coordinated effort by industry, with help from government institutions. Services such as logistics, transport, finance, communication are crucial for the viability of GVCs. As incomes have risen, the share of services in output has also been growing. Enhancing the efficiency of the services sector should be a key objective of policymakers. Over time, countries have been up along the value-added chain in services.

### 6.3 Other Sectors

Table 8 compiles a brief list of other sectors that offer the potential for trade and investment in services between ASEAN and India.

**Table 8: Other Sectors with Potential for Increased Investment and Services Trade**

Sector	Initiatives
Education	<ul style="list-style-type: none"> <li>India has long-standing expertise training graduates in IT and ITES services; Establishing training facilities overseas will help build bridges and be a possible precursor to more tangible cooperation</li> <li>Deployment of IT in curricula design and online courses is a promising and widely tapped area: this offers potential for reaching far-flung communities in India, Malaysia, Indonesia, Philippines, Myanmar and Thailand, Vietnam, Cambodia and Lao PDR</li> </ul>
Skills Development	<ul style="list-style-type: none"> <li>India has the largest cohort of youth in the world– potential demographic dividend, but it is rapidly disappearing</li> <li>The Singapore and Indian governments can extend their collaboration in technical education and skills development to impart skills to citizens to learn how to manage data and put it to beneficial use.</li> <li>Despite a surfeit of technical expertise, India needs to increase its pool of computer scientists/ programmers versed in FinTech skills.</li> <li>In areas such as construction, hospitality, primary health care, hi-tech manufacturing – new avenues, such as inviting large experienced corporations to impart the latest skills, and collaboration, including PPP</li> <li>There is a great deal of potential for trade in skilling services across ASEAN</li> </ul>

*Table 8 continued...*

Table 8 continued...

Construction	<ul style="list-style-type: none"> <li>• Offers significant promise; also in other infrastructure development; Indian workers are young and skilled, with several hundred thousand workings in SE Asia and the Middle East</li> <li>• Expertise gained on overseas projects can be shared</li> <li>• MSDE in India launched the Japan initiative: Training workers for jobs in Japan; a promising avenue for bridging the demographic challenge in OECD and other richer economies</li> </ul>
Medical services	<ul style="list-style-type: none"> <li>• Aside from medical tourism, the potential for training health workers to reach remote areas – equipping them with specific skills needed</li> <li>• Geriatric services is a growth area offering the potential for trade</li> <li>• Many ASEAN states and India have introduced innovative healthcare programs in specific provinces/municipalities; sharing information on these could be the first step to collaboration among public health authorities</li> </ul>
Social impact projects	<ul style="list-style-type: none"> <li>• Significant in Singapore, Thailand, India, offers near state of the art, low-cost alternatives to treatment in OECD states;</li> <li>• Potential for collaboration in public health services, health care provision. If the public policy doesn't step in, new business paradigms could lead to private sector initiatives</li> </ul>
Tourism	<ul style="list-style-type: none"> <li>• Travel and tourism's contribution to the combined GDP of ASEAN economy is significant</li> <li>• ASEAN countries collaborate and of course, compete for attracting tourists</li> <li>• Potential for training, sharing of resources/ offering integrated programs, encompassing share heritage</li> <li>• Advertising sites with shared heritage across Indochina and Indonesia</li> <li>• Buddhist pilgrimage circuit offers a channel for ramping up engagement</li> </ul>
Infrastructure and Connectivity	<ul style="list-style-type: none"> <li>• Ports, telecommunications, road networks, customs procedures (e.g. India – Bangladesh agreement on commercial vehicular agreement)</li> <li>• Useful steps to enhance connectivity underway; these should be ramped up and will help small businesses to deal with formidable last-mile hurdles.</li> <li>• Enhanced connectivity through Myanmar, Thailand and Malaysia already have the infrastructure (benefits for India's Northeast, Myanmar, Cambodia, Lao PDR, Vietnam)</li> </ul>

*Source:* Author's own.

## 7. Concluding Observations

The reasons and rationale for nurturing trade and investment in services between ASEAN and India is compelling. Aside from the close historical links, economic growth in India and ASEAN will fuel demand for services. Trade in services is one of the promising areas in ASEAN and India. Both are net exporters of services. Despite wide divergences in levels of development, there is substantial scope for exchange of mutually beneficial services trade.

The relative strengths of ASEAN and India reflect growing complementarities between the economies, some of which are delineated in Table 8 however, much of it remains untapped. Some of these are There are relatively low hanging fruits – in areas where collaboration does not immediately threaten domestic interests, rather offer complementary strengths. ASEAN's engagement with North and Northeast Asia demonstrates potential, the scale and scope of engagement in – a fraction of that would yield benefits for both regions.

For India, services trade offers a much-needed diversification of the export basket, and a precursor and increasingly a concomitant to investment and increased trade in manufacturing. For Southeast Asia, diversification is indeed important; equally importantly, with the distinction between manufacturing and services becoming increasingly blurred, both ASEAN and India can draw upon relative strengths to enter regional value chains.

The changing landscape, new technologies that facilitate rapid dissemination of information, and allow entrepreneurs to bypass some of the traditional physical obstacles that hamper services trade. Prime examples of these are Startups and Business-to-Business commerce

Path to greater integration through trade will be difficult, especially in the current milieu that is hostile to trade liberalisation. Except for Singapore, India and the other ASEAN countries have restrictive service trade regimes. The contentious issue of movement of persons is unlikely to be resolved soon. The need to protect nationally significant industries will constrain liberalisation, but consistent consultations and setting up mechanisms for continuous debate, including via multilateral institutions such as the Asian Development Bank and the World Bank will help. While India is not a participant in the Belt and Road Initiative, it can directly collaborate with ASEAN countries in several sectors. The overriding priority should be tackled the formidable hurdles that exist, buttressed with attention to last-mile access via trade facilitation reforms. The spillover effects from enhanced physical and digital connectivity are substantial.

## 8. Collaboration among Regulators and Governments

As an illustration, in the domain of regulation, there is a need for consultations. It is necessary to raise awareness of FinTech opportunities available for the private sector in each country. Information gaps on initiatives in other countries can be substantial, especially for start-ups. Industry associations and business development agencies in the public sector can help bridge the information gap. Concerns about data privacy, trust, and cyber security are paramount, any theft or misuse of data can have devastating consequences.

India and Singapore, and indeed rest of ASEAN can share information on FinTech trends and developments and work on projects tapping on the latest financial technologies such as cross-border payments and KYC processes, cyber security, and the deployment of blockchain for functions beyond financial transactions. For example, medical records and land ownership records – an enduring challenge in India. Since financial services and FinTech affect every sector of the economy, policymakers on both sides should endeavour to connect businesses, including SMEs, large companies and service sector firms, including investing in artificial intelligence and blockchain, to gain a competitive advantage in the digital era.

Beyond negotiation and implementation of measures agreed upon in trade treaties, there are several steps governments and state agencies can take to boost trade. Greater engagement between governments as well as an industry association that results in tangible reforms has the potential to alleviate constraints on the growth of firms, especially of SMEs, and help them integrate better into value chains, a vital source of growth, unfortunately, remain neglected. Spring Singapore, the Small Business Administration in the US offer useful insights into what can be done, including measures such as coordinating single-window access. Conversely, the vast informal sector in India is testimony to regulatory barriers and the inability of a large segment of the private sector to participate in value chains. India has a large diaspora dispersed through Southeast Asia. Engagement with this constituency can provide a vital bridge between ASEAN countries and India. For this to manifest itself, visits by industry and trade associations, including chambers of commerce are an important initial step. Rather than waiting for multilateral negotiations, it would be prudent to embark upon unilateral measures to open up and create conditions that make it attractive for everyone to trade and invest.



## Endnotes

- <sup>1</sup> Especially the early developers, namely, Singapore, Malaysia, Thailand and Indonesia, and more recently Vietnam. Cambodia, Lao PDR and Myanmar are latecomers to deregulation.
- <sup>2</sup> Data taken from EXIM Bank
- <sup>3</sup> The OECD compiles a similar STRI index
- <sup>4</sup> Under the ITP, roadmaps will be developed for 23 industries to address issues within each industry and deepen partnerships between the government, firms, industries, trade associations and chambers.
- <sup>5</sup> This section draws upon a report on a workshop published by the Institute of South Asian Studies in November, 2018. <https://www.isas.nus.edu.sg/wp-content/uploads/2018/10/ISAS-FinTech-Roundtable-Report-October-2018.pdf>
- <sup>6</sup> World Bank “The Global Value Chain Development Report”

SESSION: III

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**CULTURAL HERITAGE**

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# The Next Decade of Scope and Opportunities between India and Thailand

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**Sophana Srichampa**

## **1. Introduction**

India and Southeast Asia have long relations since ancient times. The celebrations in 2017 of 25 years of ASEAN-India friendship reflects the ties sustained from past to present. Although there have been many successful collaborations in terms of security, economy and socio-cultural perspectives between ASEAN and India, there is still great potential for India and Thailand—and other ASEAN members – if they think outside the box. The ASEAN motto “One Vision, One Identity, One Community” remains a dream with most collaborations being formal ‘G to G’, and ‘people’ level cooperation in the socio-cultural domain is hardly evident. This article proposes new scope and opportunities for India and Thailand and offers ideas for cooperation between India and ASEAN under the ASEAN-India, BIMSTEC and Mekong-Ganga Cooperation (MGC). These scope may not focus on capitalism, which creates winners and losers, rather people engagement through government policies and facilitation. The people’s involvement should be encouraged to undertake cultural initiatives.

## **2. Brief History of Cultural Linkages from India to Thailand**

Trade encourages Indians to travel to Southeast Asia which has been a primary characteristic of Indians in Thailand since ancient times up to the commencement of general migration in the post-colonial period. However, the Indian migrants arriving in Thailand differ from those choosing to go to neighbouring countries such as Myanmar or Malaysia in that Thailand offers them greater freedom, with trade especially being a factor in the success of Indians in Thailand (Srichampa, 2015).

Historically, there were various trading routes from India to Thailand and other Southeast Asian countries. According to Tarling (2007), before about 350 CE, international traffic between India and China avoided the 1600-kilometre route around the Malay Peninsula. Travellers on their way to China ended their voyage along the Bay of Bengal at the Isthmus of Kra, the peninsula’s narrowest point, and moved their goods overland to the Gulf of Thailand, from where their maritime journey resumed.

Around 2,500 years ago, the people of Jambudvīpa (today called India) travelled via the Bengal-Andaman seacoast to Southeast Asia, then known as Suvarnabhūmi. There were exchange and trade with the local female leaders in the communities of the “Mae Klong-Thaceen river basin”. In the past, there were two routes from India to Thailand as follows:

**Sea route:** There were two directions:

- From India to Takuathung, then by land to Nakhon Si Thammarat.
- From India by boat; to Malayu peninsular and embarking at the Champa Kingdom to Khmer and Thailand

**Land route:** There were three ways through Burma to the western border of Thailand:

- Mae Lamo border near Tak province
- Phra Jedi Saam Ong border and to Karnchanaburi
- Tavoy, Tenasserim and across the Singkhon border near Prajuab Khirikhan.

This route was used the most for migration (Anamwat, 1985; cited in Srichampa, 2015).

Ties between India-Thailand through trade started from the 7-8th centuries of the Buddhist Era (BCE). The three oldest groups of Vishnu statues in Thailand and Southeast Asia, two of which were found in Tambalinga (Nakhon Si Thammarat), date back to the 9-10th centuries BCE, which reflects the influence of Mathura and the final period of Amaravati arts. Later, local beliefs mixed with Brahmanism, creating a unique and prosperous society, are in evidence up to the present day (Srichampa, 2015).

In terms of art and culture in the 11-14th centuries BCE, the northern part of the Malayu Peninsular, especially Nakhon Si Thammarat, was strongly influenced by Indian art and culture. Indian merchants did business and established Brahmanism, which can be traced by the ancient artefacts of Shivism and Vaishnavism from South India found in Nakhon Si Thammarat (Srichampa, 2015).

The brief history of Indo-Thai trade started from the first kingdom of Siam, known as Sukhothai, but little evidence of this remains. The following kingdom was based in Ayutthaya, which enjoyed a golden era in international trade with India. The products exported to India were mostly forest products, including elephants, and goods imported from India were mainly textiles and cloths. In the following Ratanakosin era, British colonization spread to Southeast Asia and as a result, the Siamese government conducted business through the British raj established in the Indian subcontinent. Following a royal visit to India, King Rama V introduced an open door policy and welcomed foreigners to do business in the country. Due to push factors occurring in India – drought and rapid growth of population, Indian emigration increased with Siam as a primary destination, since it was an economic and commercial centre beyond British occupation. Indian migrants came from many Indian states such as:

- Hindus from Tamil Nadu, Sindh, Punjab, Uttar Pradesh, Lucknow, Ayodhya, Gujarat, Rajasthan and Bengal
- Muslims from Gujarat, Pondicherry, and some from Singapore.
- Sikhs from Sindh and Punjab

After diplomatic relationship established in 1947, many Indians, encouraged by relatives, migrated to Thailand, – most choosing to settle in groups in districts of Bangkok such as Silom, Sathorn, Yannawa, Si Yaek Baan Khaek, and Sukhumvit. Now-a-days, they have expanded their settlements to the suburbs and further away provinces (Srichampa, 2015) – although many moved back to Bangkok for their children's education, and few remain where they first settled.

Around 40 years ago, business-minded Jain Indians from Rajasthan, Gujarat, Maharashtra also started business in Thailand.

## **Indian Cultural Heritage Adapted into Thai Society**

There are three main domains of the Indian heritage adapted into Thai society (Kusalasaya, 2000), such as Religions and Tradition, Language and Literature, and Arts

## 2.1 Religions and Tradition

Religion is a primary factor that led to the acceptance of other branches of cultural influence. There were texts in each religion, so followers should learn the languages of such religions, and there were stories teaching Dharma, which created the foundations of literature. There were also religious places displaying different styles of art such as architecture, painting and dances. Two main religions advanced culture in ancient times:

### *Buddhism: Theravada and Hinayana*

Theravada Buddhism originated in India, but Thailand was influenced through Lanka and Mon.

### *Brahmanism*

As for Brahmanism and Hinayana Buddhism, Thailand received these during the era of ancient kingdoms such as Khom, Srivijaya (Kusalasaya 2000). Buddhism impacted positively on everyone, from ruler to layman, and led to a belief in karma, replacing traditional animism. It taught three fundamental concepts: anicca, dukkha and anatta, which offered believers a certain peace-of-mind and bred tolerance and even affinity towards other religions (Kusalasaya, 2000).

The governance issue was handled by the Deva Raja of Khom by application of Buddhist principles such as the ten royal virtues of the king and others. As a result, the king's institutions are more passive and less powerful (Kusalasaya, 2000).

Brahmanism related mainly to royal traditions performed by Brahmins such as coronations; making water-pouring ceremony with water from Pancha-maha-nathi (five rivers) in India; Loy Krathong festival (floatings illuminated leafs bowl); the swing ceremony; and royal ploughing ceremony (Hindu in Thailand, n.d.). Some compatible elements were adapted and integrated into Buddhism such as god worship; the top-knot cutting ceremony and other brahman ceremonies. At present, some Hindu ceremonies are mixed with Thai Buddhism such as certain rituals and foundation stones laying ceremonies (Kusalasaya, 2000).

Most Thai people do not study the Dharma seriously and pay homage to the Buddha image as if a deity. Most do not understand what the prayers and chants mean but consider them sacred and protective. Followers of Hinduism, worship God as a spirit who can make wishes come true rather than understanding the Vedas, Upanishads or Vedanta and, especially, Atman which is at its core (Kusalasaya, 2000).

## 2.2 Language and Literature

Although there are many languages in India, Thailand received mainly Pali and Sanskrit for several reasons:

**2.2.1 Religious Relations:** When Brahmanism and Buddhism spread to Thailand, Brahmanism used Sanskrit and Buddhism used Pali. Buddhism is the national religion of Thailand with Brahmanism as an accessory for daily life, especially in the traditions. We accept both languages through religious vocabulary which are used as common terms in everyday life.

**2.2.2 Traditional Relations:** When Indians settled in Thailand, they practiced their traditions, in which some had common elements with the Thai language to the point that many Indian words became words of daily life for Thais such as tri-yam-pa-waaj (Brahmin rites associated with the swinging ceremony); ma-kha-buu-chaa (Magha Puj); tak-baat-de-vo (Lord Buddha's return to earth and takes place annually immediately after the end of the 3-month Rains Retreat), etc.

**2.2.3 Cultural Relations:** India is rich in culture and Thailand was influenced by all Indian branches prior to the introduction of western culture, such as:

**Art:** Thai art was influenced by India both directly and indirectly, such as music and dance. The language used in art is mixed with Thai, such as ma-ho-ri (Thai orchestra), don-trii (music) and pii-phaat (gamelan).

**Astronomy:** India has been advanced in astronomy for quite a long time. When this science spread to Thailand, particular words associated with it were introduced into Thai such as: su-ri-ya-kha-ti (sonar), jan-tha-ra-kha-ti (lunar), jan-tha-ra-khraat (lunar eclipse).

**Dressing:** Vocabulary related to royal cultural dressing was borrowed including: mong-kut (crown); cha-da (headdress); sang-waan (breast chain).

**Construction:** Pali and Sanskrit words related to religious and royal buildings are also found in Thai such as praa-saat (castle, palace); che-di (pagoda, stupa); nop-pha-suun (top-peak of pagoda).

**Tools:** From tools used by Indians in Thailand, Thais borrowed words such as aa-wut (weapon), thap-phii (ladle), khon-thoo (water pot).

**Royal Vocabulary:** The use of royal vocabulary is part of Thai culture to differentiate between royalty and commoners, so Pali and Sanskrit – as prestigious languages – are used, for example: phra-net (eyes), phra-baat (feet), phra-kan (ears), and formal and polite terms such as bi-daa (father), maan-daa (mother), etc. (Phongphaiboon 1980 cited by ‘Pali kit’, n.d.).

**2.2.4 Academic Relations:** The Thai language has limited vocabulary for science and technology, so we accepted Pali and Sanskrit to be used according to the progress and convenience with words such as wit-tha-yu (radio), tho-ra-that (television), phaet (doctor), etc.

**2.2.5 Literature Relations:** Indian literature has had a great influence on Thai literature, both Sanskrit literature and literature related to jataka in Buddhism. There are many vocabularies related to such literature including khрут (Garuda), su-meen (Sumeru), Himmaphan, etc. (Phongphaiboon 1980 cited by ‘Pali khit’, n.d.).

### *Pali and Sanskrit in Thai literature*

Pali and Sanskrit words appeared in Thai literature from the Sukhothai period in both prose and verse. Although little Pali and Sanskrit was found in the King Ramkhamhaeng stone inscription, it is evident that Pali and Sanskrit were used as part of the Thai language. Later, Pali and Sanskrit became more popular in literary writing.

### *Influence of Indian literature*

India has been an important source for and influence on Thai literature since ancient times. It came to Thailand in two ways: 1) indirect influences through Java, Melayu, Khom, Mon and Lanka; and 2) direct influences from traders, monks and Brahmins who came for trade and religious reasons.

India has influenced Thai literature directly through:

(i) Translation: Thai literature was translated from Pali, Sanskrit, Hindi and English in terms such as: pra-theep-haeng-asia (the Light of Asia), pri-ya-that-si-kaa (Priyadarśin), trai-pi-dok (Tripitaka); translations and compilations from the original versions of kaam-ma-nit (Kamanita).

(ii) Adaptation: The transfer of original content into Thai literature such as Sakuntala and Savitri, etc.

(iii) Recomposition: Compositions from old stories into Thai literature such as: ram-ma-kien (Ramkien); un-na-rut (Unnarut); and i-naw (Inaw). These are plays originally performed by Thai females.

(iv) Influence of concepts, beliefs and conventions such as: pan-yas-sa-cha-dok composed by northern Thai monks; mat-tha-na-phaa-thaa (Legend of Rose) composed by King Rama VI; and stories and plays related to royalty (Satchaphan, 2007).

Two types of Indian literature were shared into Thai:

- i) Pali literature: Mahayana Buddhist literature used Pali or Magadhi for dhamma and philosophy.
- ii) Sanskrit literature: Sanskrit was used in Hinduism and Mahayana Buddhism in both religious and entertainment literature such as Ramkien, Mahabharata, Kamanita, Sakuntala, etc. (Satchaphan, 2007).

### 2.3. Arts

Before the spread of Indian religions, culture and arts into Southeast Asia, this region had its own civilization as evidenced by the archaeological artefacts in places such as Baan Chiang in Nong Haan District, Udonthani Province. This dates back around 5,000 years. This region also had its own local beliefs.

Through trade, merchants and priests of religions and sects who worshipped Shiva, Vishnu (or Narai) and Brahma, the supreme God, all worshipped particular images, including that of the Buddha. Most of the Buddha styles popular in Thailand were influenced by southern Indian art, except those from the beginning of Srivijaya and Chiang-Saen eras which were influenced by Pala and northeastern Indian arts. (Ma-On, n.d.).

Periods of Thai art influenced by Indian arts:

**2.3.1 Ancient Arts Period:** Thai Buddhist art was influenced by Indian Amaravati art as seen in Buddha images found in Nakhonratchasima, Petchaburi and some southern provinces of Thailand such as Narathiwat.

**2.3.2 Art in the Dvaravati Period (12-16 B.E.):** located in the central part of Thailand, people followed Hinayana Buddhism (Theravada). Buddha images in a Gupta style were found from this period.

In Nakhonpathom province, ancient Buddhist Chedis were found with Buddha images made from stone and cast in bronze. Ancient remains from the Dvaravati period were found in Ratchaburi province, which was perhaps the site of an important city or kingdom. Other pieces of art and antiques from this period were found elsewhere in Kanchanaburi, Suphanburi, Lopburi and Prachinburi provinces.

**2.3.3 Art in the Srivijaya Period (13-18 B.E.):** Mahayana Buddhism spread to southern Thailand. Avalokitesvara Buddha images were found at Wat Phra MahaThaat, Chaiya District, Suratthani province in southern Thailand. The important architecture includes Chedi Phra-bo-rom-ma-thaat at Wat Phra Maha-Thaat and various Avalokitesvara Buddha images of Srivijaya art-style and Vishnu statues of Palwa style dating back to the 16<sup>th</sup> century BCE. were found in some southern provinces (Ma-On, n.d.: 21-32)

**2.3.4 Art in Lopburi Period (16-18 B.E.):** There were two sects of Buddhism in the Central and Northeast of Thailand: Theravada continued from Dvaravati and Mahayana from Khom or Srivijaya. Arts from this period mixed Hindu with Buddhist influences. There were many religious places with Khom art such as Praa-sat Phum-pone in Surin province and Praa-sat Khaw-Phnom-rung in Buriram province. Important architecture includes: phra-praag-saam-yot (Lopburi province); Phimai historical Park in Nakhonratchasima province; and Praa-sat Muang Singh in Kanchanaburi province (Ma-On, n.d.: 33).

Brahmanism/Hinduism in Thailand continues to play a role in royal ceremonies as well as other religious ceremonies, together with Buddhism. Today, many Thai people worship Hindu gods such as Ganesha and Brahma, etc. Gaṇeśa Chaturthi is organized annually by Indian communities in Thailand and has been promoted in Thai society for over ten years. Also, there are Buddhist temples in Nakhonayok and Chachoengsao provinces where there are huge statues of Ganesha, and many Thai people who believe in and follow Ganesha join in the regular festivals.



### 3. Current Regional Cooperation between ASEAN-India

Three examples of cooperation between India and Thailand and other ASEAN countries include:

**ASEAN-India:** ASEAN-India dialogue relations have grown rapidly from a sectoral dialogue partnership in 1992 to full dialogue partnership in December 1995. The relationship was further elevated with the convening of the ASEAN-India Summit in 2002 in Phnom Penh, Cambodia. ('Overview ASEAN-India Dialogue Relations, n.d.). 25 years of ASEAN-India tie were celebrated in 2017.

**BIMSTEC:** The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) was established on 6 June, 1997. It is an international organisation of seven South Asia and South-East Asian nations, home to 1.5 billion people with a combined economy worth US\$ 2.5 trillion and includes Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal ('Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation', n.d.). There are 14 sectors such as trade, technology, energy, transport, tourism and fisheries, agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, people to people contact and climate change (BIMSTEC, n.d.).

**MGC:** Mekong-Ganga Cooperation (MGC) was established on 10 November, 2000. It comprises six member countries, namely India, Thailand, Myanmar, Cambodia, Lao PDR and Vietnam. The seven areas of cooperation are tourism, culture, education, transportation, public health, agriculture, and small and medium enterprise development. The working mechanism for MGC consists of the Annual Ministerial Meeting ('Mekong-Ganga Cooperation', n.d.; 'Thailand moves towards sustainable development in the Mekong – Ganges', 2017).

### 4. Scope and Opportunities between India and Thailand

The next decade of cooperation between ASEAN-India – and Thailand in particular – will respond to AEC and ASCC Blueprint 2025, which will be people-oriented, people-centred, environment-friendly, inclusive, and dynamic in accordance with the UN's Sustainable Development Goals. Besides, in line with the shared socio-cultural heritage between India-Thailand, this article recommends cooperation between the appropriate organisations/ government offices of India and Thailand – with some scope expected to expand to Myanmar, Lao PDR, Cambodia and Vietnam (Mekong-Ganga Cooperation) – as well as people to people initiatives as the following scope and opportunities suggest.

#### 4.1 India-Thailand Cooperative Tourism

Tourism is one of the most significant sources of economic return and employment. As it involves many stakeholders from up-stream to down-stream, good management for sustainability is important. India and Thailand share linkages of socio-cultural heritage, so we should think about how to connect people, not only from our two countries but around the world to appreciate, learn, share and understand our valuable heritage. Scope and opportunities exist for tourism between India and Thailand by creating new tourist routes together for mass and alternative tourism, which will target various markets such as:

##### 4.1.1 Religious/Archaeological Tourism

**(i) Hindu Circuit:** Selected Hindu sites in India and in Thailand (Sukhothai/Lopburi/ Kanchanaburi/ Phimai-Nakhonratchasima/ Buriram and Surin); Hindu gods worship at important religious spots and outstanding locations in Thailand, including museums. In the future, routes can be expanded to other ASEAN nations such as Lao PDR, Cambodia, Vietnam and Indonesia.

**(ii) Buddhist Circuit:** Bodh Gaya and Orissa sites and other states, and selected Thai temples and Thai Buddhist practices, etc. including nearby museums. In the future, the routes should cover Cambodia, Lao PDR, Myanmar and Vietnam.

**Wellness Tourism and Holistic Wellness Tourism:** Yoga and Ayurveda, Indian and Thai meditation methods and traditional Thai massage etc. including museums.

**Cultural Tourism:** Proposed cultural tourist routes between India and Thailand include:

- Authentic Indian and Thai cuisine (“learn and eat”) with homestay in India and Thailand
- Traditional Indian and Thai cultural performance appreciation (“learn and watch”)
- Traditional Indian and Thai music and dance appreciations (“learn, watch, play and dance”)
- Rice culture in India and Thailand (experience in season)
- Follow Ramayana arts and places in India and Ramkien arts in Thailand. In the future, this route can expand to other ASEAN members.
- Home origins of the Indian diaspora in India and “India” towns in Thailand.
- Ethnic group tourism: ways of life of selected ethnic groups in India and Thailand and home stay such as Tai groups in Northeast India
- Selected Indian and Thai handicraft producers/centers (“watch, taste and buy”).
- Selected Indian and Thai palaces.

**4.1.4 Sports Tourism:** Popular sports tourism featuring India and Thailand such as-

- Car/ motorbike rally from Thailand (and other ASEAN countries) to Northeast India and vice versa
- Traditional Indian sports/ Thai boxing (“watch and/ or practice”).

**4.1.5 Eco-tourism:** Both India and Thailand have social labs which can be promoted as part of new tourist routes such as-

- Agri-tourism/ farm stay: outstanding Indian and Thai eco-agricultural groups and homestay
- Rural tourism: selected Indian and Thai rural areas and homestay

**4.1.6 Adventurous Tourism:** Selected location in India and Thailand including National Parks.

**4.1.7 Following the Work of Mahatma Gandhi and King Bhumiphol’s Sufficiency**

**Economic Tourism:** Visit and learn about Gandhi’s philosophy, famous places and undertakings in India, and visit and learn about King Bhumiphol’s Sufficiency Economy projects and successes in Thailand.

The scope and opportunities proposed above will emphasize sustainability and inclusiveness. Some alternative routes will be served as ‘Social lab’ for tourists to be inspired by and promote such ideas in their home countries.

It is important that the appropriate ministries of India and Thailand and other stakeholders in strategic planning and implementation process together shall facilitate the tour and ease the burden of complex formalities for tour operators. They should evaluate together annually for further improvements and in the future, more countries in ASEAN will be involved to become “India-ASEAN Tourist Routes”.

## **4.2 India-Thailand Handicrafts Cooperative Network**

India and Thailand possess distinct treasure-troves of indigenous and ethnic wisdom. There are many ethnic groups who produce handicrafts by applying local designs and traditions in their products.

In Thailand, there are two main sources of qualified handicraft products, the first being for qualified products under the Bang Sai Royal Folk Arts and Crafts Centre operated by the Foundation for the Promotion of Supplementary Occupations and Related Technique of Her Majesty Queen Sirikit of Thailand (The SUPPORT Foundation). This is based on the royal idea to establish a source of learning in the field of traditional Thai wisdom, specifically Thai arts and crafts ('Museum Thailand', n.d.).

The second source is 'One Tambon (meaning sub-district) One Product' (OTOP). It started in 2001 as a policy of the government to eradicate poverty, by which the government encouraged communities to apply their local wisdom to make products, thereby empower themselves by enhancing approaches to new knowledge and management, and connections to national and international markets through internet networking. OTOF covers a variety of local products including handicrafts, cotton and silk garments, pottery, fashion accessories, household items, and foods. It promotes rural development, community strengthening and self-reliance ('Background of One Tambon, One Product', n.d., Royal Thai Embassy, Singapore, n.d.). One superior product from each tambon is selected to receive formal branding as a "starred OTOF product", and a local and international stage is provided for the promotion of these products.

There are some obstacles for OTOF exports such as production deadlines and capacity, quality control, design preferences and marketing challenges, so the Ministry of Commerce has organized activities to assist the export of OTOF products (Royal Thai Embassy, Singapore, n.d.).

It should also be noted that some local products of Thailand and India are similar such as handlooms, wood carvings, ceramics, rattan and bamboo wickerwork, coconut shell products, and clay products, etc. If an 'India-Thailand Handicrafts Cooperative Network' could be set up for learning, sharing, helping each other and promoting both countries' qualified products to the international markets, it would help localities in both countries. Social media and digitalized tools will facilitate public relations and purchasing. Moreover, mobile exhibitions of selected qualified products from Thailand for display and sale as specific annual festivals in India, and vice versa, will raise public awareness of each other's country and products and fine-tuning according to the tastes customers. In the future, India and Thailand will be able to expand exhibits to include other ASEAN members, and further develop the network beyond the region.

### 4.3 India-Thailand/ASEAN Education Network

In terms of general education, India can collaborate formally with Thailand in the areas such as English teachers to teach in Thai primary and secondary schools as well as international schools.

As for tertiary level, there is now an ASEAN University Network (AUN) +3, which India can join for further academic connections with ASEAN. In fact, each year India provides scholarships around the world including ASEAN. If ASEAN and India collaborate in joint programs such as ASEAN-India Cross-Cultural Management; ASEAN-Indian Tourism and Hospitality Program; ASEAN-India Sustainable Development Studies, ASEAN-India Film Production and Innovation, ASEAN-India Peace Studies, etc., it will help expand facets of such collaborations in the future.

In terms of evaluation of education, there should be one common ASEAN-India criteria such as AUN QA, which would rank regional education standards without having to rely on various western rankings. ASEAN-India education should be free from western dominance and be based on our own capacity and conditions. Moreover, exchanging students and staff for study and research purposes will enhance academic collaboration between Indian and the peoples of ASEAN.

Another outstanding aspect of India is wellness, in particular Yoga and Ayurveda, both of which can be better promoted in ASEAN. In the future, to retain the real essence of Yoga offered privately in



Southeast Asian countries, there should be a committee in each country to set standards and quality criteria for Yoga teachers who are not graduates of the system. In terms of libraries, ASEAN and India can work together on digitalizing books and sharing intellectual databases.

#### 4.4 India-ASEAN Writers Award and Film Festival

India and ASEAN should establish an “India-ASEAN Writers Association” together. India offers awards to outstanding local and Asian writers, whereas the S.E.A. Write Award, held in Bangkok, recognizes outstanding ASEAN writers. If India and ASEAN can set up a joint “India-ASEAN Writers Award”, it will expand and attract more works to the contest.

Moreover, the translation of works by awardees should be considered in all ASEAN languages and the main languages of India. Later, outstanding literary works should be exchanged and translated into the ten national languages with free rights and distributed as e-books free of charge. This will encourage a better understanding between Indian and ASEAN societies.

India is renowned for its movie productions and TV series, which are exported around the world. If an “India-ASEAN Film Award” is set up, there will be better opportunities for ASEAN film producers to make movies to share with India. An ASEAN-India Film Festival should be organized annually, taking turns to host. Co-production of movies should be promoted and ASEAN should be promoted in India to raise more awareness of ASEAN in that country.

#### 4.5 Indian Ayurveda-Traditional Thai Medicine Cooperative Network

Thai traditional medicine based on Ayurveda is summarized chronologically as follows:

- As recorded on a stone inscription from between 1725-1729 B.E. during the Khmer Empire, King Jayavarman VII established arokaya sala, or traditional healing hospitals with 92 health care givers. Sacrificial rituals to Phra Phai-sat-cha-ya-khu-ru-waj-thuun were conducted with food and medicines before being given to patients (HFocus, 2007).
- In King Ramkhamhaeng of the Sukhothai Kingdom’s time, a stone inscription describes a big herbal garden on Luang Mountain or Sap-pha-yaa Mountain where people were allowed to gather herbs (HFocus, 2007).

In the Ayutthaya era, Thai traditional medicine was strongly influenced by Ayurveda. Medical texts record that Jivaka Kaumara-Bhrtiya, a historical physician who cared for the Buddha, provided descriptions which focused on the equilibrium of four vital elements for life. The teachers were expected to be able to show sincere gratitude to their original guru rishis. In the reign of King Narai, provision of medical services was systematized and one out of every nine doctors was Indian (HFocus, 2007).

King Rama I of the Ratanakosin Kingdom repaired Wat Pho as a royal monastery and renamed it “Wat Phra-che-tu-phon-wi-mon-mang-khla-ram”. He ordered people to collect and record medicinal recipes and hermits’ exercises: text on traditional Thai massage could be found on the walls of small houses outside the temple (HFocus, 2007).

King Rama III repaired Rat-cha-o-ra-saa-raam temple and recorded medical information on stone slabs and the poles of cloisters as well as on the marble walls of temples such as Wat Pho. Rare herbal plants were grown here, and the various postures used by yogis and hermits were depicted to educate the public. This became the first traditional Thai medical school in Thailand and the first Thai open university (HFocus, 2007).

In 1890, during the era of King Rama V, the School of Medicine of Siriraj Hospital was established and from 1995, it taught medicine using the traditional Thai medicinal text called “phaet-saat-song-

khro" (Medical Aids), which contained both western and Thai medical texts. Royal doctors also translated medical texts from Pali and Sanskrit into Thai for massage and Royal massage instruction (HFocus, 2007).

King Rama IX initiated the idea of a school of traditional medicine and this was realised in 1955. It taught pharmacy, medicine, midwifery and ancient massage (HFocus, 2007).

After the World Health Organization began promoting traditional heritage in 1977, the Thai government added ethno-medicine to its five-year national economic and social development plans. The Foundation for the Promotion of Traditional Thai Medicine was established and over the years, and interest in and the importance of herbal healing has continued to grow (Hays, 2008).

Traditional Thai medicine is based on Ayurvedic theory and practice. As in Ayurveda, diagnosis and treatment in Thai herbalism is based on knowledge of the elements. According to C. Pierce Salguero in his book "Traditional Thai Medicine", Thai herbal recipes use substances that are identical or similar to what is used in Ayurveda (Hays, 2008).

The influence of Yoga is also very clear in Thai yoga or rishi dat ton, often translated as "ascetic stretching" or "hermit's twist". Thai yoga has sen, or lines similar to Indian yoga nadis, that send vital force or prana to the whole body. Sen and Indian nadis have similar pathways and even similar names (Hays, 2008).

As Thai traditional medicine is based on Ayurvedic and Yogic concepts, if there is collaboration between India and Thailand for further scientific development of Thai traditional medicine, including co-productions of herbal and traditional medicines, it could help provide access to qualified and cheap medicines based on our cultural wisdom for people in need.

#### **4.6 India-Thailand Agriculturist Cooperative Network**

The majority of people in India and ASEAN live in rural areas. All ten members of ASEAN and most regions of India consume rice as the staple food. We are rice producers to the world. As stated by Tarling, (2007:185) regarding our long-held agricultural expertise:

"They were innovative farmers. It is possible that Southeast Asians were the first to domesticate rice and to develop wet-rice cultivation. Early archaeological data for rice culture, as early as 2000 BC, have come from Southeast Asian sites (notably northeastern Thailand), and archaeologists have found evidence of a rice plant that could be classified as an intermediate stage between wild and domesticated rice that has been dated to 3000 BC..."

As rice is our life, 'Padi stalks' are in the ASEAN emblem. Due to the capitalist-oriented economic system, the traditional means of agriculture has changed to "modern agriculture", focusing on mass production and consumption. Competition in all steps of production is intense, which causes a lack of engagement and loss of a cooperative culture that was once the tradition. As a result, agriculturalists are among the poorest citizens in some countries in ASEAN -including Thailand - despite being important producers of the staple food.

Beset by a multitude of ills in his country, in 1974 His Majesty King Bhumibol Adulyadej (King Rama IX) offered up the Sufficiency Economy concept to Thai society to be used as a permanent solution. This approach was quickly recognized and supported by the United Nations, which has encouraged all member countries to adopt in order to help resolve economic and social problems. The result is that some Thai agriculturalists who were struggling, now apply Sufficiency Economy principles in collective agriculture, leading to a 'Know him-Know us' approach based on mutual reliance and cooperation. They investigate their own problems in the community, think, plan, work, and evaluate

together and accept the results for what is called the agriculturalists' alternative economy. At the same time, agriculturalists in countries such as Myanmar and groups in Manipur state in northeastern India – also rice producers and consumers – continue to encounter problems due to their lack of knowledge, understanding and effective help networks and are forced to rely greatly on production support from the government. The harder they work, the poorer they become, which is similar to the situation many Thai agriculturalists still face, creating poverty and inequality in the society and throughout the region.

With the trend towards health and well-being at both national and international levels, quality green products are increasingly sought after. Many Thai groups are cooperating on rice, fruits and vegetable production within the green product network – including safe foods and drinks from green products – through which they can set their prices and live according to the Sufficiency Economy philosophy. They do not compete in the mass market, and although they do not produce much, the prices are reasonable and sufficient for their income. In addition, the Thai government has the policy to promote the Sufficiency Economy model to the G77 countries. Many countries benefit from Thailand's assistance in applying this development model, and this project hopes to balance the development of countries in the region and around the world. I would like to propose an "India-Thailand Green Products Consortium" or network for our markets and international niche markets in the future. Other ASEAN countries will be involved ultimately to form an "ASEAN-India Green Products Consortium". This consortium will help food security in ASEAN and India, and other regions when needed. Moreover, the sustainable environment will be maintained through cooperative green agriculture and agriculturalists will become better empowered.

ASEAN and India should collaborate by setting up something like a "Brokers, Traders and Millers of India-ASEAN Association" run by members and a committee from all member countries. The market can be organized monthly or annually by taking turns to mobilize members. The cereals, including rice products, should be green and of good quality for display with only members able to sell and buy. A good example of this kind of market is in Mandalay.

#### 4.7 Indian Diaspora Museums in ASEAN

Throughout ASEAN there are members of the Indian diaspora who for generations have been citizens of their respective countries. Museums featuring the Indian diaspora in each country should be encouraged including collections of related researches, artefacts and books. There is one such museum in Singapore, but not yet in other countries. Participation by stakeholders should be encouraged and each museum should double as a modern learning centre to promote the identity, relations and contribution of Indians in ASEAN. Furthermore, if the Government of India becomes the major grantee for research on the Indian diaspora in each country, developing digitalized cultural map of their heritage, this will create a valuable archive for national libraries and museums.

The museum could become a venue for tourists, members of the diaspora and others interested in learning. Creative souvenirs displaying Indian local wisdom would be available at souvenir shops run by young Indians, who could also work as guides in the museums.

### 5. Summary and Conclusion

As India and Thailand have cooperated on numerous occasions, most of the seven scope and opportunities proposed above can be driven under multi-cooperation initiatives between India, ASEAN and Thailand in particular as set out in Table 1.

**Table 1: New Scope and Opportunities**

<b>Seven Scope and Opportunities</b>	<b>ASEAN-India Economic and Socio-cultural Pillars</b>	<b>BIMSTEC</b>	<b>MGC</b>
1) India-Thailand Cooperative Tourism	✓	✓	✓
2) India-Thailand Handicrafts Cooperative Network	✓	✓	✓
3) India-Thailand/ ASEAN Education Network	✓	✓	✓
4) India-ASEAN Writers Award and Film Festival	✓	✓	✓
5) Indian Ayurveda-Thailand Traditional Medicine Cooperative Network	✓		
6) India-Thailand Agriculturist Cooperative Network	✓	✓	✓
7) Indian Diaspora Museums in ASEAN	✓	✓	✓

*Source:* Author's own.

However, although the above scope may involve both economic and socio-cultural pillars of ASEAN-India, this article recommends that the governments of India and ASEAN may work out and set policies with supporting regulations. Governments should act as 'facilitators' and not 'practitioners' as they play the key role in 'G to G' cooperation. But, the governments need to encourage and support citizen-level efforts to work together as "friends and partners" on the basis of 'Know him-Know us', with small scale projects that can expand in due course. Please bear in mind that the above scope must be based on inclusive, sustainable, resilient, dynamic and well-being oriented goals that are people-centred; they should conform to Mahatma Gandhi's observation that "The world has enough for everyone's need, but not enough for everyone's greed" (Mahatma Gandhi, n.d.).

India and Southeast Asian countries have long had relations since ancient times through soft power ties. Three main domains of Indian heritage have been adapted and adopted into Thai society: 1) religion and tradition – Brahmanism-Hinduism and Buddhism; 2) language and literature – Thailand received Pali and Sanskrit and adopted then into the Thai language in religious, traditional, cultural relations, academic relations, and literature contexts; 3) Arts – most Buddha styles in Thailand were influenced by South Indian art except for Srivijaya and Chiang-Saen, which were influenced by northeastern Indian art including Hindu god statues, found in the south of Thailand. This heritage together with other potential scope and opportunities between India and Thailand, should foster collaborations that involve learning and sharing such as i) India-Thailand Cooperative Tourism; ii) India-Thailand Handicrafts Cooperative Network; iii) India-Thailand/ ASEAN Education Network; iv) India-ASEAN Writers Award and Film Festival; v) Indian Ayurveda-Thailand Traditional Medicine Cooperative Network; vi) India-Thailand Agriculturist Cooperative Network, and vii) Indian diaspora museums in ASEAN.

No matter how long links between India and Southeast Asia have existed, India insists on using soft power in all dimensions. After 25 years of India-ASEAN relations, many successful bilateral and multilateral initiatives have come to fruition, but there remain outstanding administrative formalities that need to be dealt with to better smooth processes, such as customs and immigration procedures at the Tamu border in Myanmar and the Moreh border, Manipur, India. These should be finalised soon to improve people connectivity. Moreover, issues related to the movement of both people and vehicles from third countries should be worked out quickly, and roads in northeastern states connecting the Trilateral Highway to Kalewa in Myanmar should be repaired soon. Unlocking some of the above scopes will then be possible.

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# Indigenous Knowledge, Folklore Conservation and Cultural Heritage: The North East Indian and Southeast Asian Paradigms

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Desmond L Kharmawphlang

## 1. Introduction

There is a preponderance of concern about intangible cultural heritage, its construction and representation, its mutation and permutation and the danger of obliteration that continually confronts it. Another point which is being highlighted significantly is an oral tradition, which is characterized by an insightful examination of the idea of the text. This article dwells on these categorically by adding to the discourse the idea of tradition and by liberally citing examples from Northeast India.

## 2. Folklore Conservation and Northeast India

The 1989 Paris General Conference of the UNESCO's 25<sup>th</sup> Session avers that folklore form a part of the universal heritage of humanity and is a powerful means of bringing people together. When we conceive of heritage as phenomena which is both central to the meaning of human existence and essential to its survival, we should begin by acknowledging that it is oral tradition, in all its splendid manifestations of voices and utterances, non-textual and verbal art strategies which was and is the precedent and the crucible for "book-bound" epistemologies by which formal knowledge is scripted, displayed and presented for our consumption.

The Act East Policy (AEP) of the Government of India is increasingly becoming a highly significant shaper of economic and cultural idioms, and it is placing North East India in a strategically important position in a non-military way. Being from North East India, let me take this opportunity to introduce it. The term North-East India – or simply the North-East – obviously refers to the geographical location of the region. But there are many other ways in which the term holds great significance. The specific character of the North-East, however, extends beyond its physical features; it has its own distinctiveness also in respect of its population component and cultural pattern. Since very early times the North-East has been the home of the Kiratas or Indo-Mongoloids. While there is a strong presence of Austric and Dravidian sub-strata in the racial and cultural make-up of the region and although waves of Aryan culture have swept over parts of the region – particularly the valleys in Assam, Manipur and Tripura – the preponderance of the Indo-Mongoloid racial and cultural features cannot be missed. Although the Indo-Mongoloid had not occupied a centre-stage position in the history of India's civilization, they have never been off the stage either.

The presence of a bewildering racial, linguistic, cultural and biological diversity has endowed the North Eastern Region of India with a great wealth of folkloric, aesthetic and artistic traditions. The varied traditions of the region are manifested in areas like archaeology and pre-history, folklore, languages, music, performing and visual arts, weaving and textiles, pottery and ceramics, basketry and cane work, body art and jewellery, heritage and history and such other aspects of cultural life. Much of these diversities remain unfamiliar to the rest of the world because of limited identification attempts and criteria, paucity of scientific documentation and non-use of inter-textual and dialogic exhibition and projection of these rich tropes of verbal art forms.

North East India is sketched by a history of migration of a variety of peoples and communities across terrains of South-West China to Myanmar and to Tibet, from the Mekong to Irrawady to Siang, from Kampuchea to Northern Thailand and north Western Myanmar and numerous other unidentified and lesser-known routes – all entering the hills of North-East India constitute an exceedingly interesting investigation. A Folkloristic exploration into this migration and its philosophical and epistemological spaces have unravelled motifs, codes and images that are imbued in the memo-culture of various communities found living in trans-border situations. This opens up histories of interconnection which invites scholarly attention. The terrains of migrations find its descriptive, symbolic and existential representation within the self-definition of many of the tribes and communities. The Kuki-Chin groups share a narrative strain of the Chinlung Origin somewhere in South-West China while the Naga groups trace their common origin in a place they call Makhel. The Khasis talk about a consistent mythic memory about *ka khatar snem lynti* or the twelve years trek that brought them to their present land of settlement.

This is a region where tradition had held its way until very recent times. However, an unusually heavy influx of people from outside the region has of late disturbed the demographic and cultural balance of the region. Waves of development and modernisation through the interventions of religious conversion and education have also played its part in changing the region's cultural contours. There have been problems of an identity crisis, which has given rise to various kinds of movements aimed at self-assertion. Often, these movements have been the most noticeable socio-political features of the region.

While there is no denying the fact of diversities within the region, there is also a fundamental sense of unity characterising the seven units making up North-East India – Assam, Manipur, Meghalaya, Nagaland, Arunachal Pradesh, Tripura and Mizoram. Presently there is also a realisation of this unity among the people of the constituent units and the term “Seven Sisters” to designate the seven units reflects that sense of unity and togetherness running through them.

The socio-cultural pattern of the north-eastern region requires a frame of reference to be used for study which is specific for this region and which cannot be in full conformity with the so-called all-India frame, need not be considered un-Indian or even less Indian than the other one. This is true as much of the general character of the population of the region as of the social and cultural traditions which especially include what we loosely, and sometimes without serious engagement, call heritage.

### 3. Cultural Heritage

Heritage is that which comes or belongs to one by reason of birth; it is regarded as an inherited lot. It is that which has been or may be inherited by legal descent or succession. The concept of heritage is intrinsically linked to that of tradition. In fact, on many occasions, it is necessary to conceive and apply the two distinct terms concurrently.



Conventionally, heritage is conceived as having the following two aspects:

- A tangible heritage which includes monuments of architecture, art or history, archaeological sites, and building of historic or artistic interest, books, manuscripts, other objects of artistic, historic or archaeological origin, including scientific collections.
- An intangible heritage which includes activities, practices, beliefs, customs, philosophy and folklore.

In international officialdom also we find an ostentatious interlink between heritage discourse and folklore in the *Recommendation on the Safeguarding of Traditional Culture and Folklore* Adopted by the General Conference at its 5th session, Paris, 15 November, 1989: "Considering that folklore forms part of the universal heritage of humanity and that it is a powerful means of bringing together different peoples and social groups and of asserting their cultural identity". This same document, besides adopting the resolution, goes on to define folklore and recommend its identification, conservation, preservation, dissemination and protection and reiterates the position folklore as part of "the universal heritage of humanity".

#### 4. Recommendations

From the above discussion, it is suggested that efforts through consultation among all stakeholders to adopt a long-term agenda with focused themes such as heritage conservation, traditional health systems, folk music, folk art, dance forms, oral literature and biodiversity. There is a need for detailed analysis on the enormous potential for economic opportunity that such themes could generate for the people of India and the ASEAN nations. Linked to this long-term agenda is to have research-oriented activities on a bi-annual basis which will create discourse and action. Under such activities could be the creating, for example, 'Green is clean' conclave, focusing on the region's unique biodiversity, could involve scientific and community-based initiatives of knowledge sharing for forest conservation, water management, land use and eco-sustaining agricultural practices. An 'Art, Culture and Literature' conclave could provide a platform for regional artists, folk performers, filmmakers, writers and poets in a manner that could make the north-east a cultural hub. Electronic initiatives, with cutting edge equipment and facilities, including a portal would also be necessary to document changing socio-cultural landscapes. This will provide invaluable data to construct historiographies and ethnographies of various communities through lifestyles, occupations, cuisines, practices, costumes and other elements of heritage.

There is a need to look closely at the designation of three arenas of action: (1) nature (natural species and ecosystems); (2) the built environment (historic and prehistoric artefacts, buildings, sites, and districts); and (3) folklife/culture (living artistic expressions and traditional communities and processes). Each arena has its professionals, legislative mandates, public and private supporters, and assorted goals and visions. The long-term agenda would provide meaning to conservation, (as an alternative to preservation), which in actuality, registers the dynamism of cultural resources, implying that, like natural phenomena, cultural phenomena inevitably change. Cultural conservation further suggests that resource identification be guided as much as possible by those whose cultures are affected. Moreover, its breadth and focus on action make cultural conservation the province of no single disciplines, offering an ideal rubric for interdisciplinary initiatives. Cultural conservation professionals include folklorists, anthropologists, archaeologists, historic preservationists, environmental planners and scientists engaged in cultural conservation activities. The term *conservationist* unites professionals in the applied sciences and humanities as advocates who bring their views of culture and ecology to bear on threatened facets of the world.

A central task of cultural conservation is to discover the full range of resources people use to construct and sustain their cultures. Knowledge of this sort might be applied in supporting local groups as they manage environmental change and in planning for the full range of governmentally sponsored services

that affect the education, health, and general welfare of a culturally diverse population. In recent decades cultural conservation professionals have struggled to make the established heritage protection system work, not just for the elite, enclaved, and more outspoken sectors of the population but also for communities that lack distinctive cultural profiles in the public mind or whose public images have been shaped by mistaken and stereotypical notions. North-Eastern Hill University (NEHU) has signed an MOU with the Chulalongkorn University, Bangkok to work on a series of collaborations focusing on linguistics, translations of folk literature and dramaturgy and theatre.

The official mantra today is the integration of the economies of North East India with those of the South East Asian nations and going by the spirit of this mantra, it is worthwhile, as well, to consider the lay of the intellectual land, as it were. The areas of folkloristics, linguistics, performing arts, archaeology, anthropology, history and sociology offer tremendous scope for academic pursuit and exchange with South East and East Asian countries for reasons of not only physical surface contiguity but cultural affinities as well. This knowledge base could in addition help explore the development of technologies in food processing, agriculture, real estate, roads, buildings and irrigation, telecommunication and many others which are of essentially western orientation.

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# ASEAN-India Growing Engagement through Cultural and Civilisation Relations

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**Norhabibah Kamis**

## **1. Foundation for Growing Engagement**

Effectiveness of culture in diplomacy or cultural diplomacy can be defined as that creates a foundation of trust; people-to-people cooperation as the key cornerstone; and develop a sense of community.

Leaders of ASEAN and India have identified forging a knowledge and culture bridge as an enduring way to fructify the full potential of ASEAN-India relationship. The Act East Policy of India puts special emphasis on action and is result-oriented. India not only aims to strengthen the third pillar of its engagement, i.e. the socio-cultural pillar, but also intends to bring it to the forefront of its relationship.

ASEAN Socio-Cultural Community Blueprint and ASEAN Strategic Plan for Culture and Arts 2016-2025 has given the immense emphasis on the cultural aspect of the region. Besides intra-ASEAN-focused objectives, through the strategic plan for culture, will also be brought to the forefront of building an ASEAN community that is a global partner in the pursuit of inclusive and sustainable development. The linkages that go back thousands of years were peaceful and without force. These linkages manifest themselves in many historical monuments, rich cultural heritages, religious affiliations, diverse culinary delights and linguistic influences of Southeast Asia.

## **2. Scope and Opportunities**

There is a need to give more attention to the people's component in ASEAN-India partnership and to narrow the perception of gaps among their people. Besides plans of action such as facilitate regular and sustained people-to-people exchanges, especially youths and artists highlighting the rich traditions, shared values and diverse cultural expressions, to establish a network of ASEAN-India artists, it is of utmost importance to:

- Strengthen the cultural identity of the people. The importance of culture in any country is evident in the lives of the people. Culture is a binding force among the people, as people are united through cultural identity. Cultural identity is essential for peaceful cooperation and civilization. If people have a strong sense of self-identity through culture, they are more likely to interact peacefully with other cultures.
- Broaden and enhance public awareness, thereby generate public support and participation of the cultures and civilizations.
- Promote and develop Cultural Creativity and Industry as livelihood opportunities.

It requires embracing technology in all aspects of culture and civilisation, from preserving to promoting culture and civilisation. Inter-cultural communication must be developed for a better understanding of each other's practices and sensitivities such as documentation of shared cultural symbols.

The idea of India as ASEAN plus in the ASEAN Ministers Responsible for Culture and Arts (AMCA) and as dialogue partners (such as AMCA Plus China, Japan and South Korea). ASEAN support and encouragement the plus three countries to join hands in the implementation of the ASEAN Strategic Plan for Culture and Arts 2016-2025 and MOU between ASEAN and India on cultural cooperation. From there on, ASEAN-India engagement through culture, civilization and other initiatives could be realised.

### 3. Challenges

Cultural policymakers should fundamentally redefine the cultural identity, not only for the state sovereignty but to identity of societies to strengthen cultural acceptance. This is also to cope with enormous impacts on culture caused by globalisation. Implementation of arrangements is identified as follows:

- Implementation is subjected to ASEAN Member States (AMS) and India's existing national laws and where the AMS and India's interests coincide.
- Cultural cooperation must be based on mutual understanding, mutual respect, and mutual acceptance that may lead to harmonious ties. Therefore, identify the areas of cooperation and use it to transmit ASEAN-India values and solidarity.
- It is important to ensure swift implementation of decisions so that AMS and India could progress speedily in several areas of cooperation. The momentum to enhance cooperation should not be held back by clouded lens and bureaucracy.
- Approaches of many of the policies are too state-centric and top-bottom. The cultural policymaking usually involves limited formal organisations, while it needs to be considered through multi-scope visions because diverse apparatuses such as government bodies, NGOs and individuals can conduct cultural diplomacy. Due to the limitation of stakeholders, this has raised the question of legitimacy, acceptability and its ability to implement.
- Implementation and the benefits of the implementation should be holistic rather than just focus oriented objectives. AMS and India must ensure that the ASEAN-India community will feel the impact and benefits that is people-centred and socially responsible.

### Financial obligation

Cultural policymakers should consider establishing a partnership with funding networks or funding support mechanism that have main objectives of developing cultural diplomacy and strengthening international ties.

### 4. Conclusion

The challenges and opportunities are aplenty for the partnership that ASEAN and India are forging. ASEAN and India need to also provide new impetus to the partnership by expanding and deepening cooperation. The ASEAN-India Commemorative Summit on 26 January 2018 was an occasion for India to profile its strategic partnership with ASEAN at the centre of its Act East Policy.

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# Art in Translation: Interpreting Icons and Narratives across the Indian Ocean

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Parul Pandya Dhar

## 1. Introduction

As 21<sup>st</sup>-century members of a global community accustomed to instant worldwide networks, it takes a degree of ‘historical imagination’ to comprehend the nature of communication systems that had linked pre-modern societies and cultures such as India and the Southeast Asian nations. These cultures have, in fact, been active participants in a rich trans-regional cultural dialogue since ancient times. The central focus of my paper is the dissemination of artistic knowledge between early India and Southeast Asia, specifically the ways in which such interactions are observed in the details of their sculptural art – iconic and narrative. The discussion here is based on icons and narratives that belong to the period from about the sixth to twelfth centuries CE, referred to as the ‘early medieval’ in South Asian history. A majority of surviving sculptures from this period in India and Southeast Asia are affiliated to Hindu and Buddhist religions.

Interactions between early India and Southeast Asia traversed the tangible domain of goods and artefacts but also went beyond this to include intangible exchanges – of ideas, knowledge systems, beliefs, and practices. Long-distance material and human migrations transpired on account of a variety of reasons – pilgrimage, trade, war, diplomacy, and more. Often the tangible and intangible domains were inextricably connected, with human agency playing a central role. Narratives of such travels and translocations, and of their subsequent localization in the different zones of contact, had a deep impact in the realm of visual arts and a close examination of these processes and manifestations offer rewarding opportunities for investigating cross-cultural histories of art.

## 2. Cross-cultural Encounters in Art: Towards Analytical Frames

From an art historian’s perspective, the visibility of early cultural encounters between India and Southeast Asia attains maturity, diversity, and complexity from about the fifth-sixth centuries of the Common Era. Interpreting the resultant imagery brings to focus a web of complex inter-relationships between the cultural zones of contact. It is of importance to examine the possible meanings that may be read from these iconographies of early cross-cultural artistic encounters. Equally significant is the need to develop analytical categories for a more nuanced understanding of pre-modern Indian and Southeast Asian interactions as viewed through the prism of their art and architectural remains.

Cross-cultural histories of art move beyond the limits imposed by regional and political boundaries to investigate and conceptualize inter-relationships between art forms across diverse spatial, cultural, and temporal zones (Canepa 2010, 7-15). Apart from more basic issues relating to meaning in the visual arts, several additional concerns arise in a cross-cultural context. These require analytical frameworks that could help explain the presence of a culturally established symbol, motif, form, object, or monument found in one culture, which finds resonance in another distant culture. 'Difference' as much as 'similarity' across a wide range of shared art concepts, themes, languages, and forms in India and Southeast Asia, for example, requires systematic interpretation.

Some crucial questions require to be addressed in the process: How does the transmission of concepts and forms in art undergo localization in the receiving regions? Why are some themes and forms more widely propagated than others? What are the shifts in meanings associated with processes of localization and in what ways does this kind of 'iconographic transference' add to our understandings of the distinctiveness as much as similarity of two or more cultures in conversation? Finally, is it possible to track the routes of transmission of ideas and forms with precision? While it may not be possible to find completely satisfactory answers to all of these questions, it is certainly possible to highlight some fundamental issues in the cross-cultural histories of Indian and Southeast Asian art through representative case studies.

### 3. Indianisation versus Localization

A brief survey of the circumstances and directions of early research on the subject of India-Southeast Asia cultural relations would provide the appropriate setting for exploring emerging frameworks. During the 19<sup>th</sup> and 20<sup>th</sup> centuries, colonial histories of large parts of Southern Asia determined that European writers, particularly French, English, and Dutch archaeologists, historians, and art historians wrote the earliest modern comparative histories of Indian and Southeast Asian art (Legge 1999). Initial research focused on the identification of a shared vocabulary of key art concepts, symbols, motifs, and forms across the cultural zones of contact – the different regions of Southeast Asia and their close affinity to Indian concepts and art forms. Texts such as George Coedes's *The Indianized States of Southeast Asia* (1968) and R.C. Majumdar's *Ancient Indian Colonies in the Far East* (1927) provided distinct yet overarching frameworks of a dominant Indian influence during the early phase of research. Several other Indian and European scholars have made significant contributions to the subject, including but not limited to scholars such as Paul Mus, A.J. Bernet Kempers, H.B. Sarkar, A.K. Coomaraswamy, K.A. Nilakanta Sastri, H.G. Quaritch Wales, Paul Pelliot, Henri Parmentier, Jean Boisselier, F.D.K. Bosch, and Claude Jacques.

The Greater India Society was formed in 1926 in Kolkata. The idea of Indian colonies across Southeast Asia, shared by some of its members and proponents, was based on the undeniable strong presence of Indian influence, at least among the early Southeast Asian elite cultures, as observed in the spread of Indian religions, languages, monumental architecture and art. This line of thought was bolstered by an emergent Indian nationalist ideology and became a further vindication of the glory, power, and influence of India's rich past (Kwa Chong-Guan 2013). Among the most notable scholars, K.A. Nilakanta Sastri wrote on *South Indian Influences in the Far East* (1949); Niharranjan Ray (1932) discussed the links between Myanmar and Eastern India in his works on the Brahmanical gods in Burma; and H.B. Sarkar (1971-72) wrote on the subject of Indian influences in Indonesia, based on epigraphic and literary sources. Ananda Kentish Coomaraswamy's works were more focused on art and architecture, especially the conceptual, but also the formalistic links between Indian and Indonesian art (1927) and Indian and Sinhalese art.

Although the thesis of Indian colonization finds deep echoes in several of these writings and has been discarded since, as pioneers in the scholarship on India-Southeast Asia historical contacts, these Indian and European scholars brought to light many significant facets of the India-Southeast Asia



cultural dialogue, which generations of scholars continue to draw upon. Their writings need to be understood in the context of their times – a period of rising nationalist sentiments in response to the British colonization of India and a period of European colonization of Southeast Asian countries. It should be of some significance that at least some of these writings acknowledge an early development of Southeast Asian society prior to ‘Indianization’ or ‘Sinicization’.

Apart from the problematic assumption of Indian colonization of Southeast Asia, the most glaring omission in several of these early works is a denial of agency to, or an assumed passivity of, the Southeast Asian players in the processes of cultural interaction. Yet the pioneers were not unaware of the importance of the local substratum in processes of cultural assimilation.

More recent research has sought to demonstrate that socio-cultural developments within Southeast Asia itself encouraged Indian influence by way of the spread of Indian political, religious, and artistic ideas and forms among the elite cultures of Southeast Asia. Within this revised historiography of cultural connections, a shift in focus from Indianization to localization and convergence, has been provided by scholars like Ian Mabbett (1977), Hermann Kulke (2014), and Pierre-Yves Manguin (2011), among others. Such a perspective accords far greater agency to the diverse regions and people of Southeast Asia and brings to sharper focus processes of localization in the assimilation of influences.

#### 4. Art in Translation: Modes and Contexts

Religious images – carved, moulded, or painted on portable objects – were carried by pilgrims, traders, priests, and monks on long-distance journeys by land and sea between India and Southeast Asia. Political embassies included gifts, often images of deities – Buddhist and Hindu – which were sent as goodwill gestures from the court of one king to another. Beyond such peaceful migrations, conflict and war also led to the dispersal of artistic vocabulary. Often, the most sacrosanct icon established in a temple of the enemy king was looted and carried away as war booty. And so, alongside the realm of artistic ideas and letters, artistic imagery – iconic and narrative – also travelled transregionally in intra-Asian contexts. It is important to look closely at distinct contexts and modes that led to the circulation of art and architectural knowledge across the region. The modes of transregional artistic transmission addressed here through specific case studies include:

- The actual movement of objects and artefacts across land and sea routes through trade, war, and other transfers, that played an important role in shaping the Hindu and Buddhist pantheons in Southeast Asia,
- The impact of texts, mythology, and prescriptions relating to image-making in aiding fresh visualizations of religious icons and visual narratives, and
- The role of local imagery, beliefs, and practices in fashioning of newer iconographies.

The rest of the paper is devoted to some case studies to highlight in generic terms the transmission of icons and narratives so as to highlight key issues in the transmission of ideas and forms in art. A more detailed temporal and regional assessment of such processes is beyond the scope of the present paper.

#### 5. The Multivalence of an Icon: Iconography of Avalokiteshvara

Portable artefacts such as terracotta seals or tablets (Figure 1) and bronze icons were carriers of iconographic formulae across South and Southeast Asia (Ghosh 2014). Illustrated manuscripts, the earliest ones no longer available, were also carriers of art and architectural forms across long distances (Figure 2). Such objects played an important role in the formulation of art vocabularies in distant lands were associated with human endeavour, beliefs, and the impulse for travel. Among such iconographies of travel, carried on small objects across the seas, is the image and iconography of bodhisattva Avalokiteshvara, a Buddhist deity who became popular in many parts of Southeast Asia.

**Figure 1: Buddhist terracotta tablets, L: Bihar, India, and R: Thailand; c. 8th/9th century CE**



*Source:* Collection and Courtesy: Metropolitan Museum of Art (public domain)

With the spread of Buddhism from India to large parts of Asia, the humane appeal of bodhisattva Avalokiteshvara as the ultimate embodiment of compassion, protection, and deliverance made him an increasingly popular icon for worship in Southeast Asia. While the beginnings of the concept of Avalokiteshvara in Buddhism have been traced by scholars to a much earlier date, it is only during the sixth century CE that the iconography of Avalokiteshvara as a saviour from worldly perils and disasters gained greater significance (Chutiwongs 2002).

**Figure 2: Bodhisattva Avalokiteshvara, folio from an Ashtasahasrika Prajnaparamita manuscript painting by the Mahavihara Master, early 12th century, Eastern India or Bangladesh**



*Source:* Collection and Courtesy: Metropolitan Museum of Art, New York (public domain)



Avalokiteshvara's compassionate and protective qualities emerge clearly in Buddhist texts such as the *Saddharmapundarika-sutra* and the *Karandavyuha-sutra* (Studholme 2002). Nandana Chutiwongs (2002) has traced the spread of the Avalokiteshvara cult and iconography across mainland Southeast Asia in detail. Her research has highlighted patterns of assimilation of this imagery in Southeast Asia from about the seventh century CE. Although based on Indian prototypes, local beliefs in each of the Southeast Asian regions had an important role to play (Figure 3 and Figure 4). While the Theravada tradition of Myanmar and Central Thailand discouraged 'superhuman' forms in Avalokiteshvara iconography, Champa (in present-day Vietnam) and Cambodia, where Shaivism was the dominant State religion, developed elaborate, larger-than-life iconographies of Avalokiteshvara (Guy 2014, images on pp. 226-235). As Lokeshvara or Lokanatha – the lord or the protector of the people – his status at times rose to that of a State cult, expressed in monumental art and architecture, from which the king derived legitimacy, as for example, at Dong Duong in Champa in the late ninth – early tenth centuries during the reign of King Indravarman II (Dhar 2014).

**Figure 3: Avalokiteshvara, Sarnath, Eastern India, c. 5th century**



Source: Wikimedia Commons CC BY-SA 4.0 (public domain) Indian Museum, Kolkata. Photo: Nahid Sultan.

**Figure 4: Avalokiteshvara, Southern Thailand or Sumatra, c. 8th/9th century**



*Photo:* Metropolitan Museum of Art, New York (public domain)

Along with the significance of Avalokiteshvara's iconic presence in the religion, ritual, and politics of Southeast Asia, another important dimension to the popularity and propagation of the Avalokiteshvara cult relates to trade. His role as the protector of sailors, merchants, and traders and as the healer of the sick and down-trodden finds mention in the *Saddharma-pundarika-sutra* and the *Karandavyuha-sutra*. Importantly, the early iconography of Avalokiteshvara offers significant evidence in this context, particularly those iconographic choices and narrative themes which visualize the *Sinhala-avadana* and the Ashtamahabhaya Avalokiteshvara, or Avalokiteshvara as the saviour from the eight great perils. Some of the earliest representations belong to the fifth-sixth centuries and are encountered at Ajanta, Karla, and Aurangabad in India.

Recent research by scholars such as Pia Brancaccio (2011) on the Aurangabad caves and Osmund Bopearachchi (2014) on the art and archaeology of maritime trade have taken us forward in unravelling

the significance of these iconographies. Their work forces us to look closer at the rationale for the iconographic choices made. At Cave 7 in Aurangabad, the eight great perils from which Avalokiteshvara offers protection are carved around an imposing sculpture of Avalokiteshvara. Prominent among these peripheral scenes is the iconography of Avalokiteshvara as a saviour who protects sailors from shipwreck (Figure 5).

**Figure 5: Avalokiteshvara as a saviour of mariners (detail), Aurangabad Cave 7, Maharashtra, India, c. 6th century**



*Photo:* Parul Pandya Dhar.

Bopearachchi's research, which draws from the results of maritime archaeology including the tantalizing discovery of the Godvaya shipwreck, demonstrates the presence of a strong Avalokiteshvara cult in Sri Lanka near the mouths of rivers facing the sea and also inland along navigable rivers. This attests to the importance of the bodhisattva Avalokiteshvara for mariners, merchants, and traders, who would have carried small images of this deity in the form of terracotta seals and bronzes to protect themselves from calamities and shipwreck while navigating the seas.

Locating precise routes of influence and assimilation is more difficult. Careful visual analysis of the stylistics and iconography of art remains, coupled with archaeological insights on the distribution and spread of Avalokiteshvara shrines and icons continue to enlighten our understanding of the multivalence of the Avalokiteshvara icon at the intersections of aesthetics, religion, politics, and trade.

## **6. Travelling Narratives: The Ramayana in Flux**

Much has been written about the ways in which the *Ramayana* has been retold, rewritten, re-enacted, and refashioned across the South and Southeast Asian landscape. It remains an integral part of the cultural consciousness and political imagination of the Asian people. The retelling of the *Ramayana* in different media—oral, textual, epigraphic, performative, and sculptural—are closely interlinked (Filliozat 2003).

**Figure 6: Sita being dropped at the hermitage by Lakshmana after she was abandoned by Rama, Candi Brahma, Prambanan, c. 9th century, Indonesia**



*Photo: Parul Pandya Dhar.*

Cecilia Levin's readings of the *Ramayana* sculptures at Prambanan in Central Java build upon the pioneering writings of Willem F. Stutterheim (1892-1942) to demonstrate how a close scrutiny of the iconography of the Prambanan *Ramayana* sculptures provides insights into the inherent flux in the assimilation of varied versions of the epic—the *Uttararamacharita* of Bhavabhuti, the *Uttarakanda* extension of the *Valmiki Ramayana*, the *Kakawin-Ramayana*, and the *Hikayat Seri Rama*—all of which share a few parallels with the mid-ninth-century Prambanan version in stone (Levin 2011) (**Figure 6**). Yet none of these, together or separately, provide a comprehensive explanation for the *Ramayana* carved in stone at Prambanan. While the *Kakawin Ramayana* is almost contemporaneous to the visual narrative engraved in stone at Prambanan, the *Hikayat Seri Rama* is a 16<sup>th</sup>-century Malay recension of the story and reveals Islamic influence. Between these and the many unrecorded oral versions of the text, rest processes of localization of the epic in Central Java.



**Figure 7: Sita returns with Lava to the hermitage, Candi Brahma, Prambanan, c. 9th century, Indonesia**



*Photo:* Parul Pandya Dhar.

Let us take the example of sculptures portraying the childhood of Lava and Kusha in Valmiki's hermitage from the *Uttarakanda* of the *Ramayana*, which line the inner face of the balustrade in the ambulatory of Candi Brahma at Prambanan. While the Sanskrit and Kakawin versions of the *Uttarakanda* mention the birth of twins (Lava and Kusha) to Sita, the Candi Brahma sculptures clearly show the birth of only one child, that is, Lava, and the creation of the other (Kusha) from the Kusha grass by Valmiki (Levin 2011, 159) (Figure 7). Interestingly, this mid-ninth century sculpted version is similar to the later 16<sup>th</sup>-century textual version of the Malay *Hikayat Seri Rama*, which also narrates the episode of the creation of Kusha by Maha-rishi Kali (as Valmiki is referred to in this text). Although this version is different from the *Uttarakanda* and the *Kakawin Ramayana*, it is encountered in Indian folklore and is also recorded in the 11<sup>th</sup>-century Indian *Kathasarita-sagara* (Tawney 1880, 486-488). This raises important questions about modes and mediums of transmission as well as about directional flows. Was this innovation in the story about Kusha's birth a consequence of folk traditions in India? Does its source rest in Malaysia? Did it originate in Java? This is only one example of the complexities involved in the interpretation of cross-cultural connections, evidence for which lies at the intersections of icon, narrative, text, and performance. It also brings into dialogue inter-relationships between popular and classical forms of the many *Ramayanas*.

**Figure 8: Ravana shakes the abode of Shiva and Parvati on Kailasa, Virupaksha temple, Pattadakal, India, c. 8th century**



*Photo:* Parul Pandya Dhar.

To take the case of another narrative composition from the *Uttarakanda*: The divine-demonic encounter between god Shiva and the demon-king Ravana in the environs of Mount Kailasa finds resonance in the sculptures of India, Cambodia, and Champa (Vietnam) as also elsewhere in the region (Dhar 2019). It is embodied in the well-known Ravananugraha iconography in Indian and Southeast Asian art (Figure 8). The first 36 sections of the *Uttarakanda* describe various episodes from the life of demon-king Ravana, the principal antagonist of the epic. Section 16 tells the story of Ravana's arrogance in attempting to uproot Mount Kailasa, the abode of Shiva and his consort, Parvati, and of the dramatic consequence of such an attempt (Dhar 2019). Disorder prevailed in the divine realm as the mighty Ravana shook the mountain with his many arms. Shiva was quick to restore harmony and crush the demon-king's pride: By merely pressing down his toe, Shiva brought to bear the weight of the mountain upon the king of demons, who roared with pain. A penitent Ravana then appeased Shiva for a thousand years, when the god finally graced him with a boon and released him.



Across the South and Southeast Asian regions, artists have portrayed this narrative of divine-demonic encounter in imaginative ways and varied contexts. The climactic moments of the story have been captured by artists through an ingenious tableau-like juxtaposition of scenic and iconic elements, each reinforcing the other in evoking the potent emotive appeal of the narrative – of power, desire, fear, and ultimately, repentance and forgiveness. While Shiva and Ravana are the chief protagonists of this epic encounter, the environs of the Himalayas provide an ideal setting to convey the tensions and links between divine, earthly, and demonic realms. The mountainous landscape of Kailasa acts as a towering and eternal presence that bears witness to the unfolding drama between the worlds of god and demon-king.

**Figure 9: Ravana shakes the abode of Shiva and Parvati on Kailasa, Banteay Srei, Cambodia, c. 10th century**



*Photo:* Parul Pandya Dhar.

At Banteay Srei (c. 967 CE) in Cambodia, a transference of the Himalayan realms to a newer geographical setting is taken further at the level of description through an elaboration of landscape imagery (Figure 9). The ascetics, attendants, and accompanying scenic elements of flora and fauna that witness the drama of the shaking of Kailasa are delineated with meticulous attention to detail. Ravana, whose ten heads are arranged in a concentric and pyramidal fashion, is represented in a dynamic stance, and appears to summon all the strength of his twenty arms to uproot the mountain. Landscape symbolism as a device to convey the more deeply entrenched conceptual underpinnings of this theatre of god and demon is uniquely expressed in this visualization through the rendition of Kailasa as a Cambodian 'temple-mountain'. The artist of this Ravananugraha pediment at Banteay Srei has detailed an 'architectonic landscape' or 'mountain symbolism' widely prevalent in early Cambodia, which then becomes a localized transposition of the Himalayas and at the same time conveys the Meru symbolism of Indian affiliation.

## 7. Concluding Observations

The few case studies relating to the iconography of early cultural encounters between India and Southeast Asia discussed here yield a range of meanings in which aesthetic, religious, political, and social aspects are inextricably intertwined. The nature of cross-cultural correspondence appears to vary in the case of iconic as compared to narrative art. However, it is necessary to qualify that the categories of 'iconic' and 'narrative' art are not necessarily mutually exclusive. Rather, these need to be understood in terms of a preferred representational emphasis. For, iconic art could include one or more peripheral narratives and, conversely, a visual narrative could have an icon as its focus. Even so, the polarization of 'iconic' and 'narrative' art does offer a useful analytical framework, with several intermediate modes of representation seen in practice.

The canonical prescriptions for making religious icons have been laid out in Indian art treatises. These prescriptions could be expected to restrict artistic imagination in the creation of icons. Yet there are spaces for creativity within these textual prescriptions and a fair degree of diversity is encountered in practice, as is also the case with Avalokiteshvara icons. At the same time, canonical prescriptions do ensure a strong and noticeable transregional visual correspondence of icons and iconography across India and Southeast Asia. This visual similarity of icons in trans-regional contexts is further strengthened by the modes of transmission, that is, through actual travelling portable artefacts and manuals.

Unlike the relatively fixed and prescriptive iconographic formulae seen in the making of single-deity icons, visual narratives such as the *Ramayana* narratives discussed in this paper reveal greater variety and imagination in the different regions of Southeast Asia. This is in part because art treatises do not lay out detailed rules for composing visual narratives. The artist is thus at far greater liberty in conceptualizing and sculpting a narrative panel as compared to a religious icon. Visual correspondence with Indian narrative counterparts is reduced also because of the differing modes of transmission of these narratives. The way in which these visual compositions have developed in distant lands suggests inspiration from sources other than just the visual, that is, there are clear and strong contributions from textual and performative narrations of the same theme.

There is much that still remains enigmatic. Fresh research is unfolding newer horizons and the archaeologist of today is more and more focused on settlement patterns, early societies, and the exchange of goods and artefacts in the region even prior to 500 CE. More than ever before, it is now gradually becoming possible to track at least some specific routes and channels of contact with greater precision. This opens up newer frontiers of research and calls for greater collaboration between the archaeologist, epigraphist, historian, and art historian to interpret new evidence. Equally crucial is the task of fine-tuning methods and frameworks employed for interpreting inter-cultural exchange through the lens of the region's rich visual remains. The time is certainly ripe for meaningful collaborations between



Indian and Southeast Asian scholars to come together and explore their connected cultural histories, for these histories to help us better comprehend the present and also guide the South and Southeast Asian nations in shaping future dialogues.

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SESSION: IV

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**EDUCATIONAL  
COOPERATION**

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# Connecting Southeast Asia and India's Northeast through Education

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**Mridul Hazarika**

## **1. SDGs and the Global Partnership for Education**

The basic foundation of UN Sustainable Development goals (SDGs) is based on education, which succeeds the Millennium Development Goals. The SDGs outline a new and ambitious worldwide effort to reduce poverty and hunger, improve health, enable equality, and protect the planet. The Global Partnership for Education is a prominent example of how working in a collaborative partnership can enhance progress in education and in the other development sectors. The partnership model of the Global Partnership for Education mobilizes and aligns donor financing behind national education plans that are based on needs assessments and evidence-based policymaking. It coordinates the work of all internal and external factors that play a role in that process. When the most important players work together, we see greater efficiencies and impacts with the available resources.

## **2. India's Northeast and Southeast Asia: Education is the Key**

The renewed thrust of Look East policy or looking towards the Southeast has to be through education. Education can be the greatest link or bridge for facilitating the Look East policy. Education connects society; it connects young minds to explore our relations in partnership. In today's post-globalised and region-based world, what perhaps needs to be given utmost importance is three Cs - culture, commerce and connectivity. Education is one such area, which would ensure both connectivity and cultural links. And education is also the most important vehicle for commerce and business. It is through education that we can connect to the societies.

Education today is considered to be the most important medium for realising the Track III diplomacy and people to people relationship. In one of my recent visit to Cambodia what we have seen that there is a mixed response from the academic community of that country on the Indian education system. The VC or (what is known as the Director) of a university said that it is because there was a huge pool of scholarship from the Indian government to the Southeast Asian students in the 60s and 70s to study in Indian universities, which now have been discontinued or reduced to a great extent. That role is now being played by China resulting in the massive expansion of ideological and economic basis of that country.

### 3. The Geo-Strategic Location of Northeast India

India's Northeast region has got special relations with the Southeast Asian nations. Northeast India - a region, home to about 45 million people, is a conglomerate of eight predominantly tribal states. The NER, comprising the states of Assam, Meghalaya, Manipur, Nagaland, Sikkim, Tripura, Arunachal Pradesh and Meghalaya, is perhaps the most heterogeneous region of India with 270 social groups and more than 185 languages. Only 2 per cent of the landmass is connected with India and the rest of the boundaries which is more than 5300 km international border is shared with South and South-East Asian countries like Bangladesh, Nepal, Bhutan, China and Myanmar. The whole region is connected with the rest of the country by a tenuous 22 kilometers land corridor through Siliguri in the eastern state of West Bengal – a link that comes to be referred to as the 'chicken's neck'.

### 4. Assam - the Most Globally Connected Region on the Eve of Independence

Assam was perhaps one of the most globally linked regions in the country. Since time immemorial Assam had very vibrant socio-economic relations with South and Southeast Asian nations. For example, the Bodos having migrated from the Sino-Tibetan border for a long time had maintained trade links with the bordering hill tribes on the north and through them the Tibetans and the Chinese traders. Several trade routes existed in the form of 'duars' throughout the ages between the Tibet and Northeast India. The most famous trade routes, of course, were the Lhasa-Tawang-Udaguri route. According to the NITI Aayog, "The Geographical location of the North Eastern Region (NER) stands itself as the most favourable location to focus on the implementation of India's Look East Policy, which is stated to be India's vision. The entire North Eastern Region is the gateway to South-East Asia".

### 5. Northeast India–Home to Southeast Asian Anthropological Groups

The border Northeast region is inhabited by over a dozen distinct ethnic groups spreading over the whole belt of the Patkai range. Some of them are the Singphos (called Kachin in Myanmar), Usus or Yobins, Tangsas, Noctes, Wanchos, Tutsas, Layos, Khamtis, Tai Phakes, Duanias, Shyams, Khamyascias, Turungs, Bodos, Mons, Deoris and others.

Thus, there is a huge structural socio-cultural uninterrupted linkage between Northeast India and Southeast Asia. All these necessitate vibrant educational relationships between the two regions.

#### *New Beginning at Gauhati University*

The Government of Assam has recently set-up the Centre for South-East Asian Studies at the Gauhati University. It seeks to be a centre that propels not only academic exchange but also contribute most profoundly to the emerging integration of India with South Asia and Southeast Asia. The centre coordinates with various agencies and collaborators to make the idea that Northeast India is the gateway Southeast Asia, a reality. The centre believes in the transforming potential of borders and seeks to explore the possibilities of deeper cultural, economic and political integration of the region. Boundaries and borders may act as political markers but the historical and cultural continuity remains resilience and that holds potential to bring deeper integration of the region to South Asia and Southeast Asia. Cultural exchange and economic integration are vital for durable dialogues and resolution of long-standing political issues in the region. The globalisation of world politics has opened a new possibility of political integration through exchange of ideas, individuals and goods which can unleash durable development in any part of the world. Development and stability remain inseparable at the present historical and political juncture and in this regard, the centre in Gauhati University holds the vision to be the nodal centre for peace, stability and development of the region, which leads to 'South Asia-South East Asia Union'. The Gauhati University has started a series of activities including students exchange programme with the Universities of Lao PDR and Vietnam.

## 6. Suggestions

- Decentralisation is the buzzword of a democratic polity. Indian foreign policy also needs to be decentralised. New Delhi should come to Northeast India than the people of Northeast India go to New Delhi for all important policy decisions. There is a public diplomacy division which needs to be made more vibrant for effective collaboration with the neighbouring countries.
- All the Southeast nations could start the consular access in the Northeast region so that we can work more rigorously in the coming years for establishing educational linkages.
- Education cooperation cannot be seen in isolation, connectivity needs to be improved if we want to attract students from the neighbouring countries.
- India needs to prioritise on the issue of scholarship funding to the Southeast Asian University students to the Universities of Northeast region. At least in the initial phase for the coming decade or a vibrant students-scholars exchange programme needs to be made operational.

## 7. Conclusion

In conclusions, educational cooperation between India and Southeast Asian nations need not be seen only in instrumentalist terms that can facilitate better trade and commerce. Education collaboration is an end in itself. The aim of education is peace and justice; promote peaceful and inclusive societies for sustainable development provide access to justice for all and build effective, accountable and inclusive institutions at all levels. What are globally accepted are the partnerships for the means of implementation and the global partnership for sustainable development! Partnerships are proven to be the most effective way to achieve strong development outcomes.

Educational partnership is the need of the hour, as we, especially the northeast region of India is organically connected to the Southeast Asian nations since time immemorial. Problems that confront all of us in the region are not confined to one region only. They are transnational in character. For example, climate change, the riparian rights, sharing of water resources and some of the non-traditional threats such as terrorism, arms proliferation, drugs, human trafficking etc, cannot be seen in isolation. These are some of the Himalayan challenges that confront the Northeast region. Answer to all these problems does not lie with us — we need to develop collaborative research and policy level research with the neighbouring countries so that we can tackle these issues effectively. In the absence of such collaboration what we find is a fantastic collaboration among the non-state actors that take all of us for a ride. We need collaborative efforts at all levels that can give us a better world for us and for our posterity.





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# ASEAN-India Educational Cooperation: Proposal for ASEAN-India University Network (AIUN)

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Prabir De and Sreya Pan

## 1. Introduction

Socio-cultural issues in ASEAN-India Strategic Partnership assume special significance. At the Commemorative Summit held in January 2018, the Leaders of ASEAN countries and India underscored the importance of cultural relations in building an inclusive and progressive society. Shared historical ties, culture and knowledge have continued to undergird sustained interactions between India and Southeast Asia. Cultural links between India and Southeast Asia reflect the multi-cultural and multi-heritage tolerance society. The cultural links run both the ways. ASEAN and India have multiple commonalities that need to be explored forward for the next generations. Educational cooperation is one such important areas of cooperation between ASEAN and India which can take the partnership to a new height.

There are two dimensions on educational links between India and Southeast Asia: the first one is investigation and research into various aspects of the educational linkages between India and Southeast Asia, to throw new light on existing knowledge about educational links, explore new areas hitherto unknown facts; the other one is the education as a tool to find commonalities in the contemporary context and promote political, economic and strategic cooperation. The cultural links through Look East - Act East Policy can be furthered strengthened through education.

## 2. Trends in Educational Exchange between ASEAN and India

The trade in educational services takes place through Mode 1 (cross-border supply), Mode 2 (consumption abroad), Mode III (commercial presence), and Mode 4 (presence of natural persons). India has not committed in GATS in educational services but made GATS+ offer in bilateral FTAs such as with Singapore and Korea as well as India-ASEAN services trade agreement (except Thailand). Indian students go abroad for higher education purpose and the traditional destination is the US, Australia and New Zealand. Table 1 presents Indian students studying in foreign universities as on 19 December 2020. Twenty-three percent India's overseas students are in several countries in Southeast and East Asia. In sharp contrast, students coming from Southeast and East Asia to study in India show a declining trend, except Cambodia, Korea and Malaysia (Table 2). We have to understand why the trend of ASEAN students coming to India has been declining.

ASEAN is one of the favourite destinations of Indian students for higher studies at places like Singapore, Malaysia and Thailand. India's investment in ASEAN in educational sector has been growing (e.g. AMITY University Singapore or Manipal Group's investment in Malaysia). Indian's universities have already opened branches in ASEAN. Similarly, many students in Southeast Asian Nations are not only interested in studying in IITs and IIMs, but there is a demand for opening their campuses in places like Indonesia or Singapore. Number of India's CBSE schools, for example, has increased from 6 in 2010 to 15 in 2017 (Table 3). While these schools primarily serve Indians living abroad, local people also get benefitted due to its English medium curriculum. Perhaps, India diaspora and other financial hubs could be tapped to raise resources for these ventures – both secondary and higher secondary as well as university-level education.

To engage youth, India has started the annual ASEAN-India Youth Summit, ASEAN-India Students Exchange Programmes, scholarship programmes for ASEAN students at Nalanda University, etc. However, the ASEAN-India students exchange programme has been gaining popularity across ASEAN.

Education is an area where ASEAN and India can collaborate to deepen the partnership. India offers over 1000 scholarships to students from the ten ASEAN countries to study at Indian universities and specialized institutions. At the ASEAN-India Commemorative Summit, India has offered another 1000 fellowships to the ASEAN students to do integrated Ph.D. programmes in Indian Institutes of Technology (IITs), which are premier Institutions of Excellence in India (see Box 1).

Indian private universities like Amity and Shiv Nadar could be enlisted to attract students from Southeast Asia to study in India. Indian Manipal Group has already opened a branch at Malaysia. Nalanda University can be the bridge between India and Southeast Asia. Accreditation of degrees and diplomas between ASEAN and India is an important aspect of the educational cooperation between them which has found evocation at the Commemorative Summit also.

Some challenges are (i) falling trends of ASEAN students coming to India; (ii) sustaining university to university partnership; (iii) accreditation of degrees and diplomas; and (iv) improve global rankings through quality education.

**Table 1: Indian Students Studying in Foreign Universities in Asia-Pacific: 2017-18**

Country	No. of Students	Share in Total (%)
Australia	66700	11.76
Brunei	23	0.00
China	18171	3.20
Hong Kong	350	0.06
Indonesia	17	0.00
Japan	1015	0.18
Korea	1187	0.21
Malaysia	1900	0.33
Mongolia	1	0.00
New Zealand	30000	5.29
Philippines	8500	1.50
Singapore	2435	0.43
Thailand	297	0.05
USA	206708	36.44
Total	567227	100.00
Share of Asia (%)	23.02	

**Source:** List of estimated Indian students pursuing studies in foreign Universities (based on inputs received from Indian Missions/Posts abroad as on 19.12.2017).

**Table 2: Trends of Students from Southeast and East Asia in India**

Country	All levels*				CAGR (%)
	2010-11		2015-16		(2010-11 to 2015-16)
	Students	Share (%)	Students	Share (%)	
Brunei	3	0.01	2	0.004	-7.79
Cambodia	41	0.15	55	0.121	6.05
China	951	3.45	191	0.420	-27.46
Hong Kong	37	0.13	8	0.018	-26.38
Indonesia	176	0.64	118	0.260	-7.68
Korea	56	0.20	150	0.330	21.78
Lao PDR	227	0.82	33	0.073	-32.00
Malaysia	29	0.11	1901	4.185	130.84
Myanmar	830	3.01	268	0.590	-20.24
Philippines	170	0.62	18	0.040	-36.18
Singapore	155	0.56	154	0.339	-0.13
Thailand	352	1.28	336	0.740	-0.93
Viet Nam	195	0.71	169	0.372	-2.82
Grand Total	27531	100	45424	100	10.53

\*Higher education including diploma, graduation, post-graduation and PhD.

Source: MoHRD, Govt. of India.

**Table 3: CBSE Schools in Southeast and East Asia**

Country	2017	2010
Myanmar	1	1
Indonesia	1	1
Singapore	4	2
Malaysia	3	1
Thailand	1	1
Japan	2	0
Total	15	6

Source: CBSE, New Delhi.

### 3. Strengthening Educational Partnership – Suggested Steps

ASEAN and India shall strengthen the university to university partnership and accreditation of degree and diplomas, as well as improve the global rankings. The signing of mutual recognition agreements (MRAs) between regulatory bodies of ASEAN countries and India will pave the way for deeper partnership in higher education. To strengthen the partnership, ASEAN and India must make a comprehensive action plan for promoting educational relation.

### Box 1: India's Offer of 1000 Integrated PhD Fellowships to ASEAN Students at IITs

In January 2018, Prime Minister Narendra Modi had announced at the 25th Anniversary ASEAN-India Commemorative Summit in New Delhi India's offer of upto 1000 integrated PhD Fellowships for ASEAN students in the prestigious Indian Institutes of Technology (IITs). In implementation of this commitment, External Affairs Minister Dr. S. Jaishankar and Minister of Human Resource Development Dr. Ramesh Pokhriyal 'Nishank', formally launched the Fellowship Programme at a ceremony at the Ministry of External Affairs on 16 September, 2019.

IIT Delhi has been designated by MHRD as the coordinating IIT for the fellowship programme. It has developed a web portal (<http://asean.iitd.ac.in>) to administer the application and admission process. ASEAN students can log in to the portal to apply for PhD programmes of their choice at various IITs.

Admissions under the programme will be staggered over three academic years i.e. 2019-2020, 2020-2021 and 2021-2022. As on July 2020, two rounds of admission selections were completed and offered admissions to a total 40 ASEAN students.

The fellowship programme at a total budget outlay of INR 300 crore (approximately USD 45 million) is the single-largest capacity development initiative of India in its partnership with ASEAN.

*Sources:* MEA and <http://asean.iitd.ac.in/index.html>

ASEAN and India should support more exchange programmes and involvement of youths (e.g. ASEAN-India students exchange, ASEAN-India youth exchange). It is recommended to create more exchanges, increase involvement of youth, campuses, and institute in ASEAN. ASEAN and India may design joint educational programmes, credit transfer system, twining programmes, etc.; open courses on ayurveda, yoga, naturopathy; conduct skill development programmes, technical education, etc.; exchange of faculty; joint publications and disseminations; support annual dialogue on higher education policy; etc.

A series of dialogues may be conducted at different levels between India and ASEAN. For example, ASEAN and India may organise ASEAN-India Vice-chancellor Conference; ASEAN-India Rectors Conference; etc.

ASEAN and India may sign MoUs between ASEAN University Network (AUN) and AIU and UGC to facilitate university to university (U2U) partnership and accreditation of degree and diplomas. For India, it is important to set up the ASEAN-India University Network (AIUN), and sign MoU between AUN and AIUN. Besides, ASEAN and India may consider establishing ASEAN-India Open Universities Network (AIOUN); ASEAN-India Business School Network (AIBSN); etc. India may also consider joining ASEAN+3 University Network.

### Envisaged Action Plan

- Support Annual Dialogue
  - » Higher education policy dialogue (at ASEAN + level)
  - » ASEAN-India VCs Conference
  - » ASEAN-India Rectors' Conference
- Sign MoUs between ASEAN University Network (AUN) and Indian universities, AIU and UGC
  - » Join ASEAN+3 Unet
- Set up ASEAN-India University Network (AIUN)
- Set up ASEAN-India Open Universities Network (AIOUN)

## 4. Suggested Outline of ASEAN-India University Network (AIUN)

The AIUN shall aim followings:

- AIUN shall promote academic cooperation between ASEAN universities and Indian universities.
- AIUN shall aim for academic mobility (student, faculty and staff mobility). As highlighted in this article, there are several ways to promote mobility.
- AIUN shall conduct dialogues to design programme for mutual recognition of degrees and diplomas.
- Exchange opinions and design strategy on courses of mutual interests, such Southeast Asian studies in India and Indian studies in ASEAN.
- Help the government to convene meetings, conduct joint researches, training and capacity building, etc.

The AIUN can be housed at the ASEAN-India Centre (AIC) at RIS or one of the universities of the Government of India. To start with, AIUN shall organise the annual conference of Vice-Chancellors.

## 5. Concluding Remarks

A deeper economic integration with the dynamic ASEAN region is an important aspect of India's Act East Policy (AEP). The relationship between them has been further strengthened with the ASEAN-India FTA in goods and some other initiatives such as agreement for services trade and investment and connectivity projects, to mention a few. Last few years have seen renewed ties between India and ASEAN in physical, digital and cultural areas. Countries across the world have been facing new types of challenges either through economy or environment. Countries in ASEAN and India have to collaborate while dealing with such challenges. The regional cooperation in meeting its collaborative and cooperative objectives in economic and strategic landscapes may yield high dividends. Education is the next promising sector which can take the ASEAN-India relation to a new higher level. There are plenty opportunities to scale up the activities in the educational sector, and this article has identified some of these activities succinctly.

There is high potential in trade in higher education services between ASEAN and India, which, once picks up the momentum, FDI in education sector will grow. On top, India's prowess in knowledge economy provides huge leverage over others. Both ASEAN and India shall facilitate accreditation of degrees and diplomas by signing MRAs



## Appendix 1: ASEAN-India Students Exchange Programme: 2010-14



*Photo credit: MEA.*

SESSION: V

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**WAY FORWARD  
AEC 2025 AND INDIA**

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# ASEAN-India Partnership: Perspective of Lao PDR

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Thieng Boupcha

## 1. Introduction

The celebration on the 25th anniversary for dialogue partnership as well as the 15th year for summit-level interaction between ASEAN and India were organised in recent years, which had strengthened the strategic partnership between ASEAN and India. The full dialogue partnership between ASEAN and India had been initiated since December 1995, which has become an important annual summit for political leaders, policymakers, researchers, academicians, business leaders and media persons to meet and exchange views on a wide range of issues pertaining to ASEAN-India relations. Thus, ASEAN considers India as a great dialogue partner to work with to realise and achieve the visions and goals posted in the ASEAN 2025.

## 2. ASEAN 2025 and ASEAN-India Partnership: Way Ahead

The ASEAN Community Vision 2025 was launched at the 26<sup>th</sup> ASEAN Summit, which was held in Kuala Lumpur. Vision is to integrate the region toward a more stable, peaceful community with shared prosperity built upon the aspiration of the people of Southeast Asia and within the line of a provision of the Treaty of Amity and Cooperation. It underlines the complementarity of the United Nations' 2030 Sustainable Development Goals (SDGs) through ASEAN Political-Security, ASEAN Economic and ASEAN Socio-Cultural Communities.

ASEAN's external relations had taken a strong footing since 1976 by opening up to cooperate with international dialogue partners through three key goals: secure technical assistance for regional cooperation projects; promote trade and economic relations, and strengthen political relations with third countries and regional groupings. One of the dynamic and prominent dialogue partners of ASEAN is India, which got involved with ASEAN in 1992. Since then the partnership between ASEAN and India has expanded significantly. The elevation of the ASEAN-India dialogue relations to the strategic level at the ASEAN-India Commemorative Summit, held in 2012 in New Delhi, reflected our shared commitment toward a stronger ASEAN-India partnership.

In the context of fruitful outcomes yielded between ASEAN and India in the last 25 years, the relation has shined the way forward to reach the goals by 2025. In this regard, it is required to double-check again on what are the challenges that ASEAN must address and what are the potentials between the two sides. The new ASEAN members, especially for the Least Developed Countries (LDCs), are indeed needed to work hard and get full support from the ASEAN founders to integrate itself with the rest of the ASEAN and ASEAN plus regions and the global economy.

On the other hand, both ASEAN and India must make further efforts to realize the untapped potentials of both sides through:

- Enhancing political willingness in moving ASEAN-India relations forward by ensuring that all cooperation projects across wide-ranging sectors are translated into tangible benefits for the peoples of ASEAN and India.
- Increasing cooperation on human resources development and capacity building, poverty eradication and promote sustainable development in the region.
- ASEAN and India should further enhance people to people connectivity by focusing on educational and cultural exchanges between ASEAN and India youths and intellectuals, to foster a sense of togetherness, mutual respect and understanding of each other's traditions and values of our fine cultural heritage, to preserve our cultural identity and heritage in this increasingly globalizing world.
- Endowed by seas, rivers, and excellent geographical conditions which are conducive to agricultural production, ASEAN countries and India have great potentials to foster green economy, tangible cooperation in the areas of agricultural and agro-processing industries, to assist countries in the region in joining global food supply chain, developing high-tech and climate-smart agriculture and ensuring food safety.
- Increasing cooperation on sustainable economic development in Indo-Pacific, fighting against terrorism and criminal crime.

### 3. Concluding Remarks

ASEAN has two crucial roles to play. First, to achieve the ASEAN 2025 vision; it shall realize a community with enhanced institutional capacity through improved ASEAN work processes and coordination, increased effectiveness and efficiency in the work of ASEAN organs and bodies, including a stronger ASEAN Secretariat. Second, it shall also realize a community with increased ASEAN institutional presence at the national, regional and international levels.

Therefore, the ASEAN Community Councils shall fully and effectively implement the commitment contained in the "ASEAN 2025: Forging Ahead Together" and submit their reports to the ASEAN Summit in accordance with the established procedures. ASEAN people are pledged to fully realize a rules-based, people-oriented, people-centered ASEAN of "One Vision, One Identity, and One Community".

Finally, ASEAN and India are close neighbours and long time partners. India and ASEAN should continue to enhance their long-standing mutually beneficial relationship by strengthening ties in government and people-to-people levels, thereby promoting peace, stability and shared prosperity in the region and the world at large. Lao PDR is fully committed to working closely with ASEAN countries and India to further strengthen the ASEAN-India Strategic Partnership through promoting cooperation under bilateral, multilateral and regional contexts.

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# ASEAN and India: Cooperating Towards Convergence

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**Shankaran Nambiar**

## **1. Introduction**

India aims to strengthen its economic relations with the ASEAN. This has been evidenced by a long string of initiatives, perhaps most strikingly evidenced by the ASEAN-India FTA. ASEAN realises that it can be a more formidable economic force in the world if it were to strengthen itself within the region. It is towards this end that ASEAN is working and in that context, it is attempting to form the ASEAN Economic Community (AEC). Taking the AEC a step further, ASEAN member states have been negotiating with the ASEAN+1 partners for the Regional Comprehensive Economic Partnership (RCEP). Here, again, India is a participant and as such is in a position to leverage upon it to gain more investment opportunities.

India has an interest in ASEAN. ASEAN realises its importance as a growing region. Recent developments point to a new economic focus in India with economic reform being widely discussed. Thus, both India and ASEAN are on the brink of greater economic growth and they can benefit from mutual engagement towards this end. There are various aspects to the mutual interaction between India and ASEAN. At the first level, both entities can take advantage of trade and their mutual comparative advantages. Beyond that, both India and ASEAN can gain from investment in each other's locations.

This article is organised as follows. The second section examines trade and investment between India and ASEAN. This is followed by a discussion on trade in services since it is an area of importance to both parties, though with different perspectives. The fourth section examines India's initiatives to expand its connectivity with ASEAN. This is followed by a brief discussion on several other issues before providing some concluding remarks.

## **2. Trade and Investment: Drawing India and ASEAN Closer**

An analysis of India's trade structure and trends is useful in so far as it can shed light on the extent of interaction that is possible with ASEAN. The bulk of India's imports currently are in petroleum and petroleum products, gems and jewellery; electrical machinery and parts; iron and steel; and organic chemicals. These sectors constituted 63 per cent of India's total imports from the world in 1995 and have increased to more than 70 per cent more recently. Over the years the share of imports has increased with respect to products such as petroleum, gems and jewellery, and electrical machinery sectors. These are products where complementarities exist with certain ASEAN member states, such as Malaysia (petroleum and electrical machinery) and Myanmar, for example.

However, as is explored in the next section, India will have to strategise as to how it intends to position itself with regard to other ASEAN states. Most ASEAN states do not have a comparative advantage in the iron and steel sector. Again, it is possible to explore niche areas within this sector,



particularly to determine how India can engage in trade and investment with ASEAN within specific industries in these sectors. For instance, Myanmar may be able to export gems to India, while the latter can specialise in the processing, design and manufacture of high-end jewellery. Similarly, several countries in ASEAN have a high degree of experience and competence in electrical machinery, office equipment and electronic components. India can engage in trade with these countries at different levels. It is possible to invest in ASEAN countries in line with these trade patterns. To take another example, India can export its technical services to, say, Malaysia for research and design purposes to upgrade the light manufacturing industry in that country. That will upgrade Malaysia's exports in that area.

In terms of exports, the sectors that were dominant in the 1990s were gems and jewellery, articles of apparel (not including knit or crochet); cotton; cereals; fish and crustaceans; knit and crochet; automobiles; and coffee, tea and spices. In more recent times, petroleum and petroleum products have come to occupy about 20 per cent of India's total exports to the world, with gems and jewellery following by slightly more than 10 per cent of the total. This is followed by iron and steel; non-electrical machinery; organic chemicals; ores, slag and ash; electrical machinery and parts; and articles of iron and steel.

India used to have export sectors that were largely resource-based and labour-intensive. These sectors have given way to sectors that are based on metals and minerals and have a stronger manufacturing component. Goods such as petroleum and petroleum products; gems and jewellery; organic chemicals; electrical machinery; and iron and steel now dominate two-way trade. The patterns of India's trade partners have also changed. China and South Korea are important trade destinations. This is followed by the United Arab Emirates, Saudi Arabia and Southeast Asia. There is a gap in so far as ASEAN does not, yet, figure prominently within India's trade patterns. There are two interrelated issues here. First, India has to identify those areas where it can engage with ASEAN in terms of trade. Second, India has to cooperate with ASEAN to build upon trade as a platform for investment. In this sense, the trade will open up investment opportunities.

It is of interest that India's trade with ASEAN, although not of a significant proportion to total trade, is growing. India's total imports from and exports to ASEAN have been growing since 2000. This has particularly been the case with Singapore, Malaysia, Indonesia and Thailand. The same cannot be said for the other ASEAN member states which are hardly significant trade partners for India. Imports from ASEAN countries have been rising in Indian imports. This is so with respect to Singapore, Malaysia, Indonesia, and Thailand. India's imports from ASEAN+5 have risen from about 19.8 per cent (2000) of its total imports to about 27.5 per cent (2012). Viewed from the ASEAN side, ASEAN+5's imports from India have risen from 0.7 per cent to 1.3 per cent of ASEAN+5's total imports from the world. Similarly, India's exports to ASEAN+5 have increased from 14.5 to 20.9 per cent. However, ASEAN+5's exports to India as a percentage of its total exports have increased from 0.9 per cent to 2.5 per cent, for the same reference period.

While ASEAN+5 matters more and more to India, the reverse is not the case. India's exports to East Asia (i.e. China, South Korea and Japan) have increased from 7.0 per cent to 8.6 per cent. It has remained stagnant with respect to Australia and New Zealand. The growth in India's exports to Indonesia, Malaysia, Singapore and Thailand has been more rapid, increased from 5.3 per cent to 9.4 per cent. India's imports from East Asia have increased remarkably from 8.8 per cent to 15.9 per cent. While imports from Australia and New Zealand have remained stagnant, as have imports from Brunei, the imports from Indonesia, Malaysia, Singapore and Thailand have decreased from 8.2 per cent to 7.6 per cent.

Several points can be made from this broad pattern in trade trends. First, India's relevance to ASEAN has not been growing in tandem with ASEAN's relevance to India. India is increasingly dependent on ASEAN, but it has been slow to benefit from the gains that it can make by being the country of



choice from which ASEAN can trade on a bigger basis with India. These are unutilised opportunities that India is yet to reap from ASEAN integration (Das, 2013).

Second, there are strong indications that India is making some progress in its trade with Indonesia, Malaysia, Singapore and Thailand. Commendable as this progress is, more can be done. India's trade with the CLMV countries is meagre at the moment and leaves much that can be mutually derived. It is worth noting that these countries are emerging economies, being at a relatively low level of development at the moment, which would place them in a situation whereby they can gain from trade with India.

Third, it is encouraging that there is evidence of India's increasing trade with East Asia, i.e. China, South Korea and Japan. However, India's exports to this block fall far short of its imports from these countries. Nevertheless, the strong trade ties indicate that a broader range of activities is possible in ASEAN via this group of countries. In this context, the RCEP is an important agreement that India can leverage upon.

The foreign direct investment (FDI) flows between India and ASEAN provides a further dimension of India's economic structure and indicates how it could interact with ASEAN in future. Singapore is the biggest contributor of FDI to India, followed by Japan. South Korea is a distant third in terms of FDI inflows into India, with Australia as a contender for fourth place. India, in turn, favours Singapore as an FDI destination. Similarly, Australia is second in importance as a destination for Indian FDI, with Malaysia being the third most important destination. Combined with the trade data, it is clear that Singapore figures most prominently when it comes to both trade and investment. The FDI outflows from India to ASEAN are greater than FDI inflows from the region to India. It is very clear that the prospects for inter-regional FDI flows are bright and have not been utilised fully. There is ample room for FDI cooperation between India and ASEAN, given that the flows of FDI between these two entities are at a rather low level in the case of most ASEAN member states.

The promising areas for ASEAN FDI inflows into India include construction, telecommunications, hotel and tourism, manufacturing, electronics and electrical products, chemicals, automobiles, power and metallurgy. India, for its part, can contribute to ASEAN's development through FDI outflows in various segments of agriculture, financial services, business services, software, drugs and pharmaceuticals, and transport, storage and communication services.

As far as the area of infrastructure sector development is concerned, India has a huge demand in this area. Singapore and Malaysia have been able to cash in on the opportunities that this area provides within India. However, the possibilities are probably far larger than are currently exploited, with suggestions that the entire gamut ranging from power, petroleum and gas to ports and air and sea transport presenting FDI opportunities for ASEAN.

### **3. Trade in Services: Possibilities with ASEAN**

India's services sector has one of the highest growth rates in the world. On the export front, the high rate of growth of the services sector in India has been able to compensate for the deficit in merchandise trade. In the 1990s, the services sector grew at about 17 per cent, whilst the ICT sector alone has been known to grow at 46 per cent in the mid 1990s. Services exports from India have been vibrant, growing at about 40 per cent of total exports even in the early 2000s.

The Indian economy is heavily biased towards agriculture because of the population dispersion, with its tilt towards the rural areas, and a strong small-holding and subsistence component within this sector. Agriculture is also able to generate employment and ensure livelihoods, yet the services sector is driving growth in India. Nevertheless, the services sector is assuming a larger role within the economy, propelling services-led export growth.

India has undertaken reforms of the services sector. This has been done significantly in the telecommunications sub-sector. Other sectors that have benefitted from reforms include financial services, infrastructure, power and transport. India has established a reputation in services relating to software, financial IT services, business process outsourcing, healthcare, and professional services.

Against India's background, for ASEAN, too, services form a sizeable component of its GDP. The services sector forms from 40 to 70 per cent of ASEAN's GDP, amounting to more than US\$ 400 billion. Further, the services sector composes about 14 per cent of ASEAN's total global exports and about 18 per cent of imports. The corresponding figures for India are about 34 per cent for exports and 30 per cent for imports, respectively. Taking into account the diversity of ASEAN, it would be useful to note the divergence in the relative importance of the services sector to GDP. In Singapore, for example, the services sector constitutes something like 70 per cent of GDP, which would be the upper limit for ASEAN member states. On the other hand, in Cambodia, services contribute about 40 per cent of GDP. This indicates the range of variation and it also indicates the potential for the services sector.

It also points out the potential for trade and investment in services and the options that are open for India's engagement with ASEAN and vice versa (Karmakar, 2005). India's export of services to ASEAN is concentrated in software and IT-enabled services (ITeS). To a lesser extent, India exports technical education, financial and healthcare services to ASEAN. Singapore and Malaysia, and to a varying degree Thailand, the Philippines and Indonesia, have promoted the development of export-oriented services industries ranging from construction and engineering to infrastructure development, at one end of the spectrum. Within the social services sectors, education and health care have been prominent. Singapore, Malaysia and Thailand have taken advantage of their respective medical tourism industries. Singapore, Malaysia and the Philippines have actively participated in business support services, with the first two countries having successfully found markets for telecommunication services in India. Indeed, Singapore, Malaysia and the Philippines have global markets for a wide range of services.

However, trade in services is likely to be contentious. Most ASEAN countries are highly protective of their services sector, this being particularly the case with professional services. The problem mostly lies with market access for the movement of natural persons (Mode 4), where the temporary movement of intra-corporate transferees is open for most ASEAN member states. Nevertheless, this is an area which is of interest to India since it has a large pool of skilled labour that would benefit from the free flow of labour.

The asymmetrical interest in services will also be a source of conflict. This, again, will surface in the area of financial, banking and insurance services. India is likely to be slow to open these markets to ASEAN member states. On the other hand, some of the more developed members would be keen on gaining access to the Indian market. Singapore and Malaysia, for instance, would like to see a more liberal policy with regard to the entry of foreign service providers in these areas. India may not reciprocate on an equal basis in these areas, neither would ASEAN. While some of the Malaysian banks (viz, Maybank and CIMB) would want to extend their business, Malaysia cannot be expected to open its markets in the near future.

India, for its part, would stand to gain much if it could export its professional services, particularly medical, para-medical, legal and accounting services. However, there is likely to be resistance from domestic organisations in ASEAN member states. The fact that India may have a comparative advantage in these areas is not going to make it easier to gain access to the targeted markets. Notwithstanding the constraints, India should continue to seek opportunities, and continue to negotiate with respective member states on a bilateral basis and, also at the regional level. Indeed, it is at the regional level that India should target its efforts, and that is the issue that the next section deals with.

## 4. India's Connectivity with ASEAN

India has determined plans to connect with ASEAN. This is imperative because China has launched very ambitious projects to enhance connectivity throughout Southeast Asia, even extending to Central Asia. By comparison, India lags behind China. In view of China's initiatives, India needs to redouble its efforts in creating connectivity with ASEAN. The newly launched AEP is a significant plan for building economic corridors, linking India with Southeast Asia and China. For example, the Government of India has been working with ASEAN to enhance physical connectivity via India's Northeast and India's eastern seaboard, with the India-Myanmar-Thailand Trilateral Highway being a striking example of such efforts. This is a good instance of a project which will reduce travel time and create cross-border opportunities for trade and investment (De, 2011). Industrial clusters located along the connectivity corridor could emerge as economic nodes. Indeed, economic integration in the Asia-Pacific region will be of great benefit to the region as a whole (ESCAP, 2012).

With the development of the infrastructure projects, it can be expected that this will spawn economic activities. Invariably, there will be more trade between India and ASEAN, particularly around the towns that are being linked. This can also extend to trading centres as well as the flourishing of small and medium enterprises (SMEs). Agricultural and food processing centres will also come up. In time, it is conceivable that light manufacturing could emerge along the connectivity routes.

The question of connectivity is a broad issue that subsumes many aspects of economic activity including physical, institutional and people-to-people connectivity (ASEAN, 2011). Within the realm of physical connectivity, the main areas are ICT, transport and energy, although institutional connectivity, which has been touched upon earlier, has important consequences for investment connectivity. The provision of infrastructure is a less contentious issue, which also will contribute to making ASEAN a more vibrant location for investment, besides opening up investment opportunities in the region. There is considerable progress that is being made to develop the infrastructure network in ASEAN. Both India and China are active participants in improving the infrastructure network across ASEAN. China had proposed the Southern Silk Road to connect China and India through Bangladesh and Myanmar (Hussain, 2014). This is an interesting example of cooperation between the two Asian giants which, nonetheless involves ASEAN. Although India's ambitions are more limited than those of China's, India is doubtlessly contributing to transport connectivity in the region (Osius, 2013). Significant among the transport links to enhance connectivity is the sea route to the west of the Mekong-India Economic Corridor (MIEC), which can connect Dawei (Myanmar) with Chennai and the east link which connects Bangkok with Ho Chi Minh City. The Thailand-Myanmar-India section of the Asian Highway No. 1, which has been identified as the Trilateral Highway, is another transport link that can improve the ASEAN-India transport connectivity.

Several prominent highways have been planned to extend India land connectivity with ASEAN. Some of these have great significance for the NER. The following are particularly noteworthy because they strategically involve NEI (see De, 2014; RIS, 2012):

### (i) India-Myanmar-Thailand Trilateral Highway (IMTTH)

The India-Myanmar-Thailand Trilateral Highway (IMTTH) links Moreh with Mae Sot through Bagan and Mandalay in Myanmar. This cross-border network is financed by the governments of India, Myanmar and Thailand. The Indian government has extended the road from the Northeastern border to the Tamu-Kalewa-Kalemyo section in Myanmar.

### (ii) Delhi- Hanoi Railway Link

The Indian government is planning to connect Delhi with Ha Noi in one of two proposed routes. Both routes will begin with a route from Silchar to Thanbyuzayat. Thereafter, one will connect Delhi with

Ha Noi through Myanmar, Thailand and Cambodia. The other proposed route is through Ye and Dawei (Myanmar), Bangkok, through Thailand and Lao PDR and, finally, to Ha Noi.

### **(iii) Kaladan Multimodal Transit Transport Project**

This project is centred around the Kaladan River. It involves the development of the port and inland water transport between Sittwe and Kaletwa. Further, there is a 129 km highway between Kaletwa to the India-Myanmar border along with Mizoram. This project will connect Indian ports and Sittwe as well as road and inland waterway links between Sittwe and Northeastern India. This project will provide transportation between Northeastern India to Myanmar and facilitate the transportation of goods.

### **(iv) Mekong-India Economic Corridor**

The Mekong-India Economic Corridor (MIEC) connects Ho Chi Minh City with Dawei in Myanmar. MIEC passes through Bangkok, Phnom Penh and Chennai. MIEC passes through the Cambodia-Vietnam, Cambodia-Thailand and Thailand-Myanmar borders. This project integrates India with four ASEAN countries in the Mekong region. On the India side, the key link for this project is Chennai because the Chennai port will link up with the Myanmar port of Dawei.

### **(v) Stilwell Road**

The Stilwell Road connects India with the People's Republic of China, linking Ledo in Assam with Kunming. The road is more than 1,000 km long and has a long stretch passing through Myanmar.

### **(vi) Tiddim-Rih-Falam Road**

This route connects the Northeastern states with Myanmar, starting with Zokhawthar land customs station, on the Indian side, and linking Rih in Myanmar.

### **(vii) India-Myanmar-Lao PDR-Viet Nam Corridor and Sittwe Industrial Zone**

There is a new route that has been proposed between India and Viet Nam through Myanmar and Lao PDR. This route connects Moreh and Kolkata with Ha Noi and Da Nang. This is part of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy and goes through Myanmar, Lao PDR and Viet Nam. Through this route India will be connected with the Sittwe industrial park and the port in Sittwe.

### **(viii) Mekong India Economic Corridor-SKRL Interlink**

The Mekong-India Economic Corridor (MIEC) involves integrating the four Greater Mekong Countries viz. Myanmar, Thailand, Cambodia and Vietnam with India through its east coast. It is proposed to connect Ho Chi Minh City (Vietnam) with Dawei (Myanmar) via Bangkok (Thailand) and Phnom Penh (Cambodia) and further linking to Chennai in India.

## **5. Other Issues**

ASEAN does not want to see itself as an organisation that is legally bound and involves the loss of national sovereignty, particularly in the area of policy space; but as part of the integration process, it has to achieve liberalisation and adherence to a set of rules that govern trade and investment processes (Pupphavesa, 2008). Although there is emphasis on issues such as trade facilitation, investment facilitation, harmonization of rules of origin and MRAs, there are wider goals that ASEAN seeks to achieve. Primary among them is that of achieving an ASEAN community. It is significant that the notion of 'community' is chosen since a community accommodates differences in levels of development, attempts to bridge them and respects a consensual approach. Trade in goods is not the only goal of the AEC, but success in the other areas cannot be expected if the free flow of goods and the accompanying institutions cannot be achieved. In that sense, trade in goods is foundational but by no means final.



It will be more difficult to achieve objectives such as the free flow of services and the freer flow of capital since they touch on more sensitivities than does trade in goods. Two challenges that have to be overcome in ensuring the free flow of services include the liberalisation of financial services and agreement on the mutual recognition of professional qualifications. The free flow of capital will be contentious because it touches at the heart of capital markets, impacting upon banks and banking practices, issues that are close to the heart of ASEAN member states. Further, the recent economic and financial crises of 1997 and 2008 are not out of memory, and will remind nations of the need for interventionist policies rather than the free play of market forces in the event of excessive exchange rate volatilities and financial disruptions. Not least, while member states would welcome the ease of executing cross-border transactions, there will be a reluctance to surrender control over banking and capital market practices as a consequence of the fallout from these crises. The responses to the crises have pointed to the need for national policy intervention as ways of managing the crises, as was the case, for instance, with Malaysia (Nambiar, 2003, 2012).

The free flow of labour is necessary for a successful AEC. Both the free flow of investment and the free flow of services depend very much upon the free flow of labour. At present, there seems to be more flow of unskilled labour than there is skilled labour. Again, the flow of labour, particularly that of skilled labour, will make it difficult to protect domestic professional services industries (e.g. architectural, accounting, legal). Nevertheless, without the free flow of skilled labour and free trade in services, it will not be possible to establish ASEAN as a region that can attract FDI. The free flow of skilled labour is central to achieving AEC. Nevertheless, this is an issue that India will have to deal with judiciously in view of the national interests at stake (Nataraj, 2013). India, for its part, will want to promote the free flow of skilled labour. However, one could expect concerns from other ASEAN countries on this issue.

The goal of achieving a competitive region encompasses establishing competition policy in ASEAN, consumer protection, and a better intellectual property rights regime (Sivalingam, 2005, 2006). For the concept of ASEAN as a competitive region to be fulfilled, it is also necessary to have a strong IPR regime. It is towards this end that the ASEAN IPR Action Plan (2004–2010) was undertaken. These are the areas where the progress has been uneven, given that some member states have made considerable achievements while others have yet to initiate the necessary policies. Some of the goals that have been spelt out are ambitious, a case in point being the proposal to create an e-commerce environment in ASEAN through the e-ASEAN Framework Agreement. However, it is not clear how ASEAN will achieve these goals. It has to be noted, for instance, that some of the member states do not have competition policy and law to date, prominent among them being Brunei, Myanmar, Cambodia and Lao PDR. This means that in the first instance, competition and law will have to be introduced to these states. Similarly, the quality and effectiveness of the laws protecting intellectual property differ among the member states. There is a need for a strong IPR regime if the reality of achieving AEC is to be realised. However, the manner in which this is carried out will have to take into account differing views on IPRs and the pace at which it can be implemented. India, for one, will want to balance IPRs with its call for social justice, particularly with respect to pharmaceutical products. This will be a special concern for India in view of its pharmaceutical industry and also in view of the need to ensure a cheap supply of generic drugs to keep the costs of healthcare low. India will not be alone in sharing these concerns since other ASEAN member states have similar views.

Equitable economic development is a challenge, particularly for the CLMV nations. The older members are better equipped to take advantage of the liberalisation process and the advantages that would come from the creation of the AEC. In the normal course of events, the less developed ASEAN members would lag behind the more developed and prosperous nations, widening the development gap. Particular attention has to be paid to this problem. In particular, the concerns of the small and medium enterprises (SMEs) have to be given specific attention. This is an area of relevance to India

since the latter would also want to develop its SMEs. Mechanisms to connect the SMEs in India with those in ASEAN would help improve the capacities of SMEs in ASEAN. These opportunities would also help SMEs in India to internationalise, opening opportunities for them to invest in ASEAN. These efforts would help promote SME development of both parties.

The most significant efforts to establish ASEAN centrality is, of course, the effort to integrate ASEAN into the global economy. Towards this end, the RCEP is being negotiated. This agreement, which has as its basis, the ties that ASEAN has with its ASEAN+1 partner, will lead to the harmonisation of rules within ASEAN, making ASEAN a seamless economic region. In so doing, ASEAN will be able to achieve “ASEAN Centrality,” an arrangement that will aid in smoothing external economic relations (Wang, 2013). There is sufficient flexibility in RCEP to eventually allow agreements even with non-partners. The outward branches of RCEP, with ASEAN as the core, will preserve ASEAN’s position as the centre. RCEP will allow India to directly interact with ASEAN member states, reducing barriers to trade and investment.

Of importance will be the opportunities that RCEP can potentially make available to SMEs, both in India and ASEAN because with the lower barriers to trade and investment, and if mechanisms are created for ease in investment for SMEs then through RCEP as a vehicle, there will be more investment in the region. These mechanisms will also provide more exposure to SMEs in the global market. Similarly, RCEP will ease investment in ASEAN, thus leading to the upgrading of global supply networks. With a more attractive investment environment in ASEAN, more supply chains will be set up in ASEAN, thus leading to greater investment and employment opportunities. Consequently, technology upgrading will also show a result. These are some of the possibilities that India can seize in its interaction with ASEAN.

India, in its proposed engagement with ASEAN in the realm of investment, has to take cognisance of the initiatives that ASEAN has proposed and is in the process of accomplishing. There is no doubt that there are likely to be challenges that ASEAN member states must overcome in their quest to become a community and act as a counterforce to the other regional groupings in the world. To be engaged with ASEAN, India has to proceed with reforms that are similar to those that ASEAN is undertaking. While it is true that there are different levels of progress that are being made among ASEAN states, India must choose a level that it is comfortable with and which will enable it to achieve the level of integration it wishes to achieve. Further, India has to take account of the fact that some of the RCEP partners are developed countries that have already reached rather high levels of liberalisation and institutional reform. In any case, there is no doubt that reform is essential within, the Indian scenario, and that too in a manner consistent with the 16 countries.

## 6. Conclusion

India’s renewed interest in engaging with ASEAN comes at an opportune time. Although there are challenges that have to be faced, needless to say, there are also many opportunities. India does trade and invests in ASEAN. However, as argued in the article, it has to take a more strategic approach towards trade, in particular. There are many areas where India may not be able to take advantage of the trade structure in ASEAN, yet there are others where interventions are possible. Similarly, investment opportunities will have to be explored more carefully. In any case, India will have to step up its trade and investment with ASEAN.

In the case of services, there are obvious opportunities, but there may be constraints arising from the lack of liberalisation not in the industries in questions, but the broader institutional framework. This includes regulations pertaining to the movement of natural persons, liberalisation in financial and related services as well as tourism. In this respect, India’s efforts to improve its connectivity with



ASEAN will be a useful step in encouraging its trade and investment with ASEAN, and also the two-way flow of services.

ASEAN depends on its openness to generate growth and employment. It sees liberalisation as a mechanism to achieve these objectives. It is in view of this perspective that ASEAN has already re-engineered its trade and investment policy. India has to come forward with greater reforms to match the ASEAN's openness to trade and investment if it is to engage fruitfully with ASEAN. Of course, there are other areas where cooperation with ASEAN is possible, and these will have to be examined and implemented.



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# ASEAN-India Relations and Prospect of India's Role in Southeast Asia in 2025 and Beyond

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Nguyen Huy Hoang

## 1. ASEAN-India Relations: A Retrospect

The year 2017 marks a milestone in ASEAN-India relations as both sides celebrate 25 years of dialogue partnership, 15 years of summit-level partnership, and 5 years of strategic partnership. ASEAN-India relationship has improved to the extent that the regional grouping is now considered by India as the anchor of the country's Act East policy<sup>1</sup>. Today, India has 30 sectoral dialogue mechanisms and seven ministerial-level interactions with ASEAN, in fields such as external affairs, defense, connectivity, commerce, telecommunications, agriculture, energy, environmental issues, and tourism. India also shares strong bilateral ties with each member states of ASEAN. The "ASEAN-India Partnership for Peace, Progress, and Shared Prosperity" in 2004 and the "Plan of Action" in 2012 highlighted the growing confluence in various areas between ASEAN and India.

However, the relationship between ASEAN and India did not U-turn during the Cold War period. The story of ASEAN-India relations throughout the Cold War can be summarized as missed opportunities due to political mistrust, economic inconsequentiality, and occasional military threats.

The starting point of improving the relations between ASEAN and India is the time when India implemented its LEP, marked by the then Prime Minister Narasimha Rao's visit to selected Southeast Asian countries in 1991. Since then, the relations have been developed. In 1992, India became a dialogue partner in limited sectors in ASEAN. In 1997, it achieved the status of full dialogue partnership. In 1996, India was given the opportunity to appear in the ASEAN Post Ministerial Conference (PMC) and became a full member of the ASEAN Regional Forum (ARF)<sup>2</sup>. In 2002, the relations elevated to Summit Level interaction, and 2012 the relations were upgraded to a strategic partnership. Since then, ASEAN-India relations have continued to mature in various fields, especially in economic, security, and connectivity.

On the economic issues, India-ASEAN trade and investment relations have been growing steadily. ASEAN is India's fourth-largest trading partner. India's trade with ASEAN has increased to US\$ 70 billion in 2016-17 from US\$ 65 billion in 2015-16. India's export to ASEAN has increased to US\$ 31.07 billion in 2016-17 from US\$ 25 billion in 2015-16. India's import to ASEAN increased by 1.84 per cent in 2016-17 vis-à-vis 2015-16 and stood at US\$ 40.63 billion. In the year 2016-17, ASEAN accounted for around 10.4 per cent of India's exports and 10.6 per cent of India's imports. Over the past 20 years, ASEAN's portion of India's total exports and imports has been around 9.22 per cent and 8.93 per cent, respectively. India signed a free trade agreement in goods in 2009 and an FTA in services and investments in 2014 with ASEAN<sup>3</sup>. Apart from this, India has a Comprehensive Economic Cooperation Agreement (CECA) with various countries of the ASEAN region. This has resulted in concessional trade and a rise

in investments. ASEAN accounts for approximately 12.5 per cent of investment flows into India since 2000. FDI inflows into India from ASEAN between April 2000 to August 2017 was about US\$ 514.73 billion, while FDI outflows from India to ASEAN countries, from April 2007 to March 2015 was about US\$ 38.67 billion. The ASEAN-India Free Trade Area has been completed with the entering into force of the ASEAN-India Agreement on Trade in Service and Investments on 1 July 2015. Besides, ASEAN and India have been also working on enhancing private sector engagement.

In the case of security, becoming a member of ARF was a major positive move for India. Over recent years, ASEAN and India have seen their interests converge on the issue of non-traditional security in the Indian Ocean Region. Countries of the Indian Ocean Region have repeatedly suffered due to the rise in piracy, illegal migration, and trafficking of drugs, arms, and human on the trans-national level, as well as maritime terrorism. ARF allows India to discuss these issues, which are of immediate concern and can be resolved on a multilateral level. Apart from the ARF, the ASEAN PMC and the ASEAN Defense Ministerial Meeting-Plus (ADMM-Plus) provide a platform for India and ASEAN to deliberate on the security issues concerning this region. Measures like the signing of a “Joint Declaration for Cooperation to Combat International Terrorism,” maritime exercises with the navies of ASEAN countries, information-sharing initiatives, and defense agreements with individual ASEAN countries have added a new dimension to ASEAN-India relations.

Relating to connectivity, which is considered another important issue of convergence between both sides, with India working toward formalising its transit agreements and establishing better connectivity infrastructure both in physical and institutional connectivity with this region through the land, water, and air. In 2013, India became the third dialogue partner of ASEAN to initiate an ASEAN Connectivity Coordination Committee (ACCC). Many connectivity projects have made considerable progress such as the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multimodal project. Besides, issues related to improved maritime and air connectivity and transforming the corridors of connectivity into economic corridors are under discussion. A possible extension of India-Myanmar-Thailand Trilateral Highway to Cambodia, Lao PDR and Viet Nam is also under consideration. Other important projects are physical and digital connectivity between India and ASEAN and a project to develop manufacturing hubs in CLMV countries are under consideration and have received strong support from India. Besides, ASEAN-India relations have also visibly manifested in other areas like education, tourism, academic, cultural, social, and scientific cooperation.

## **2. Vision of ASEAN Community 2025 and SWOT Analysis of Indo-Pacific Region**

ASEAN Economic Community (AEC) Vision 2025 aims at consolidating and deepening the ASEAN regional integration process. Through the consolidation and integration process, it is envisaged ASEAN will be able to respond proactively and effectively to the emerging threats and challenges presented by the rapidly changing regional and global landscape. Further, the new concept “Indo-Pacific”, introduced by the US, implies and emphasizes the importance of India and the Indian Ocean. The role of India in the Indo-Pacific region in balancing China’s power has been underscored a quadrilateral alliance between the US, Japan, Australia and India.

Thus, with this approach, India is expected to assert its more role and responsibility in the region of Asia-Pacific in general and in Southeast Asia in particular. For this, the relation between ASEAN and India would develop and play an important role in maintaining peace and stability in the region. In this context, this article aims to foresee the ASEAN-India relations and role of India in Southeast Asia in 2025 and beyond. Here, we assess the maritime security environment in Indo-Pacific using SWOT analysis.

### **Strength**

- Indo-Pacific is home of some of the world's largest and most prosperous economies, which include the US, Japan, China, Korea, ASEAN countries and India with the high rate of economic growth compared to the world's average. Adjacent to growing economies of the ASEAN members, western pacific is economic power of the Indo-Pacific region. The regional economic growth was 6.2 per cent in 2017 and 6.4 per cent in 2018<sup>4</sup>.
- Economies in the region are highly integrated with trade interdependence among countries are very high.
- Governance in the region is stable and economic institutions are resilient.

### **Weakness**

- The unstable security environment in the region with persistent maritime territory dispute in East Sea of Vietnam (South China Sea) and the East China Sea.
- Unstable political and security environment in North-East Asia with the threat of North Korea armed and ballistic missiles that would cause uncertainty for regional stability.
- Growing influence by big powers, mostly by the US and China have become a major factor to cause uncertainty for the countries in the region.
- ASEAN may play the central role for most regional security cooperation architectures, which is being undermined due to lack of cohesion and big power rivalry.

### **Opportunity**

- At this point, the opportunity in the region is not much, mostly focusing on economic development among member states and existing regional cooperation would help maintaining stability in the region.
- Balancing strategy by big powers (between China and the US, and the appearance of India) would somehow help maintaining stability in the region as well.
- The possible future development of a quadrilateral alliance between the US, Japan, Australia and India in the Indo-Pacific would also offer important significances in maintaining stability in Southeast Asia in particular and Indo-Pacific region in general.

### **Threat**

- Northeast Asia crisis and assertiveness by North Korea would cause threats to security in the region.
- China's assertiveness on the South China Sea and China's militarization on the islands in the Spratly of Vietnam also pose some uncertainty and chaise for the region.
- Balancing acts by the US could also cause some kind of counterbalance in the region that could lead to uncertainty for the region's security.

## **3. ASEAN-India Relation: Ways Ahead**

*ASEAN Vision 2025: Forging Ahead Together* opens new space and provides new impetus for the win-win cooperation between ASEAN and India. With identical goals and common interest in uplifting people's living standards and narrowing development gap, the two sides can integrate their development strategies. For instance, ASEAN is a key partner for India in its Act East Policy, and India is an actor of consolidating ASEAN role of centrality in the region. The major goals as policy coordination, facilities connectivity, unimpeded trade, financial integration, and people-to-people bonds, are compatible with ASEAN connectivity goals. No matter on land, at sea or in the sky, ASEAN-China cooperation is indispensable in guaranteeing peace, stability and balancing in the Indo-Pacific region.

The completion of AEC building should be a springboard for the future development of ASEAN-India bilateral cooperative partnership in many areas. To this end, both ASEAN and India have to make the following efforts. First, India's perception of ASEAN should be improved and continued to place ASEAN in its outgoing strategy importance. Second, ASEAN has to improve its role in regional security issues as well as India does, so that it would promote regional security relation between both sides in years to come. Further, the ASEAN Community will enhance the "one identity" of ASEAN and consolidate ASEAN centrality in the regional process. And a more cohesive ASEAN with greater institutional capacity would be India's interest. Since the East Asian integration started in 1997, ASEAN has been the norm-maker, agenda-setter and institution-builder. The ASEAN Way, ASEAN consensus first, and ASEAN institutional centrality have been the fundamental norms in the region. ASEAN leadership and centrality have been proven to be the only feasible way for regional cooperation. No major powers can lead, neither China, Japan nor the US. Regional architecture has been built in the "ASEAN Plus" format and ASEAN's partners have been socialized to the ASEAN Way. ASEAN capacity to remain central in the norm, and institution is critical in keeping regional integration on track. ASEAN centrality is not a liability or constraint, but an asset and opportunity. It has provided and will continue to provide institutional context for India to embrace multilateralism, shoulder responsibilities for governance, and build rulemaking capacity in its rise to power status in the region.

Referring to the economic relations, with existing cooperation frameworks between ASEAN and India would help fostering trade and investment relations<sup>5</sup>. The signing of the AITIGA on August 13, 2009 in Bangkok would be feasible for the creation of one of the world's largest free trade areas (FTA) with almost 1.8 billion people and a combined GDP of US\$ 4.5 trillion, and prospects for trade and investment relation between both sides would be very promising.

Relating to non-traditional security relations, India has been involved actively in addressing non-traditional security threats and also undertaking mission-oriented tasks as well as exercises as envisioned under the ASEAN Economic Community Vision 2025 on Disaster Management. The ASEAN Ministerial and EAS Conference on Disaster Risk Reduction was hosted in New Delhi in November 2016. This was on the sidelines of the Asian Ministerial Conference. This is expected to be the common minimum agenda for cooperation between India and ASEAN in years to come.

Connectivity has always been the key agenda in most of the ASEAN-India meetings and also during the 7<sup>th</sup> Delhi Dialogue, which was meant to enhance interaction at Track I, 1.5 and Track II levels between India and the ASEAN nations. However, there has been a perceptible decline in the participation and representation from ASEAN countries owing to the lack of forward movement and the stymied progress in terms of connectivity, investment and trade. This can be stated because of the near identical declarations during the post-Delhi Dialogue process in the first five years of the dialogue process. However, in the last few years (2015-2016), the agenda has become more regional security and business-oriented, addressing cooperation through joint ventures and small and medium-sized enterprises and highlighting core regional security issues. Also, referring to connectivity, In terms of India-ASEAN Plan of Actions<sup>6</sup>, with the declaration of the third edition of the India-ASEAN Plan of Action 2016-2020, envisaged by Prime Minister Modi during the ASEAN summit meeting in 2016, he reiterated that out of 130 activities which were listed, India had implemented 54 listed objectives. There has been palpable momentum in achieving the set targets as envisaged in the Plan of Action. This kind of outcome-based approach is definitely going to galvanize and accelerate the process of integration of the societies and business communities.

For India, both physical and digital connectivity as well as enhancing science and technology cooperation have been the core areas of collaboration with ASEAN nations. India's strategic partnership with the institution also lays stress on economic, cultural and institutional collaboration at all levels. Between India and ASEAN, the defense industry collaboration needs to be explored as this may create synergies and also promote better understanding. The CLMV countries, which have a huge potential with regard to economic development, manufacturing and investment, have been the focus of India's cooperation with the ASEAN region. This could be fathomed from the fact that India has tried to



reinvent the potential of the region through the Mekong-India Economic Corridor (MIEC), which is seen as a critical part of India-ASEAN connectivity. While progress with regard to India-ASEAN connectivity has been tardy, this can be attributed to the lack of infrastructure funds and political understanding between India and Myanmar in the past. India is now addressing these issues through its Action Plans and its support for the Master Plan on ASEAN Connectivity 2025. Thus, with efforts from both sides, connectivity by 2025 would be well established that could help to promote economic cooperation between the two sides.

Regarding regional security issues, India has always adopted a relatively guarded stance within the ASEAN forums. India needs to look into a proposed framework agreement between India and ASEAN on security cooperation. The ASEAN-India Security Cooperation Agreement can be based on the interests for both India and ASEAN include maintaining peace, stability and security in Southeast Asia and the larger East Asian region as well as Indo-Pacific Region. The objective would be to defeat terrorism and extremism, intercept and counter weapons of mass destruction and help in deterring any rogue states from carrying out any such activity which jeopardizes human life, national security and economic activity. The two sides need to develop a comprehensive understanding of supporting a rules-based order and protecting the free flow of commerce and freedom of navigation so that these will not be obstructed by any particular country. The two sides need to identify the importance of research and development in satellite, space and other sophisticated technology to counter threats to security from both state and non-state actors. This could be done under the framework agreement between the two sides as per the ASEAN-India Joint Declaration for Cooperation to Combat International Terrorism, signed in Bali, Indonesia on 8 October 2003, which expresses a more comprehensive approach and regional legislation in counter-terrorism and related security issues.

ASEAN countries' interaction with India, both at the institutional and bilateral levels, has facilitated seamless exchanges of ideas, traditional knowledge, culture, practices and developmental models. This has acted as a catalyst for discussions, which are of mutual concern and relative importance. Since the formation of ASEAN and in the last two and a half decades of India's institutional participation in the ASEAN process, dividends in the form of investment, trade and identified core areas of cooperation between business communities, societies and people have been realized. Interestingly, whenever an agreed business, trade or investment agenda have been absent then culture, diaspora, films, archaeology, religion and arts have resonated in the discussions and provided a stable platform for future discussions. Ever since the launch of the Look East Policy and its subsequent avatar - the Act East Policy, the India-ASEAN relationship has scaled new heights.

#### **4. India's Expected Role in the Region**

India should act East assertively for balancing power in Southeast Asia. In the past, India has stepped up engagement with East and Southeast Asia, fueled by the need for cooperation on counter-terrorism, humanitarian relief, anti-piracy, maritime and energy security, confidence-building and balancing the influence of other powers, notably China. Driven by the fact that more than 50 per cent of India's trade passes through the Malacca Strait, the Indian Navy has established a Far Eastern Naval Command off Port Blair on the Andaman and Nicobar Islands. India has also been conducting joint naval exercises with several ASEAN countries<sup>7</sup>. In addition, the rise of China has compelled India to put forth its best efforts to engage with ASEAN as a regional grouping. For India to be a regional power as it claims to be, continuing to enhance its relations with ASEAN in all spheres must be a priority. In this age of multilateral alignment, the geopolitics of the Indo-Pacific region will either be defined by India's engagement and cooperation with ASEAN and the like-minded countries, or by a rising China's expansive unilateralism in the Indo-Pacific region. Thus, the role of India in the Indo-Pacific region is expected to be huge in the new context of changing global perspective as India is one of the big countries in the region and the US has enhanced its Asia Pivot move to call for more engagement by India in Indo-Pacific.

Over the two Phases and a halfway of the third phase of LEP<sup>8</sup>, now we expect India to play a stronger role in Asia-Pacific. The country needs to Act East, not Look East as Modi has started the third Phase since 2014. With this perspective, India is not only expected to bolster its economic engagements with the region but also emerge as a potential security balancer.

India should use its soft power<sup>9</sup> to insert its role into the Indo-Pacific region and Southeast Asia as well. As we have witnessed, China have penetrated Southeast Asian markets with its financial muscle and economic strength, and have proved to be successful in influencing Southeast Asian countries. India cannot compete with China economically, but it may use its soft power to influence the region and to insert its significant role into the region as Indian culture (considered as the soft power of India) plays an important role in Southeast Asia with significant impact on social lives of the people in the region. With this soft power, India may insert its role into the region.

India will be a force to foster ASEAN-India connectivity. India has been playing an important role in enhancing connectivity between ASEAN and India through various infrastructure projects connecting India with Southeast Asia via India's Northeastern region.

India is expected to be a role player in maritime security as the country is also considered as a maritime state. There is a need to strengthen cooperation between India and ASEAN member countries on maritime activities.

Finally, it could elevate the role of India in the region as India has some initiatives on economic cooperation and infrastructure development between ASEAN and India like what China did.

## Endnotes

- <sup>1</sup> Initially named as Look East policy, which later turned into Act East Policy in 2014
- <sup>2</sup> Membership in ARF gave India the chance to share a high table with big powers like the United States, China, and Russia, alongside ASEAN, on security issues in the Indo-Pacific region.
- <sup>3</sup> Available at <https://thediplomat.com/2017/11/revisiting-asean-india-relations/> accessed on 19 December 2017.
- <sup>4</sup> World Bank, available at <https://www.cnbc.com/2017/10/04/world-bank-raises-2017-2018-east-asia-growth-forecasts-sees-geopolitical-risks.html>.
- <sup>5</sup> In 2003, the ASEAN-India Framework Agreement on Comprehensive Economic Cooperation had been signed as a basis for the establishment of an ASEAN-India Free Trade Area (FTA). The ASEAN-India Trade in Goods Agreement (AITIGA) entered into force on January 1, 2010. The ASEAN-India Trade in Services and Investment Agreement (AITISIA) was signed on November 13, 2014, and entered into force on July 1, 2015, for six ASEAN member states, namely Brunei, Malaysia, Myanmar, Singapore, Thailand, and Vietnam, as well as India. The agreement has also entered into force for Lao PDR and the Philippines on September 15, 2015 and December 6, 2016.
- <sup>6</sup> The 2003 agenda of shared prosperity and development has dominated the work plan to enhance cooperation and collaboration between the two sides. India's approach to promote connectivity with ASEAN in terms of physical connectivity through highways and maritime connectivity were relatively slow from 2003-2105 as India could not complete the trilateral highway project (India-Myanmar-Thailand). Furthermore, the Kaladan multimodal project did not get the required attention. This can be attributed to the lack of financial resources and problems in getting a coordinated response from both the Myanmar and Thailand governments.
- <sup>7</sup> Singapore (SIMBEX) since 1993, with Vietnam in 2000 and has engaged in joint patrols with Indonesia in the Andaman Sea since 2002. Japan and India were also members of the tsunami relief regional core group in the Indian Ocean in 2004 along with Australia and the United States.<sup>8</sup>
- <sup>8</sup> Phase I lasted between 1991 and 2002, and Phase II was during 2003-2012, and Phase III started from 2013 and to end in 2022.
- <sup>9</sup> India's soft power can be named include Indian diaspora, spiritualism, yoga, movies and television soaps, classical and popular dance and music, its principles of non-violence, democratic institutions, plural society, and cuisine have all attracted people across the world, and foreign policies such as the Look East Policy (now Act East), the Connect Central Asia policy, and developing strategic aid and trade partnerships in Africa. All these considered as India's soft power that could be used to influence Southeast Asian region.

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## **RESUMES OF SPEAKERS**



# Resumes of Speakers

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## ASEAN Secretariat

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### Dato Pa Duka Lim Jock Hoi



Dato Paduka Lim Jock Hoi was appointed by the Heads of State/Government of ASEAN Member States as the Secretary-General of ASEAN for the period 2018-2022. He is the second Secretary-General from Brunei Darussalam. Before assuming this role, SG Dato Lim Jock Hoi was until recently a Permanent Secretary at the Ministry of Foreign Affairs and Trade of Brunei Darussalam. Among the principal duties he assumed was Brunei's Chief Negotiator on the Trans-Pacific Partnership (TPP) free trade talks. His earlier positions included heading the Trade Departments, at the Ministry of Industry and Primary Resources and then the Ministry of Foreign Affairs and Trade, respectively. He graduated from the City of London Polytechnic with a B.Sc (Hons.) in Economics in 1976 and received his Post Graduate Teacher Certificate in 1977. He was awarded the most Honourable Order of Seri Paduka Mahkota Brunei, second Class (D.P.M.B) in 2007.

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## Brunei Darussalam

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### NORHABIBAH KAMIS



Dr. Norhabibah Kamis is the Head of International Affairs & Resources at the Centre for Strategic & Policy Studies (CSPS) since November 2016. As Head of IA&R, one of her major role is to build CSPS international interest and develop CSPS resources. Currently, she is also responsible for Corporate Affairs & Administration and Finance of CSPS on behalf of the Executive Director in the absence of Executive Director. Prior to joining CSPS, she served as Deputy Director Brunei Research Department, Prime Minister's Office. Dr. Norhabibah is an experienced analyst on intelligence, security and strategic field.

### KOH WEE CHIAN



Dr. Koh Wee Chian is currently an Associate Researcher at Centre for Strategic & Policy Studies CSPS. He is a macroeconomist with research interests in international and development economics, focusing on resource-rich economies. His recent work has been published in Oxford Economic Papers, Review of Development Economics, and Journal of the Asia Pacific Economy. Koh is also affiliated with the Centre for Applied Macroeconomic Analysis at the Australian National University as a Doctoral Research Associate. He is a graduate of the London School of Economics and Political Science with a MSc in Finance and Economics, and the National University of Singapore with a MSocSci in Applied Economics and BSc (Hons) in Statistics. He also holds the Financial Risk Manager (FRM) designation certified by the Global Association of Risk Professionals.

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## Cambodia

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### CHHEM KIETH RETHY



Dr. Chhem Rethy is a medical doctor, biomedical scientist, science diplomat, historian of medicine, and educationalist, with experience in global health policy and ASEAN Higher Education. He has taught radiology at various universities in Canada, Singapore, Japan and Austria for 28 years. He was the Chairman of Medical Imaging Department at Western University (Canada) before joining the International Atomic Energy Agency as Director of the Division of Human Health (2008-2014). He is currently the Executive Director of the Cambodian Development Resource Institute, a leading think tank in Cambodia and the ASEAN region. CDRI is a founding member of the SILKS (Silk Road Think Tank Network). He holds a MD, a PhD in Education and a PhD in History. He published more than a hundred scientific articles and edited 17 textbooks on radiology, radiology education, pale radiology, philosophy of medical imaging, radiation sciences and STS (Science Technology Studies) with two on Fukushima nuclear accident. He is currently a distinguished visiting professor at the Atomic Bomb Disease Institute, Nagasaki, Hiroshima and Fukushima Medical University. He is also advisor to the International Center for Higher Education Innovation (UNESCO), Southern University of S&T, Shenzhen, China”.

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## Indonesia

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### H.E. MS. RETNO L.P. MARSUDI



H.E. Ms. Retno L.P. Marsudi is the first female Foreign Minister of Indonesia, appointed on 27 October 2014. Minister Marsudi joined the Ministry of Foreign Affairs in 1986. She has served in various posts such as Ambassador of the Republic of Indonesia to the Kingdom of the Netherlands (2012 – 2014), Director General for American and European Affairs (2008 – 2012), Ambassador of the Republic of Indonesia to the Kingdom of Norway and the Republic of Iceland (2005 – 2008), Director for West Europe Affairs (2003-2005), Director for Intra and Inter Regional Cooperation for America and Europe (2001-2003), She has also served at the Indonesian Embassy in Canberra (1990-1994) and in The Hague (1997-2001). Minister Marsudi has received several national and international awards. Recently, Minister has received the “El Sol del Peru” (the “Sun of Peru”) in Peru on 24 May 2018 and the Special Award for Humanitarian Diplomacy Leaders from the PKPU Human Initiative on 19 December 2018. Minister Marsudi has written numerous articles on issues related to Foreign Affairs.

Minister Marsudi graduated in 1985 from Universitas Gadjah Mada, Yogyakarta, and majored in International Relations. She has also pursued several other studies, namely “European Union Law” at the Haagse Hogeschool in Den Haag, and “Human Rights Study” at the Oslo University.



## **BAMBANG SUBIYANTO**



Prof. Ir. Bambang Subiyanto, M.Sc. is the Chairman of LIPI since January 31, 2017. Previously, he was Deputy for Scientific Services from 2013 until 2016. He was born in Nganjuk on December 20, 1958. In 1982, he got his bachelor degree from Bogor Institute of Agriculture (IPB), and in 1988 he earned a Master degree in agriculture at the University of Kyoto, Japan. Furthermore, in 1991 he achieved his doctoral degree in Wood Science and Technology field from the same university. His career as a researcher has started since 1992 at LIPI's Research Center for Biomaterials and became Head of the Research Center for Innovation in 2008.

## **TRI NUKE PUDJIASTUTI**



Dr. Tri Nuke Pudjiastuti is currently the Deputy Chairman of Social Sciences and Humanities – Indonesian Institute of Sciences (IPSK-LIPI) and active researcher at the Research Center for Politics, the Indonesian Institute of Sciences (P2P-LIPI) in Jakarta, Indonesia. She completed her Master of Arts (MA) in Geography and Environmental Studies from University of Adelaide, Australia with focusing on International Migration. She did her PhD in the Department of Criminology, University of Indonesia, with a dissertation focusing on the people smuggling from Indonesia to Australia. For the past ten years, she has contributed several research papers on migrant workers and forced migration (trafficking in persons and migrant smuggling). She has also in the part of ASEAN Research Team in P2P-LIPI. She is an active member of Asia Dialogue on Forced Migration and a member of Consultant of The First Andaman Sea Crisis Review for Bali Process Forum.

## **ADRIANA ELISABETH**



Dr. Adriana Elisabeth is a member of Member of Papuan LIPI Team since 2004. She was the head of Center for Political Studies, Indonesian Institute of Sciences from September 2014-October 2017. Professionally, she has been conducting various research projects with P2P LIPI and jointly with P2P LIPI and Deputy Assistant of International Relations, Vice President Office in various fields from development studies to political economics, democracy and human rights and international relations. She has numerous published books on development economics, regional cooperation and integration, and the regional politics and international relations.

## **AGUS EKO NUGROHO**



Dr. Agus Eko Nugroho is Professor and the Director of Economic Research Center, Indonesian Institute of Sciences (LIPI), Jakarta. He has been working in the areas of Poverty, Micro-economics, Social Capital, Banking, etc. Dr. Agus Eko Nugroho has several publications on his credit. He did his PhD from Curtin University of Technology, Australia. He has been conducting research for the government and international organizations.

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## Lao PDR

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### THIENG BOUPHA

Ambassador Thieng Boupba is the Director General of the Institute of Foreign Affairs (IFA), the Ministry of Foreign Affairs (MoFA) of the Lao PDR. He obtained a Master Degree in International Relations from the Moscow State Institute of International Relations in Moscow (MGIMO), URSS (Former Soviet Union) in 1986. After completing his study in Moscow, he started working as an official at Commission for External Relation of Central Committee of the Party. In 1988-1992, Mr. Thieng BOUPHA was an attaché at the Embassy of the Lao PDR to the Republic of Cuba. After his first mission in Cuba, he was assigned to work at the Europe-America Department, Ministry of Foreign Affairs from 1992-1995. Then he was appointed as Second Secretary at the Lao Embassy to Mongolia in 1995-1999, and from 1999-2002 he was the Deputy Director of Americas Division, Europe-America Department, MoFA. In 2002-2005, Mr. Thieng BOUPHA was appointed as a First Secretary (Deputy Chief of Mission) at the Embassy of the Lao PDR to the Republic of Cuba. After his mission in Cuba, he was further serving the Europe-America Department as the Director of Eastern Europe Division from 2005-2007 and the Director of Americas Division, in 2007-2008. Then he was promoted to be Deputy Director General of Europe-America Department from 2008-2011 before he was assigned to be Ambassador Extraordinary and Plenipotentiary of the Lao PDR to the Russian Federation, Belarus, Ukraine and Kazakhstan for 6 years (2011-2016). Since 2017, he has assumed a new position as Director General of the Institute of Foreign affairs, MoFA. Amb. Boupba can speak three languages: Spanish, Russian and English.

### SOMVILAY CHANTHAVONG

Mr. Somvilay Chanthavong is a Research Fellow and international Affairs Coordinator in the International Cooperation Division, Institute of Foreign Affairs, MoFA, Lao PDR. He was assigned to do internship as Third Secretary at the Permanent Mission of Lao PDR to the United Nations in 2016 during the 71st General Assembly Meeting and he also used to intern at the Korean National Commission for UNESCO (KNCU) in Seoul, Republic of Korea in 2012. Mr. Somvilay obtained two Bachelor Degrees, including English literature and Business Administration from the National University of Lao PDR, Lao PDR and a Master Degree in Development Policy on International Relations and Political Economy from the KDI School of Public Policy and Management, Republic of Korea. Mr. Somvilay has also conducted various research papers, such as the Role of Non-governmental Organizations (NGOs) and Civil Society Organizations (CSO) in the United Nations Framework; Lao PDR on its way to the ASEAN Economic Community: Opportunities and Challenges for Developing the Agricultural Goods; and other relevant topics.

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## Malaysia

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### SHANKARAN NAMBIAR



Dr. Shankaran Nambiar is a Senior Research Fellow at the Malaysian Institute of Economic Research (MIER). He has been engaged as a consultant for the Ministries of Finance, International Trade and Industry, and the Ministry of Domestic Trade and Consumer Affairs in Malaysia. He has also been a consultant for UNESCAP, UNDP, UNECLAC, ILO, ADBI, ERIA and JETRO. As a consultant, he has worked on areas such as trade policy, distributive trade, industrial development, competition policy,

and poverty. He is a member of the academic advisory council of the Economic Research Institute for ASEAN and East Asia (ERIA). He has been a visiting scholar at the IMF as well as a member of the Working Group for the Malaysian Export Council. He has contributed to the drafting of the Third Industrial Master Plan and the Malaysian Consumers' Master Plan. Dr. Nambiar has also conducted feasibility studies for international agencies on the US-Malaysia FTA, ASEAN-Pakistan FTA and the ASEAN-India FTA. He has been a resource person for capacity-building programmes sponsored by the UN in Central Asia and Southeast Asia.

## SHAHRIMAN LOCKMAN



Mr. Shahrیمان Lockman is a Senior Analyst in the Foreign Policy and Security Studies Programme of ISIS Malaysia. His research interests include Malaysian foreign policy, Malaysia-Indonesia relations and Asian security. He has published articles in the *New Straits Times*, the *Bangkok Post*, *The Edge* (Malaysia), *The Strategist*, *Japan Spotlight* and the website of the *Bulletin of the Atomic Scientists*. He has also been quoted by publications such as *The Australian* and *The Diplomat*. Shahrیمان is a member of the Malaysian chapter of the Council for Security Cooperation in the Asia Pacific (CSCAP). In 2013, he was among a select group of participants of the U.S. State Department's premier professional exchange programme, the International Visitor Leadership Program (IVLP), on "U.S. Foreign Policy in Southeast Asia." He was a Visiting Fellow at the Asia-Pacific College of Diplomacy at the Australian National University in early 2007. Shahrیمان has a Master of Strategic Affairs from the Australian National University.

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## Myanmar

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## THUTA AUNG



Mr. Thuta Aung is the CEO of HamsaHub Consulting. He was selected as ASEAN Young Business Leader by New Zealand MoFA in 2014. Subsequently he became a Leadership Network Member. He has held appointments as one of the few Myanmar as country manager and country director roles which are typically staffed by Westerners. Mr. Thuta started his academic career as a tutor and later a fellow at Oxford Brookes University in the UK. Mr. Thuta currently gives outside lectures occasionally in the ASEAN and in Myanmar for both private and government institutions.

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## The Philippines

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## FLORIAN A. ALBURO



Dr. Florian A. Alburo is the President of Centre for Advancement of Trade Integration and Facilitation (CATIF), which is a non-governmental organization that seeks to contribute to the understanding and enhancement of trade and economic integration, and to informed policy formulation on trade-related issues. Dr. Alburo has Ph.D. in Economics from University of Colorado. He has research interests in Agricultural

Economics, International Economics, and Monetary Economics. Although formed in 2006, CATIF's members have long established records in research, teaching, IT development, and project management, and maintain linkages with institutions here and abroad. CATIF has worked on various international and domestic projects including two JICA-funded studies of cargo release time in the Philippines, an ADB funded study on Customs, and AADCP-supported projects on ASEAN telecommunications (with the Australian National University and Thailand Development Research Institute) and ASEAN Cargo Processing (with the Centre for International Economics).

## CHARITHIE B JOAQUIN



Prof. Joaquin is a member of the faculty of the National Defense College of the Philippines (NDCP). She is the Course Director for the Module on the Environmental Dimension of National Security. She also served as the Assistant Course Director for the modules on National Security Management, Policy and Environment. Previously, she headed the NDCP's Defense Management Institute (DMI). As the NDCP's main training arm, the DMI conducted short- and medium-term non-degree courses, conferences, lecture series and fora on current security issues. She was also the Deputy Director of the NDCP's Institute for National Security Studies (INSS). She is the Lead Coordinator of the Program on Professional Development for Defense Civilians (PDDC), one of the programs under the multi-year Philippine Defense Reform Program of the Department of National Defense (DND). Prof Joaquin holds a Master's degree in War Studies from King's College, University of London where she received a Merit Award, and a Bachelor's degree in Political Science from the University of the Philippines. She has participated in short courses on strategic studies at the Institute on Global Conflict and Cooperation (IGCC) at the University of California in San Diego, USA (UCSD) and at the Hawaii-based Asia-Pacific Center for Security Studies (APCSS). She is a recipient of the British Chevening Scholarship (2004-2005). Her areas of interest include Military Operations Other Than War, terrorism, terrorist financing, cyber security and strategic studies.

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## Singapore

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## DIPINDER S RANDHAWA



Dr. Dipinder S Randhawa researches issues in the domain of economics and finance. His research interests and publications are on financing issues in infrastructure, micro-finance, the informal sector, constraints on investments, policy analysis and governance. Before re-joining National University of Singapore (NUS), Dr. Randhawa was Deputy Head, Finance Programme, at the School of Business, SIM University. Prior to this, he was Fellow, and Coordinator, Research and Industrial Outreach at the Risk Management Institute, NUS. He has taught at the Department of Finance, NUS Business School. Dr. Randhawa has also taught at the undergraduate, MBA and Executive MBA and in Executive Development Programs in the United States (Syracuse University and the State University of New York), China (University of Shanghai for Science and Technology), Singapore (NUS and SIM University) and Thailand (Mountbatten Institute – Naresuan University Campus). Besides other corporate entities, he has conducted consultation projects for Oxford Economics, Japan International Cooperation Agency (JICA), the Institute of Banking and Finance (Singapore). The transition to the world of academia was preceded by brief stints in banking and public policy analysis. Dipinder received his PhD in Finance from the Whitman School of Management at Syracuse University, and master's degree in Economics from the Delhi School of Economics.



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## Thailand

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### SOPHANA SRICHAMPA



Dr. Sophana Srichampa is the Associate Professor and Chair of Centre for Bharat Studies in Research Institute for Languages and Cultures of Asia, Mahidol University. She was also the Director of the Institute of Language and Culture for Rural Development between 2006 and 2009. She has a background in Vietnamese language and linguistics; language and culture of ethnic groups. She has expanded the scope of her research to include other social, religious and cultural issues related to ethnic groups, diasporic groups and migrant worker groups in Thailand and Southeast Asia. Her academic interests extend to Indian Studies; Managing cultural diversity of specific groups in ASEAN and India; Connectivity from Thailand to India through the Trilateral highway for trade, tourism and people collaboration; Language policy of the migrant workers in ASEAN - India in particular. She is also interested in any new socio-political phenomena in ASEAN, India and the around the world including other related issues affecting the region. She has contributed several research articles in referred international journals, newspapers and magazines.

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## Vietnam

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### NGUYEN HUY HOANG



Dr. Nguyen Huy Hoang is Associate Professor and Director General of the Institute for Southeast Asian Studies – Vietnam Academy of Social Sciences. He obtained his Engineering Degree from Hanoi University of Mining and Geology, Master Degree in Economics from Banaras Hindu University, and PhD Degree in Development Economics from Wageningen University and Research Centre. Professionally, he has been conducting various research projects jointly and individually in various fields, from development studies to political economics, contemporary issues in the Southeast Asia as well as regional integration and international relations. He has numerous publications on development studies, development economics, regional cooperation and integration, and the regional politics and security, and international relations. His current research interests include development economics, political economics, international relations, and regional studies.

### NGUYEN XUAN TRUNG



Dr. Nguyen Xuan Trung is Associate Professor and the Director-General of The Institute for Indian and Southwest Asian Studies (VIISAS), Editor-in-chief of the Journal for Indian and Asian Studies, under Vietnam Academy of Social Sciences (VASS). He has been conferred the title of Associate Professor in Economics since 2016 and Senior Researcher since early 2017. Assoc. Prof. Nguyen Xuan Trung is also a lecturer at Vietnam Graduate School of Social Sciences (GASS), Hanoi. At present, Assoc. Prof. Nguyen Xuan Trung's research interests focus on India's institutional and governance issues, economic reforms and developments and Vietnam – India relations as well as security and strategic issues of India and major powers.

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## India

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### SUSHMA SWARAJ



Mrs. Sushma Swaraj was then the Minister of External Affairs of India. She was born on 14 February 1952 in Ambala, Haryana. She had been elected seven times as a Member of Parliament and three times as a Member of the Legislative Assembly. She was an Advocate by profession and was educated at S.D.College, Ambala Cantt (Haryana) and Department of Laws, Punjab University, Chandigarh. Her alma mater Punjab University had honoured her with the degree of Doctor of Laws (Honoris causa).

Mrs. Sushma Swaraj began her political career with the Akhil Bharatiya Vidyarthi Parishad in the 1970s. She became a member of the Haryana Legislative Assembly and a Cabinet Minister in Haryana at the age of 25 in 1977. She became the President of Janata Party in Haryana in 1979, when she was 27. She was Education Minister, Haryana in the Bharatiya Janata Party-Lok Dal coalition government during 1987-90.

In April 1990, Mrs. Sushma Swaraj was elected as a Member of the Rajya Sabha (Upper House of Indian Parliament) and remained there till 1996. She was elected to 11th Lok Sabha (Lower House of Indian Parliament) from South Delhi Parliamentary constituency in 1996. She became Union Cabinet Minister for Information and Broadcasting in 1996. She was re-elected to 12th Lok Sabha in 1998 from South Delhi Parliamentary constituency for a second term. Again, she was Cabinet Minister for Information and Broadcasting with additional charge of the Ministry of Telecommunications from March-October 1998.

Mrs. Sushma Swaraj resigned from the Union Cabinet to take over as the first woman Chief Minister of Delhi in October 1998. Later, she returned to national politics and was Minister for Information & Broadcasting from September 2000 - January 2003 and Minister of Health & Family Welfare and Parliamentary Affairs from January 2003 to May 2004.

She was honoured with the “Outstanding Parliamentarian Award” in 2004. She is India’s first woman MP honoured with this award.

Mrs. Sushma Swaraj was re-elected to the Rajya Sabha in April 2006 from Madhya Pradesh. She served as the Deputy Leader of BJP in Rajya Sabha till April 2009. She won the 2009 election to the 15th Lok Sabha from the Vidisha Lok Sabha constituency in Madhya Pradesh and became Leader of Opposition in the 15th Lok Sabha in December 2009. She retained this position till May 2014. She was re-elected to 16th Lok Sabha from Vidisha in 2014 and was sworn in as Minister of External Affairs on May 26, 2014.

### PREETI SARAN



Ambassador Preeti Saran has been a member of Indian Foreign Service since 1982. She is Secretary (East), Ministry of External Affairs, India. Previous assignments include, Ambassador of India to the Socialist Republic of Vietnam (September 2013 – February 2016), Consul General of India, Toronto (November 2008 – August 2013), Joint Secretary (SAARC/North), Ministry of External Affairs, New Delhi (November 2005 – November 2008), Counsellor/Minister, Permanent Mission of India, Geneva (August 2002 – November 2005), Counsellor (Press), Embassy of India, Cairo (August 1999-July 2002), Deputy Secretary / Director (Establishment) / East Asia, Ministry of External Affairs, New Delhi (March 1994-July 1999), Second Secretary/First Secretary & Head of Chancery, High Commission of India, Dhaka (March 1989-June 1992), Under Secretary (ICCR/ AMS), Ministry of External Affairs, New Delhi (January 1986-February 1989), Third Secretary/Second Secretary (Culture), Embassy of India, Moscow (January 1984-December 1985).



## SACHIN CHATURVEDI



Prof. Sachin Chaturvedi is Director General at the Research and Information System for Developing Countries (RIS), New Delhi. He was also a Global Justice Fellow at the MacMillan Center for International Affairs at Yale University. He works on issues related to development cooperation policies and South-South cooperation. He has also worked on trade and innovation linkages with special focus on WTO. Dr. Chaturvedi has served as a Visiting Professor at the Jawaharlal Nehru University (JNU) and has also worked as consultant to the UN Food and Agriculture Organization, World Bank, UN-ESCAP, UNESCO, OECD, the Commonwealth Secretariat, IUCN, and to the Government of India's Department of Biotechnology and the Ministry of Environment and Forests, among other organizations. He has been a Developing Country Fellow at the University of Amsterdam (1996), Visiting Fellow at the Institute of Advanced Studies, Shimla (2003), and Visiting Scholar at the German Development Institute (2007). His experience includes working at the University of Amsterdam on a project on International Development Cooperation and Biotechnology for Developing Countries supported by the Dutch Ministry of External Affairs. Dr. Chaturvedi has also been a member of the IGSAC Committee of Experts for evolving a framework for cooperation on conservation of biodiversity in the SAARC region, as well as a member of the Editorial Board of *Biotechnology Development Monitor* (the Netherlands); Editor of *Asian Biotechnology Development Review* (New Delhi). He has authored two books and edited four books apart from publishing several research articles in various prestigious journals.

## MRIDUL HAZARIKA



Prof. Mridul Hazarika is the Vice-Chancellor, Gauhati University, Gauwahati. Dr. Hazarika has been working as the chief Scientist at the Science Foundation for Tribal and Rural Resource Development in Bhubaneswar. He is also a visiting professor of School of Applied Sciences, Cranfield University of UK and has held several important positions earlier including that of the director of Tea Research Association Tocklai Experimental Station. He is also the recipient of several awards, including National Merit Scholarship, 1967, Rajiv Gandhi Rashtriya Ekta Samman, 2012 and Mahatma Gandhi Samman (Gold Medal), 2012. Hazarika hails from Nasoni Chuk, Club Road, Jorhat.

## PRADEEP CHAUHAN



Vice Admiral Pradeep Chauhan is the Director General of the National Maritime Foundation (NMF). He has had an extremely distinguished four-decade-long career in the Executive Branch of the Indian Navy. During his period, he undertook a three-year deputation to the Government of Mauritius, where he conceptualised, set up and commanded the Mauritius National Coast Guard; Head of Training Team (Navy) at the Defence Services Staff College, Wellington; the principal evaluator of the Navy's battle-tactics; Principal Director of Naval Operations; held as four sea-going commands, including that of the guided-missile frigate, the INS Brahmaputra and the aircraft carrier INS Viraat; the Navy's first Assistant Chief of the Naval Staff (Foreign Cooperation & Intelligence), where he was hugely successful in positioning the Navy firmly within India's diplomatic and strategic initiatives; conceptualised and executed the Indian Ocean Region's first international maritime security construct of the 21st Century, viz., the Indian Ocean Naval Symposium (IONS); Chief of Staff of the Western Naval Command from 2009 to 2012; commanded the new and state-of-the-art Indian Naval Academy at Ezhimala (Kerala) until his retirement on 30 November 2013. He has also contributed several research articles and papers published in a both Indian and foreign journals and magazines. His latest book, entitled "India's Maritime Strategy", is presently in its final stages. He is also a well-respected adviser to other important think-tanks such as the Ananta-Aspen Centre and the Centre for Advanced Strategic and Security Studies.

## DESMOND L KHARMAWPHLANG



Dr. Desmond L Kharmawphlang is a Professor at the Department of Cultural and Creative Studies, North-Eastern Hill University, Shillong. Mr. Kharmawphlang has more than 65 (sixty five) academic papers published in national and international journals including the *Journal of Indian Folkloristics*, Mysore, *Folklore Research Journal*, Kolkata, Indira Gandhi National Centre for the Arts, New Delhi, Oxford University Press, Indira Gandhi Rashtriya Manav Sangralaya, Bhopal, *Folklife*, Chennai, Sahitya Akademi, *Hellenic Society*, Athens, Association for Asian Studies, *Marg*, Mumbai, Harper Collins etc. He has represented India in International Conferences held in Switzerland, UK, Republic of Ireland, Norway, USA, Finland, Greece and China.

## SHANKARI SUNDARARAMAN



Dr. Shankari Sundararaman is Professor of Southeast Asian Studies and currently Chairperson at the Centre for Indo-Pacific Studies, School of International Studies, Jawaharlal Nehru University (JNU). She joined the Jawaharlal Nehru University in 2003. Prior to this she worked as a Research Officer and Research Fellow at the Institute for Defence Studies and Analyses (IDSA) from 1997 to 2003. She was a Visiting Fellow at the Asia-Pacific College of Diplomacy (APCD) at the Australian National University (ANU), Canberra from May to July 2005, where she worked on the trilateral relations between India, Indonesia and Australia. She was also a Visiting Fellow at the Centre for Strategic and International Studies (CSIS), Jakarta in 2006-2007. She is the author of several journal articles, chapters in books as well as a book titled *Cambodia: The Lost Decades*.

## RUPA CHANDA



Dr. Rupa Chanda is the RBI Chair Professor in Economics at the Indian Institute of Management Bangalore. She has been a faculty member at IIM Bangalore since 1997 and teaches courses in Macroeconomics and International Trade. She received her PhD in Economics from Columbia University and her Bachelors from Harvard University. She is a recipient of several teaching awards and distinctions. Earlier, she worked as an Economist at the IMF in Washington, DC. Her research interests concern the WTO, international trade in services, regional integration and migration. She has received several research grants and has undertaken research and consulting assignments for many international and Indian organizations. She is a member of several committees in India and was appointed member of the WHO's 2015 Expert Committee on International Health Regulations. She has published books, journal articles, book chapters and reports and has presented her work both nationally and internationally.

## PARUL PANDYA DHAR



Dr. Parul Pandya Dhar is Professor of South and Southeast Asian Art History at the Department of History, University of Delhi, where she researches and teaches premodern Indian art history and connected histories of Asian art. She has authored *The Tora in Indian and Southeast Asian Architecture* (2010), edited *Indian Art History: Changing Perspectives* (2011), and co-edited *Temple Architecture and Imagery of South and Southeast Asia* (2016), *Asian Encounters: Exploring Connected Histories* (2014), and *Cultural Interface of India with Asia: Religion, Art and Architecture* (2004). She has been invited to serve as jury member, peer reviewer, and editorial board member for international

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## C VEERAMANI



Dr. C Veeramani is Professor at the Indira Gandhi Institute of Development Research (IGIDR), Mumbai. He has been working on trade policy with particular reference to Asian economies. His areas of interests are International Trade, Applied Partial and General Equilibrium Models, Trade and Growth, Industrial Development, Foreign Direct Investment, Trade Policies and Performance in India, Plantation Agriculture, etc. He has published several research papers in international journals and written several books on trade and development economies. He did his MPhil and PhD in Economics from Jawaharlal Nehru University (JNU), New Delhi. Dr. Veeramani is also the Editors of *Journal of Indian Business Research* and *Journal of Quantitative Economics*.

## PRABIR DE



Dr. Prabir De is a Professor at the Research and Information System for Developing Countries (RIS), New Delhi. He is also the Coordinator of ASEAN India Centre (AIC) at RIS. Dr. De works in the field of international economics and has research interests in international trade and development. He was a Visiting Fellow of the Institute of Developing Economies (IDE-JETRO), Chiba; Asian Development Bank Institute (ADBI), Tokyo; and visiting Senior Fellow of United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Bangkok. He has been conducting policy research for the Government of India and several international organizations. Prof. De has a Ph.D. in Economics from the Jadavpur University, Kolkata. He has contributed several research papers in international journals and written books on trade and development. His recent publications include "Myanmar's Integration with the World: Challenges and Policy Options (Palgrave Macmillan, 2017) and "Celebrating the Third Decade and Beyond: New Challenges to ASEAN – India Economic Partnership" (Knowledge World, 2016).



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## **GLIMPSES OF THE ROUNDTABLE**



# Glimpses of the Roundtable

## Inaugural Session



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## Session I: Maritime Security and Cooperation

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## Session II: Services Trade and Investment

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## Session III: Cultural Heritage

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## Session IV: Educational Cooperation

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## Session V: Way Forward: AEC 2025 and India

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## Valedictory Session

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## About the AINTT

The increasing complexity of the global economic environment makes it imperative to establish an effective network of institutions, media and business houses involved in the policy dialogue, which can generate considered documents for policy-makers to take informed decisions. With the Free Trade agreement (FTA) between India and the ASEAN effective from 1 January 2010, India-ASEAN partnership has taken a new shape. In 2017, the ASEAN and India celebrate their 25 years of dialogue partnership and 15 years of summit- level interaction.

India's engagement with the ASEAN is at the "heart" of its Act East Policy. We are convinced that India's future and our economic interests are best served by greater integration with our Asian partners. The implementation of the ASEAN-India FTA in 2010 has opened up new vistas of trade cooperation between the two partners. With both sides showing active interest to deepen and widen process of economic integration through agreements on services, investment, etc., there would be an increasing array of issues on culture, connectivity and commerce, which need to be addressed to strengthen partnership between India and the ASEAN. Deliberations between these organisations would help provide well -considered policy inputs to the governments.

Promoting a long-term cooperative partnership based on equality, shared ownership and mutual respect would enable both India and the ASEAN achieve long- term national and regional development goals. To realise this objective, policy dialogue among relevant institutions, media and business community from India and the ASEAN assumes utmost importance. These deliberations would not only help in promoting awareness about the potential of the India-ASEAN partnership, but would also help in exploring new vistas for strengthening regional cooperation.

The Roundtable of the ASEAN-India Network of Think-Tanks (AINTT) is an outcome of Indian Prime minister's Statement at the 7th India-ASEAN Summit, where he suggested establishment of an India-ASEAN Roundtable, comprising think-tanks to bridge knowledge gap. One of the primary objectives of this Roundtable is, therefore, to provide policy inputs to the governments of India and the ASEAN countries on the future areas of cooperation. The RIS was identified as the nodal point from India to organise the Roundtable. Another purpose of the interaction between think-tanks is to deepen the ASEAN-India partnership through policy research and advocacy. The RIS envisages this forum as high quality research platform for the policy-makers, academics, professionals, and the research communities. The last four roundtables of the AINTT were held at New Delhi (2012), Vientiane (2013), Hanoi (2014) and Kuala Lumpur (2015).

The RIS has been involved in interacting with think-tanks, particularly from the ASEAN region, for a number of years. The first major initiative in this regard was the International Conference that RIS organized in 2004 on ASEAN-India Vision 2020 at New Delhi on behalf of the ASEAN-India Network of Think-Tanks (AINTT).

The AINTT was formed following a decision taken by the Leaders of the ASEAN and India at their First Summit, held in November 2002. Besides coordinating with think-tanks as a part of the India-ASEAN engagement, the RIS is also actively involved in several other think-tank networks. These include Economic research Institute for ASEAN and East Asia (ERIA); Asia-Pacific Research and Training Network on Trade (ARTNeT), coordinated by UNESCAP; and BIMSTEC Network of Policy Think-Tanks, among others.

The AINTT Secretariat is located at the ASEAN-India Centre (AIC) at the RIS. To know more about this network, please contact Dr. Prabir De at [prabirde@ris.org.in](mailto:prabirde@ris.org.in) or Dr. Durairaj Kumarasamy at [durairaj@ris.org.in](mailto:durairaj@ris.org.in).



## About RIS

Research and Information System for Developing Countries (RIS) is a New Delhi-based autonomous policy research institute that specialises in issues related to international economic development, trade, investment and technology. RIS is envisioned as a forum for fostering effective policy dialogue and capacity-building among developing countries on global and regional economic issues.

The focus of the work programme of RIS is to promote South-South Cooperation and collaborate with developing countries in multilateral negotiations in various forums. RIS is engaged across inter-governmental processes of several regional economic cooperation initiatives. Through its intensive network of think tanks, RIS seeks to strengthen policy coherence on international economic issues and the development partnership canvas.

For more information about RIS and its work programme, please visit its website: [www.ris.org.in](http://www.ris.org.in)

*Research shaping the development agenda*

## About AIC

ASEAN-India Centre (AIC) has been working to strengthen India's strategic partnership with ASEAN in its realisation of the ASEAN Community. AIC at RIS undertakes research, policy advocacy and regular networking activities with relevant public/private agencies, organisations and think-tanks in India and ASEAN countries, with the aim of providing policy inputs, up-to-date information, data resources and sustained interaction, for strengthening ASEAN-India Strategic Partnership. For more information about AIC, please visit its website: <http://aic.ris.org.in>



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विकासशील देशों की अनुसंधान एवं सूचना प्रणाली



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