



Mains Practice Question

Q. Act East Policy can only be successful if apprehensions of ASEAN nations are resolved. Discuss with the relevant examples. (150 words)

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Approach

- Briefly discuss Act East Policy in introduction.
- Highlight ASEAN's apprehensions in the region.
- Highlight steps taken by India to overcome such apprehensions.

Introduction

Act East Policy of India, apart from focusing on ASEAN countries and economic integration also includes East Asian Countries and security cooperation. ASEAN as a group contributed almost 16% of total FDI flows to India between 2010 and 2016. Notably, the two-way trade between India and ASEAN is tilted towards ASEAN with the trade gap expanding rapidly.

Body

ASEAN's Apprehensions

- **India's RCEP exclusion:** ASEAN nations support for greater integration among themselves and with their FTA partners highlighted in RCEP. India wants to include services also in the pact. Various other issues involved are- unfavourable balance of trade, non-acceptance of auto-trigger mechanism, protection of domestic industry (dairy and steel), lack of consensus on rules of origin, etc. This may challenge ASEAN nations economy as India has robust human resources for the service sector.
- **Regional net security provider:** ASEAN nations face **regional security threats** from Chinese aggressiveness in the South China Sea for territorial domination. South-East Asian nations have been wanting a major country like India to play a greater role in balancing the security architecture in the region.
- **Belt and Road Initiative (BRI):** ASEAN nations have supported China's BRI initiative as this will further integrate their economy with the region and world. India has not joined the initiative due to sovereign issues, while ASEAN nations want India to provide for greater physical connectivity with the region.
- **Prevailing inequality in the region:** There is inequality among ASEAN nations like Laos, Cambodia, Vietnam are less developed than Indonesia, Malaysia, Singapore. India would have to balance out its relations at bilateral level also.

There are various measure that India can take to overcome such apprehensions of ASEAN nations:

- **Security co-operation** at bilateral levels like military exercises, for example Garuda with Indonesia, cooperation and development of blue economy in South China Sea, export of defence equipment to enhance their defensive capabilities, regional grouping like Quad. This would help counter Chinese aggressiveness.

- **Increasing physical connectivity** like Trilateral highway, development of Sittwe port in Myanmar, infrastructure projects in Myanmar.
 - Alternative to BRI and providing market and connectivity with South Asia by BIMSTEC grouping.
- **Bilateral engagements** with countries like Vietnam, Cambodia in helping develop their capacity and compete with other Asian giants.

Way Forward

- The success of India's Act East Policy, will depend upon connectivity projects in India's **North East region**.
 - Therefore, India should expedite the connectivity projects like India-Myanmar-Thailand Trilateral Highway and Kaladan Multi-Modal Transit Transport Project.
- While pursuing Act East Policy India must work on its niche advantage i.e. cultural and civilizational.
 - These cultural and civilizational linkages are dated from ancient times (spread of Buddhism and Hinduism).
- Such measures can help in tackling apprehensions of ASEAN nations. This will help India encash upon its Act East Policy by greater economic integration, security co-operation and involvement with East Asian nations also.

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