CHAPTER I

INTRODUCTION

The purpose of the present work is to describe how and attempt to explain why India and the ASEAN region since 1991 have been gradually moving from mutual indifference towards positive interdependence. This is a study of India’s interaction with the entire ASEAN region as part of its ‘Look East’ policy launched since 1991 and not a study of its bilateral relations with each of the ASEAN member states.

India and Southeast Asian nations have maintained commercial and cultural ties since ancient times. But with the advent of the European colonialism in the sixteenth century, the historical linkages had got almost frozen for the next four centuries. The contacts were revived at the beginning of the twentieth century during the common struggle for freedom from colonialism. India’s first Prime Minister Jawaharlal Nehru, a firm believer in Asian solidarity and unity, launched initiatives to bring the Asians together. But India gradually reduced its profile in the Southeast Asian affairs after the 1955 Bandung Conference.

Indonesia, Malaysia, the Philippines, Singapore, and Thailand meanwhile established the ASEAN (Association of Southeast Asian Nations) in August 1967. But India’s relations with the ASEAN continued to remain at low point during the 1960s and 1970s owing to the tensions of the Cold War. The prospects for closer relationship between India and the ASEAN have brightened during the late 1970s. The first meeting at the official level
between India and the ASEAN was held in May 1980. However, the newly established relationship proved to be short-lived. The July 1980 decision of India to recognise the Heng Samrin regime in Cambodia was severely criticised by the ASEAN and the relations were almost frozen during the 1980s. Thus, the India-ASEAN relationship remained hostage to the global ideological conflict during the Cold War.

However, with the advent of the 1990s, a fundamental transformation has taken place in the mutual perceptions of India and the ASEAN and both sides began to adopt a positive attitude in their interactions. With the adoption of 'Look East' policy in 1991, the previously neglected eastern neighbourhood has started receiving due attention from Indian policy makers. This policy coincided with the efforts of the ASEAN member states to diversify their relations. Thus, they accorded a higher priority to each other by reorienting their foreign policies.

In January 1992, India became a sectoral dialogue partner of the ASEAN to cooperate in the sectors of trade, investment, science and technology and tourism. The sectors of human resources development, infrastructure and people-to-people interaction were added to the cooperative agenda when India became a full dialogue partner in December 1995. They have established institutional mechanisms for cooperation in various sectors. By gaining the membership of the ASEAN Regional Forum (ARF) in July 1996, India moved further closer to the ASEAN reflecting their growing positive interdependence to attain common objectives. With Myanmar becoming a member of the ASEAN in July 1997, India and the ASEAN now share common
land and maritime boundaries. So the developments in the ASEAN region have a vital bearing on the economic and strategic interests of India.

The ASEAN region, notwithstanding the 1997 economic crisis, is the most advanced within the developing world. It accounts for the maximum amount of Indian investment abroad and the maximum number of Indian joint ventures. Thailand, Singapore and Malaysia were among the top investors in India till July 1997. The presence of the largest number of Overseas Indians including many potential investors in the ASEAN region is another important binding factor. Furthermore, the ASEAN countries have also started paying more attention to India in an effort to diversify their economic and strategic linkages in the region. The huge market in India offers a lot of scope for exports and investments from the ASEAN countries.

The 'China factor' figures prominently in the strategic calculations of India and the ASEAN states. The growing influence of the Chinese has transformed Myanmar from being a background constant into a foreground variable in the strategic assessments of India and ASEAN. The launching of IOR-ARC (Indian Ocean Rim-Association of Regional Cooperation which includes India, Indonesia, Malaysia and Singapore) in March 1997 and BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka, Thailand-Economic Cooperation) in June 1997 has further multiplied the number of linkages between India and the ASEAN. Thus, the existence of multiple linkages between India and some of the ASEAN countries through their overlapping membership in the Commonwealth, NAM, G-15, IOR-ARC, and BIMST-EC and so on made it all the more important to study India-ASEAN relations in the evolving world
order. It is in this general context that the present study examines the evolving relationship between India and the ASEAN region since the dawning of a new partnership in 1991.

The inquiry into the India-ASEAN relationship has raised the following questions. Why is it that India and ASEAN that were indifferent towards each other’s concerns earlier have started changing their perceptions and launched cooperative initiatives? What are the common interests that required them to cooperate in various issue-areas? Are these interests sustainable and consequently will the partnership be a long-lasting one? What are the various factors impinging upon these interests? What are the visible changes in the patterns of interactions between India and ASEAN since 1991? What roles can the governments and the private sector play to foster closer cooperation? In other words, what are the prospects and limitations in the evolving relationship between India and ASEAN in various sectors? By focusing on the changing patterns of interaction in various sectors, this study attempts to provide answers to the above questions.

Many studies stressed the importance of the ASEAN to India but not vice versa. So the present study highlights the benefits that may accrue to the ASEAN countries by enhancing cooperation with India. The study deals with the role of domestic factors, which have not received proper attention, in promoting or inhibiting cooperation between India and the ASEAN. By focussing on India’s policy towards ASEAN since 1991, the study also observed the broad shifts that have taken place in the formulation and implementation of India’s foreign policy in the post-Cold War era.
Thus, the purpose was to undertake a multi-dimensional study covering all the sectors in an effort to assess the multiple linkages existing between India and the ASEAN region. Accordingly the chapters in this study assess the progress of India-ASEAN relations since 1991 and discuss their politico-strategic, economic, and socio-cultural aspects.

The general objective of the study is to examine the changing trends in India-ASEAN relations since 1991. The specific objectives are:

To examine the political factors that changed the mutual perceptions and the policies of India and the ASEAN states and the initiatives launched by them towards forging a new relationship.

To examine the strategic perceptions and policies of India and the ASEAN and the trends in their defence cooperation to face common security threats (both conventional and unconventional).

To examine the progress in the India-ASEAN economic relations in the light of various steps initiated by the governments and the private sector.

To examine the policy initiatives launched by India and the ASEAN states to enhance people-to-people interaction.

The proposed study has tested the following hypotheses:

The end of the Cold War has created a political environment conducive to the development of a positive relationship between India and the ASEAN.

The presence of common traditional and non-military threats to the security of India and the ASEAN states has led to greater convergence in their strategic perceptions and policies.
The liberalisation of the Indian economy and the regionalisation drive of the ASEAN economies have facilitated greater interaction in various sectors.

The efforts of the governments of India and the ASEAN countries to create and strengthen societal linkages have broadened and deepened their relationship.

**Significance of the Study**

The reorientation of India's foreign policy in 1991 and the subsequent initiation of 'Look East' policy according higher priority to the ASEAN region has sowed the seed for this study. This study explores India’s foreign policy as international relations are being reconfigured after the end of the Cold War in the form of rise of geo-economics, increasing emphasis on human security, diminishing prospects of war among great powers, and rising concerns about non-military threats. The present study may be considered as a case study of Indian foreign policy the way in which it has been evolving since 1991, especially with special reference to a neighbouring region. One of the most significant changes that have taken place in the Indian foreign policy at the end of the Cold War is in relation to the ASEAN region. The ASEAN region has acquired a higher priority in the Indian foreign policy agenda and has been receiving sustained focus since 1991. The year 1991 has turned out to be the most significant year in the contemporary history of India since its independence in 1947 after a long colonial rule. The economic reforms initiated by a minority Congress government headed for the first time by a person outside the Nehru-Gandhi dynasty had far reaching implications for
every sphere of life in India. There is virtually no facet of Indian life that has remained untouched by these reforms. The then Prime Minister, P. V. Narasimha Rao has remarked that 1991 might be termed as the second independence year. The birth of an independent India in 1947 has coincided with the origins of the Cold War between two antagonistic ideological systems. India, though formally independent, did not have much manoeuvrability in dealing with the external world like any other nation during the Cold War era. It was subjected to pressures—real and imaginary—from both parties to the conflict. Though India had the option of choosing either side, it had attempted to remain non-aligned in order to acquire and maintain some independent space for itself. It was only after the formal end of the Cold War in 1991 that India, for the first time in its contemporary history, has possessed relatively greater freedom to chart its own course of action best suited to its interests internally as well as externally.

**Foreign Policy Analysis: Theoretical issues**

Mono-causal explanations cannot adequately capture complex social processes. As a result the present study has taken recourse to multi-causal explanations to provide a broader picture. The present work has made an effort go beyond description and sought an explanation of how and why has India-ASEAN partnership been progressing since 1991.

Charles F. Hermann has summed up the trends in foreign policy analysis over the years in the following way. The earlier studies of foreign policy were guided by the hegemony of positivism, realism, general/grand theory, and parsimony. The distinguishing features of the contemporary
studies are multi-level & multi-causal explanations, contextuality, middle-range theories, and bridging to other fields.¹

Almost the entire theoretical literature regarding foreign policy analysis deals with the foreign policies of the advanced industrialised states in the international system. So the theoretical models that were designed to explain the interaction among the Western states and the interaction among the core states in the northern hemisphere are of little utility. Articulating these concerns, Jeanne A.K. Hey says:

Many students of the foreign policy of Third World, dependent, and small states have lamented the fact that most theoretical models in foreign policy analysis have been developed to explain the behaviour of the First, and to a lesser extent, the Second Worlds. Too often the foreign policy of weak states is viewed as the manifestation of those states’ inferior position within the international system. Their leaders are left to react to global events and to resign themselves to an ineffective position in world affairs. According to this position, their low status on the global ladder overwhelms other explanatory factors of their foreign policy.²

Even those theoretical studies that deal with the foreign policy behaviour of the peripheral states focus more on their relationship with the core states than with the fellow peripheral states in their own region.

Exposing the limitations of realism as an explanatory tool in the analysis of foreign policy behaviour of peripheral states, Bruce Moon argues that, “realism’s success in dealing with politicomilitary interactions among stable and homogenous developed nations was sufficient in an era dominated


by the Eurocentric "high politics" vision of international relations." He suggests:

Realism fares less well the further it is removed from the Eurocentric core and the national security issue area where it was born, especially when it is held to the higher standard of predicting precise behaviour. This is so simply because the implicit assumptions concerning the nature of the state upon which realism is built are less plausible outside the core and less relevant outside national security issues... Realism focuses upon the state's outward behaviour but largely ignores its origins, its composition, and its relations with civil society. As a result, the realist state has an ironically unrealistic essence.  

The foreign policy behaviour of a non-core state cannot be adequately understood within the realist framework, as it often pursues strikingly different objectives and priorities. Moreover, even if objectives are similar, they may be pursued in very different policy arenas. For example, legitimation and capital accumulation may be met by domestic policy in the core, but they are more likely to be pursued in the foreign policy realm by the non-core state. So for the peripheral state, "the economic arena will become a more central priority of state policy while economic considerations will come to dominate other goals, especially in the foreign policy realm." Accordingly, the present study emphasises the "low politics" of economic, technological, and cultural cooperation than merely "high politics" of military security.

The foreign policy agenda in the peripheral states is conditioned more by the domestic environment than the international environment. They lack the required resources to advocate their agenda in the international system.

4 Ibid. pp-188-89.
5 Ibid. p. 195.
They pursue more modest goals than the advanced states. They focus more on peace and development in their own region.

The economic dependence of the peripheral states leads them to compliance in the foreign policy sphere. With the result, the dependent states put into service the foreign policy preferences of their principal aid/credit/trade/investment partner. For instance, the foreign policy behaviour of the ASEAN states during the Cold War era was closely intertwined with that of their partners from the West and Japan. The same holds true for the Vietnamese foreign policy behaviour until the end of the Cold War era. It is only when they felt that they came into their own by the early 1990s that they began taking independent initiatives in the foreign policy sphere.

Furthermore, the realist framework has clear limitations to account for the strategic practice of the Asian states. Muthiah Alagappa argues:

The security practice in Asian states is often a product of the interplay of ideas, interests, and power. No single international relations theory or paradigm can effectively capture and explain the various features. The realist paradigm continues to be salient, but it has to be supplemented with insights from other international relations theories as well as from theories that deal with state-society interaction.6

However in complete contrast to these formulations about the international relations among non-core states, are the following arguments that presume the validity of the realist ideas in the periphery. The carrying out of the agenda of other ministries abroad is the raison d'etre of the foreign ministry of any nation. In most of the post-colonial states, the agenda of the foreign ministry is dominated by national security considerations

defined in a very narrow manner owing to the all-pervasive sense of insecurity prevailing in them. This feeling arises out of limited legitimacy of the ruling elites, limited reach of the state in the society, insecure national identities. These are further compounded by territorial disputes with neighbours owing to the artificial nature of the borders.

The end of the Cold War era has fundamentally transformed the international relations. Describing the contemporary international system in the early 1990s, John M. Rothgeb says:

...the world appears to be divided into at least two parallel international universes that, while they exist together in the same international time-space, operate by very different sets of foreign policy rules. In the West, one has highly stable societies where foreign policy increasingly is devoted to fine-tuning and managing relations among highly interdependent countries that cannot afford to coerce another. For non-Western countries, the threat of domination, both military and economic, and the absence of the benefits of interdependence and of the domestic stability found in the West place the prospect of coercion more squarely on the foreign policy agenda.7

Dividing the world into "core" and "periphery" in the post-Cold War era, James M. Goldgeier and Michael McFaul argue, "realism will still be helpful in examining the behaviour of states within regional systems outside of the economic and political core."8 In the core, the growing homogeneity of norms and ideas about the domestic and international nature of politics and economics has lessened the security dilemma. A high level of societal consensus has developed on certain organising principles such as democracy

and economic liberalism. Conflicts may not disappear, but they are not resolved by resorting to use of military force.

In the periphery, the existence of a number of states with radically different governments, economies, cultures, ethnic groups and religions has prevented the growth of shared norms. The end of the Cold War rivalries has serious implications for the periphery, especially in the security sphere. The core states will not intervene to preserve security of peripheral states unless vital interests like access to oil and strategic mineral supplies are threatened. Hence the peripheral states will have to devise their own solutions for containing conflict and enhancing security within their own societies and regions.

The present study deals with the interaction between India and the ASEAN states that are located in non-western setting and in the southern hemisphere. As they are located in the periphery of the global system, their foreign policy goals and strategies are likely to be different from those of the core states. So the politics between India and ASEAN may be characterised more as an endeavour for development than as a ‘struggle for power’. In other words, it is appropriate to state that they define their national interests more in terms of development than power.

An alternative conceptualisation of India’s neighbourhood is essential to understand the new eastward orientation of India’s foreign policy since 1991. Nations, like individuals, do not adopt same approach towards all their neighbours. So it is inappropriate to label the external behaviour of a nation as exclusively realist or liberalist. On the one hand, the Indian foreign policy
makers view Pakistan and China primarily through the realist lens. On the other hand, their approach towards the neighbouring ASEAN region follows the principles of the liberal institutionalism and to some extent, constructivism. While India’s efforts since 1991 to become a dialogue partner of the ASEAN and a member of the APEC, ARF, and ASEM contain elements of liberal institutionalism, its endeavours to forge a common identity with the ASEAN contain elements of constructivism. Moreover, it enthusiastically responded to the initiative of Thailand to launch a regional cooperation forum, the BIMST-EC, in June 1997 and it launched its own initiative, the Mekong-Ganga Cooperation (MGC) forum, in November 2000 to institutionalise its cooperative ventures with its eastern neighbours in the ASEAN region.

**Conceptual issues**

**Positive Interdependence**

Karl W. Deutsch explains the concept of interdependence and its dimensions thus:

If a change occurs in country $A$ that is experienced as rewarding there, and if it is followed by a rewarding change in $B$, and if changes that are bad for $A$ are followed by changes that are bad for $B$, and vice versa, then we may speak of a positive interdependence, or, ... a positive covariance of rewards. But if interdependent changes that are good for $A$ are bad for $B$, and vice versa, then we may speak of a negative covariance of rewards, and we call this kind of interdependence negative. ... strong positive interdependence tends to support solidarity; strong negative interdependence tends to promote conflict; and weak interdependence tends to make but little difference either way.\(^9\) (Emphasis original)

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Positive interdependence is the outcome when it is perceived by both sides that what is best for India, for instance, in terms of security, is best for ASEAN. Negative interdependence is the outcome when it is perceived by both sides that what is best for India, for instance, in terms of security, is worst for China. To put it simply, nations see each other as collaborators in a situation of positive interdependence and as competitors in a situation of negative interdependence. The political leadership plays crucial role in characterizing the situation as positive or negative. India and ASEAN, by the early 1990s, have recognised that they share a relationship of interdependence. Since then they have gradually initiated a series of steps to forge a long-term partnership.

**Historical Background**

The objective of this section is to provide an overview of the interactions between and India and the ASEAN region prior to 1991. The enormity of the subject under discussion enables us to provide only a broad review of the relationship between India and Southeast Asia prior to the end of the Cold War. So it is beyond the scope of this section to discuss bilateral relations between India and each country of Southeast Asia. The discussion would focus on the political dimension owing to its primacy during the Cold War era. Our effort in this section is two-fold: firstly, it would highlight the deleterious impact of the Cold War dynamics that had effectively distorted the mutual perceptions of India and the ASEAN and created hurdles on the path to forge a mutually beneficial relationship. Secondly, it would show how the
virtual absence of economic content in India’s foreign policy also contributed to the lack of substance in its relationship with ASEAN till 1991.

The significant influence of India on the pre-colonial Southeast Asia is evident from the fact that many authors used terms like 'Greater India', 'Further India' to refer to Southeast Asia. Michael Brecher, describing the role of extra regional powers in Southeast Asia in the pre-colonial era, characterised the Chinese and Indian impacts as “the presence of relatively powerful peripheral states” whose power gave them “de facto membership” in the system.10

Many Southeast Asian states of the ancient and medieval era derived significant benefits given their location in the trade routes between India and China. In the pre-colonial era, small Southeast Asian states through the control of sea route transformed themselves into larger empires. The rise of the port city state of Srivijaya between the seventh and thirteenth centuries attests to this trend. The command over the sea route between India and China, especially control of the Straits of Malacca, was the basis of its strength and prominence. Malacca, Aceh, Penang and Singapore, all port city-states, followed this example in later periods.11

The robust maritime trade linkages that existed among various ancient and medieval states of India and ASEAN region were snapped with the arrival of the Europeans on the Asian scene in the seventeenth century. Both sides subsequently passed into the colonial empires of the British, Dutch, French,

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Spanish, and the Portuguese. The worldview of the people in these lands had been altered to such an extent that they started looking towards their respective colonial masters for political ideas and economic development. As they were not in control of the events, they could not interact much with their immediate neighbours. With the result, the age-old maritime and land connections among them got disconnected.

The Indian nationalist movement had a beneficial impact on the liberation of the Southeast Asian countries from the colonial rule. Nationalist movements in Southeast Asian countries looked to, apart from others, Swaraj and non-cooperation movement in British India for inspiration. Prior to India's independence, there were contacts between the leaders of India and those of Southeast Asia, united as they were in their common struggle against colonialism and imperialism. The national leaders from India sought the support of the Indian immigrant communities settled in Malaya. The creation of the Indian National Army (INA) by Netaji Subash Chandra Bose during the Second World War is the clearest manifestation of the linkages established between India and overseas Indians during the freedom struggle.

The relationship between India and the ASEAN region from the independence to the end of the Cold War era may be broadly categorised into three phases on the basis of the intensity of interaction, viz. 1947-55 (Engagement), 1955-85 (Disengagement), and 1985-91 (Prelude to Reengagement).
1947 – 1955: Engagement

This phase was marked by the revival of contacts between India and Southeast Asia and efforts to create pan-Asian regional associations. It was also the period of high points in their relationship. Jawaharlal Nehru was an ardent advocate of Asian unity. The idea of an Asian Union was present in India much before 1947. Under his leadership, India convened the Asian Relations Conference in March 1947, that is five months ahead of attaining its independence. India took up the cause of Indonesia's independence in 1947. Even before securing its own freedom India made earnest efforts for the early realisation of freedom of Indonesia from the control of the Dutch colonial regime. It convened an international conference in 1949 to support Indonesia's freedom struggle. India also played a crucial role in the Geneva Accords of 1954 regarding the future of Indo-China. The Southeast Asia Treaty Organization (SEATO) Pact of 1954 launched the Cold War politics formally in Asia that subsequently had adverse implications for the relationship between India and ASEAN. The Bandung Conference of April 1955 marked the zenith of India's engagement with Southeast Asia. Nehru’s active interest in the Southeast Asian affairs declined after the Bandung Conference in 1955. Consequently, Southeast Asia became an area of secondary importance in the Indian Ministry of External Affairs. India's main

objective since its independence in Southeast Asia was to assist the creation and support the maintenance of independent states in the region. Paradoxically, in pursuing that objective India had to face the dilemma that doing anything concrete to that end would also tend to defeat it, because India could be regarded as a powerful alien influence in the area.\textsuperscript{14}

1955-1985: Disengagement

This phase provides ample evidence for the pernicious impact of the ideological conflicts that were so pervasive during the Cold War era. India and Southeast Asian nations were caught up in the Cold War politics and could not prevent the extraneous factors from distorting their mutual relationship. This phase marked the beginning of the period of low points in the relationship. The interest in each other waned and both sides drifted apart. On the one hand, India was advocating non-alignment (NAM) as the ideal foreign policy approach for other Third World nations to avoid getting sucked into the vortex of Cold War power politics. On the other hand, Southeast Asian nations were becoming part of the bloc politics. As Thailand and the Philippines were part of SEATO, their interests clashed with the non-aligned stance of India. Malaysia and Singapore became part of another western-alliance, the AMDA, that later became FPDA. The foreign policy of Indonesia gradually assumed radical tone under the leadership of Sukarno. The goodwill that existed between India and Indonesia that existed earlier evaporated completely since late 1950s. The contrasting approaches of Nehru and Sukarno towards the

issues of anti-colonialism, anti-imperialism, and China ensured that there was no meeting ground.

The 1961 proposal of Tunku Abdul Rahman, Prime Minister of Malaya to form the Federation of Malaysia by combining the Federation of Malaya, Sabah, Sarawak, Singapore, and Brunei has led to a dispute with Indonesia. Indonesia indulged in coercive diplomacy, termed as Konfrontasi (Confrontation) to thwart the formation of the Federation of Malaysia. Its stand was a reflection of the strong ideological passions prevalent during the Cold War era.

The lack of economic content in the relationship between India and Southeast Asia has further contributed to the drifting of the two sides. India could not contribute substantially to the growth of the Southeast Asian economies. Moreover the top political leadership in India discounted the possibility of any economic cooperation with Southeast Asia. It is worthwhile to mention here an event that reflected the lack of interest on India’s part in economic cooperation with Southeast Asia. J.N. Dixit, who worked with Nehru and later served as the foreign secretary of India recollects it thus:

Towards the end of 1961, Pandit Nehru presided over a meeting of Indian Ambassadors in Southeast Asian countries in New Delhi. There were a number of Indian Heads of Mission in the meeting who expressed their unhappiness at India’s not having good relations with countries of Southeast Asia. They were of the view that geographic, historical and cultural factors should have made India more attentive to the area stretching from “Indo-China” and “Myanmar” to the Philippines. They were also of the view that India isolating itself from the Southeast Asian region was not in India’s strategic interests. Panditji’s reported response was brief and acerbic. He said that India should not be expected to run around “coca cola governments”!

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Meanwhile efforts were afoot in Southeast Asia to form regional associations. The first association that was set up for regional cooperation in Southeast Asia was the Association of Southeast Asia (ASA) comprising Malaysia, the Philippines, and Thailand. This was formed in 1961. However, it remained only in embryonic form owing to the territorial disputes between Malaysia and the Philippines over Sabah (North Borneo). The situation was further compounded by Sukarno-led Indonesia’s policy of konfrontasi (confrontation) against Malaysia.

Gen. Ne Win took over power in Burma after staging a coup in March 1962. His pursuit of ‘Burmese Way to Socialism’ as the national ideology, autarky as the economic strategy, and isolationism as the foreign policy had completely turned Burma into an inward looking state and the doors were firmly shut on the international community for the next three decades. It remained outside all blocs throughout the Cold War era in order to observe neutrality rather strictly. Even though it was invited to join ASEAN at the time of its formation in 1967, it refused to do so. Thus it emerged as a barrier that effectively contributed to the lack of physical interaction between India and Southeast Asia until early 1990s.

The brief border war of October 1962 between Indian and Chinese forces across the Himalayas had been a shattering blow to India’s image. It had destroyed all that Nehru had wished and worked for. He had introduced Zhou Enlai to other Afro-Asian leaders, some of whom were apprehensive of China, at Bandung in 1955 to herald a new age of Afro-Asian solidarity. His dream for Asian unity had been shattered. The border war was a major turning point in the history of India’s relationship not only with China but also
Southeast Asia. Malaysia, under the leadership of Tunku Abdul Rahman, extended open support to India. On the other hand, India was severely disappointed with the pro-China stand of Indonesia and Vietnam. This subsequently forced India to lose its interest in the Southeast Asian affairs. During the 1965 India-Pakistan war, Malaysia and Singapore extended support to India. But Indonesia's stand supporting Pakistan deeply disappointed India.

Singapore, a part of the Federation of Malaysia since 1963, got separated in August 1965 to emerge as an independent state. Narrating the developments that took place on 9 August 1965, the day Singapore got separated from Malaysia to become an independent nation, the elder statesman of Singapore, Lee Kuan Yew writes in his memoirs:

...after meeting with the diplomatic corps, as the diplomats left, I drew aside the Indian deputy high commissioner and the UAR (Egyptian) consul-general and gave them letters for Prime Minister Shastri and President Nasser. India and Egypt were then, with Indonesia, the leading countries in the Afro-Asian movement. In my letters, I sought their recognition and support. From India, I asked for advisers to train an army, and from Egypt, an adviser to build a coastal defence force.\(^{16}\)

However India could not extend assistance to Singapore in its need of hour, as it did not want to antagonise Malaysia. Singapore was displeased with India for being unwilling to offer any military assistance.

\(^{16}\) Lee Kuan Yew, *The Singapore Story: Memoirs of Lee Kuan Yew* (Singapore: Times Editions, 1998), p. 15. also see Lee Khoon Choy, *Diplomacy of a Tiny State*, 2\(^{nd}\) ed. (Singapore: World Scientific, 1993), p.31. The decision of Singapore in the late 1960s to chose Israel as its most suitable defence partner was justified “by a reluctance on the part of non-aligned states, such as India and Egypt, which Singapore had sought to cultivate, to offend Malaysia by becoming involved in the Republic’s military development.” Michael Leifer, *Singapore’s Foreign Policy: Coping with Vulnerability* (London: Routledge, 2000), p. 65.
India nearly withdrew from Southeast Asia during the Indira Gandhi period as it was constrained by various developments in the Indian subcontinent.\textsuperscript{17} The separation of India and Southeast Asia was formalised with the launch of the ASEAN in 1967. While earlier efforts at regionalism in Southeast Asia like ASA and Maphilindo were not successful, they laid the groundwork for the launch of the ASEAN, which had the combined membership of the ASA and Maphilindo.\textsuperscript{18}

Non-alignment describes a common posture vis-à-vis a major military blocs. It didn’t create mutually beneficial links between the non-aligned states themselves. With no country in Southeast Asia did India develop a consistent pattern of coincident interests and good relations. Non-alignment did not provide an adequate base for partnership. India’s diplomacy in Asia was very largely diplomacy by proclamation of common interests such as anti-colonialism, but that produced no tangible benefits for India or other states.

The relentless efforts continued in Southeast Asia to establish a regional association. With the change of regime in Indonesia, the regional environment became more conducive for the formation of another association. The ASA was revived in another form and soon expanded to include Indonesia and the newly independent Singapore and thus the

\textsuperscript{17} For a comprehensive survey of India-Southeast Asia relations during the Indira Gandhi era, see Baladas Ghoshal, “India and Southeast Asia”, in A. K. Damodaran, and U. S. Bajpai, eds., Indian Foreign Policy: The Indira Gandhi Years (New Delhi: Radiant, 1990), pp. 180-97.

\textsuperscript{18} Meanwhile, yet another grouping called the Asian and Pacific Council (ASPAC) came into being in 1966 consisting of East Asian nations like Japan, South Korea, Malaysia, the Philippines, Taiwan, Thailand, South Vietnam, Australia, and New Zealand. However, a dispute over the issue of replacement of Taiwan by People’s Republic of China arose and this was eventually disbanded in 1975.
Association of Southeast Asian Nations (ASEAN) was born on 8 August 1967 with the signing of the 'Bangkok Declaration'.

India’s reaction to Vietnam War was at variance with the stand of ASEAN states, especially Thailand and the Philippines as they were allies of the US. The US-China rapprochement that began in July 1971 with the secret visit of Henry Kissinger to Beijing via Pakistan had resulted in a realignment of forces in Asia. It hastened India to sign the 20-year Treaty of Peace and Friendship with the Soviet Union in August 1971. Both sides were firmly allied with the opposite camps, that is, India was on the Soviet side and the ASEAN on the American side. Indira Gandhi concluded the treaty “to create a sense of deterrence for the Chinese and the Americans.”\textsuperscript{19} Although this step helped India tackle the Bangladesh crisis later in the year, it has seriously dented the image of India as a non-aligned nation in the eyes of the ASEAN. Indeed the smaller nations like Singapore were worried about the implications of external intervention.

The ASEAN perceptions of China have undergone a dramatic change in the wake of the normalisation of the relations between the US and China and withdrawal of the US from Vietnam. Malaysia took the lead when it established diplomatic relations with China in May 1974. The Philippines and Thailand followed suit in June 1975 and July 1975 respectively.

Around the same period, an Indian scholar, who visited the ASEAN part of Southeast Asia in the mid-1970s, made the following observation about the ASEAN perceptions of India:

In December-January 1974-75, when I visited the five ASEAN capitals to study Southeast Asian perceptions of the Soviet Union, among the discoveries that impressed me most was India’s isolation from the region’s strategic orbit. Few Southeast Asians regarded India as a significant factor in their region’s strategic melting pot. Most of the 150 members of the ASEAN elite whom I was able to interview seemed to entertain a poor vision of India’s political stability and economic strength; the majority saw India to be under strong Soviet influence.20

The North Vietnam forces marched into South Vietnam and with the ‘fall of Saigon’ in April 1975, Vietnam was reunified after more than two decades. The alarm bells started ringing in the non-communist part of Southeast Asia soon after the defeat of the US allied Republic of Vietnam by the Communist Democratic Republic of Vietnam based in Hanoi. The ASEAN, which was maintaining a low profile till then was galvanised into action. Within eight months, the First ASEAN Summit was held in Bali in February 1976. Several momentous decisions in the early history of the ASEAN were taken during this summit. The leaders adopted the Declaration of ASEAN Concord and signed the Treaty of Amity and Cooperation in Southeast Asia (TAC) laying the guidelines for ASEAN’s internal as well as external relations in the political and economic fields. They have also signed an agreement to establish the ASEAN Secretariat.

India approached ASEAN to grant it dialogue status on the eve of the Second ASEAN Summit in Kuala Lumpur in August 1977. However it did not materialise. Making an early assessment about the state of relationship between India and ASEAN in the late 1970s, R. Barman Chandra observed: “It

is noteworthy that none of the major academic writings or commentaries on the ASEAN has any reference to India—the only countries frequently taken in to account in the ASEAN context are Japan, China, Australia, The US and members of the EEC.\textsuperscript{21} She also remarked that India's enthusiasm about the ASEAN might appear rather awkward in the absence of any substantial demand from their side for India's contribution or participation.

The Cambodian quagmire became acute with the invasion by Vietnam in December 1978 that replaced the demonic regime of Pol Pot and installed Heng Samrin regime. The stationing of its troops in Cambodia soon brought Vietnam into a severe diplomatic conflict with the ASEAN on the one hand and a military conflict with China on the other hand. Eventually both ASEAN and China joined hands to resist the Vietnamese occupation of Cambodia. As Vietnam was perceived to be advancing the Soviet designs in Southeast Asia, the US sided with the ASEAN and China. Thus once again the entire Southeast Asia was caught up in the vortex of international power politics of the Second Cold War era with adverse implications for India's relationship with ASEAN states.

India became the first non-communist government in the world to extend recognition to the People's Republic of Kampuchea (PRK) led by Heng Samrin. On the other hand, ASEAN members along with China and the US extended support to the Coalition Government of Democratic Kampuchea (CGDK) that was established as a government-in-exile to resist the Heng Samrin regime backed by Vietnam and Soviet Union.

\textsuperscript{21} R. Barman Chandra, "The ASEAN and India", \textit{India Quarterly}, (New Delhi) vol. 34, no. 3, July-September 1978, p. 286.
China’s new ‘Open Door’ policy under the pragmatic leadership of Deng Xiaoping announced in mid-December 1978 had meanwhile set China on a radically new path both internally and externally. Deng Xiaoping, in order to build a powerful market economy, infused a strong economic content into the formulation of the Chinese foreign policy. China soon started the process of closely integrating itself with the Capitalist economies of the West, Japan, and ASEAN. The invasion of Cambodia by Vietnam in late December 1978 proved to be a windfall for China. Since then China managed to move closer to the US and ASEAN in the diplomatic sphere by harmonising its Vietnam policy with that of the latter. The frequent diplomatic interaction between China and Thailand has brought the former closer to the ASEAN. The habit of cooperation forged between ASEAN and China during the handling of Cambodian issue has considerably narrowed down the gulf between them.

Thus during the decade of the 1980s, the alienation of ASEAN from India coincided with the growing interaction between China and the former. This trend was to exert tremendous effect on the development of ASEAN’s relations with China and India in the following decade. With the benefit of hindsight, it may be stated that the Chinese stand on the Cambodian issue abridged its diplomatic gap with the ASEAN. On the other hand, India’s stance on the same issue created diplomatic barriers to have fruitful exchanges with the ASEAN.

The Soviet invasion of Afghanistan in December 1979 marked the beginning of the Second Cold War era. India’s Afghanistan policy during the 1980s was marked by private disapproval of the Soviet intervention and
publicly refraining from condemnation was not a violation of nonalignment. Even as the US was arming Pakistan and being permissive of Pakistan acquiring nuclear weapons with China's assistance it would have been utter folly to have alienated the Soviet Union, the only source of reliable arms supply to India.  

The relations between India and founder members of ASEAN were set to improve during the Janata Government. ASEAN was all set to invite India as a Dialogue Partner in May 1980. However India's recognition of Heng Samrin regime in Cambodia was severely criticized by ASEAN countries. So the earlier attempt at initiating ASEAN-India dialogue partnership proved to be a non-starter and the relations remained almost frozen till the end of the Cold War that paved the way for the resolution of Cambodian conflict.

Dr Mahathir became the Prime Minister of Malaysia in July 1981 and soon Malaysia embarked on 'Look East' policy aimed at learning and implementing the highly successful economic development model of Japan and also of South Korea. He explained the rationale behind his 'Look East' policy thus:

Looking East rather than West also represented an important break from centuries of mental dependence on Western nations and Western thought...For me, it was a natural conclusion, that if we were to emulate the success of foreign nations, the most valuable role models were no longer in Europe or the United States, but rather in our own backyard. We had to look East.

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22 K. Subrahmanyam, n. 19, p.
23 For a detailed discussion, see Kripa Sridharan, The ASEAN Region in India's Foreign Policy (Aldershot: Dartmouth, 1996), pp. 134-62.
This was to have far-reaching implications for the external policy and relations of not just Malaysia but ASEAN as a group subsequently. Being a prominent statesman of the region, his views counted a lot while setting the agenda of ASEAN’s external policy and relations. His 'Look East' policy was also responsible for his later initiatives like East Asia Economic Caucus (EAEC) and even ASEAN+3 forum.

1985 – 1991: (Prelude to Reengagement)

Mikhail Gorbachev's accession to power in the Soviet Union in 1985 was one of the most remarkable events of the twentieth century. By launching groundbreaking reforms both in the domestic as well as the global arena, he set in motion the train of events that had far-reaching consequences across the world within a short span of time. "If any single man ended some forty years of global cold war it was he."25 His historic Vladivostok speech of 28 July 1986 marked a quantum leap forward in the dissipation of Cold War tensions in the Asia Pacific. Indeed, the renewed engagement between India and the ASEAN region itself was one of the ‘peace dividends’ of the end of the Cold War.

The Group of 7 (G-7) advanced industrialised states, viz. Canada, France, Germany, Italy, Japan, UK, and US, was established in September 1985. All these high-income economies have decided to come together to set the global economic agenda. Although all these states happened to be the dialogue partners of ASEAN, the latter became increasingly concerned about their position in the emerging international economic order.

The Rajiv Gandhi government launched efforts to engage ASEAN countries. His economic liberalisation initiative and the recession of ASEAN economies raised hopes for greater level of economic cooperation. However the economic reforms introduced by the Rajiv Gandhi administration in 1985 were merely preliminary steps at structural adjustment. The overhaul of the Indian economic system was to commence six years later. The substantial shift in economic development strategy from import-substitution to export-led one took place only in 1991 in a drastic response to the unprecedented economic crisis.

Reflecting the shift towards market economy in the socialist world, Vietnam, during the Sixth National Party Congress of the Communist Party in December 1986, has decided to implement the economic reform programme, *Doi Moi* (renewal). Lao PDR also initiated economic reforms.

The internal political changes since 1988 had deepened the Myanmar muddle and increased the Chinese influence. The junta in Myanmar established the State Law and Order Restoration Council (SLORC) in September 1988 in the wake of student demonstrations. Soon after the National League for Democracy (NLD) was formed to establish a democratic form of government under the charismatic leadership of Daw Aung San Suu Kyi (the daughter of the national independence hero, Gen Aung San). She was placed under house arrest in July 1989. However, the NLD registered an emphatic victory by securing eighty per cent of seats and sixty per cent of votes in the general elections held in May 1990. But the Myanmar generals

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26 Kripa, n. 20, pp.163-77.
refused to transfer the power to the NLD. The dissident NLD members formed
the National Coalition Government of the Union of Burma (NCGUB) in exile at
a rebel camp on Myanmar’s border with Thailand. India and Thailand that
share long land frontiers with Myanmar, witnessed a massive influx of
refugees and pro-democracy activists. Meanwhile the international community
awarded the 1991 Nobel Peace Prize to Daw Aung San Suu Kyi in recognition
of her non-violent struggle to establish democracy in Myanmar.

The normalisation of relations between India and China symbolised by
the visit of the Indian Prime Minister, Rajiv Gandhi, to Beijing in December
1988 opened a new chapter in their turbulent relationship. The Chinese Prime
Minister Li Peng visited India in December 1991. The visit was the first by a
Chinese Premier after a long gap of thirty-one years. This visit was a further
step on the path towards the normalisation of the relations between India and
China.

The growing shift in East Asia towards geo-economics away from the
traditional preoccupation with geo-politics was reflected in the Chatichai
Choonhavan-led Thailand’s clarion call in 1988 to “turn battlefields into
marketplaces” in the Indo-china. The shift has changed the terms of
diplomatic discourse in the region and increasingly nations began giving
higher priority to the economic interests. The Asia-Pacific Economic
Cooperation (APEC) was established in 1989, with 12 founding members,
namely Australia, Brunei, Canada, Indonesia, Japan, Malaysia, New Zealand,
the Philippines, Singapore, South Korea, Thailand and the US. In other words,
the membership comprised of the six members of ASEAN and its six dialogue
partners, viz. Australia, Canada, Japan, New Zealand, South Korea, and the US. In November 1991, APEC admitted three new members, namely People’s Republic of China, Hong Kong, and Chinese Taipei (Taiwan) in a significant move that maintained the momentum towards the growing trend of geo-economics. The centre of world politics and economics has now shifted to the Pacific Ocean.

Vietnam’s withdrawal of troops from Cambodia in 1989 was akin to fall of the Berlin Wall in the region. With this step Vietnam paved the way for the emergence of ‘one Southeast Asia’. Cambodia conflict was finally resolved with the disengagement of all external forces and the formal end of Cambodia conflict was marked by the Paris Peace Agreement signed in October 1991. Vietnam, by adopting the policy of ‘befriending all’ at the Seventh National Party Congress of the Communist Party in 1991, has decided to improve relations with the ASEAN and normalise relations with China and the US.

Conclusion

The domestic and international trends since 1985, thus, created a new context for India and ASEAN to perceive each other in a more positive light. Thus both India and the ASEAN region have finally become free of Cold War arrangements and were free to refashion their alignments afresh in the emerging international system, without any ideological encumbrances, while keeping their own national strategic and economic interests in mind. The ways in which both sides forged a new relationship in the post-Cold War era would be discussed in the next chapter.