



# IDSS COMMENTARIES (37/2003)

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## ASEAN-INDIA STRATEGIC ENGAGEMENT: SINGAPORE-INDIA SYNERGY

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6 October 2003

One year after ASEAN and India held their inaugural Summit Meeting in Phnom Penh, the Heads of Government of the ASEAN Ten and India are meeting again in Bali this week. There they will sign a framework agreement to bring about the ASEAN-India Regional Trade and Investment Area. The agreement will set out the framework for the two sides to negotiate and conclude a Free Trade Area (FTA) covering goods, services and investments, within a decade. The FTA is expected to give a big boost to ASEAN's trade with India, which reached US\$ 12 billion last year. Economically there is a large potential for growth.

True the Indian approach to engage ASEAN comes after China's offer to have a FTA with ASEAN by 2010 and the proposed creation of the ASEAN Plus Three East Asian Economic Community. However its belated move has been welcomed by ASEAN. In the words of Singapore Prime Minister Goh Chok Tong, India provided the left wing of the ASEAN Jumbo Jet while the right wing is formed by the East Asian Trio of China, Japan and South Korea.

Strategically, the Bali agreement will highlight the dramatic improvement in economic, political and even security cooperation that has been achieved by ASEAN and India over the past decade. Significantly during the same period Singapore-India relations have also seen great improvement and, indeed, driven the development of ASEAN-India relations. The nexus between the regional and bilateral relations and the potential synergies among them, are discussed below.

Even before the ASEAN-India FTA was mooted talks had been going on between Singapore and India on a bilateral Comprehensive Economic Cooperation Agreement (CECA) that will cover, besides trade and investments, education, tourism development and infocomms technology. As a Singapore Government (MTI) spokesman stated, the CECA will serve as a template to help "catalyse" the ASEAN-India FTA process, since the two agreements complement each other. The CECA negotiations are expected to be concluded by May next year, well within the 12-18 month timeframe agreed upon during PM Goh's visit to India last April.

### **From cold war to "India fever"**

PM Goh's warm reception by the Indian leadership despite Singapore's encounter with the SARS outbreak, and Indian DPM Lal Krishna Advani's and FM Yashwant Sinha's visits to Singapore and other ASEAN countries, showed the strength of the ties and solidarity between

India and ASEAN. Relations between ASEAN and India have come a long way since the formation of ASEAN in 1967 and assumed forms that neither side could have envisaged during those Cold War years. India was then following a centrally-planned import-substituting socialist economic model and was seen to be aligned with the Soviet Union, with which it had entered into a 25 years Treaty of Friendship and Cooperation in 1971. The then ASEAN Five (later Six) pursued open market economic policies and were largely pro-west, having defence cooperation or security alliances with the United States and United Kingdom respectively.

India sided with the Soviet Union in supporting North Vietnam in the Indochina conflict and Vietnamese occupation of Cambodia, and it was ambivalent about the Soviet occupation of Afghanistan. Indeed it was because of differences over Cambodia that ASEAN did not welcome India as a dialogue partner in the 1980's. Adding to ASEAN's suspicions were the expansion of India's naval power in the Indian Ocean with the development of the naval base in the Andamans and the acquisition of a Soviet nuclear submarine. As an Indian analyst summed up, "during the cold war period India was regarded by the ASEAN countries as politically suspect, economically unimportant and at times even militarily threatening".

With the end of the Cold War and the dissolution of its ally, the Soviet Union, India's strategic orientation underwent a radical shift. So did ASEAN's view of India as it welcomed Russia and China as Dialogue Partners. Structurally the end of the conflicts in Afghanistan and Cambodia, upon the withdrawal of Soviet and Vietnamese forces respectively, meant that India and ASEAN could renew their relations positively. India was accepted as a Dialogue Partner in the mid-1990's and, at Singapore's initiative, became a member of the ASEAN Regional Forum (ARF), as ASEAN expanded to include the four Indochina states.

The withdrawal of US forces from the Philippines and the rising power of China generated new concerns among the ASEAN members about the future stability and security of the region. Singapore spearheaded the ASEAN approach to engage India, with PM Goh's visit in 1994 to fan an "India fever" among Singapore investors. Then Indian PM Narasimha Rao reciprocated by visiting several ASEAN countries the same year. He rearticulated India's foreign policy to include Southeast Asia among the regions of strategic importance to India, and in a landmark lecture in Singapore pronounced its "Look East" strategy. This was followed by Foreign Minister Jaswant Singh's first attendance in the ARF in 1996 and PM Atal Bihari Vajpayee's historic meeting with the ASEAN leaders in Phnom Penh last year.

Since ASEAN had always sought to prevent the domination of the region by a single power its spokesmen, such as Singapore Minister George Yeo, publicly stated that India could help stabilise the region by balancing other powers like China. Thus was Singapore instrumental in bringing about the development of positive relations between India and ASEAN, on the principle of reciprocity. Similarly, India-Singapore ties have developed in multiple dimensions with growing cooperation in economic, educational, cultural, technological, political and security fields, and symbolised by the first state visit of a Singapore President, Mr S R Nathan, to India, last January. The growing relations between them in the defence and security realm has strategic significance for ASEAN.

### **Military Exercises, Security Cooperation**

It is noteworthy that both India and ASEAN countries have shed their mutual suspicions in the security and military fields. Since 1991 India has welcomed visits by naval ships of regional countries, including Singapore, to Port Blair in the Andamans, as well as to its main

naval base at Vishakhapatnam. Since 1995 Singapore, Indonesia, Thailand and Malaysia have participated in “MILAN”, the biannual Gathering of Ships hosted by India to promote confidence-building. Singapore has engaged in joint naval exercises with India, including anti-submarine warfare and Search and Rescue operations, and also conducted joint anti-piracy exercises near the Straits of Malacca.

In parallel with its own military-security cooperation with the US, Singapore has welcomed the growing security cooperation between India and US, marked by numerous joint military exercises as well as their proposed joint patrolling of the sea lanes in the Malacca Straits. Regional states too have appreciated the positive role of India’s naval power e.g. when the Indian Navy recovered a Japanese-owned freighter from hijackers in the Straits in 1999. Singapore and India share a common interest in protecting their common commercial sea lanes, combating piracy, choking off the narco-trade, curbing arms smuggling and preventing maritime terrorism. Since September 11 India and Singapore have also shared intelligence on terrorism-related issues with each other and the US.

Prospects for cooperation in the defence industry too are being opened up now that foreign companies are allowed to take up to 26 percent of equity in Indian defence corporations. As Singapore Technologies turns to acquisitions and market expansion overseas and India’s large defence budget increases, there might well be opportunities for collaboration in this area between the two countries. Since India has announced that its arms industry now aims to develop new products and exports, it might well look to close collaboration (including joint marketing) with other countries. Already it is working with Israel and South Africa to develop major new weapons systems, and is negotiating to sell to Israel its highflying Unmanned Aerial Vehicle, the Lakshya.

As there are no basic conflicts in the bilateral relations between India and Singapore and given their shared perceptions of the regional strategic environment, defence collaboration offers new opportunities for the two countries to further strengthen their relations in the 21<sup>st</sup> century. In this endeavour too Singapore can play a pioneering role for ASEAN as a whole to develop cooperation with India.

After ASEAN leaders gathered in Bali have commissioned their ministers and officials to work out the mechanisms of an ASEAN Security Community they may feel confident to consider a similar framework for security cooperation with India, in tandem with the ASEAN-India FTA. That would balance the agreement on Cooperation in Non-traditional Security issues that China has offered to conclude with ASEAN, along with an FTA between them. Both China and India have also agreed to accede to ASEAN’s Treaty of Amity and Cooperation and endorse the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ). The Bali Summit of ASEAN and India holds out a great promise of a multi-dimensional and comprehensive strategic engagement between ASEAN and India, driven by the multiple synergies of India and Singapore.

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