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## **India and Southeast Asia: Adrift in the Stormy Seas?**

*By Sinderpal Singh*

### **SYNOPSIS**

*China's growing clout and assertive behaviour have driven India closer diplomatically to Southeast Asia. However, in the last two years, two key issues have emerged, threatening to roll back India's diplomatic gains.*

### **COMMENTARY**

INDIA'S IMPROVING relations with Southeast Asia over the past two years are especially apparent in Delhi's growing military interactions with countries in Southeast Asia, specifically in the maritime realm. Southeast Asian countries have of late been encouraging India to play a larger role in East Asia, with certain regional states expressing impatience with the perceived slow pace of India's 'integration' economically and geo-politically with East Asia.

Against this backdrop, India and Southeast Asia are increasingly diverging on the shape and contour of the emerging regional security architecture. This is reflected in the region-wide debate on the concept of the Indo-Pacific.

### **Indo-Pacific: Contiguous or Interconnected?**

While there are contesting visions (and strategic geographies) of the Indo-Pacific, there is broad acknowledgment that India is a key part of the region. As the Indo-Pacific came to be infused with specific meaning(s) by Japan and the United States via the 'Free and Open Indo-Pacific' and the 'Indo-Pacific Strategy', countries in Southeast Asia felt increasingly concerned about being sidelined in shaping the narrative on the emerging regional security architecture.

Despite a diversity of positions among Southeast Asian states on the idea of the Indo-

Pacific, ASEAN decided in 2019 to issue its Outlook on the Indo-Pacific (AOIP). The AOIP considers 'the Asia-Pacific and Indian Ocean regions, not as contiguous territorial spaces but as a closely integrated and interconnected region, with ASEAN playing a central and strategic role'.

This is in stark contrast to the Indian view of the Indo-Pacific, which considers the whole of the Indian Ocean and the Pacific Ocean as a single strategic space, replacing the Asia-Pacific. This is not mere semantics.

The Indo-Pacific, as a single strategic space, aims to have various countries jointly constrain China's growing military, economic and political influence over this single contiguous space. The Quadrilateral Security Initiative (Quad) is one (and the most prominent) embodiment of this broad strategic goal. It differs significantly from the ASEAN-led, 'Asia-Pacific Way', which represents a more complex mix of hedging and balancing strategies against China's influence while simultaneously engaging it within various Asia-Pacific institutions and processes.

There is a distinct sense that after more than two decades of increased integration with the ASEAN-led, 'Asia-Pacific Way', India seems to have lost confidence in the ability of this regional order to realistically curtail China's behaviour. The 'Indo-Pacific Way', with the US, Japan and (to a lesser extent) Australia, seems to India the more effective approach to negotiating China's rise.

Southeast Asian states view such increasingly direct containment of China as raising the prospects of an escalating great power conflict in East Asia. However as India's bilateral relationship with China deteriorates, especially when it concerns border clashes with China, India seems more convinced about the 'Indo-Pacific Way'. Delhi sees it as an apt strategy to replace the 'Asia-Pacific Way' in dealing with China. On the key issue of (re)constructing a regional order to deal with China's rise, India and Southeast Asia seem to be moving in different directions.

### **RCEP: India's Shifting Mood?**

The Regional Comprehensive Economic Partnership (RCEP) is a regional free trade agreement that arose out of the 2011 ASEAN Summit in Bali. It envisaged a trading bloc which included countries from within East Asia (ASEAN member states together with China, Japan and South Korea) plus India, New Zealand and Australia. After several years of negotiations, in late 2019, India decided it could not join the RCEP.

This was a blow to several other countries involved in the negotiations, especially Japan and Singapore, while leaving the option for India to join at a later date. The remaining 15 countries signed the agreement in late 2020. India's decision to not join RCEP is viewed as a major setback for the trajectory of India's integration into the ASEAN-led multilateral order in East Asia.

The RCEP was envisaged as a key accomplishment for ASEAN's project in building a web of diplomatic, military and economic institutions and processes in East Asia, which would mitigate the prospect of escalating conflict in a region undergoing strategic re-adjustment. It is apparent that Indian leaders understood the strategic

significance of the RCEP as well as the potential strategic costs of opting out of the agreement.

However, domestic pressures informed largely by the prospect of an even larger trade deficit with China under the RCEP prevailed over broader strategic considerations. India's early 'Look East' Policy was informed to a significant extent by the need to benefit from greater economic synergy with East Asian economies; but there are signs that more recently, the mood within Delhi towards trade liberalisation has shifted.

### **A More Insular India Emerging?**

The earlier 'Make in India' initiative and the more recent '*Atmanirbhar Bharat Abhiyaan*' (loosely translated as 'Self-Reliant India') campaign are indicators of this changed mood within Delhi. Within official circles in India, there is a sense that India has not made the net gains it expected from its various free trade agreements it signed since the 1990's.

Officially, both the current signatories to the RCEP and India have not discounted the possibility of India joining at a later date but most officials in Southeast Asia are pessimistic about this possibility.

The two key issues – the idea of Indo-Pacific and RCEP – point to a key source of increasing difference between India and Southeast Asia. This is about how to deal with China's rising political, military and economic power and influence. The recent agreement between India and China to pull their troops back along their disputed border has potentially important implications for India's relationship with Southeast Asia.

Speculation amongst many defence analysts is that India will have little choice but to augment its armed presence across the long border with China to prevent future incursions into Indian territory. Many suspect that the funds for a larger presence at the border will mean cuts to the Indian navy.

India might once again be forced to turn its attention towards its land borders rather than continue its more recent re-orientation towards its maritime domain. This might signal a more insular India, with reduced naval capacity to play a larger role in East Asia and even the wider Indian Ocean. This might also portend an even further drift between India and Southeast Asia in the near future.

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