



India's Act East Policy And Challenges From China: Indian Response

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Abstract.

Will India and China co-exist, especially in South East Asia, and reap the fruits of cooperation with ASEAN countries together? Or are they hell-bent to contain each-others' influence in the whole of Asia in general and in SEA in particular? The Dragon's violent rise is more visible now, as was predicted twenty years back by John Mearsheimer, the American offensive realist thinker. China is asserting itself by her actions in the South China Sea, increase in military presence on the disputed islands, her belligerent relations with many of the ASEAN countries, Japan, Australia, and India, etc. June 2020, border clashes with India at Galwan Valley in Ladak, which took twenty lives of Indian soldiers, have further raised a question mark on her peaceful rise. For India, it also at the same time has increased the apprehensions as to how India-China relations will unfold in other regions, especially in South East Asia where both are having great stakes. India is looking towards the southeast more seriously since 1991. To act more proactively in this region, the Narinder Modi Government made a policy shift of translating India's Look East Policy into Act East Policy in 2014. China is taking serious note of growing a new alliance buildup in this region where India, Japan, and Australia are heavily weighted towards the United States of America. India's protest on OBOR and growing proximity with ASEAN countries, on the other hand, is also irking China. The current paper, therefore, takes all these factors into account and attempts to see what goals India has set to achieve in Act East Policy and what challenges she is facing in it especially from China, and how is she dealing with such a state of uncertainty in this region.

Keywords: Look East Policy, Act East Policy, Rise of China, Sino-Indian Clashes, India- ASEAN

Introduction:

India is respected in Asia especially in South East Asian nations as the motherland of Lord Budha.¹ Thus, as a result, India exerts a greater historical and cultural influence on eastern nations. After attaining independence in 1947, India began to act as the leader and champion of anti-colonial movements in this region². However, the deepening of Cold War pressures and unpredictable Chinese behavior in 1962 forced her to go inward-looking³ and she became more concerned about security than the expansion of her economic or political influence in the

¹ Bhudhism was spread to Southeast Asian region from India. The relationship between South East Asian Nations with India is spread over various waves. Professor S. D. Muni and Dr. Rahul Mishra Talks about Seven, such waves. For more details see. book, 'India's Eastward Engagement: From Antiquity to Act East Policy' (Sage, New Delhi, 2019)

² *The Oxford Handbook Of Indian Foreign Policy* Edited by DAVID M. MALONE, C. RAJA MOHAN, and SRINATH RAGHAVAN, (Oxford University Press 2015) p. 557

³ Ibid. p. 559

region. However, the disintegration of the erstwhile Soviet Union in 1990⁴ and her shift towards more liberal market-oriented economic policies⁵ urged her to look beyond her boundaries. Under that backdrop, Look East Policy (LEP), was introduced by the then Prime Minister of India, P. V. Narasimha Rao in 1991, which was intended to deepen India's, economic, diplomatic, and strategic relations with Southeast Asian Nations. So, the post-Cold War situation offered India a great opportunity in this region. Association of Southeast Asian Nations (ASEAN), which was established in 1967, also, widened its horizons and moved from "Zone of Peace, Freedom, and Neutrality" (ZOPFAN) to "Cooperative Security".⁶ This was a positive signal for greater cooperation with other countries outside ASEA including India. Under LEP, through trade and investment India's focus was also to connect with 'tiger economies'⁷. Between 1993 to 1995 the mission was led by, Rao, to Indonesia, Singapore, Thailand, Malaysia, Vietnam, and South Korea, to attract more investors for developing infrastructure in India and find a market for India's goods and major working class. India has been vigorously pursuing these objectives under all regimes and has become part of various corridors and highway projects to connect the North Eastern States with the ASEAN region.

In 2014 Prime Minister Narinder Modi while addressing the East Asian Summit in Myanmar⁸ said that, "Look East Policy has now become Act East Policy", same was carried forward by the ex-foreign minister of India Mrs. Shusma Swaraj at her visit to Vietnam in the same year. This shift focuses on extended neighborhood policy in the Asia Pacific region, to promote economic cooperation, cultural ties and furthering strategic depths with key players there, through bilateral, regional, and multilateral engagements. Where is the shift? Look East policy was much focused on economic gains, while as taking note of the emerging realities, Narinder Modi Government brought strategic and security options to the forefront. India is giving now focus to forge strategic alliances with countries like Vietnam, Japan, Malaysia, South Korea, Australia, and groups like, Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and Indian Ocean Rim Association (IOR)⁹. The new relationship is to expand India's sphere of influence beyond East Asia to engage, Korea, Japan, Australia, and Newzealand.¹⁰ Connectivity programs are the core focus of Act East Policy. India is, therefore, pro-actively now involved in regional fora, like, BIMSTEC, Asia Cooperation Dialogue (ACD), Mekong Ganga Cooperation (MGC), and IORA. She has also shown a positive response to Japan's 'Free and Indo-Pacific'¹¹ and South Korea's 'New Southern Policy'¹². India aspires to forge sound strategic rule-based relations with like-minded countries, where all will respect each other's sovereignty, territorial integrity, and equal status. Norms based on the: consent of all, maritime security, freedom of navigation and overflight, and unimpeded commerce in Open Seas¹³ will be

⁴ Shahin, S. (2003). 'India's "Look East" Policy Pays Off', *Asia Times*, 11 October.

<<https://www.globalpolicy.org/component/content/article/162/27908.html>>.

⁵ Zhang, D. (2006), *India Looks East: Strategies and Impacts*, Aus AID Working Paper, Canberra.p6

<http://aid.dfat.gov.au/Publications/Documents/india_east.pdf>.

⁶ Oxford Opote. P.562

⁷ Lavina Lee, 'India as a nation of consequence in Asia: the potential and limitations of India's 'Act East' policy' *The journal of East Asian Affairs*, vol. 29. No. 2 (2015) p. 74

⁸ The Hindu, (November 13, 2014). <https://www.thehindu.com/news/national/look-east-policy-now-turned-into-act-east-policy-modi/article6595186.ece>.

⁹ K. V. KESAVAN, 'India's 'Act East' policy and regional cooperation' visit. <https://www.orfonline.org/expertspeak/indias-act-east-policy-and-regional-cooperation-61375/> accessed on 10-01-2021

¹⁰ ASHOK SAJJANHAR, *Taking Stock of India's Act East Policy* ORF issue brief, May 2016, Issue No 142, and visit. https://www.orfonline.org/wp-content/uploads/2016/05/ORF_Issue_Brief_142_A_Sajjanhar.pdf. Retrived on 01-01-2021

¹¹ Lavina Lee, 'India as a nation of consequence in Asia: the potential and limitations of India's 'Act East' policy' *the journal of East Asian Affairs*, vol. 29. No. 2 (2015) pp. 74-75

¹² South Korea initiated the 'New Southern Policy' in 2017 to foster closer relations with ASEAN and India and bring them at par with the four major powers—the United States of America (USA), China, Russia and Japan, which have traditionally played a dominant role in Korea's foreign affairs. India is projected one of the key player of this policy. For more details see, *Korea's New Southern Policy towards India: Analysis*. By Ranjit Kumar Dawan, *Jadavpor Journal of International Relations*, volume 24, issues 1, 2020. Visit. <https://journals.sagepub.com/doi/abs/10.1177/0973598420906248?journalCode=jnra>.

¹³ Lavina Lee, 'India as a nation of consequence in Asia: the potential and limitations of India's 'Act East' policy' *the journal of East Asian Affairs*, vol. 29. No. 2 (2015) p. 74

the mantra of this new relationship. From Act East, the focus is slowly moved to Indo Pacific.¹⁴ Act East Policy, is, therefore, the pragmatic and realist expression of Indian foreign policy.¹⁵

India's Economic Gains

ASEAN has emerged as a core area for India's a trade and security options, as trade between them has almost doubled to reach over US\$ 87 billion in 2019-20.¹⁶ The total trade between India and ASEAN had reached US\$ 67 billion by 2014 (Indian Department of Commerce), thus making India ASEAN's 9th largest trading partner. In 2003, at Bali, India signed a Framework Agreement for creating an ASEAN-India Free Trade Agreement (FTA) in a decade. The agreement now covers both trades in goods and Services. This helped India greatly in exerting its economic influence and engagement in this region.¹⁷ Both had set an ambitious target of 100¹⁸ billion dollar trade by 2015, and 200 billion by 2022, hoping FTA will fulfill their targets.¹⁹ By this, the future looks promising. The Ministry of Commerce and Industry, GOI, displayed its figures of trade between India and ASEAN since 2013 as under (table1.1).²⁰

India's trade with ASEAN	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
EXPORT (Bn.USD)	33.13	31.81	25.13	30.96	34.20	37.47	31.55
% Growth	0.38	-3.99	-21.00	23.19	10.47	9.56	-15.82
IMPORT (Bn.USD)	41.28	44.71	39.91	40.62	47.13	59.32	55.37
% Growth	-3.71	8.33	-10.75	1.77	16.04	25.86	-6.66
TOTAL(Bn. USD)	74.41	76.53	65.04	71.58	81.34	96.80	86.92
TRADE BALANCE (Bn. USD)	-8.14	-12.90	-14.78	-9.66	-12.93	-21.85	-23.82

Table: 1.1 bilateral trade Statistics (trade from March-April for seven years) source. MOAI, GOI.

Similarly, in a very recent study conducted by Ph.D. Research Chamber of Commerce and Industry,²¹ predicted that the bilateral trade between India and ASEAN will cross the US\$300 billion mark by 2025. The trade between the two offers greater opportunities for developing infrastructure, excelling in ITC, e-commerce, education, tourism, culture, health care, agriculture, automobiles, food processing, etc.²²

The shift in policy in 2014, is not only to invest in and offer investment to ASEAN countries in India but to look beyond SEA by involving Hong Kong, Japan, South Korea, and Australia. Hong Kong, Japan, and South Korea

¹⁴ For more details see. *Prabir De's Book on 'Act East to Act Indo Pacific' (2020), K. W. publishers*

<http://www.kwpub.com/Home/product/9789389137309/act-east-to-act-indo-pacific-india-s-expanding-neighbourhood>.

¹⁵ *Look East To Act East Policy: Implications for India's North East' edited By, Gurudas and C Joshua Thomas, Routledge Newyork (2016) p. 108*

¹⁶ <https://economictimes.indiatimes.com/news/politics-and-nation/view-17th-asean-india-summit-a-turning-point-of-asean-india-relations-in-post-covid-world/articleshow/79173959.cms>.

¹⁷ *The Oxford Handbook of Indian Foreign Policy' Edited by DAVID M. MALONE, C. RAJA MOHAN, and SRINATH RAGHAVAN, (Oxford University Press 2015) p. 567*

¹⁸ *Lavina Lee, opcite. p. 74*

¹⁹ *Mint. <https://www.livemint.com/Politics/TwaBGdRapKxQB3YBARSTPP/India-Asean-aim-to-double-trade-target-to-200-bn-by-2022.html>.*

²⁰ *Gol, Ministry of Commerce. <https://commerce.gov.in/about-us/divisions/foreign-trade-territorial-division/foreign-trade-asean/>.*

²¹ *Business Standard (November 12. 2019) https://www.business-standard.com/article/economy-policy/india-asean-bilateral-trade-may-double-by-2025-to-300-billion-study-119111200547_1.html.*

²² *Ibid.*

have contributed 14.5%, 11.6%, and 13.3%, in India's North-East Trade by 2015-16, respectively²³. Though trade with Japan is still dismal, on the investment fronts Japan's India ties are promising. The funding for high-profile corridors such as the \$90 billion Delhi-Mumbai Industrial corridors, Chennai-Bengaluru Industrial corridor, Delhi Metro, etc. were met through aid from Japan. By 2013 ODA from Japan had reached US\$ 44.5 billion²⁴ and FDI reached US\$18.8 billion during 2000-2015.²⁵ Both countries have signed the Comprehensive Economic Partnership Agreement in February 2011, to accelerate business and eliminate tariffs on 90% of Japanese exports and 97% of imports from India until 2021²⁶. The equation between Narendra Modi and Shinzo Abe is furthering this relationship. Connectivity in North East Region figures high in India Japan's economic ties. Japan also helps India in her, 'Make in India, Digital India, Skill India' programs. Since 2017, besides, connectivity 'India-Japan Act East Forum' is pushing bilateral cooperation,²⁷ in programs like energy, water supply, health, irrigation, environment, and people to people contacts.

India also seeks to boost trade with South Korea. The trade between the two countries had crossed the \$21.5 billion mark in 2018. The two countries have set an ambitious target of \$50 billion bilateral trade to be achieved by 2030.²⁸ Korean brands like LG, Samsung, Hyundai, and Daewoo have already caught the attraction of Indian people. The two countries signed the Comprehensive Economic Cooperation Agreement in 2010, to boost their ties. The "Make in India" initiative is luring various Korean firms to invest in India.

India's low wage labor, huge market strength, conducive pro-neoliberal political regime, are further contributing factors in boosting India's trade relations with ASEAN and other countries in this region.

India's Diplomatic and Geostrategic gains

India has a success story to share, so for her diplomatic, maritime, and geostrategic gains in Southeast Asian region are concerned. India attained the dialogue partner status of ASEAN in 1992, full dialogue partnership in 1995, and, like China and Japan the summit level meetings of ARF (ASEAN Regional Forum) started with India in 2002. In 2003, the ASEAN-India Framework Agreement on Comprehensive Economic Cooperation was signed and in 2004, they took one more step to sign, ASEAN-Indian Partnership for Peace, Progress, and Shared Prosperity. And by 2005, she became a founding member of the East Asian Summit, despite objections from Malaysia and China.²⁹ India is welcomed in ASEAN for her benign intentions which among other things is attracted by her identity as a multi-ethnic, plural liberal, market-oriented democracy; her policy of non-intervention; her undisputed relationships with almost all the ASEAN countries, etc. the uneasy relationship with China is also a contributing factor in growing her proximity in this region, as the assertiveness of the later is an unwelcome gesture for all the ASEAN members. The strategic interests of India lie in South East Asia because the disputed waters of the South China Sea which is the entry point to the Western Pacific³⁰ are also a major route for India's trade. That is why the growing rivalry among the major players in this region is forcing India to come out of its traditional approach. Until now India's focus was just economic integration, maintenance of strategic autonomy, by avoiding direct military alliances buildup owing to her civilizational zeal and non-alignment history. The shifting balance of power; the emergence of a new kind of cold war-like situation³¹ between the USA

²³ Gol, Department Of Commerce. Visit. <https://commerce.gov.in/about-us/divisions/foreign-trade-territorial-division/foreign-trade-north-east-asia/>.

²⁴ Lavina Lee opcite. P. 76

²⁵ Ibid

²⁶ (Department of Industrial Policy and Promotion 2015) visit. http://www.ris.org.in/sites/default/files/India-Japan%20CEPA%20Report_2016.pdf.

²⁷ K. V. Kesavana, 'India's Act East Policy and Regional Cooperation' Raisin Debates (February 20, 2014). Visit <https://aagc.ris.org.in/sites/default/files/ORF-14-02-2020-India>

²⁸ The Hindu, (July 10, 2018) visit. <https://www.thehindubusinessline.com/news/world/india-s-korea-set-sights-on-50-billion-trade/article24382091.ece>.

²⁹ Lee. Op cite. p 80

³⁰ 'ASEAN and Strategic Rivalry among the Great Powers in Asia' by Fenna Egberink and Frans-Paul van der Putten, *Journal of Current Southeast Asian Affairs*, 3/2014. p 8

³¹ Financial Times, October 05/2020 visit. <https://www.ft.com/content/7b809c6a-f733-46f5-a312-9152aed28172>.

and China; the growing intensity of territorial disputes from Dokhlam³² to Galwan³³ between China and India, would swiftly shift India's policy.

The bilateral defense cooperation between India and various ASEAN countries is at crossroads. India and Vietnam are committed to working in the defense sector since 2000. Several MoUs have been already signed. In 2010, during the ASEAN+8 defense meet, India announced to intensify all-round defense cooperation in army, navy, and air forces with these nations. Singapore is using Indian Territory and air space for military exercises since 2007. The Indian aircraft carrier, first time sailed in the South China Sea in 2005, visiting Singapore, Indonesia, and Malaysia. All this encouraged India's presence in this region.³⁴

In the East, South Korea and Japan, are working closely with India. Their ties are of greater strategic importance for India. India and Korea are drawn together by the growing proximity of Pakistan, China, and North Korea, as the former two tacitly support the latter's nuclear ballistic missile program.³⁵ India and Korea have signed several MOUs on defense cooperation, industry, and logistics since 2005, by pushing their relationship to the level of "Strategic Partnership" by 2010. Both states are working on cooperation in humanitarian assistance, coastguard, and defense technology.³⁶ Similarly, India and Japan developed their bilateral relationship to the tune of new emerging realities. In 2014, both the states, expressed their commitment to, 'Special Strategic Partnership'³⁷ by noting their 'convergent global interests, critical maritime inter-connection and growing international responsibilities'.³⁸ India is key to implement Japan's new vision for 'Broader Asia', a vision of interconnected goods, services, investment, and technology, human capital flows, from the Pacific through South China Sea to the Indian Ocean, based on shared interests. This new order shall be value and rule-based.³⁹ But, India is apprehensive about the designs of China who will try to adopt every means to disturb India's economic growth and will put obstacles in her growing influence in this region.

Challenges from China and India's response

China and India, share a very complex and complicated relationship since 1962, where the trust deficit looms very high. Both desire to emerge as giant powers in Asia, so strategic competition is already there, however, both are complimentary for economic reasons, as the one is a production center and feeds and reaps the market of other and the second requires the development of infrastructure which though can be possible by cooperating with other nations but China's immediate location and cheaply available products are a major attraction.

The Chinese amazing economic and military rise, on the other hand, is a major concern not only for India but also for America, which does not want any peer competitor in Asia. That is why the Sino-Indian relationship is also to be looked at under the shadow of global powers especially the US. China under the leadership of Jiang Zeming (in office 1989-2002) to Hu Jintao (in office 2002-present), portrayed China as 'Peaceful Rise or Peaceful Development'⁴⁰. But when we go by Realist international relations theory, it argues that, states are forced by structural constraints to adopting a particular kind of foreign policy.⁴¹ In realist terms, only China poses threat to

³² The standoff at Dokhlam area between Indian and Chinese armies continued for several months in 2017. To know more visit. <https://www.thehindu.com/news/national/what-is-the-doklam-issue-all-about/article22536937.ece>.

³³ On 15/16th June, 2020, Indian and Chinese forces clashed at Galwan valley in Ladak near LAC. In this violent clashes at least 20 indian soliders lost their lives. This was the bloodiest episode at LAC after 1962 Sino-India War. For more details Visit. <https://www.thehindu.com/news/national/indian-army-says-20-soldiers-killed-in-clash-with-chinese-troops-in-the-galwan-area/article31845662.ece>.

³⁴ See the book. 'Look East To Act East Policy: Implications for India's North East' ed. By, Gurudas and C Joshua Thomas, Routledge Newyork (2016) p. 48

³⁵ Panda, Rajaram. 2011. "India-Republic of Korea Military Diplomacy: Past and Future Projections." *Journal of Defence Studies* 5(1): 16-38. See also, Lee, *op cite*. p 81

³⁶ Lee. *Op cite*. P. 81

³⁷ Ministry of External Affairs, GOI, o1. 09. 2014 Visit also. <https://www.mea.gov.in/bilateral-documents.htm?dtl/23965/Tokyo+Declaration+for+India++Japan+Special+Strategic+and+Global+Partnership>.

³⁸ Lee Of. Cite. P. 81

³⁹ Ibid.

⁴⁰ China's "Peaceful Rise" and Prospects for Peace in Northeast Asia DAOJIONG ZHA <https://cis.yonsei.ac.kr/DEXTUupload/zha%20for%20Moon%20book.pdf>.

⁴¹ Harsh V. Pant, 'Indian Foreign Policy in a Unipolar World', (Routledge, 2009), pp. 5

American hegemony, not only in this region but globally. The rise of China is reflected through her, robust economic growth of 10% annually since 1980 and modernized military adventurism. She might attain the world's biggest economy status by 2030.⁴² The rise of China will not be peaceful, was predicted some twenty years back by an offensive realist named John Mearsheimer⁴³, who argued that the economic rise of China will contribute to her military rise also and she will use all this to become a regional hegemon to dominate Asia.⁴⁴ China's assertive behavior in the South China Sea from 2011⁴⁵ to Doklam in 2017 and recently to Galwan, (June 2020), justifies Mearsheimer's theoretical position. It is under such an atmosphere that India is dealing with China in South East Asia. China believes, Act East Policy of India is aimed at containing China, by developing political, economic, and security relations with Mekong countries. (Bi Shihong Global Times, 16-07-2017)⁴⁶. China, therefore adopts several tactics, to decrease India's influence in South Asia and Southeast Asia.

For the last decade, China is using 'String of Pearls', to encircle India⁴⁷. This is a Chinese strategy to build naval bases in the strategically located points of the Indian Ocean. Strait of Malacca, Sri Lanka, Pakistan, Maldives, and the Strait of Hormuz are prime targets. This is a deep-pocketed package of economic incentives to lure India's neighbors⁴⁸ which among other things will enable China to refuel tankers enhancing her naval presence in the Indian Ocean. Similar is China's Belt and Road Initiative (BRI), the 21st century Maritime Silk Road, a huge investment, trade, connectivity, and infrastructure build-up, involving around 65 countries, 30% global GDP, 62% of the world population, and 75% world energy reserves.⁴⁹ This initiative is a win-win option for ASEAN, as it covers five areas of cooperation with ASEAN countries, including; infrastructure, information sharing; technological innovation, trade services; and cultural exchange.⁵⁰ China and ASEAN have upgraded their 'Golden Decade' (2003-13) to 'Diamond Decade', (2014-2024)⁵¹ for bringing peace, prosperity, and integration in ASEAN. Accordingly, as Silk Road Fund, China is committed to give US\$40 billion for the improvement of infrastructure and strengthening economic integration of this region, while as AIIB (Asian Infrastructure Investment Bank, headquartered at Beijing), advocated US\$150 billion for the same purpose.⁵² So, OBOR is received warmly by many countries in this region, India, however, considers it detrimental to her interest. It is diminishing her influence in the Indian Ocean Region and is violating its sovereignty and territorial integrity on the other hand. It may also lead to a debt trap, environmental degradation, corruption, and instability in its neighborhood.⁵³ India is concerned and actively responds to such moves by China in this region. Hosting of ASEAN-India Summit (AICS) on 11-12, December 2017, was one such action. The theme of this summit was,

⁴² Office of The United States of America, National Intelligence Council, *Global trends 2030: Alternative Worlds* (US: 2012), pp. 15.

⁴³ John J. Mearsheimer, China's Un peaceful Rise, *Current History* 105, no. 690 (2006): 160-162.

⁴⁴ Ibid. p.162

⁴⁵ Richard Q. Turcsanyi, *Chinese Assertiveness in the South China Sea: Power Sources, Domestic Politics and Reactive Foreign Policy* (Springer, 2018)

⁴⁶ India pursues Act East Policy via Myanmar, *Global Times*, 16-07-2017 visit. <https://www.globaltimes.cn/content/1056542.shtml>.

⁴⁷ 'Can China really encircle the India through its string of pearls' *India today*, June 15-2017 visit. <https://www.indiatoday.in/india/story/china-encircle-india-string-of-pearls-982930-2017-06-15>.

⁴⁸ Lee. Op; cite.

⁴⁹ World Bank Group March 29, 2018, visit <https://www.worldbank.org/en/topic/regional-integration/brief/belt-and-road-initiative>.

⁵⁰ 'China's One Belt and One Road Initiative Meets ASEAN Economic Community: Propelling and Deepening Regional Economic Integration?' March 29, 2018

<https://www.tandfonline.com/doi/full/10.1080/10971475.2018.1457335#:~:text=OBOR>.

⁵¹ ibid

⁵² ibid

⁵³ Kanwal Deepinder Pal Singh, 'Strength and Challenges of OBOR Initiative: Indian Perspective' *journal of National Law University Delhi First Published August 20, 2019* Visit. <https://journals.sagepub.com/doi/full/10.1177/2277401719857865>.

“Powering Digital and Physical Linkages for Asia in the 21st Century”, where connectivity, through the land, water, and air of ASEAN countries loomed high.⁵⁴

The South China Sea dispute is another area where the two countries come eye to eye to each other. It is unfolding new realities for India-ASEAN relations. To quote Dr. Shashi Tharoor:⁵⁵

“Beijing’s pronouncement that the South China Sea was an area of core concern for China did not go down well with its neighbors. Several countries spoke against the declaration at the meeting of the ASEAN Regional Forum (ARF) in Hanoi in 2010, leaving the Chinese foreign minister fuming in the meeting at the perceived ‘ganging up’ against his country”

The new alliance system which, China refers to as ‘ganging up against it’ is in making, and India will get directly involved in the same. The ‘Indo-Pacific Strategy’, which was introduced in 2017, by the USA, identified China as a major threat to US-India interests in the Indian Ocean. This strategy works for the fair and free flow of transactions of all kinds in this sphere.⁵⁶ China is in great trouble with many ASEAN states who are contesting China’s claims on the Islands and waters of the South China Sea. India’s growing relationship with most of such states especially investment in Vietnam’s coastal areas is irking China⁵⁷, who believes that ‘on the pretext of bilateral relationships the parties are infringing China’s legitimate rights and interests in the South China Sea and are impairing regional peace and stability’⁵⁸. Further, the Chinese militia’s operation on the Western end is targeting those countries that have a strong military and political relationship with India. China’s spy activity has also risen around the Indian Ocean keeping an eye on the Indian naval movement. This is a greater concern for the security establishment in India.⁵⁹ India has committed to rule-based transactions in this sphere but is shifting her choices according to circumstances. In 2018, indirectly referring to China, the Prime Minister of India, Mr. Narinder Modi, made it clear that India wants ASEAN-India relations free from ‘contest and claims’.⁶⁰ India is, therefore, shedding away the traditional way. In this new rivalry, however, India has attained a central position for America. Both become complementary for each other, now, in dealing with their common enemy. This new relationship, under above mentioned Indo Pacific Strategy, for containing China, is reflected through several mutual agreements signed in the very recent past. In 2016 they have signed the Logistics Exchange Memorandum of Agreement (LEMOA), and in 2018, the Communications Compatibility and Security Agreement (COMCASA), for enabling greater communication between two militaries. Both the countries went a step further by signing Basic Exchange Cooperation Agreement (BECA) in 2020, which will ‘enable India to receive advanced navigational aids and avionics on US-supplied aircraft with access to sophisticated GPS allowing it to use its ballistic and cruise missiles and other weapons with pinpoint accuracy’.⁶¹ QUAD, that is, Quadrilateral Security Dialogue, among India, US, Australia, and Japan, plus three, including Newzealand, South Korea, and

⁵⁴ Suyash Joshi Desai, ‘ASEAN and India Converge on Connectivity’ visit.

<https://thediplomat.com/2017/12/asean-and-india-converge-on-connectivity/>.

⁵⁵ See the chapter, *China and India: Competition, Cooperation or Conflict*’ Shashi Tharoor, ‘Pax Indica, India and the World of 21st century’, penguin Books, (2012).

⁵⁶ [Free-and-Open-Indo-Pacific-4Nov2019.pdf \(state.gov\)](#)

⁵⁷ ‘China objects to Vietnam’s call for Indian investment in South China Sea’, *Economic Times*, January 11, 2018. Visit.

<https://economictimes.indiatimes.com/news/defence/china-objects-to-vietnams-call-for-indian-investment-in-south-china-sea/articleshow/62457612.cms?from=mdr>.

⁵⁸ ibid

⁵⁹ *Growing presence of Chinese research and fishing vessels in Indian Ocean raises security concerns* visit.

<https://www.wionews.com/india-news/growing-presence-of-chinese-research-and-fishing-vessels-in-indian-ocean-raises-security-concerns-346489>.

⁶⁰ *India Asean relations free from ‘contest and claims’: Modi*, *The Hindu*, January 26, 2018. Visit.

<https://www.thehindu.com/news/international/india-asean-relations-free-from-contests-claims-modi/article22529473.ece>.

⁶¹ Lakshi Bhatiya, *What the 4 US-India agreements mean for India*, *Times of India*, November 14, 2020.

<https://timesofindia.indiatimes.com/india/what-the-4-into-us-defence-agreements-mean-for-india/articleshow/78949570.cms>.

Vietnam, is another big forum, which works now to strengthen institutional networks for containing the economic, military and diplomatic influence of China in the region.

One of the main reasons behind the Look East Policy was to develop the basic infrastructure of the North Eastern Region. Connecting it to the ASEAN was thought of as the best solution. But it is often weakened by visible as well as invisible Chinese actions in NER. The secessionist movements in NER have been fueled by Chinese proxy actions for decades.⁶² Even in 2010, the then Home Secretary, Mr. G. K. Pillai, revealed the illicit supply of arms into NER by China⁶³. This was also revealed by NIA, in its charge sheet in 2011 against Anthony Shimray, chief arms broker of National Socialist Council of Nagaland. It was revealed that he was facilitating deals of Chinese arms to insurgents in NER⁶⁴. The two most preferred transit routes for arms supply to these groups are Burma and Bangladesh, the immediate gateways for India's Act East Policy. Countering China here, by bringing peace along with trade and cross connectivity, investment in local industries, research, education, and tourism are vital for Act East Policy. Centre has been, there is no denying the fact, working for this region various ways, like 'New Initiative for North East', was introduced in 1996, under which 10% of annual budgetary provisions of all central ministries are used for development in NE. Similarly, a separate Department of Development of North Eastern Region has been created. A separate Industrial Policy since 1997 is working for industrial development in the region, with political programs intact. Moreover, connectivity programs like India-Myanmar-Thailand Trilateral Highway and Kaladan Multi-Modal Transit, are in progress⁶⁵. Further exploiting dividends of BIMESK cooperation for NER is a priority before the Centre.

Trumps Tariff war against India and India's reaffirming its Strategic Autonomy ?

Before I conclude this paper it is important to answer whether US President Donald J Trump's Tariffs which he imposed on India in his second tenure will change fundamental relationships between India and US and will it force India to go closer to China?

New Delhi has in recent years reaffirmed its long-standing commitment to strategic autonomy⁶⁶ as a guiding principle of its foreign policy. This approach entails maintaining constructive engagement with all major powers and international groupings, including those whose relations with the United States and the broader Western bloc have historically been marked by tension.

In this context, President Vladimir Putin visited India in 2025, marking his first trip since the Russian invasion of Ukraine in February 2022. During his recent visit to Russia, India's National Security Advisor, Ajit Doval, described New Delhi's relationship with Moscow as an "old, strategic, and privileged partnership" that continues to play a "special role" in India's foreign policy orientation.

Prime Minister Narendra Modi also attended the Shanghai Cooperation Organisation (SCO) summit on 31 August 2025. This constituted his first visit to China since 2018 and since the significant deterioration in bilateral relations following the border clashes in 2020.

Although both visits were planned prior to the recent escalation of tensions between India and USA, they nonetheless underscore India's pursuit of an independent and diversified foreign policy. Collectively, these

⁶² See, Bertill Lintner's book, *Great Game East: India, China and the Struggle for Asia's Most Volatile Frontier*

⁶³ 'Chinese arms coming to India since 2001': Pillai, *Hindustan Times*. 09 November 2009. Visit.

<https://www.hindustantimes.com/india/chinese-arms-coming-to-india-since-2001-pillai/story-EhTDP3ZD6rQU7O4TIZIcHN.html>.

⁶⁴ Wasbir Hussain, 'Insurgency in Northeast India: The Chinese Link' visit. 15-02-2015

http://www.ipcs.org/comm_select.php?articleNo=4826.

⁶⁵ Gurudas. *Op cite*. P. 128

⁶⁶ [Trump's tariffs put strain on US-India ties, but relations will endure in the long run | Chatham House – International Affairs Think Tank](#)

engagements signal New Delhi's intention to sustain diplomatic channels with major Eurasian powers while preserving its strategic autonomy.

New Delhi has consistently sought to project itself as a non-Western rather than an anti-Western power. Consequently, it has been careful to avoid participation in any explicitly anti-American or anti-Western initiatives promoted by either Beijing or Moscow. India is attempting to position itself as a constructive diplomatic actor while simultaneously preserving stable and cooperative relations with Western countries.

Conclusion.

Act East Policy, while carrying forward the groundwork done through Look East Policy for about twenty years, is a shift not only to deepen India's economic, diplomatic, maritime, and strategic relations but at the same time to respond to the new emerging realities. It is a well-calculated effort, by bringing all the actors in, openly for containing China. This is also not only looked with great expectations by the states in South East Asia who are in trouble with China, but also by those major powers like, US, Japan, Australia, South Korea, etc., whose interest are at stake due to assertive behavior of China in this region. The new grand alliance is in swing, against the moves of China who works to slow the pace of achieving India's Act East Policy Goals. India has been responding to every challenge, but more remains yet to be done. India, further, to keep the pulse of China under check, may explore many things. Apart from, trade, investment, aid, assistance programs, encouraged for Southeast Asian Nations, the missions of cultural exchange, investment, people to people contact, and help in natural and unnatural crisis be prioritized for Taiwan and Hong Kong. Revisiting relations with the immediate neighborhood, especially with Nepal, Bhutan, Myanmar, Sri Lanka, and the Maldives, needs to be another policy shift because they are more tilted to China now than before. Malaysia, Indonesia, and Thailand should also find their place in this list, the first two for their unfriendly behavior in the very recent past and a third one for having a larger Indian diaspora there. Within, NER should find a primary focus for the development of infrastructure, investment, and assistance, more political representation at the national level, autonomy at the regional level, zero tolerance for terror, be made mantra in dealing with such states.