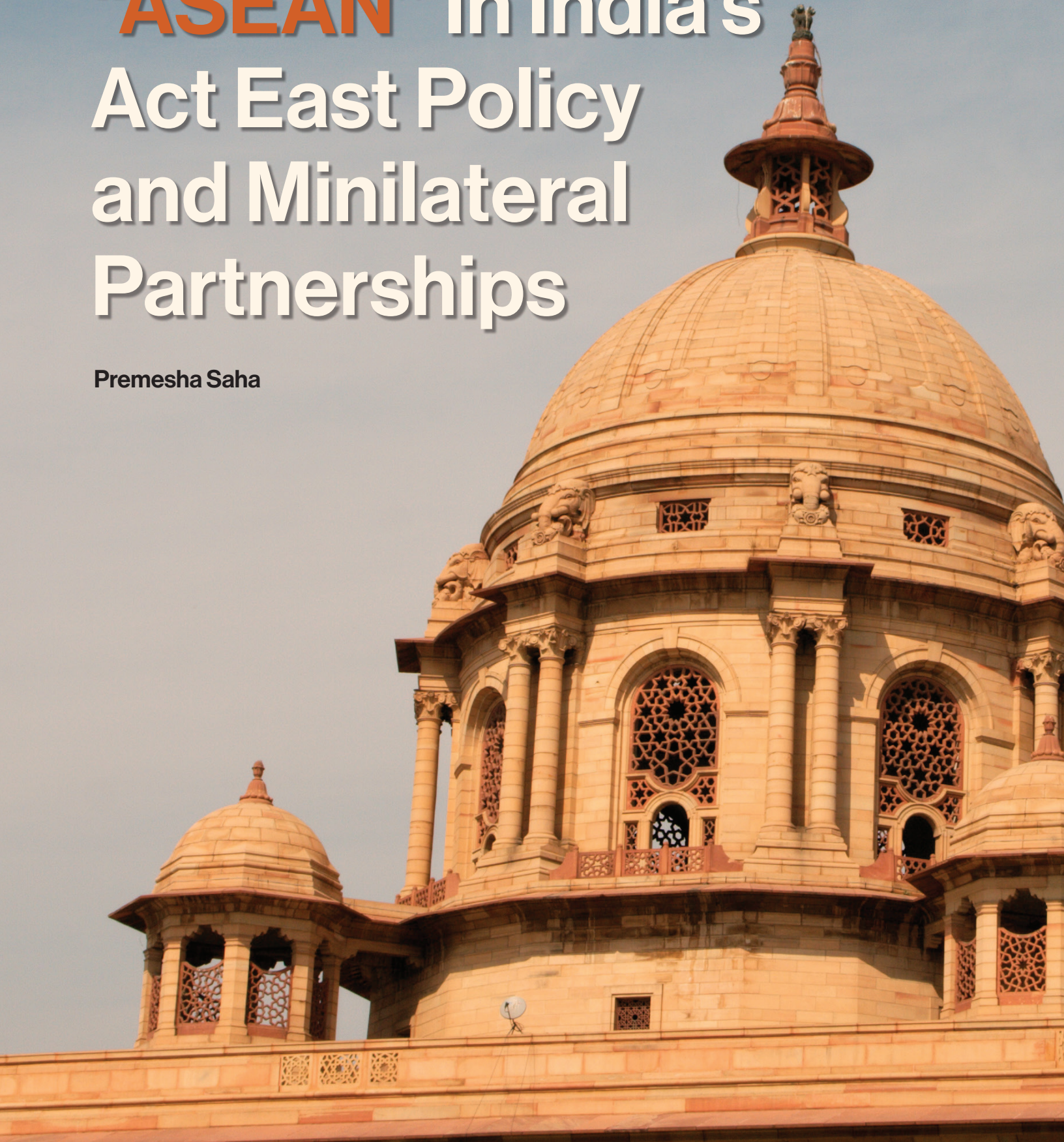


Prioritizing the “**ASEAN**” In India’s Act East Policy and Minilateral Partnerships

Premesha Saha



2024 marked a decade for India’s Act East Policy (AEP), which has become the primary policy driving India’s Indo-Pacific engagements and vision. It is therefore worthwhile reflecting on how this initiative has progressed, what it has achieved, and how it is perceived by the countries in Southeast Asia. While India has been actively strengthening its strategic, defense, and security ties with countries in Southeast Asia, more proactive diplomatic engagement with ASEAN is imperative.

In 2014, Prime Minister Narendra Modi rebranded India’s previously known Look East Policy as the ‘Act East’ policy with the aim of reinvigorating and accelerating India’s eastward engagement. The AEP has opened new areas of cooperation and has undoubtedly strengthened India’s diplomatic, economic, defence, and strategic ties with Southeast Asia and the broader Indo-Pacific region. At the same time, the AEP needs renewed zeal and further push to achieve more substantive progress.

Specifically, using the ASEAN-India Innovation Platform (AIIP) in a substantial way is key if India wants its AEP to reap the desired results and strengthen its position as a key strategic player in the region. It might additionally be worthwhile to think of leveraging minilateral platforms like the Australia-India-Indonesia Trilateral for developing closer linkages with ASEAN. Given that Indonesia

is perceived as the first among equals or the de-facto leader within ASEAN, trilateral cooperation can generate the support necessary for India to consolidate its stand within ASEAN.¹

ASEAN AS THE KEY FOCUS IN INDIA’S AEP: SUCCESSES AND MISSES

Over the past decade, the AEP has yielded some substantial outcomes on trade and economic cooperation, connectivity and infrastructure, maritime security, capacity building, energy and environment, and health and pandemic response, among other sectors. During opening remarks at the 21st ASEAN-India Summit in Vientiane, Lao PDR in October 2024, Modi stated, “Over the past decade, this initiative has revitalized the historic ties between India and ASEAN countries, infusing them with renewed energy, direction, and momentum.”²

“Southeast Asian nations need to appreciate how India’s bilateral and institutional partnerships in this region have evolved over the years. India should not be weighed against the progress and achievements of other dialogue partners like China, Japan, the United States, or Australia.”

Since the launch of the Act East Policy, India’s bilateral trade with ASEAN has witnessed significant growth – rising from \$65 billion in 2015 to \$131 billion by 2023. India’s exports to the region also increased notably, climbing from \$31 billion in 2016 to \$44 billion in 2022. Despite this upward trend, the overall trade volume continues to fall short of its full potential. Moreover, as of 2024, India continues to face a trade deficit with ASEAN, which stands at approximately \$43 billion, underscoring the need for more balanced and diversified economic engagement.³



Prime Minister Narendra Modi greets people in Varanasi.
Prime Minister’s Office, Government of India | CC BY-SA 2.0

21ST ASEAN-INDIA SUMMIT

10 OCTOBER 2024, VIENTIANE, LAO PDR



India has repeatedly emphasized commitment and support to ASEAN centrality, ASEAN unity, and the ASEAN Outlook on the Indo-Pacific (AOIP). There have been many joint statements penned between India and ASEAN, such as the Joint Statement on Strengthening ASEAN-India Comprehensive Strategic Partnership for Peace, Stability and Prosperity in the Region in the context of the ASEAN Outlook on the Indo-Pacific (AOIP) with the support of India's Act East Policy (AEP) in 2024; the ASEAN-India Joint Statement on Cooperation on the ASEAN Outlook on the Indo-Pacific for Peace, Stability, and Prosperity in the Region (2021); the Joint Statement on ASEAN-India Comprehensive Strategic Partnership (2022); and, the ASEAN-India Joint Statement on Maritime Cooperation (2023).⁴ India and ASEAN countries undertook the first ever joint maritime exercise in 2023 as well.⁵

Also in 2023, Modi unveiled a 12 point agenda for strengthening India-ASEAN ties, which offers significant opportunities for businesses to expand their footprint in Southeast Asia, improve regional trade and commercial ties, tap into prospects emerging from their ongoing digital transformation, and stay relevant in geopolitics. The agenda covers wide-ranging areas of enhanced connectivity,

digital transformation, a digital transformation fund, research support, Global South advocacy, and maritime security with the aim of fostering robust ties with ASEAN member countries.⁶

THE VIEW FROM SOUTHEAST ASIA

Even with India and ASEAN elevating their partnership to a "Comprehensive Strategic Partnership" in 2022, many in Southeast Asia still do not view India as a substantial political or strategic influence in the region.⁷ This was seen in the latest "State of Southeast Asia" 2024 Survey Report. The report reflected that India was ranked nearly at the bottom in terms of economic and political-strategic influence in the region among ASEAN's eleven dialogue partners. Furthermore, the survey has also shown that "distrust levels of India remain consistently high at 44.7 percent."⁸ This has been attributed to "India's inability to project capacity or political will for global leadership and that India is distracted with its internal and sub-continental affairs."⁹

India backing out of the Regional Comprehensive Economic Partnership (RCEP) in November 2019 has not boded well with most in Southeast Asia. As Southeast Asian scholars like Nazia Hussain and

“Specifically, using the ASEAN-India Innovation Platform (AIIP) in a substantial way is key if India wants its AEP to reap the desired results and strengthen its position as a key strategic player in the region.”



Prime Minister Narendra Modi and Sultan of Brunei, Haji Hassanal Bolkiah shake hands during a banquet at Istana Nurul Iman, in Bandar Seri Begawan. I ANI

Tan Ming Hui of Rajaratnam School of International Studies have pointed out, “New Delhi’s decision to exit from the [RCEP] dealt a severe blow to ASEAN’s efforts at economic integration.”¹⁰ It has been explicitly stated by former ASEAN Secretary-General Lim Jock Hoi that RCEP is more of an ASEAN-led initiative, rather than a China-led one, as is generally perceived.¹¹ Currently the ASEAN-India Trade in Goods Agreement is under review for possible updates. Specifically, the review will take a closer look at the tariff concessions India offers to the ASEAN nations that help boost India’s own domestic manufacturing industries.¹²

Though agreements are in place, and there is both will and interest from each side to further strengthen ties, work remains. There is a need to draw up detailed action plans that operationalize these agreements. As Indonesia’s Ambassador to India has pointed out, “Prime Minister Modi must present new ideas and concepts to strengthen ASEAN-India relations. Building on last year’s impactful 12-point agenda, he must put new

ideas and concepts on the table following the 12 points to move forward.”¹³ Hussain and Tan also note, “Despite positive improvements over the decade and periodic bursts of energy in engagement, ASEAN-India relations have lacked consistency in terms of functional implementation on the ground.”¹⁴ They add that, “compared to the proactive engagement and ambitious initiatives from ASEAN’s other regional partners, including Japan, China, and South Korea, India’s commitment to the region has been inconsistent.”¹⁵

Especially in the last year, India has initiated a flurry of high-level diplomatic visits to Southeast Asian countries. For example, Modi made a visit to Brunei, which demonstrated a mark of India’s enthusiasm behind the relationship.¹⁶ However, the expectation now is to ensure that a future plan of action is in place and these agreements are implemented. Therefore, instead of signing new joint statements, India should resolve to enact the agreements that are already in place with ASEAN countries. This can be done in concert with other like-minded countries in the Indo-Pacific region like Japan, Australia, and South Korea, among others.

Southeast Asian nations need to appreciate how India’s bilateral and institutional partnerships in this region have evolved over the years. India should not be weighed against the progress and achievements of other dialogue partners like China, Japan, the United States, or Australia. These countries have a more sustained and long-established presence in Southeast Asia. The United States, for instance, is a treaty ally of the Philippines and Thailand.

MINILATERALS ARE THE WAY FORWARD

There is no fixed definition of “minilateralism.” Some scholars, like Brendan Taylor, Professor of



Flag of the Association of Southeast Asian Nations.
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Strategic Studies at the Strategic and Defence Studies Center (SDSC) of the Australian National University, state that “minilaterals typically involve three to nine countries who collaborate to address specific challenges that larger, more inclusive, and often more institutionalized multilateral structures are ill-suited to handle.”¹⁷

Existing minilaterals, like the Australia-India-Indonesia trilateral, can be used to ensure that the ASEAN becomes a linchpin in India’s AEP. Indonesia is the most active ASEAN member in convening forums and arranging summits to bring together member countries in times of emergencies, like the Myanmar coup in 2021.¹⁸ Working closely with Indonesia and Australia will help India better leverage ASEAN in its Act East policy and its broader Indo-Pacific ambitions.

Given increasing uncertainties over the ongoing U.S.-China rivalry, and now with the second Trump administration, there is growing fear among ASEAN countries about the United States’ diminishing commitment toward this region. Ben Bland of Chatham House writes, “In Southeast Asia, by contrast, many officials believe that Trump is simply reinforcing their worst pre-existing suspicions about America. From economic coercion to

threatening sovereignty violations and disregarding international agreements and organizations, the U.S. has previous form in their region and beyond.”¹⁹

Therefore, ASEAN countries recognize the need for other regional balancers, including India, to generate stability. Countries like the Philippines, Vietnam, and Indonesia are looking to deepen defense and security ties with India to deal with growing Chinese assertiveness in the disputed waters of the South China Sea.²⁰

To be sure, ASEAN will remain the core pillar in foreign policies of the region. Countries promoting their national objectives and ambitions will remain aware of their prolonged commitment to ASEAN. It is therefore of cardinal importance for India to work with other like-minded countries in the Indo-Pacific who have a sustained presence in the region and engage platforms like the Australia-India-Indonesia trilateral to develop a better footing in ASEAN. Stronger ties and presence in ASEAN will not only benefit India’s AEP, but will also help India in its ambitions of becoming the leading voice in the Global South. The Australia-India-Indonesia trilateral can also look at making one of the ASEAN-led platforms a key forum for discussing rebalancing of the multilateral system in favor of developing nations.

CONCLUSION

“ASEAN centrality” has become a buzzword which surfaces in the Indo-Pacific policies of most countries and arises in joint statements published after Quad meetings.²¹ However, there is no clear and unified understanding about what ASEAN centrality really is and how the predominance of ASEAN can be maintained at a time when there is a growing debate on the credibility of international institutions.

“Given increasing uncertainties over the ongoing U.S.-China rivalry, and now with the second Trump administration, there is growing fear among ASEAN countries about the United States’ diminishing commitment toward this region.”

Indian policymakers need to delve deeper into what Southeast Asian nations really expect from India. India should factor ASEAN more prominently in its AEP by operationalizing and implementing joint agreements with ASEAN. This can be done in partnership with other like-minded countries in the region like Australia or Japan and through existing minilateral platforms. The Australia-India-Indonesia trilateral can become a key factor in revitalizing ASEAN legitimacy through enhanced transparency, inclusion, and regional engagement. Specifically, Indonesia’s convening power in ASEAN, at a time when the geopolitical climate is in a flux, can emerge as the fulcrum in the institutional architecture of the Indo-Pacific. A minilateral partnership in this fashion can invigorate India’s strategic position in Southeast Asia.

ABOUT THE AUTHOR

Dr. Premesha Saha is a Fellow with the Strategic Studies Programme at the Observer Research Foundation in New Delhi and a Maitri Fellow with Asia Society Australia currently based in Melbourne.

Aerial view floating fishing village and rock island, Halong Bay, Vietnam, Southeast Asia. UNESCO World Heritage Site. Junk boat cruise to Ha Long Bay. Popular landmark, famous destination of Vietnam | Hien Phung Adobe Stock



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