



### THE INDIA-ASEAN COMMEMORATIVE SUMMIT AND THE CHINESE RESPONSE

By  
**Dr Ahmad Rashid Malik**  
Director

*The China-Pakistan Study Center (CPSC), ISSI*

Edited by  
**Najam Rafique**

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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



**An India-ASEAN burgeoning partnership is on the rise that would change the strategic and economic landscape between South Asia and South East Asia. India has been vigorously pursuing the goals of its “Act East” policy, replacing Narasimha Rao’s “Look East” policy devised in the early 1990s, to re-calibrate ties with the ten-member Association of the South East Asian Nations (ASEAN).<sup>1</sup>**

The India-ASEAN partnership has grown to quarter century of fruitarian and delivered various dividends. Celebrating this occasion, a Commemorative Summit was convened in New Delhi on January 25-26, 2018 under the theme of “Shared Values, Common Destiny”.<sup>2</sup> The ASEAN leaders namely; Vietnam Prime Minister, Nguyen Xuan Phuc, Cambodian Prime, Minister Hun Sen, the Philippines President Rodrigo Duterte, Myanmar state counsellor, Aung Saan Suu Kyi, Singapore Prime Minister, Lee Hsein Loong, Thailand Prime Minister, Prayut Chan-o-cha, Brunei Sultan, Hassan al Bolkiah, Malaysia Prime Minister, Najib Razak, Laos Prime Minister, Thonglun Sisolith, and Indonesia President, Joko Widodo<sup>3</sup> met with Prime Minister Narendra Modi and discussed matters of security, terrorism, commerce, tourism, education, and people-to-people contacts to expand

<sup>1</sup> ASEAN members include: Brunei Darussalam, Cambodia, Indonesia, Lao, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.

<sup>2</sup> See Delhi Declaration, “The ASEAN-India Commemorative Summit to mark the 25th Anniversary of ASEAN-India Dialogue Relations in Statements & Communiqués”, Association of the South East Asian Nations. <http://asean.org/delhi-declaration-of-the-asean-india-commemorative-summit-to-mark-the-25th-anniversary-of-asean-india-dialogue-relations/>, [http://asean.org/storage/2018/01/Delhi-Declaration\\_Adopted-25-Jan-2018.pdf](http://asean.org/storage/2018/01/Delhi-Declaration_Adopted-25-Jan-2018.pdf)

<sup>3</sup> Elizabeth Roche, “India-Asean summit could define a new regional architecture for Asia”, *Livemint*, January 24, 2018. <http://www.livemint.com/Politics/9ZITkmqPK93QDH2ovt6qN/All-10-Asean-leaders-arrive-in-India-today-for-commemorative.html>

mutual ties. The eleven-page ASEAN Delhi Declaration comprehensively covered all areas of cooperation and suggested strategies to further alleviate the relationship.

### **The India-ASEAN Ties**

The India-ASEAN relationship has grown over the years to a great extent. Historically, India became a “Sectoral Dialogue Partner” of ASEAN in 1992, a “Full Dialogue Partner” in 1996 and a “Summit Level Partner” in 2002. India is a part of the ASEAN-led East Asia Summit, ASEAN Defence Ministerial Meeting Plus, the ASEAN Regional Forum (ARF) and about 30 other dialogue mechanisms covering various fields.<sup>4</sup> The India-ASEAN level was elevated into a “strategic partnership” in 2012. Both the sides will move towards a Regional Comprehensive Economic Partnership (RCEP) in the future, in order to take their commercial ties to new heights.

The ASEAN-India Business Council (AIBC) was set up in 2005 and the India-ASEAN Free Trade Agreement (FTA) was signed in August 2009. Ever since the partnership was laid down, the India-ASEAN trade has increased to US\$ 65 billion in 2016, comprising 10.12 per cent of India’s total trade with the world.<sup>5</sup> Investment from ASEAN to India has increased to over US\$ 70 billion in the last 17 years accounting for more than 17 per cent of India’s total Foreign Direct Investment (FDI).<sup>6</sup>

In active pursuance of his “Act East” policy, Modi visited a number of ASEAN countries and successfully orchestrated East Asia outreach diplomacy since he came into power. He visited Myanmar in November 2014 and September 2017, Singapore in March 2015, Malaysia in November 2017 and September 2016, Vietnam and Laos in September 2016, Thailand in November 2016, and the Philippines in November 2017. To strengthen ties beyond ASEAN, he visited Japan in August 2014 and November 2016, Australia in November 2014, Fiji in November 2014, South Korea in May 2015, and China in March 2015, September 2016, and 2017.

### **China’s Interests**

Even as India-ASEAN relations grow, the former’s relations are still deteriorating with China over border disputes, unavoidable differences on the Dalai Lama issue, and China’s all-weather ties with Pakistan. India continues to confront and counter China and develop relations with the United States, Japan, and Australia in that perspective. ASEAN is also another venture, but India would be unlikely to take full benefits out of the growing ties with ASEAN and using this platform for

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<sup>4</sup> Sumit Kumar, “India ASEAN Relations Blossom in Delhi as China Looks on”, *TheNewsLens*, February 2, 2018. <https://international.thenewslens.com/article/86833>

<sup>5</sup> Nonika Marwaha, “Why PM Narendra Modi’s Manila visit for ASEAN summit is not only about meeting Donald Trump”, *India Today* (New Delhi), November 12, 2017.

<sup>6</sup> Ibid.

countering China because of its strong ties with ASEAN countries. China continued to be ASEAN's largest trading partner with total bilateral trade at US\$ 346.4 billion in 2015, accounting for 15.2 per cent of ASEAN's total trade. Foreign Direct Investment (FDI) flows from China to ASEAN amounted to US\$ 8.2 billion in 2015, positioning China as ASEAN's fourth largest source of FDI.<sup>7</sup>

"All of China's moves, such as its all-weather strategic partnership with Pakistan, infrastructure construction in Southwest China, participation in the construction of the Gwadar port in Pakistan, Hambantota in Sri Lanka, Chittagong in Bangladesh and Sittwe in Myanmar, are regarded by India as the so-called 'String of Pearls' that aims to encircle India and limit its global clout," wrote Wen Erkang in the Beijing-base *Global Times*.<sup>8</sup> With these misperceptions, India has been moving against China.

On the other hand, ASEAN provides a good platform for both China and India to interact with each other and diffuse tensions. China is part of ASEAN's trilateral relations along with Japan and South Korea. China is also one of the members of the ARF like India. ASEAN have been developing dialogue partnership with both China and India. Both are members of the EAS and several other ASEAN mechanisms. Against this backdrop, China and India are converging their views on regional cooperation in South East Asia and beyond to North East Asia and Oceania. China is conscious of its growing ties with India within the ASEAN regional perspective.

The response of China towards the India-ASEAN partnership is pragmatic instead of having military and political connotations. China has a mixture of worries and optimisms about India-ASEAN increasing partnership. China wants to shun Indian misperceptions that China would make efforts to separate its north eastern states bordering South East Asia from the Indian Union. Therefore, Beijing would not make any attempt to create such apprehensions. The military stand-off at Doklam / Donglang in summer 2017 was one example that India wanted to protect its north eastern States and Bhutan, and China wanted to pursue its policy of non-interference in its affairs and continued to develop its far-flung borders areas. India stepped back and the matter was resolved after two months. This means that China would be conscious about the development of relationship between India and ASEAN, but would not interfere and would allow the relationship to flourish but at the expense of China.

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<sup>7</sup> ASEAN Secretariat Information Paper, June 2017, "Overview of ASEAN-China Dialogue Relations". <http://asean.org/storage/2017/06/Overview-of-ASEAN-China-Relations-June-2017.pdf>

<sup>8</sup> Wen Erkang, "ASEAN-India bonhomie seeks to balance power of China", *Global Times* (Beijing), January 29, 2018.

Nevertheless, the growing India-ASEAN relationship would be having implications for the South China Sea where India would like to interfere in support of United States, Japan, and some South East Asian allies to counter the rise of China. The Beijing-based *Global Times* in its editorial on January 25, 2018 wrote: “Some members of the Indian elite enjoy engaging in geopolitical bluster. But they cannot truly gauge the reality of India’s comprehensive strength and diplomatic experience. They are beginners playing at geopolitics.”<sup>9</sup> The immature attitude of India in the South China Sea would likely to create tension between China and India.

Nevertheless, China would not develop a confrontational approach to the India-ASEAN partnership. China is offering the 21st Century Maritime Silk Road to connect the ASEAN region especially Myanmar, Laos, and Indonesia. With regard to the situation in the South China Sea, the India-ASEAN Delhi Declaration supported “the full and effective implementation of the Declaration on the Conduct of the Parties in the South China Sea (DOC) and look forward to an early conclusion of the Code of Conduct in the South China Sea (COC)”.<sup>10</sup> This statements does not intend to intensify ASEAN-China and China-India differences.

## Conclusion

A crucial relationship between India and ASEAN and a number of extra-territorial players such as Japan, Australia, New Zealand, and United States is underway to assign a greater role to India under the new concept of the “Indo-Pacific”. The India-ASEAN partnership assumed importance because of the rise of China, issues in the South China Sea, and China’s Maritime Silk Road projects. China is a major player in East Asia and its avoids confrontation with other players in the region. Chinese tension with Japan, South Korea, Vietnam, and the Philippines has been substantially decreased. ASEAN wants to balance the growing economic ties and security interests with both China and India. If India uses ASEAN to fulfils its “grand strategy”, it would disturb the regional balance in South East Asia, which would turn harmful for ASEAN itself to maintain their growth momentum and upsetting economic ties with China. ASEAN cannot afford to do so.

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<sup>9</sup> Editorial, “India’s geopolitical bluff baffles China”, *Global Times* (Beijing), January 25, 2018.

<sup>10</sup> “ASEAN-India Commemorative Summit”, op.cit.