

## India-ASEAN Economic Relations: An Analysis

**\*Dr. Rakesh Kumar Sinha**

### **Abstract**

In International Politics economic relations plays a very important role. It prepares to understand the structures, hierarchies and power dynamics that regulate finance and trade, drive globalization and economic nationalisms, and impact the distribution of wealth and poverty across the world.

### **Significance of ASEAN**

Nature has invested Southeast Asia with important minerals and raw materials. Southeast Asia has an abundance of raw materials which makes Southeast Asia an important region for world power. Raw materials like crude petroleum, tin concentrates, gold, copper ore, nickel, coal, antimony ore, bauxite and chrome-ore.

South East Asia also has a number of exports whose significance must not be underestimated. Among these items may be singled out rice, tin, rubber and petroleum, each having its own importance depending upon the needs of customers and varying circumstances of trade. Burma, Thailand and Vietnam have long been called the rice bowl of Asia because of extensive exports of rice to deficient countries in East Asia. Around 60% of the worlds output of tin and 90% of natural rubber come from South East Asia, with Indonesia and Malaya being outstanding producers. About 2.5% of the world's production of crude oil originates in Indonesia and British Borneo.<sup>1</sup>

### **History of India ASEAN Relation**

When ASEAN was established it was viewed as anti-communist organisation and therefore India was not ready to associate with ASEAN activities. Neither ASEAN countries wanted to involve India in any of its activities. India-ASEAN relationship began to improve only after the end of the cold war when India became a sectoral partner and when India adopted Look East Policy.<sup>2</sup> India became full dialogue partner in 1995 and also a summit partner since 2002. The table given below shows India-ASEAN Summits.

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## **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

## ASEAN-INDIA SUMMITS

Sr. No.	Date	Country	City/ies	Theme/Agenda/Focus area
1st	4-5 November 2002	Cambodia	Phnom Penh	ASEAN-India Co-operation in the 21 <sup>st</sup> century
2 <sup>nd</sup>	7-8 October 2003	Indonesia	Bali	Support for the Bali concord-II
3 <sup>rd</sup>	29-30 November 2004	Laos	Vientiane	Deepening ASEAN-India partnership
4 <sup>th</sup>	12-14 December 2005	Malaysia	Kuala Lumpur	One Vision, One Identity, One Community
5 <sup>th</sup>	9-15 January 2007	Philippines	Cebu	One Caring and Sharing Community
6 <sup>th</sup>	18-22 November 2007	Singapore	Singapore	One ASEAN at the heart of Dynamic Asia
7 <sup>th</sup>	23-25 October 2009	Thailand	Cha-am and Hua Hin	Enhancing Connectivity, Empowering Peoples
8 <sup>th</sup>	28-30 October 2010	Vietnam	Ha Noi	Towards the ASEAN Community: From vision to Action
9 <sup>th</sup>	14-19 November 2011	Indonesia	Bali	ASEAN Community in Global Community of Nations
10 <sup>th</sup>	20-21 December 2012	Cambodia	Phnom penh	ASEAN-India Partnership for Peace and Shared Prosperity
11 <sup>th</sup>	15 October 2013	Brunei	Bandar Seri Begawan	Our People, Our Future Together
12 <sup>th</sup>	11-13 November 2014	Myanmar	Nay Pyi Taw	Growing towards Unity for Peaceful and Prosperous Community
13 <sup>th</sup>	18-22 November 2015	Malaysia	Kuala Lumpur	Our People, Our Community, Our Vision
14 <sup>th</sup>	6 -8 September 2016	Laos	Vientiane	Turning Vision into Reality for a Dynamic ASEAN Community
15 <sup>th</sup>	13-14 November 2017	Philippines	Manila	Partnering For Change, Engaging the world
16 <sup>th</sup>	1-4 November 2019	Thailand	Bangkok	Advancing Partnership for Sustainability

Source: 1. [https://asean.org/?static\\_post=joint-statement-of-the-fist-asean-india-summit...30/07/2020-6:30](https://asean.org/?static_post=joint-statement-of-the-fist-asean-india-summit...30/07/2020-6:30)

2. [https://mea.gov.in/bilateraldocuments.hpm?dtl/24243/Chairmans\\_statement...30/07/2020-6:40](https://mea.gov.in/bilateraldocuments.hpm?dtl/24243/Chairmans_statement...30/07/2020-6:40)

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### India-ASEAN Economic Relations: An Analysis

*Dr. Rakesh Kumar Sinha*

**INDIA-ASEAN RELATIONS SINCE POLICY OF LOOK-EAST**

India's Look East Policy took its roots in the beginnings of early 1990s. The decade of the 1990s can perhaps be considered as an important threshold in the annals of modern history.<sup>3</sup>

Since the disintegration of USSR theory of Complex interdependence from school of liberalism begin to work on ground level. This gears the formation of regional groupings. While India was opening up to the world market, it become aware of the growing trends towards regionalism and feared that it will be marginalized from the dynamics pushing the global economy. The changed international system in the aftermath of the end of cold war, the success stories of the East Asian Tiger economies and the radical shift in India's economic and strategic circumstances caused New Delhi to pay more attention to the rapidly growing economies of East and Southeast Asia.<sup>4</sup> The Look East Policy was officially launched in the year 1991 by the government of P.M P.V Narsimha Rao, although the term "Look East Policy" was mentioned for the first time in the annual report of the ministry of External affairs, 1995-96. I.K Gujral had stated that, "What Look east really means is that an outward looking India, is gathering all forces of dynamism, domestic and regional and is directly focusing on establishing synergies with a fast consolidating and progressive neighborhood to its East in Mother continent of Asia."<sup>5</sup>

Look East Policy is a liberal economic and a strategic policy on part of India to forge deeper and closer economic relations with its eastern neighbours. The essential philosophy behind the policy of look east can be visualised from the statement of Dr. Manmohan Singh when he says, 'India's Look East Policy is not merely on external economic policy, rather it is a significant sign post of change in India's vision and its global role in formation of new economic order'. The Policy was pursued with the objectives of reaping untapped benefits of trade with East Asian countries and developing India's North East as a hub of economic activities by linking in to the dynamic East and South East Asian countries.<sup>6</sup>

According to Rajiv Sikhri, it is here India's Look East Policy envisages the Northeast as an important economic region. Currently, the North-East engages in border trade, mainly illegal, with its neighbouring countries. But the Look East Policy aims to break the existing barriers of border trade and facilitate a smooth, legal trade route option.<sup>7</sup> In the Initial stage the focus of the Look East Policy was much on ASEAN. India's conscious efforts to forge closer economic ties with ASEAN member states paid dividends; bilateral relations between India and ASEAN improved rapidly. India become a sectoral dialogue partner in March 1993.<sup>8</sup>

The first official level sectoral dialogue between and the ASEAN held at Bali in January 1994 had reviewed the potential business opportunities for mutual expansion of business in the four selected areas. These are:

- (1) Trade
- (2) Tourism
- (3) Investment and
- (4) Science and Technology.

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**India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

The second government to government level sectoral dialogue between India and the ASEAN was held at New Delhi during 13<sup>th</sup> to 17<sup>th</sup> February 1995. This dialogue reviewed the progress of India-ASEAN economic cooperation and considered areas which required greater attentions in future.<sup>9</sup>

In 1992 as “sectoral dialogue partnership” with ASEAN has blossomed future as full dialogue partnership in 1995 formalized as ASEAN+1, so that India is regularly present at ASEAN summits, is also a part of ASEAN+4 (Japan, South Korea, China and India) and attends ARF first in July 1996 (ASEAN Regional Forum), which annually reviews the security situation and is attended by important countries of Asia and the pacific region, including USA.<sup>10</sup>

The first ASEAN-India summit was held in Cambodia in November 2002. India’s Look East Policy initially started with keeping ASEAN as a focus primarily on trade and investment linkages. Then in 2003 it stretches from Australia East Asia, along with ASEAN in focus. This time trade to security is considered.<sup>11</sup>

A Framework Agreement on comprehensive Economic cooperation between ASEAN and India was signed in Bali in October 2003 with the objective of realizing the potential of ASEAN-India economic cooperation. Significant developments have accrued since the November 2001 agreements to host annual India-ASEAN summits, which led to the institutionalization of the ASEAN+1’ as a formal structure of the ASEAN’s annual processes. The First India-ASEAN summit laid the roadmap for the structuring of the Framework Agreement which was concluded during the second India-ASEAN summit of October 2003. The ASEAN-India Framework Agreement is a watershed in the economic ties that bind the two regions and also enhances the existing bilateral and multilateral arrangements within the region. At the bilateral level India is already evolving Free Trade Agreements (FTA’s) with both Singapore and Thailand. Also of significance is that India and Singapore signed the comprehensive Economic cooperation Agreement in July 2005 (CECA), Paving the way forward for India’s economic integration with the region. The most significant aspect of the India ASEAN Framework Agreement is that it enhances the potential for deeper economic integration with the region. This Framework Agreement would cover goods and services, investment, and trade facilitation measures.<sup>12</sup>

In 1996, India became a member of ASEAN Regional Forum (ARF) aimed confidence building, conflict resolution and preventive diplomacy. India had been an active member of the ARF and has worked together with ASEAN in several areas including search and rescue, sea piracy and disaster relief, helping to further advance the ARF process. India has acceded to ASEAN’s Treaty of Amity and cooperation (TAC) in October 2003, which further promotes regional peace and stability. India shares ASEAN’s fundamental principles of non-interference, respect for each other’s territorial integrity and sovereignty and resolving disputes in a peaceful manner signing TAC promoted India to the inner circle of ASEAN.<sup>13</sup>

#### ***Comprehensive Economic Cooperation Agreement***

As CECA (Comprehensive Economic Cooperation Agreement) is a precursor in attaining the stated

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### **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

long-term objective of a India-ASEAN trade. India and the ten member countries of ASEAN signed the India-ASEAN Framework Agreement on comprehensive Economic cooperation (CECA) in Bali, on 8<sup>th</sup> October 2003. This reduces the hurdles and deepens the relations. This is an effort to carveout a strong trading block to counter NAFTA and the EU.<sup>14</sup>

#### **ASEAN-India Free Trade Agreement (AIFTA)**

The trade between India and ASEAN is such that India has been running a deficit with ASEAN and the deficit has been growing. In 2004-05, India's total imports from ASEAN were worth roughly \$ 9 billion, with exports amounting to \$ 8 billion. In 2007-08, total import (\$22 billion) continued to exceed exports between the two has been increasing rapidly. India has not trade surpluses with most of the ASEAN member countries. Notably exceptions are Cambodia, Laos, Brunei, the Philippines and Vietnam.<sup>15</sup>

The ASEAN-India Free Trade Agreement (AIFTA) which was an important step for deeper economic integration. Its framework was signed on 8<sup>th</sup> October 2003 in Bali, Indonesia and the final agreement was signed on 13<sup>th</sup> August 2009, coming into effect from 1<sup>st</sup> January 2010. The Trade in Goods (TIG) agreement was signed in 2009 and its main target was trade liberalization, elimination and reduction of tariffs on various tariff lines.<sup>16</sup>

#### **ASEAN-India Business Council and Economic Cooperation Committee**

The ASEAN-India Business council (AIBC) and ASEAN-India Economic cooperation committee (AIECC) are exploring trade and investment relations and they indicate a large potential for future cooperation. The trading ties with ASEAN countries are increasing but it is not commensurate with the vast potentials as focused in India-ASEAN summit meetings, which has been held yearly.<sup>17</sup>

In order to further develop investment and trade links, an ASEAN-India Economic Linkages Task Force (AIELTF) was setup, which drafted a comprehensive Economic cooperation Agreement (CECA) that was signed between ASEAN and India at the Bali summit in October 2003.<sup>18</sup>

#### **East Asia Summit (EAS)**

India's participation in East Asia summit (EAS) as one of the founding members in 2005 enabled her to exchange views on political, security and economic issues on East Asia.<sup>19</sup> the EAS is a unique leader led forum of the Heads of the state/government.

India's participation in the East Asia Summits is a further extension of its Look East Policy. The EAS is an eighteen-member body and incorporates the ten ASEAN countries plus Japan, South Korea, China, India, Australia, New Zealand, USA, and Russia. It concentrates on five core area of energy, education, finance, pandemics and disaster management.<sup>20</sup>

Malaysia hosted the first EAS in 2005. On Second Summit of EAS India reiterated the support for the ASEAN's central role as the driving force for economic development in the region and willing for the comprehensive Economic partnership in East Asia (CEPEA). The CEPEA is a regional trade

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### **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

cooperation and free trade agreement between the ASEAN and its dialogue partners. The ERIA is an institute which conducts comprehensive mapping of existing ASEAN+1 FTA's and bilateral FTAs, providing recommendations for policies towards regional comprehensive Economic partnership (RCEP). The ERIA also contributes to the regional efforts for economic integration in wide ranging policy areas from trade/Investment to Small and Medium Economic (SME). The ERIA include facilitating the ASEAN economic community building, supporting the ASEAN's role as the driver of the wide economic integration, contributing to narrowing the development gaps, and nurturing a greater sense of community in East Asia. The third EAS was held on 21<sup>st</sup> November 2007 in Singapore. The fifth EAS in Hanoi where declaration of 2010 was issued. The Sixth EAS held at Bali on 19<sup>th</sup> November 2011. In 2013, India was one of the fastest growing economic in the world. India made significant improvement in increasing its trade with EAS members by engaging in regional and bilateral negotiations with its trading partner countries of the region.

India's participation in the EAS is a wider paradigm shift that characterizes India's "Look East Policy" (LEP). ASEAN-India trade that has grown widely to about \$ 80 billion in 2014. The Framework Agreement on comprehensive Economic cooperation Agreement (CECA) was established in 2003 between the ASEAN and India and in August 2009, the trade in Goods (TIG) in 2009 and by December 2012, FTA on services and involvement was concluded.<sup>21</sup>

The government in 2015 upgraded LEP to the Act East Policy (AEP) which continues to be driven by economic and security interests and is extended beyond South East Asia, underlining the importance of the geopolitics of the region. At the East Asia summit on 13<sup>th</sup> November 2014 Prime Minister Narendra Modi stated: "since entering office six months ago government has moved with a great sense of priority and speed to turn our Look East Policy into the Act East Policy. P.M Modi also spelled out that Myanmar is an important component in India's AEP when he visited Myanmar. Engaging Myanmar therefore is of great consequence since it is an uninterrupted adjoining space to the ASEAN countries with which India has established engagement models."<sup>22</sup>

### **Act East Policy**

The 12<sup>th</sup> ASEAN-India Summit at Nya Pyi Taw, Prime Minister Narendra Modi recalibrated India's Policy towards the region thus, India's 'Look East Policy' moved to 'Act East Policy'. The Prime Minister stressed the importance of India-ASEAN relations and often used phrases such as it was "blossoming", showing "results on the ground" and had reached on exciting stage. This enthusiastic legacy has been carried forward by the present Narendra Modi government which came to power with an overwhelming majority in May 2014. Within a few months, the new government's strategy of connecting with Southeast Asian countries was evidence by high level visits. Foreign Minister Sushma Swaraj's visit to Myanmar, Singapore and Vietnam, Modi's to Myanmar of India's extended neighbourhood to its foreign policy. Under the new government, the Look East Policy has morphed into an 'Act East' Policy, aimed to pitch India with a more vigorous approach at bilateral, sub regional level.<sup>23</sup>

ASEAN is the fourth largest trading partner of India. Bilateral trade between ASEAN and India reaches

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## **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

US \$ 74.40 billion in 2013-2014. Both sides have renewed their commitment to arrive at a target of US \$ 100 billion by 2015.<sup>24</sup>

At the Nya Pyi Taw Summit, the importance of the Regional comprehensive Economic partnership (RCEP) as a key instrument in realizing the ASEAN economic community was emphasized with a need to expedite the ongoing RCEP negotiations. The RCEP formed in 2012, the RCEP involves ASEAN and six of its Dialogue partners. The summit underscored the need for timely implementation of the ASEAN-India FTA. The recent appointment of an India Ambassador to deal exclusively with ASEAN and the East Asia Summit process is timely and opportune.<sup>25</sup>

Further, the much-hyped India-ASEAN FTA has been criticised by some because of the extra edge India has given to ASEAN members. The Indian agricultural community has regularly voiced concerns on the outcome of the FTA. Through this India entered another FTA process called the Regional Economic comprehensive partnership, which brings together the ten ASEAN members along with current FTA partners (China, Japan, Republic of Korea, India, Australia and New Zealand) in terms of evolving a group of ASEAN +6. It was expected to conclude by the end of 2015. The implementation of the partnership would broaden and deepen current economic engagement achieved through existing ASEAN+1 FTA's. India however needs to prepare itself to face challenges in terms of china being a co-participant and the necessary tariff concessions this would entail.<sup>26</sup>

In 2012, the ASEAN exports were valued at \$ 43.84 billion and imports from India amounted to \$ 27.72 billion. The target has been set at \$100 billion by 2015 for the India-ASEAN trade. In India-ASEAN FTA, primarily focuses on merchandise items. India has been taking step for improved integration with the ASEAN. At a policy level, India is drafting a five year plan of action starting 2016 to take the trajectories of common interests with the ASEAN to a new level, particularly emphasizing improvement of connectivity in the region to further boost trade and people-to-people contact. Expectations from the ASEAN Free Agreement on services are high and it is hoped that it would boost the benefits from the present ASEAN-India FTA. The world Trade Report 2013 estimates that the share of services trade with rise substantially by 2035. Thus, the ongoing discussions regarding the AIFTA are likely to boost the trade, particularly in the field IT services. India would immensely benefit from services agreement as it is seen to have a surplus in service trade. Therefore, Philippines initially showed concerns about its own services industry, as it believed that opening up the service sector would have adverse effects on Philippines given India's strength in the same.<sup>27</sup>

### **Economic Cooperation**

Further ASEAN-India economic relations, mutually beneficial Regional comprehensive Economic Partnership (RCEP). This is to eliminate trade and non-trade barriers between ASEAN+3+3 countries. India enjoys cordial relationship with all ASEAN nations; it is unlikely that diplomatic hobnobbing alone will help garner the grouping's support for its Indo pacific strategy against China's raw cash power and growing military presence. ASEAN's trade with china for surpasses that with India and Chinese foreign direct investment in ASEAN is nine time higher than India's.<sup>28</sup>

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## **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

With signs of revival in the global economy, our economic relations with South East Asian countries emerged as a major pillar. The implementation of India-ASEAN Free Agreement in Goods facilitated our trade with ASEAN countries which has shown steady trends, with total trade with ASEAN crossing \$ 75 billion, in 2013-14, despite the weakening of the Rupee, and growing to \$44 billion in the first six months of 2014-15. The conclusion of the India-ASEAN Free Trade Agreements in service and investments will provide further impetus to our growing economic engagement with the region. Regional comprehensive Economic partnership (RCEP) which will promote economic cooperation and regional integration, assumed added relevance in the context of ASEAN's move towards creation of an ASEAN Economic community by 2015 and we hosted its meeting in India. At the same time, our bilateral Free Trade Agreements (FTA's) with Thailand, Australia and New Zealand, which will promote competitiveness and growth, saw new momentum with deeper interactions.

Comprehensive Economic Cooperation Agreements (CECA's) with Singapore and Malaysia are being reviewed to make them more effective. Singapore, Malaysia and Thailand as key players in infrastructure development; and Indonesia, Australia, Vietnam and Brunei emerged as long-term, reliable sources of resources and energy security.<sup>29</sup>

India imports crude oil worth US \$ 500 million approximately from Brunei while our exports are worth about US \$ 25 million approximately mainly of meat and meat products, machinery and equipment, and food items in 2016 when Shri. M. Hamid Ansari, Vice-President of India visited Brunei from 1<sup>st</sup> to 3<sup>rd</sup> February 2016. Prime Minister Shri Narendra Modi attend 14<sup>th</sup> ASEAN-India Summit and the 11<sup>th</sup> East Asia summit in Vietnam, Lao PDR. India Philippines partnership witnessed continued progression in the period, when Philippines went through their presidential election on May 2016, with President Rodrigo R. Duterte and his government sworn in on 30<sup>th</sup> June 2016. Commerce & Industry Minister Smt. Nirmala Sitharaman visited Cebu, Philippines for the Regional Comprehensive Economic Partnership (RCEP). Inter-sessional Ministerial Meeting from 3<sup>rd</sup> to 4<sup>th</sup> November 2016. Bilateral Trade between the two countries continued to maintain steady growth over the years and improved marginally to US \$ 1.9 billion in 2015-16 from US \$ 1.8 billion for 2014-2015.<sup>30</sup>

2017 was a landmark year, both for ASEAN and for ASEAN-India relations. While ASEAN celebrated fifty years of its existence. India celebrated the 25<sup>th</sup> Anniversary of ASEAN-India Dialogue partnership, fifteen year of summit relationship and five years of strategic partnership with ASEAN. Based on the theme of the 25<sup>th</sup> anniversary celebration of ASEAN-India partnership.<sup>31</sup>

### ***India-ASEAN: Spectrum of relations***

India and ASEAN nations have historical and cultural links nearly 2500 years back, as modern political entities, one can trace this relationship to very first Republic Day. On 26<sup>th</sup> January 1950 India's first Prime Minister Jawaharlal Nehru invited Sukarno, the first President of Indonesia who led the country's struggle against the Dutch colonialists, as a special guest.<sup>32</sup>

First time in Indian history India invited all ten nations in Republic Day. ASEAN-India commemorative

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## **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*



summit 2018 in New Delhi on January 25-26, 2018 and subsequently the historic presence of 10 Head of State ASEAN as chief guests at India's Republic Day Parade at Rajpath in New Delhi in 2018.<sup>33</sup>

### **Regional Comprehensive Economic Partnership**

RCEP is a free trade agreement (FTA) that create the world's largest trading bloc with its Asia-Pacific members accounting for nearly a third of global gross domestic product. RCEP will lower or eliminate tariffs on a broad range of goods and services and establish rules on such things as investment, competition, and intellectual property, including digital copy Wright.

### **India's Stands on RCEP**

Prime Minister Narendra Modi refused to sign the Regional comprehensive Economic Partnership (RCEP) trade but it is declared by the RCEP member that this will remains open for India. In his speech at the RCEP summit in Bangkok, Mr. Modi argued that while "India has been proactively, constructively and meaningfully engaged in the RCEP negotiations since inception", the draft RCEP agreement did "not fully reflect the basic spirit and the agreed guiding principles of RCEP" even as it did "not address satisfactorily India's outstanding issues and concerns." The RCEP negotiations were launched in 2012 and in 2019 there was big push to get it finalized. After India's rejection, the remaining 15 members decided to go ahead and underlined their intent to sign a trade deal sometime next year, keeping the door open for India to join at a later date. India demands at the RCEP negotiations included shifting the base year for tariff cuts from 2014 to 2019; avoiding a sudden surge in imports from China by including a large number of items in an autotrigger mechanism; calling for stricter rules of origin to prevent dumping from China; and a better deal in 11 of the 15 RCEP members, China alone accounts for \$ 53 billion of India's \$ 105 billion trade deficit with those. Given China's needs for greater access to Indian market to sustain its manufacturing industries, India was keep to protect its industry and farmers from a surge in Chinese imports. The RCEP generated considerable opposition with major stakeholders coming out against it, be it farmers, dairy industry or the corporate sector.<sup>34</sup>

India and ASEAN are not the direct competitor with each other. It is examined India has been trading very significantly with higher income economies of ASEAN and has poor trade relations with low income economies of ASEAN. India's main exports to ASEAN countries are organic chemicals, inorganic chemicals, Iron and steel, computer/machinery, electrical mechanical equipment, computer machinery, lubricant oil and edible oil etc. Here are some areas of mutual Economic Cooperation between India and ASEAN.

### **36<sup>th</sup> ASEAN Summit virtually held in Vietnam**

The 36<sup>th</sup> edition of the biannual ASEAN Summit 2020 was held via video conferencing in Hanoi, Vietnam. The Theme of the Summit was "Cohesive and Responsive ASEAN" This is an important summit as it is in COVID-19 Pandemic.<sup>35</sup> The theme was "Cohesive and Responsive ASEAN". A high priority project is the establishment of an ASEAN Covid-19 response fund which could be used to

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## **India-ASEAN Economic Relations: An Analysis**

*Dr. Rakesh Kumar Sinha*

help member states purchase medical supplies and protective suits.

#### **ASEAN-India 22<sup>nd</sup> Annual meeting**

This meeting held on 16<sup>th</sup> July 2020. This was online due to pandemic Covid-19. Both sides agreed to enhance co-operation in various fields. Deputy Foreign Minister of India Vijay Thakur Singh attended this meeting. India attaches importance to ASEAN and supports the bloc's central role in the regional architecture. At the meeting, ASEAN and India agreed to step up partnerships in economy, trade, investment, and in many others fields. They concurred in making efforts to achieve 200 billion USD in bilateral trade by 2022. He suggested ASEAN and India continue actively contributing to the building of an open, free, equal and rules-based multilateral trading system, facilitate trade and investment liberalization, and encourage businesses to optimize the ASEAN-India free trade agreement so as to bolster bilateral trade and investment amid challenges facing the regional and global economy. The deputy minister also affirmed that ASEAN countries attach importance to India's participation in the Regional comprehensive Economic Partnership (RCEP) agreement. They believe this deal will reflect the bloc and its partners' strong commitment to economic liberalization and connectivity and greatly help with recovery and efforts to overcome pandemic induced challenges.<sup>36</sup>

#### **Free Trade Agreements – ASEAN Summit – 2020**

The progress in the implementation of ASEAN's free trade area (FTA) and comprehensive economic partnership (CEP) agreements with major trading partner i.e. China, India, Japan, Korea, Australia and New Zealand and Hong Kong. China as well as engagement with new FTA partners. The global pandemic (COVID-19) may have slowed down work on upgrading ASEAN's various FTAs. The progress made for the full conclusion of the negotiations of the RCEP Agreement and looked forward to the signing of this Agreement by the end of 2020.<sup>37</sup>

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*Dr. Rakesh Kumar Sinha*

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### India-ASEAN Economic Relations: An Analysis

Dr. Rakesh Kumar Sinha

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