



India's Trade and Maritime Policy in the Indian Ocean Region

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Abstract

The Indian Ocean Region has always played a vital role in India's foreign policy strategy and successive Prime Ministers have attempted to ensure that India remains the dominant regional power in the area. Maintaining freedom of navigation and ensuring a healthy and peaceful coexistence between nations in the IOR has been the main objective of New Delhi's maritime foreign policy. The Modi government's Act East Policy was designed to build upon the foundations of the Look East Policy of the 90s and focus on improving India's connectivity with ASEAN and the Pacific Rim islands. However, this report will analyse how despite the Indian Prime Minister's soaring rhetoric and praise for the cultural linkages between India and the ASEAN region, little in the way of economic or maritime cooperation has actually been observed. In addition, India's continued wariness of China's efforts to make inroads in the IOR through the One Belt, One Road Initiative, has consigned New Delhi to a backseat role in its own backyard. This report will also attempt to suggest potential ways forward for Indian foreign policy vis-à-vis its South Asian neighbours including economic cooperation with China, at least for the short to medium term, as the best possible path for India to enhance its regional connectivity and foster closer economic integration with its neighbours.

Key words: Act East Policy, ASEAN, connectivity, economic integration, cultural links, One Belt One Road Initiative (OBOR), maritime policy, Indian Ocean Region (IOR), India-Myanmar-Thailand Trilateral Highway

Background and historical overview

The Indian Ocean Region (IOR) has been a strategically crucial area for countries in the wider Asian sphere for much of history. However, throughout the Cold War, India's focus was directed towards its northern borders with Pakistan and China, while its long maritime coastline was largely neglected. In 1960, the Navy's share of the defence budget stood at 4 per cent. For comparison, the allocation for the naval forces in the defence budget for 2017-18 stood at 14 per cent (Behera, 2017). During this period, India's approach to the IOR was called "peaceful periphery", which essentially meant that unless the Ocean was threatened by the presence of an external power, India would not actively pursue any broad strategy for the area. But with the rise of China and India as major world economies, the Indian Ocean attained an added economic importance starting from the 1990s. It was during this time that India formulated its first foreign policy strategy for the Indian Ocean as well as the Southeast Asia region. Under the leadership of Prime Minister

Narasimha Rao, the Indian government initiated the Look East Policy with the express goal of building economic relations with the members of the Association of Southeast Asian Nations (ASEAN). This Policy was based on the Gujral Doctrine, which sought to cultivate friendly relations with India's neighbours and build a cooperative, conflict free zone in South Asia.

With India's growing economy ever reliant on the global world trade order, the Indian Ocean became an important maritime gateway and protection of key international shipping lanes assumed paramount importance for Indian foreign policy strategists. In 2014, the Indian Ocean accounted for 50 per cent of the world's container traffic and 70 per cent of total traffic for petroleum products (Fabian, 2017). The Indian Ocean also has two hugely important straits through which a vast majority of oil imports are transported to India and China. For China, nearly 75 per cent of its oil imports pass through the Straits of Malacca, while for India around US\$ 200 billion worth or roughly 60 per cent of its oil transits through the Straits of Hormuz. With China making steady economic gains in Southeast Asia through economic investment and infrastructure development and the Look East Policy's failure to achieve any substantial economic linkages between India and ASEAN, New Delhi needed a new foreign policy approach to make significant inroads into the region.

Modi's Act East Policy

Following the election of Narendra Modi to the highest political office in India, the Union government's foreign policy towards Southeast Asia was given a newfound impetus due in large part to Modi's reputation in international diplomatic circles as a pro-business leader. One of Modi's key foreign policy measures, in his first year in office, was to initiate the Act East Policy, which would become the defining foreign policy framework shaping India's relations with its eastern neighbours in ASEAN and the Pacific. The Act East Policy includes most of the fundamental tenets of the Look East Policy but chooses instead to focus on the CLMV (Cambodia, Laos, Myanmar and Vietnam) region of ASEAN rather than the more developed nations like Singapore and Thailand. The new policy sticks to its predecessor's goal of leveraging vital relations with India's neighbours to maintain security in the IOR and to deter external powers from gaining a foothold. Since relations with Southeast Asia form a pivotal component of the Act East Policy, the new framework stresses the need to improve India's connectivity, both digital and physical, with ASEAN. Improving connectivity would lead to deeper economic integration, enhanced cultural linkages, frequent people-people interactions and closer maritime and military cooperation. To that

extent, the Indian Prime Minister has repeatedly reiterated the idea that the foundational pillars of India's policy towards South Asia are the three Cs of Commerce, Culture and Connectivity. At the core of the Act East Policy is India's relationship with ASEAN. When External Affairs Minister Sushma Swaraj delivered her Keynote Address to the ASEAN-India Partnership on June 22nd, 2017, she stressed the importance of ASEAN as the central component of India's policy towards the region (MEA, Statements and Speeches, 2017). India has for many years accorded special importance to the ASEAN region considering its close proximity to key shipping lanes like the Straits of Malacca. Maintaining the openness of these shipping lanes as well as ensuring freedom of navigation in the India Ocean have in recent times been the most pressing concerns which Indian foreign policy has had to contend with.

One key point of difference between the Look East Policy and the Act East Policy is the emphasis the latter places on regional multilateral frameworks of diplomatic and economic engagement as well as the notion of collective security. Modi, at the 14th ASEAN-India Summit in Vientiane in 2016 highlighted the fact that "securing the seas is a shared responsibility" (MEA, Statements and Speeches, 2016). This idea of shared responsibility or collective security has been echoed by other Indian and even ASEAN diplomats. Sea piracy and cross-border terrorism have also made it important for like-minded nations to work together. To that extent, New Delhi has in recent years ramped up its involvement in regional institutions like the Regional Comprehensive Economic Partnership (RCEP), ASEAN Economic Community, ASEAN Maritime Forum and the Mekong Ganga Cooperation.

One oft used and effective method of improving ties with any multilateral regional body is by invoking past cultural and civilizational links. In India's case, there is a rich history of cross-border linkages which have manifested themselves in the large swathes of Indian diaspora in ASEAN nations like Singapore, Indonesia, Malaysia and Thailand and India's political brass has not wasted a single opportunity to mention the importance of these ties in their speeches to the leaders of ASEAN. The 2017, ASEAN Business and Investment Summit in Manila kicked off with a performance of the drama "Rama Hari" based on the Ramayana. The year before, at the ASEAN-India Summit in Laos, the epic Hindu poem was performed as part of a cultural exhibit to showcase the unity and diversity of the ASEAN-India relationship. Further, many top Indian diplomats have suggested a joint Indo-ASEAN effort to map out all the known historical locations of the Ramayana all over South Asia and transform it into a pilgrimage route for tourists. While there is a clear emphasis being placed on shared cultural and historical ties by officials on both sides, the question still remains, have these ties translated into tangible improvements in terms of connectivity

and economic integration between India and ASEAN? To answer this, it is important to examine the various projects initiated by the union government under the umbrella of the Act East Policy.

Key projects and initiatives to foster India-ASEAN connectivity

Although there are numerous small and large-scale connectivity projects either in the pipeline or under construction between India and ASEAN, it will be prudent to focus on those projects the Modi government deems most important for its Act East Policy. The most strategically important and widely talked about of these projects is the India-Myanmar-Thailand (IMT) Trilateral Highway. This project would upgrade vital road infrastructure and bridges, some of which date to the World War II era, so as to improve land trade and cargo transportation between India's North-eastern region and Myanmar, the only ASEAN country to share a land border with India. It will also connect India and Thailand via Myanmar through a collection of highway roads and bridges stretching from Moreh in Manipur to Mae Sot, Thailand. Other key routes of this planned project include the Imphal-Mandalay-Bangkok route, as well as the renovated 120 km long Kalewa-Yagyi stretch.



Source: Japan Forward

While the project was originally conceived under the Look East Policy in 2001, inaccurate feasibility studies and lack of proper organization meant that successive deadlines were missed for its implementation. Under the NDA government's eastern outlook, the project was revitalized. The primary purpose of this project is two-fold. Firstly, improved road infrastructure will facilitate increased connectivity for passengers and cargo, which in turn will result in deeper economic and trade integration. The Highway will increase India's economic foothold in ASEAN while simultaneously incentivizing increased people-people interactions for the residents of the North eastern states who share a deep cultural affinity with certain ASEAN member states. Secondly, India's increased economic presence in Myanmar will allow it to check Chinese influence in the country and the wider ASEAN region to some extent.

To supplement these physical connectivity projects, India has increased its focus on participating in regional multilateral platforms and summits to improve its digital connectivity with ASEAN. India's burgeoning GDP over the last two decades and its increased economic importance in the region means that now more than ever India relies on key shipping routes of the Indian Ocean to satiate its increasing volume of imports. Zorawar Daulat Singh, writing for the *Journal of Defence Studies*, argues that Indian policymakers realize the increasing significance of the Indian Ocean as a crucial economic and maritime getaway (Singh, ZD, 2017). However India on its own cannot fulfil its self-appointed role of "net security provider" as Prime Minister Modi phrased it, without the support and cooperation of its neighbours. For the 2018 Republic Day parade, India rolled out the red carpet for all 10 leaders of ASEAN and at the ASEAN-India Commemorative Summit held the day before, officials on both sides agreed to commit themselves to the Delhi Declaration. The Declaration reaffirmed both sides' commitment to work closely on various issues, to strengthen maritime cooperation through institutions like the Expanded ASEAN Maritime Forum (EAMF) and to focus on inclusive, rules-based regional architecture like the PMC+1 with India, the EAS and the ARF among others (MEA, Delhi Declaration, 2018). Other planned joint initiatives between India and ASEAN in the pipeline include maritime strategies like "Congagement" (Singh, S, 2018), containment and engagement, directed against increased Chinese influence in the Asia-Pacific. Another key area of multilateral cooperation in the Indo-Pacific is humanitarian relief operations. Modi in his speech at the 14th ASEAN-India Summit in 2016 claimed Management of Natural Disasters would be India's top priority. In the same speech, he also announced that India would host the Asian Ministerial Conference on Disaster Reduction (MEA, Statements and Speeches, 2016). The Regional Comprehensive Economic Partnership, the proposed multilateral trade agreement in Asia, would provide another avenue for India to increase its collaboration

with ASEAN as well as other Asian powers and would also enable increased physical and digital connectivity. India's more proactive role in the affairs of its own neighbourhood as well as the extensive outreach efforts carried out by the Narendra Modi administration are far removed from the "peaceful periphery" policy adopted by Nehru and his successors for many years. But ultimately for the Act East Policy to be a success its goals need to align with the goals and strategic objectives of the countries it is targeting.

The External Perspective: ASEAN and Pacific Islands

While the motives for Indian policymakers to improve digital and physical connectivity with ASEAN through the Act East Policy have been well documented, they often tend to overlook the desires and the existing situation of the ASEAN countries they are targeting. To that extent it is prudent to examine the geopolitical situation of the most important ASEAN members and analyse how India may be able to plug in the gaps for them. Since the CLMV region is the primary area of focus, an analysis of the main strategic goals of these countries is crucial to infer whether the Act East Policy is in sync with them or not.

Cambodia

Historically, Cambodia's foreign policy has been primarily driven by a regional rivalry with Vietnam. This has been prevalent ever since the Vietnamese army deposed the Khmer rouge regime in the 1970s and placed themselves as the rulers of an occupied Cambodia. This anti-Vietnamese sentiment among the populace has manifested itself in all the international diplomatic manoeuvring that Cambodia has undertaken ever since then. Another significant aspect of Cambodia's policy is its tense relationship with Thailand. In this context, given the strength of the ties between the US and Thailand as well as a growing rapprochement between Washington and Hanoi, Cambodia needed to find a suitably strong and reliable partner to vouch for its interests in the region. China was more than happy to fill in that position by providing strong economic support while also possessing the political muscle to keep a check on Vietnamese influence in Cambodia. This symbiotic relationship between Cambodia and China has proved to be largely beneficial to both countries to the extent that Cambodia is now regarded by many analysts as essentially a Chinese satellite state. For Cambodia, far more than promoting unity through the ASEAN framework, the priority has always been to keep a check on Vietnamese aggression and China has proven to be an all-weather friend in that regard. In 2012, Cambodia prevented ASEAN from issuing a joint communique that mentioned the South China Sea, demonstrating Cambodia's willingness to support China even if it jeopardized

the symbolic unity portrayed by ASEAN. Trade between Beijing and Phnom Penh has also been burgeoning. In 2016, trade between the two nations reached US\$ 4.8 billion while in October of that same year, China granted US\$ 237 million in direct aid, US\$ 90 million in cancelled debt and US\$ 15 million in military support to Cambodia (Khmer Times, 2016). The Cambodian Prime Minister Hun Sen in April, 2017 acknowledged Beijing's valuable support by saying "China has been playing a critical role in contributing to the development of the Cambodian economy (Greer, 2017)." As long as the rivalry with Vietnam takes centre stage in Cambodian politics, Phnom Penh will be firmly entrenched in Beijing's camp. Had India possessed China's level of economic and military power, Cambodia might have turned to New Delhi to play the role of its guarantor in the region. But since Indian naval power is not adequate enough to project power in the region, there is little the Act East Policy can do to help India gain a foothold in Cambodia.

Laos

Laos, along with Cambodia, is perceived as China's most trusted political partner in the Southeast Asian region. But one key difference between Laos and Cambodia is that the former enjoys relatively peaceful relations with Thailand and Vietnam, and anti-Vietnamese sentiment isn't quite as ubiquitous. As a result of not having to face pressing security and strategic challenges like Cambodia, Laos is more even handed in its approach to China. Vientiane has also tried to pursue multilateral diplomacy along the lines of Vietnam's foreign policy by having dialogues with Japan and South Korea. But these measures haven't been pursued with the same vigour as Hanoi did and Laos still has extremely close ties to Beijing. More significantly for India, Chinese influence over Laos' foreign policy is extensive. Despite India's vehement protestations, Beijing succeeded in including Laos in the Mekong-Lancang Cooperation (MLC) Project in 2015 which is China's response to the India-led Mekong-Ganga Cooperation (MGC).

Myanmar

For many years, India had followed the Western nations in shunning Myanmar's military junta on account of gross human rights violations. China, however, was unperturbed by these allegations and continued to economically and diplomatically engage with them. After Aung San Suu Kyi's National League for Democracy rose to power in the 2015 elections, her first non-ASEAN official visit was to China in 2016 where she stressed the importance of continuing to build on the close ties both nations enjoyed (Yonghong and Guoxuan, 2016). Given China's consistent support to Myanmar over the years when other major powers turned their back on them, there is plenty of goodwill towards Beijing

among the local populace and the Middle Kingdom has shrewdly tapped this by promoting Chinese investments in the region. Despite being the only ASEAN member to share a land border with India, the India-Myanmar trade relationship has been nowhere near its full potential. China is Myanmar's leading trade partner and biggest source of FDI. In 2013, China's total FDI in Myanmar was US\$ 14 billion and total trade stood around US\$ 7 billion, while India's trade with Myanmar for the same period was US\$ 2 billion (Mizzima, 2018). While the India-Myanmar-Thailand Trilateral Highway is an important step towards improving trade and connectivity ties with Myanmar, India's consistent refusal over the past many years to deal with Myanmar has undoubtedly made New Delhi secondary to Beijing in the eyes of Naypyidaw. Crucially, Myanmar and China are far more diplomatically aligned with each other's interests than India and Myanmar. For instance, while the Rohingya Crisis provoked international outrage for the Suu Kyi government's handling of the affair, China blocked a UN resolution that officially condemned the country. Unless India can offer something of substantial value to Myanmar in the coming years, it will struggle to break the fraternal bond that has developed between its eastern land neighbour and China.

Vietnam

Unlike Cambodia, Vietnam has actively been pursuing a multidirectional foreign policy by cultivating relationships with most of the regional powers like China, the US, Japan and in recent times, India (Chapman, 2017). Unlike the other CLMV nations, Vietnam has consistently opposed Chinese maritime activities in the South China Sea. Although China's stance towards Vietnam has considerably softened after tense times in 2016, Vietnam's public apprehension of Beijing's ambitions provides the most encouraging opportunity for India to forge deeper economic links. India and Vietnam's defence partnership has blossomed in recent years after Modi opened a US\$ 500 million line of credit for purchase of defence equipment when he visited the country in 2016. Vietnam's hedging strategy of leveraging of multiple powers as a means of protecting its sovereignty and territorial integrity will enable New Delhi to make significant strides in the fields of trade and military ties.

Main Challenges for India

By examining each individual country's interests and strategic goals, it becomes clear that despite the superficial façade of unity consistently portrayed by ASEAN members, there is a significant conflict of interest between them on a variety of issues. China being the

largest trade partner to a host of ASEAN countries means that Beijing will be in a privileged position to influence their foreign policy to a degree that is beyond India's capability at the moment. Additionally, India does not have the naval capacity to provide support to ASEAN members in the South China Sea and as a result these countries are often left to either fend for themselves or align with Beijing. This also means that India's constant posturing and propagation of freedom of navigation is essentially only a rhetorical exercise, without any credible capability to back it up.

In terms of economic investment and connectivity, India's ties with ASEAN seem a fraction of the investment that China pours into the region and the Act East Policy has done little to reduce the gulf. So far the policy has mostly been "political symbolism" with an overwhelming emphasis on building cultural links, while offering little in terms of tangible economic benefits to ASEAN.

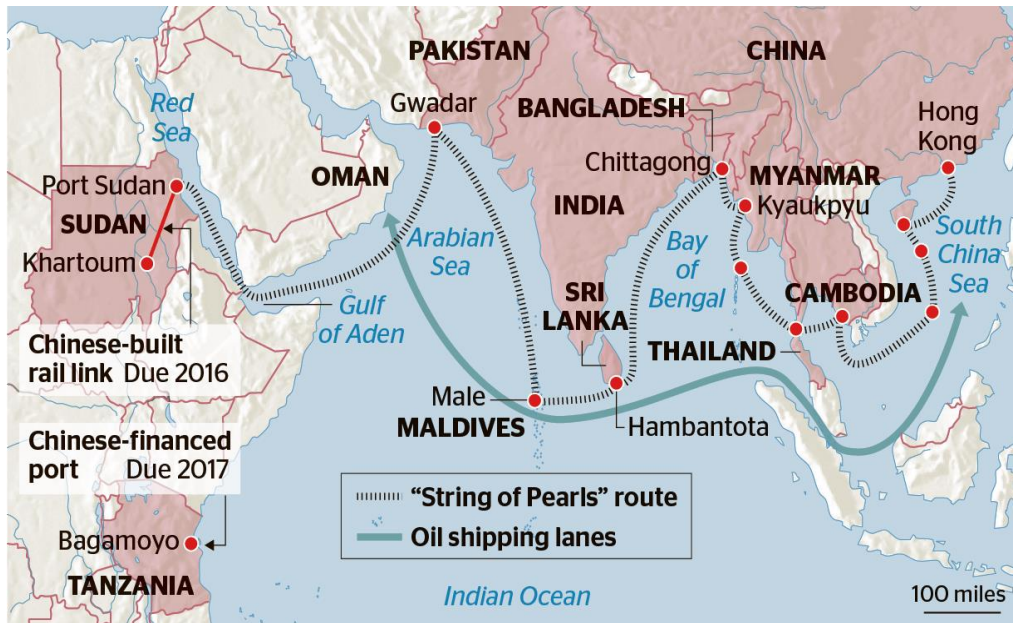
But there is a case to be made that India's structural problems have been a bigger obstacle to improving connectivity with ASEAN than China's economic might. Frequently, the complaint from many ASEAN officials is that the Indian bureaucracy's inefficiency means that infrastructure and construction projects constantly fail to meet their deadlines. The IMT highway, for instance, was conceived in the early 2000s and yet even in 2018 is yet to be completed. Reasons for the delay range from a lack of adequate and accurate planning to flawed feasibility studies to lack of cooperation between various bodies in charge of implementation of the project. This sluggishness will naturally put off many countries from signing investment projects with India in the future. Additionally, some senior ASEAN officials believe that the Indian government's insistence on coupling the Act East Policy's outreach to ASEAN with the development of India's North-eastern states has also been a major factor in preventing the ASEAN-India relationship from expanding to include other areas of cooperation (Mitra, 2018).

Moving forward

Joining the OBOR

The One Belt One Road Initiative, conceived by China over the last decade, has been touted as Beijing's flagship foreign policy objective for the 21st century. Many experts and analysts believe this to be the Chinese equivalent of the American Marshall Plan in post-World War II Europe. But the sheer scale and ambition of the OBOR project vastly supersedes the Marshall Plan both in terms of the number of countries covered and its geographical expanse. Presently the number of countries participating in this initiative is

reportedly around 65 spanning Southeast Asia, Central Asia and parts of Africa and Europe. The OBOR comprises of two main components; a land economic belt and a maritime trade route. The former, titled the Silk Road Economic Belt, is designed to improve economic and trade connectivity between the rural hinterlands of western China and Central Asia, Pakistan and all the way to Europa. The second aspect of the OBOR seeks to improve maritime connectivity to China by way of building strategically located ports spread across the Indian Ocean.



Source: Khmer Times

Beijing's so called "String of Pearls" strategy (shown in map) in the Indian Ocean Region (IOR) will help China maintain their key international shipping lanes and ensure the protection of vital oil supplies which pass through the Straits of Malacca. To that extent, China has been working with all of India's neighbours in the subcontinent to build these maritime ports like the Gwadar Port in Pakistan, Male in Maldives, Hambantota in Sri Lanka, Chittagong in Bangladesh as well as various connectivity ports in Thailand, Cambodia and Myanmar.

If India wants to improve connectivity with the ASEAN region as well as improve its economic presence in the region as stipulated by the Act East Policy, then the OBOR affords New Delhi the best possible path to achieve that goal. The OBOR already incorporates several ASEAN connectivity projects within its framework which are readily available for India to tap into. Additionally, there is considerable synergy between the goals outlined in the Master Plan for ASEAN Connectivity (MPAC) in 2010 and the Belt and Road connectivity framework. Projects like the greater Mekong sub-region connectivity

programme will offer viable routes for India to increase its own economic connectivity with the CLMV region, a key target for the Act East Policy. Since the Indian government has frequently insisted on involving the issue of development in the northeast with its ASEAN connectivity projects, greater economic integration between southwest China and northeast India will provide much needed economic and infrastructural stimulus to bolster economic development in the region. India can also leverage China's technological and economic superiority for its own interests. As Jeremy Garlick comments, the West is generally more sympathetic to India's interests given its democratic structure and relatively free media, which in turn translates to a greater ability for soft power projection than China (Garlick, 2017). So in essence New Delhi can benefit from Chinese economic and infrastructural projects while at the same time attain a greater influence in diplomatically lobbying for its own strategic objectives.

Since the culmination of the 1962 war, India has justifiably adopted a cautious approach to any manoeuvres made by China to increase its presence in the Indian subcontinent. Indeed, the recent military stand-off at Doklam only served to reinforce India's apprehension to any Chinese ambitions in the region. Naturally, the whole idea of the OBOR was initially vehemently rejected by many top Indian diplomats. Former Foreign Secretary, S.Jaishankar remarked that the Belt and Road Initiative was nothing but a Chinese initiative driven solely by nationalistic ambitions (Garlick, 2017). As far as New Delhi was concerned, the OBOR presented two main strategic threats to Indian interests in the region. First, and arguably the most contentious aspect of the OBOR for India, is the fact that the China-Pakistan Economic Corridor (CPEC) one of the six key economic corridors of the initiative, passes through Pakistan-occupied Kashmir (PoK). India feels that joining the OBOR might legitimize Pakistan's occupation of Kashmir and would go against the 70-year policy stand of the government of not recognizing Pakistan rule over the region. However, these concerns are mostly unfounded because the OBOR is unlike other multilateral bodies in the region because its members are only part of those initiatives which they think are economically beneficial to them. This means OBOR effectively provides India with enough strategic flexibility to choose which connectivity projects to join and which ones to reject. In fact, presently India is already a part of the Bangladesh-China-India-Myanmar (BCIM) Economic corridor which is one of the six major economic corridors of OBOR involving various trade and infrastructure arrangements. Being a part of BCIM does not necessarily mean that India recognizes or indeed approves of the CPEC. The second major strategic concern for India is that the string of pearls developed by China in the IOR would naturally lead to increased Chinese naval influence in the Ocean. However, in this issue too there are mitigating factors to assuage India's

concerns. In the short to medium term, China does not possess the naval capability to establish military bases in the IOR which is very far from the Chinese mainland. The US navy is still the largest naval force in the region and given the proximity of the IOR to India's mainland, the Indian navy will possess a distinct advantage over the Chinese navy. While it can certainly be assumed that the OBOR was driven by Beijing's desire to see China regain the status of the top economic power in Asia, increasingly it appears that Beijing's westward outlook might actually be a reaction to the US' Pivot to Asia policy which resulted in increasing American economic and military influence in the South China Sea. So in that sense, the OBOR can be considered to be more of an economic insurance strategy than a purely nationalistic pursuit.

Nevertheless, it is crucial for India to separate the strategic and economic aspects of the OBOR and to align itself with opportunities offered by the former while still pursuing its own independent foreign policy. Continuing to host joint naval military drills with Japan, the US and Australia either separately or as part of the Quadrilateral, pursuing greater cooperation with the nations of the GCC and continuing to put diplomatic pressure on Pakistan for its support for cross-border terrorism can be done even with participation in the OBOR. Presently, India is already part of a few key organizations that are dominated by China like the Asian Infrastructure Investment Bank (AIIB) headquartered in Beijing and the Shanghai Cooperation Organization (SCO) headquartered in Shanghai and that has not affected New Delhi's foreign policy or strategic position in anyway. There is nothing to indicate that the situation should be any different should India join the OBOR.

Structural reforms

One of the primary reasons for India's lack of economic involvement in the ASEAN region relative to its economic size is largely due to the unnecessarily complicated bureaucratic structures in place by the government to supervise various activities and implementation projects. The India-Myanmar-Thailand (IMT) Trilateral Highway was first conceived in 2002. More than 15 years later and it still has not been fully implemented. Despite the brief impetus the project received under the NDA government as being one of the cornerstones of the Act East Policy, the all too familiar story of constantly missing deadlines, sluggish construction and inadequate or inaccurate feasibility studies have plagued the project. For many land connectivity projects between the northeast of India and ASEAN there are far too many organizations with overlapping responsibilities in charge of carrying out infrastructure projects. The Border Road Organization (BRO), the National Highways Authority of India (NHAI) and privately hired contractors are all sometimes

simultaneously involved in construction works which naturally leads to a confusion over the roles and jurisdiction that each body must cover. This in turn leads to a slow implementation of the projects. Eliminating redundant organizations and creating just one body with the duty to handle land-related connectivity projects for a given region will streamline the process and make the implementation of deliverables more efficient. If India continues with this lackadaisical approach to foreign infrastructure projects, no country would want to sign any agreements with India in the future, particularly when a far more appealing and efficient alternative in China is so readily available.

This problem persists in the maritime affairs of India as well. Presently maritime activities are heavily decentralized in India. The Ministry of Surface Transport handles shipping, marine fisheries falls under the Agriculture Ministry and so on. Not only does this lead to a lack of communication across divisions, it is also one of the key reasons why India has been lacking a coherent naval policy vis-à-vis the Indian Ocean. Additionally, in the current government framework the Indian Navy is in charge of formulating naval policy for the Indian Ocean region, not the Ministry of External Affairs. Subsequently, India's land and maritime policy towards the IOR and ASEAN don't always see eye to eye. Centralization of maritime affairs by creating an umbrella organization to cover all maritime activities will improve communication between various ministries and will also help in forming a maritime policy for India with clearly defined goals for the present and a vision for the future.

Untapped connectivity potential

While the Indian government has focused extensively on the shared heritage of Hinduism and Narendra Modi, Sushma Swaraj and SJaishanker have all emphasized the links to Ramayana between India and ASEAN, Buddhist tourism has not been given the same attention. There is strong interest on both sides, particularly the northeast of India and several ASEAN nations, most notably Thailand, to promote Buddhist tourism (RISDC, 2016). Efforts should be made by the Indian government to explore and develop this as another pillar to foster people-people interactions and cultural exchanges between India and ASEAN.

In terms of air connectivity, there is much more that can be done to promote a closer relationship between India and ASEAN. Presently out of the ten ASEAN nations, only five (Malaysia, Myanmar, Indonesia, Thailand and Singapore) have direct flights to India and vice-versa. When all the ASEAN leaders landed in New Delhi for the Republic Day parade earlier this year, talks were held to initiate direct flights between India and Vietnam

which is an important step in the right direction since air connectivity is one of the most important ways to strengthen relations between countries in the modern world.

Finally, while aggregate tourism numbers between India and ASEAN have been steadily increasing over the years, the flow of tourists is still highly skewed. As per the Ministry of Tourism report for 2013-14, the number of Indian tourists visiting ASEAN countries stood at 30 lakh, while for the same year, the number of ASEAN tourists visiting India stood at seven lakh (MoT, 2013-14). Clearly there is plenty of scope for improvement considering the interest is already there.

Conclusions

Narendra Modi's election to the office of Prime Minister in India was thought by many to be the start of a new age for India's foreign policy towards the Indian Ocean and its neighbouring countries. This optimism was further bolstered by the NDA government unveiling the Act East Policy which would serve as the catalyst for India's proactive involvement in the ASEAN region. For many years prior to that, the leaders of ASEAN had held the view that India, despite its public desire to play the role of net security provider in the IOR, had been wilfully punching below its weight in the region. The Act East Policy was meant to rectify that but nearly four years later, an examination of the policy reveals that it has largely been "political symbolism" with little tangible economic gains or improvement in India's trade relations with ASEAN. However, whilst the policy itself has its shortcomings, it is not the sole reason for India's failure to make a mark on Southeast Asia. Ever since India chose to adopt the "peaceful periphery" approach to the Indian Ocean under Prime Minister Nehru, its foreign policy towards the region has mostly consisted of reactionary, ad hoc responses to perceived threats in the region. Indian foreign policy strategists under successive administrations failed to inculcate a vision in India's approach towards what it considers to be its own backyard and the country is now paying the price for years of negligence. India's passiveness paved the way for China to aggressively muscle its way into the region and establish a strong economic presence in ASEAN. In fact, China has been ASEAN's largest trading partner since 2009 and this close relationship between ASEAN and China has already proved to be a huge obstacle for India in its own goals of improving connectivity with the region.

The Act East Policy's excessive focus on the civilizational and cultural aspects of the India-ASEAN relationship means that important aspects of trade and economic connectivity have not been given much attention and as a result have seen little improvement over the

years. All these factors have resulted in India taking a backseat to China in terms of economic investments and connectivity and it seems unlikely that India can successfully compete with China's economic might in the near future. Therefore, the best way to move forward and ensure India makes economic inroads in ASEAN is through economic cooperation, not competition, with China. The One Belt, One Road Initiative provides the ideal opportunity for India to leverage China's economic and technological lead while harnessing the existing infrastructural projects that comprise the OBOR to improve its own connectivity with ASEAN. However, simply joining the OBOR will not solve the many issues plaguing India's foreign policy approach to the region. Another key change that needs to be made is to restructure existing domestic organizations that are in charge of implementing foreign policy. Even the most meticulously planned policy on paper will struggle to have any effect if its implementation is inefficient. Centralization of all maritime activities under the purview of an umbrella organization will lead to improved communication across divisions and the implementation of a more streamlined and coherent maritime policy for the region. In a similar way, doing away with various redundant organizations involved in land connectivity projects and authorizing a single organization to implement connectivity projects for one region will cut down on the bureaucratic hurdles and lead to more efficient and timely delivery of projects. Finally, there are many unexplored avenues of connectivity between India and ASEAN like the potential for Buddhist tourism, improving direct air connectivity between the two regions and encouraging ASEAN tourism to India. All these methods will foster greater opportunities for people-people interactions and soft power projection.

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