

# India's Act East Policy

## Why in News

Recently, the Union Minister of State **Development of North Eastern Region (DoNER)** said that connectivity is an important element of <u>Act East Policy</u>.

## **Key Points**

### About:

- The 'Act East Policy' announced in **November, 2014** is the upgrade of the **"Look East Policy".**
- It is a **diplomatic initiative** to **promote economic**, **strategic and cultural relations** with the vast Asia-Pacific region at different levels.
- It involves intensive and continuous engagement with Southeast Asian countries in the field of connectivity, trade, culture, defence and people-to-people-contact at bilateral, regional and multilateral levels.
- Aim:
  - To promote economic cooperation, cultural ties and developing a strategic relationship with countries in <u>Indo-pacific region</u> with a proactive and pragmatic approach and thereby improving the economic development of the North Eastern Region (NER) which is a gateway to the South East Asia Region.

### Look East Policy

- In order to recover from the loss of the strategic partner -USSR (end of the Cold war 1991), India sought to build up a relationship with the USA and allies of the USA in Southeast Asia.
- In this pursuit, former Prime minister of India P V Narasimha Rao launched Look East policy in 1992, to give a strategic push to India's engagement with the South-East Asia region, to bolster its standing as a regional power and a counterweight to the strategic influence of the People's Republic of China.
- Difference Between Look East and Act East:

#### • Look East:

- Look East policy focused on the <u>Association of Southeast Asian Nations</u> (<u>ASEAN</u>) countries + Economic Integration.
  - India became a **dialogue partner of ASEAN** in 1996 and summit level partner in 2002.
  - In 2012 the relationship got up-graded into a Strategic Partnership.
  - The time when India launched the Look East Policy in 1992, India's trade with ASEAN was USD 2 billion. After signing the Free Trade Agreement in 2010 with ASEAN, the **trade has grown to USD 72 billion (2017-18)**.

- India is also an active participant in several regional forums like the <u>East</u> Asia Summit (EAS), ASEAN Regional Forum (ARF) etc.
- Act East:
  - Act East Policy focused on ASEAN countries + Economic Integration + **East Asian** countries + Security cooperation.
    - Prime minister of India highlighted **4C's of Act East Policy.** 
      - Culture
      - Commerce
      - Connectivity
      - Capacity building
  - Security is an important dimension of India's Act East Policy.
    - In the context of growing Chinese assertiveness in the <u>South China Sea</u> and the Indian Ocean, securing freedom of navigation and India's own role in the Indian Ocean is a key feature of Act East Policy.
    - In pursuance of this, India has been engaged under the narrative of Indopacific and informal grouping called <u>Quad</u>.
- Initiatives to Enhance Connectivity:
  - Agartala-Akhaura Rail Link between India and Bangladesh.
  - Intermodal transport linkages and inland waterways through Bangladesh.
  - Kaladan Multimodal Transit Transport Project and the Trilateral Highway Project connecting the North East with Myanmar and Thailand.
  - Under India-Japan Act East Forum, projects such as Road and Bridges and modernization of Hydro-electric power projects have been undertaken.
    - India-Japan Act East Forum was established in 2017 which aims to provide a platform for India-Japan collaboration under the rubric of India's "Act East Policy" and Japan's "Free and Open Indo-Pacific Strategy".
    - The Forum will **identify specific projects for economic modernization of India's North-East region** including those pertaining to connectivity, developmental infrastructure, industrial linkages as well as people-to-people contacts through tourism, culture and sports-related activities.

#### • Other Initiatives:

- Assistance extended in the form of <u>medicines/medical supplies to ASEAN countries</u> <u>during the pandemic.</u>
- Scholarships with offers of 1000 PhD fellowships have been offered at IITs for ASEAN countries participants.
- India is also implementing Quick Impact Projects in Cambodia, Laos, Myanmar and Vietnam to provide development assistance to grass-root level communities in the fields of education, water resources, health etc.
  - **Quick Impact Projects (QIPs)** are small-scale, low cost projects that are planned and implemented within a short timeframe.



# India Acts East

With its Act East policy, India hopes to deepen its political, economic and security relationships with the countries of Southeast Asia and the wider Indo-Pacific. Balancing against the rise of China is a key driver.

**China**: India views the rise of its principal strategic rival as a serious challenge and is forging relations with countries along its periphery to maintain the balance between them

- **ASEAN**: Boosting exports with the 10 members of the Association of Southeast Asian Nations is a core plank of Modi's Act East policy Australia: China's rise has compelled India's outreach to Australia to forge a stronger defense partnership
- Australia: China's rise has compelled Indian outreach to forge a stronger defense partnership

Japan: The key regional power shares India's concerns over China's expansion

AUSTRALIA

- Northeast India: New Delhi wishes for its remote northeastern wing to serve as a trading hub that connects to Southeast Asia through Myanmar
- South Korea: India wants to deepen trade, investment and security ties with this regional economic power

#### Source:PIB

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