Enhancing India-ASEAN Connectivity

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FOREWORD
Ernest Z. Bower
Karl F. Inderfurth
Hemant K. Singh

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Foreword

The world is witnessing a shift in power based on the sustained growth of several emerging economies in Asia. Unsurprisingly, the U.S. National Intelligence Council's latest assessment of global trends concludes that by 2030, “diffusion of power will restore Asia's weight in the global economy to a level not seen since 1750.” This structural shift in global power has yet to be buttressed by shared normative frameworks and regional architecture in the region known as the Indo-Pacific, encompassing all members of the East Asia Summit from India east to the United States.

Within this context, the historic India-ASEAN Commemorative Summit was organized in New Delhi in December 2012. The vision statement of the summit underlined the necessity of a stable and a peaceful regional environment, ASEAN's centrality in the evolving regional architecture, and enhanced India-ASEAN cooperation for maritime security, freedom of navigation, and the peaceful settlement of disputes in accordance with international law.

A few weeks after this summit, senior policymakers and leading experts from India, the United States, and ASEAN came together in New Delhi to discuss India’s “Look East” policy, the U.S. intent to refocus on Asia, and the evolving Asian regional architecture. The event, the “Emerging Asia—Track 1.5 Conference,” held on February 19, 2013, was a collaborative effort of the ICRIER Wadhwani Chair in India–U.S. Policy Studies, the CSIS Wadhwani Chair in U.S.-India Policy Studies, and the CSIS Sumitro Chair for Southeast Asia Studies, with participation and support from the Indian Ministry of External Affairs and the U.S. Department of State. Participants stressed the need for all stakeholders with shared interests in the region to identify areas of convergence and explore the possibility of enhanced collaboration between India, ASEAN, and the United States.

With this as the principal goal of the “Emerging Asia” conference, we are pleased to share this report, Enhancing India-ASEAN Connectivity, a project directed by Ted Osius, visiting State Department senior fellow at CSIS.

The report is composed of an executive summary, including key recommendations, and five chapters. Chapter 1 summarizes the background and civilizational ties between India and Southeast Asia, from the pre-colonial period to the 2012 India–ASEAN Commemorative Summit. Written by Observer Research Foundation distinguished fellow C. Raja Mohan, Chapter 2 focuses on maritime security, especially in the Bay of Bengal and South China...
Sea. Chapter 3, on connectivity’s benefits and challenges, describes the infrastructure and energy obstacles and opportunities along the Indo-Pacific economic corridor. Chapter 4 outlines opportunities for collaboration between India, ASEAN, and the United States.

As veteran U.S. diplomat Geoff Pyatt has pointed out, connectivity has elements that are akin to systems “hardware”: roads, bridges, and electrical grids. Other elements constitute the “software” of systems: the customs codes, trade facilitation, regulatory regimes, training, and capacity building that facilitate the passage of goods, ideas, technology, and individuals back and forth between nations. Ted Osius has added a third element to this metaphor. He focuses on the “antivirus software” that helps deal with the downsides of greater connectivity and includes in the report recommendations for addressing health and environmental challenges, as well as nontraditional security concerns such as human trafficking.

Finally, Chapter 5 presents the report’s full list of actionable recommendations for improving the hardware, software, and anti-virus software of India–ASEAN connectivity.

In conclusion, and returning to the view expressed by the National Intelligence Council at the beginning of this foreword, India’s ambassador to the United States Nirupama Rao recently said, “It is a truism that the center of gravity for global opportunity has shifted towards Asia and the Indian Ocean and the Pacific Ocean world with its spectacular and continued economic growth.” She went on to add, “Given the extraordinary change that is underway in the Asia Pacific as well as in India, there seems to be a natural interest in the United States in understanding India’s role in Asia and its expanding engagement with the region, just as there is interest in India to understand the vision and the workings of U.S. policy towards Asia and the Asia Pacific.”

It is our hope—indeed expectation—that Enhancing India-ASEAN Connectivity will help address these “natural” interests of all parties: India, the 10 nations of ASEAN, and the United States.

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This report is the result of much collaboration. I am deeply grateful to three collaborators who cochaired the February 2013 “Emerging Asia—Track 1.5 Conference” in New Delhi: Ambassador Hemant Singh, whose deep commitment to enhancing India-ASEAN connectivity inspired all participants; Ambassador Rick Inderfurth, who welcomed me into the Wadhwani Chair team; and Ernie Bower, who invited me to CSIS and supported this project in every way. I would like to thank my coauthor, the brilliant strategist C. Raja Mohan, whose works are required reading for anyone who wants to understand India.

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Finally, I would like to thank the following individuals who took time out of their schedules to offer their perspectives during our “Emerging Asia” conference:

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Executive Summary and Key Recommendations

Twenty years ago, India launched its “Look East” policy. For most of those twenty years, Myanmar’s isolation, mistrust between India and its neighbors, and poor infrastructure connectivity hindered the development of links between South and Southeast Asia. With Myanmar’s tentative opening and improved relations between India and Bangladesh, an opportunity exists for India to boost trade and security ties with mainland and maritime Southeast Asia. And the United States, during President Barack Obama’s second term, is committed to rebalancing toward Asia, with India playing a pivotal role. U.S. national security adviser Thomas Donilon recently reaffirmed U.S. support for India’s efforts in this regard, adding: “U.S. and Indian interests powerfully converge in the Asia-Pacific, where India has much to give and much to gain.”

In February 2013, the Center for Strategic and International Studies (CSIS) and the Indian Council for Research on International Economic Relations (ICRIER) brought together key Indian and U.S. decisionmakers and thinkers from the region for a conference in New Delhi entitled “Emerging Asia.” In a Track 1.5 dialogue conducted under Chatham House rules, participants concluded that overall Indian and U.S. security policies converge, and more specifically that India’s Look East approach is an area of long-term convergence between the two countries. The ten-member Association of Southeast Asian Nations (ASEAN) views India as an indispensable security partner as well, because ASEAN’s difficulties will also be India’s. As the United States continues its “rebalance” toward Asia, it must demonstrate that the U.S. commitment is not only to security but to a broad and sustained commitment to the Indo-Pacific, complete with a long-term economic engagement strategy. India and ASEAN want the United States engaged fully in the Indo-Pacific region.

India’s Look East approach has deep roots. Hinduism, Buddhism, and later Islam spread from India to Southeast Asia. India’s cultural imprint remains in the temples of Thailand, Cambodia, and southern Vietnam and in the art and symbols of Indonesia. During the

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3. ASEAN includes Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.
4. Although India’s Look East policy includes Northeast Asia, this report focuses exclusively on India–ASEAN connectivity.
Asian Relations Conference in 1947, India's first prime minister, Jawaharlal Nehru, observed, “It is fitting that India should play her part in this new phase of Asian development. . . . India is so situated that she is the pivot of Western, Southern, and Southeast Asia.” Ten years after India launched the Look East policy in 1992, ASEAN invited India to join its annual summits, and in 2005 India became a founding member of the East Asia Summit (EAS). At the India-ASEAN Commemorative Summit in 2012, Indian prime minister Manmohan Singh observed, “India and Southeast Asia have centuries-old links. People, ideas, trade, art, and religions have long crisscrossed this region. A timeless thread of civilization runs through all our countries.”

Looking, acting, and engaging east is a core interest for India. One-third of India's external trade is with its East Asian neighbors, and that share will grow. India and Southeast Asia together constitute one-fourth of humanity and have a combined gross domestic product (GDP) of $3.8 trillion. India seeks to expand trade with ASEAN from its current $80 billion to $100 billion by 2015 and $200 billion by 2022. Because of India's vast market, ASEAN nations see opportunities to diversify their economic relations by engaging west. Economic engagement with India can also help further ASEAN's connectivity agenda and its pursuit of an ASEAN Economic Community, to be achieved, at least in principle, by 2015.

Upon instruction from ASEAN's leadership, the Economic Research Institute for ASEAN and East Asia completed a Comprehensive Asia Development Plan, a grand spatial design for infrastructure development and economic integration that dovetails with the ASEAN Master Plan on Connectivity (see Appendix). A crucial element is the Mekong–India Economic Corridor (MIEC). For greater land connectivity, plans are under way to complete the India–Myanmar–Thailand Trilateral Highway, which will not only boost incomes in the region but also help solidify Myanmar's shift toward democracy. For sea connectivity, major port projects could link India's eastern and northeastern states to Myanmar, Thailand, and beyond. One such project, the $8.6 billion Dawei deep-sea port and industrial estate in Myanmar, still lacks financing. India is also building a sea link via the $120 million Sittwe port, which would establish a direct land route between India and the Myanmar coast.

The World Bank and Asian Development Bank (ADB) are prepared to help enhance connectivity but need guidance on member nations' priorities. As the implementing body for the MIEC, the ADB stands ready to provide technical assistance and co-financing. Consider the importance of infrastructure investment: an Indo-Pacific corridor would allow cars made in Chennai, India, to reach Ho Chi Minh City, Vietnam, through a variety of transport means across the Bay of Bengal, Myanmar, Thailand, Cambodia, and Vietnam.

Participants in the Track 1.5 Conference urged that Bangladesh be included in this

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5. The EAS is an annual forum launched in 2005 for Asia-Pacific leaders to discuss regional political and strategic issues. Although the EAS is ASEAN-centered, it also includes eight non-ASEAN participants: Australia, China, India, Japan, New Zealand, Russia, South Korea, and the United States.

connectivity process, fully linked to India’s markets and those of the rest of Asia. India, the United States, and ASEAN nations such as Thailand and Indonesia could also facilitate Myanmar’s integration into the region. Already, the Myanmar military looks to Indonesia as a model for how it can ease out of politics and still remain relevant. Indonesian journalists are helping to train journalists in Myanmar. India could contribute to this process through capacity building in government ministries, military-to-military exchange, and civil society engagement.

Connectivity has elements that are akin to systems hardware: roads, bridges, ports, and electrical grids. Other elements constitute the software of systems: the customs codes, trade facilitation, regulatory regimes, training, and capacity building that facilitate the passage of goods, ideas, technology, and individuals back and forth between nations. The antivirus software helps deal with the downsides of greater connectivity and includes addressing health and environmental challenges, as well as nontraditional security concerns such as human trafficking. One participant in the Track 1.5 dialogue suggested that, as China is already providing the hardware of connectivity, India can provide the software and the United States the technology and know-how.

As part of its “rebalance,” the United States has already stepped up its engagement with ASEAN, the South Asian Association for Regional Cooperation, the EAS, and the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). Along with the Indian Ocean Naval Symposium, IOR-ARC provides a mechanism for dealing with growing tensions in the Indian Ocean, while the EAS can serve as the central security institution for the future after member nations develop an underlying support system to ensure its success.

Although U.S. participants endorsed the Trans-Pacific Partnership (TPP) goal of a binding, comprehensive agreement that liberalizes trade and investment, Indian and U.S. participants in the Track 1.5 dialogue expressed concern that the TPP excludes key partners such as India and that U.S. trade policy does not sync with America’s broader Indo-Pacific strategy. While welcoming the United States’ Expanding Economic Engagement initiative for ASEAN, they questioned whether it is sufficiently ambitious. Indian participants urged the United States to keep an open mind toward the Regional Comprehensive Economic Partnership and reiterated India’s interest in joining the Asia-Pacific Economic Community if invited to do so.

Regarding U.S. engagement in the Indo-Pacific, an American official stressed that it contains “infinite facets” and that the U.S. commitment to the region is broad, sustained, and nonpartisan. Indo-Pacific collaboration should deepen in the realm of maritime security, humanitarian and disaster relief, and counterterrorism. Because over 90 percent of the region’s trade is seaborne, particularly energy resources, and the littoral nations of the Indo-Pacific share a commitment to freedom of navigation, dialogue participants recommended intensified bilateral security engagement and multilateral efforts to create a maritime security regime that provides mutual reassurance to all Asian nations. An open, inclusive, transparent, and balanced arrangement to address piracy, mishaps at sea,
energy security, and oceans management—particularly in the Bay of Bengal and the South China Sea—would be far preferable to a potentially competitive naval buildup.

However, maritime security is only part of the picture. Connectivity is not just about governments and navies. Civil society and the private sector, not governments alone, play key roles in connectivity. Therefore, participants in the Track 1.5 dialogue recommended that U.S., Indian, and ASEAN leaders develop an ambitious agenda for collaborative action. This agenda should include not only developing infrastructure, land–sea–air links, and regional energy solutions like a common electricity grid and gas pipelines across borders but also people-to-people cooperation on education, rule of law, water resources, climate, the environment, science and technology, health, human trafficking, and food security, including fisheries.

The following are key recommendations from the Emerging Asia conference in the areas of diplomacy and security, infrastructure and energy, and enhancing people-to-people collaboration among India, ASEAN, and the United States. Chapter 5 expands on these and provides additional recommendations for consideration.

Key Recommendations for Diplomacy and Security

- The United States and India should continue their productive dialogue on East Asia, and the U.S.-India-Japan trilateral dialogue should include a specific discussion on ASEAN.

- India should send a resident ambassador to the ASEAN Secretariat in Jakarta.

- India and the United States should work together to support Myanmar’s economic development and democratic consolidation, helping to strengthen ASEAN while doing so. Similarly, Bangladesh should be integrated into regional structures, and India and the United States should facilitate the pursuit of opportunities for Bangladesh’s development.

- In the maritime realm, India, China, and the United States should develop confidence-building measures to prevent incidents at sea.

- The United States should offer India a more ambitious framework for maritime cooperation, one that develops into a joint concept of operations and redefines bilateral maritime cooperation.

- Building on existing agreements, India should strengthen counterterrorism collaboration with ASEAN to combat terrorism.
Key Recommendations on Infrastructure and Energy

- India and the United States should work with multilateral development banks on expanding the ADB’s Greater Mekong Sub-Region program to include the MIEC.

- India, ASEAN, and the United States should provide clear signals to the multilateral development banks on priorities for addressing transportation bottlenecks and other infrastructure gaps.

- India, ASEAN, and the United States should begin creating an interconnected “super grid” stretching from India to Southeast Asia so that electricity from one nation can be transmitted to another in the case of blackouts and shortages.  
  
- India, ASEAN, and the United States should expand initiatives to help “leapfrog” to cleaner and higher-efficiency energy technologies.

Key Recommendations for Enhancing People-to-People Collaboration

- India-ASEAN-U.S. cooperation should be expanded to promote the creation of community colleges, vocational training, and distance-learning opportunities, and U.S. institutions should be encouraged to partner with Indian and ASEAN institutions in this endeavor.

- The U.S. Export-Import Bank should provide financing for loans and scholarships in India and the ASEAN region for study in the United States.

- Research collaboration among the United States, India, and ASEAN, especially in biotechnology, nanotechnology, and oceans research should be facilitated through private–public partnerships.

- Areas ripe for health collaboration between India, ASEAN, and the United States include (1) opportunities in telemedicine, especially for rural populations; (2) improving health care access through smart infrastructure planning that puts a premium on access to medical facilities; and (3) sharing of best practices to improve health care outcomes in treating diseases endemic to the region.

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• Areas ripe for collaboration on clean water include storage, distribution, and pipelines to help maximize resource efficiency. Together, the United States, India, and ASEAN can develop low-cost clean water technologies.

• An official trilateral dialogue on climate change between the United States, India, and ASEAN should be supplemented by collaborative research involving the National Oceanic and Atmospheric Administration (NOAA), India’s Ministry of Earth Sciences, and ASEAN institutions, especially on monsoon and tsunami monitoring and predictions.

• India, ASEAN, and the United States should share best practices in urban planning and air and water management for growing cities.

• India, ASEAN, and the United States should partner to minimize deforestation in the Indo-Pacific.

• India, ASEAN, and the United States should coordinate response plans before natural disasters occur, allowing each country to deploy its resources more quickly and save lives.

According to the ADB, the Indo-Pacific region is moving from a rural to urban majority faster than anywhere else on earth.10 By building critical infrastructure and sustainable urban communities of the future, the Indo-Pacific region will make itself the nexus of twenty-first-century commerce, leveraging this trend of rapid yet sustainable urbanization. Akin to a demographic dividend, one could view this as an urbanization dividend. Failing to plan and swiftly implement strategies for rural-to-urban migration, not constructing cities that can accommodate breakneck growth, resource stress, and natural calamities, or neglecting to transparently support critical infrastructure linking major hubs will severely constrain the region’s potential, turning demographic dividends into disasters.

Already, human and natural systems are dangerously stressed. Addressing issues of sustainability and human capacity building enhances the ability of our countries to deal with the region’s strategic challenges, including poverty. This “antivirus software” helps us deal with the downsides of greater connectivity. As the ADB has shown, the poor suffer the most from environmental degradation, which now threatens both economic growth prospects and Asia’s hard-won gains against poverty. Economic growth in the region needs to include higher productivity growth, more innovation, strategies for coping with rapid urbanization, and greater regional integration.11

## List of Acronyms and Abbreviations

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<thead>
<tr>
<th>Acronym</th>
<th>Abbreviation</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<td>ADMM+</td>
<td>ASEAN Defense Ministers’ Meeting Plus</td>
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<td>AHN</td>
<td>ASEAN Highway Network</td>
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<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
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<td>ASAM</td>
<td>ASEAN Single Aviation Market</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<tr>
<td>ASSM</td>
<td>ASEAN Single Shipping Market</td>
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<tr>
<td>BIMP+</td>
<td>Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area Plus</td>
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<tr>
<td>BIMSTEC</td>
<td>Bay of Bengal Multi-Sectoral Scientific Technological and Economic Cooperation</td>
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<td>CADP</td>
<td>Comprehensive Asia Development Plan</td>
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<td>CSIS</td>
<td>Center for Strategic and International Studies</td>
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<td>EAS</td>
<td>East Asia Summit</td>
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<td>ERIA</td>
<td>Economic Research Institute for ASEAN and East Asia</td>
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<td>Ex-Im</td>
<td>Export–Import Bank of the United States</td>
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<td>FDI</td>
<td>foreign direct investment</td>
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<td>FTA</td>
<td>free trade agreement</td>
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<td>GDD</td>
<td>Global Disease Detection</td>
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<td>GDP</td>
<td>gross domestic product</td>
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<td>GMS</td>
<td>Greater Mekong Subregion</td>
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<td>GSM</td>
<td>Geographical Simulation Model</td>
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<td>ICP</td>
<td>integrated check post</td>
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<td>ICRIER</td>
<td>Indian Council for Research on International Economic Relations</td>
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<tr>
<td>IMT+</td>
<td>Indonesia-Malaysia-Thailand Growth Triangle Plus</td>
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<td>IONS</td>
<td>Indian Ocean Naval Symposium</td>
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<td>IOR-ARC</td>
<td>Indian Ocean Rim Association for Regional Cooperation</td>
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<td>MFN</td>
<td>most-favored-nation</td>
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<td>MIEC</td>
<td>Mekong–India Economic Corridor</td>
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<td>MPAC</td>
<td>Master Plan on ASEAN Connectivity</td>
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<tr>
<td>NOAA</td>
<td>National Oceanic and Atmospheric Administration</td>
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<tr>
<td>ReCAAP</td>
<td>Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia</td>
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<tr>
<td>Ro-Ro</td>
<td>roll-on, roll-off</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<td>SEATO</td>
<td>Southeast Asia Treaty Organization</td>
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<td>SKRL</td>
<td>Singapore Kunming Rail Link</td>
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<td>TPP</td>
<td>Trans-Pacific Partnership</td>
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<td>TTR</td>
<td>transit transport route</td>
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<td>USACEP</td>
<td>U.S.–Asia-Pacific Comprehensive Energy Partnership</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>WHO</td>
<td>World Health Organization</td>
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India and Southeast Asia have centuries-old links. People, ideas, trade, art and religions have long crisscrossed this region. A timeless thread of civilizations runs through all our countries.

—Indian prime minister Manmohan Singh, India-ASEAN Commemorative Summit, 2012

Twenty-two centuries of Indian engagement with Southeast Asia preceded the 1992 launch of India’s “Look East” policy. Indian scholar S. D. Muni helpfully breaks down India’s outreach to Southeast Asia into four phases, beginning with the precolonial period, when cultural and commercial engagement facilitated the expansion of Hinduism, Buddhism, and later Islam into the region. A sort of cultural synthesis of Hinduism and Buddhism emerged in many Southeast Asian nations, and it can be seen even today in the region’s religions, mythology, language, art, and architecture. For example, the Hindu epic *Ramayana* is told and retold, and its characters—Ganesha, Garuda, Shiva, Parvati, Rama, and Sita—are “adored and worshiped in many parts of Southeast Asia, along with . . . the Buddha.” In the third century BCE, India’s King Ashoka ordered Buddhist pilgrims to travel to Suvarnabhumi (the “golden land” encompassing Thailand) to spread Buddhist teachings. By the seventh century CE, Hinduism and Buddhism had come to Myanmar from India.

Many languages in Southeast Asia are derived from Pali, which in turn is closely related to Sanskrit. Pali, a language associated with Theravada Buddhism, is still the
language of religion in Thailand, studied by monks learning scriptures and liturgy. The use of Pali has bled into common language, and a significant number of Thai words have roots in both Pali and Sanskrit. Pali is also the source of many Burmese words. Northeast India has direct linguistic (as well as racial and cultural) links with Southeast Asia. The Khasi ethnic group in east and northeast India speaks Austro-Asiatic languages, which are also used in parts of Southeast Asia. Tibeto-Burman languages, too, span northeast India and Southeast Asia.

India left its mark in Southeast Asia’s architecture as well. The region’s Hindu–Buddhist temples include Borobudur and Prambanan in Indonesia, Angkor Wat in Cambodia, and Wat Phu in Laos. The Hindu-Buddhist Champa kingdom ruled for centuries in Vietnam, leaving behind spectacular temples influenced by Tamil architecture along Vietnam’s central and southern coasts.

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6. Ibid.
9. Ibid.
Commerce, especially seaborne, deepened cultural linkages between India and Southeast Asia during the spice trade period. Indian merchants from Gujurat first brought Islam to Southeast Asian ports. European ships proceeded to the Malay Peninsula “either along the coasts of Bengal and Myanmar or through the Bay of Bengal.”\footnote{Patit Paban Mishra, “India-Southeast Asia Relations: An Overview,” South Dakota State University, 2001, p. 2, http://www.sdstate.edu/projectsouthasia/Resources/loader.cfm?csModule=security/getfile &pageid=909519.} Ships bound for the Spice Islands stopped first in India.

**Colonial and Independence Periods**

During the colonial period, Muni’s second wave of India-Southeast Asian engagement, the British adopted a strategic view, valuing India for its commercial benefits and also for its location vis-à-vis other colonial holdings in Southeast Asia, such as Singapore, Malaysia, and Hong Kong. The British administered Myanmar as a province of India from 1886 until 1937, when it was made a separate colony. Myanmar’s current legal system is a legacy of that administration.\footnote{Muni, “India’s ‘Look East,’ Policy” 4.}

The third wave of engagement came after independence and was characterized by anti-colonial solidarity. As early as the 1930s, Jawaharlal Nehru experimented with the concept of forming an “Eastern Federation” with what was then China, Burma (Myanmar), Malaya (Malaysia), and Siam (Thailand) as members—part of his broader framework of Asian solidarity.\footnote{S. D. Muni and See Chak Mun, “ASEAN–India Relations: Future Directions,” ISAS Special Reports, May 25, 2012: 1, http://www.isas.nus.edu.sg/Attachments/PublisherAttachment/ISAS_Special_Report_05_-_Asean -India_Relations_-_Future_Directions_New_25052012172612.pdf.} After he became prime minister, Nehru sympathized with the independence struggles of India’s Southeast Asian neighbors and developed strong relations with leaders such as Myanmar’s Aung San, Vietnam’s Ho Chi Minh, and Indonesia’s Sukarno.

At the Asian Relations Conference in 1947, Nehru said, “It is fitting that India should play her part in this new phase of Asian development. . . . India is so situated that she is the pivot of Western, Southern, and Southeast Asia.” Nehru and Sukarno collaborated to create the 1955 Afro-Asian Conference in Bandung, Indonesia—the apex of anti-colonial and pan-Asian solidarity. The Bandung Conference, which included representatives of twenty-nine Asian and African countries, launched the Non-Aligned Movement.

**Enter ASEAN**

During the Cold War, however, Nehru’s aspirations for Asian solidarity proved elusive. Asian nations took different paths, with Southeast Asia divided between those opposed to and those in favor of communism. When ASEAN was founded in 1967, in part as a bulwark against communism, India neither welcomed nor condemned the union.\footnote{Tridib Chakraborti, “Unraveling India’s ASEAN Policy,” in *India’s Foreign Policy*, ed. Anjali Ghosh (Mumbai: Pearson Education, 2003), 269.} Under Suharto’s
leadership, Indonesia grew cool toward India, especially after the Indo-Soviet Treaty of 1971. Thailand and the Philippines developed strong alliances with the United States. In 1977, the Janata Party came to power in India and vowed to pursue true nonalignment. Janata Party leaders attempted to create better political and economic links with ASEAN, but these overtures foundered due to lack of interest from Southeast Asia.

In 1980, the first official meeting between India and ASEAN took place in Kuala Lumpur. Officials focused on enhancing trade, industrial cooperation, and collaboration in science and technology. But these efforts also led nowhere when, two months later, India recognized the Heng Samrin regime in Cambodia, which had been installed by a Vietnamese invasion to oust the Khmer Rouge. In 1981, Prime Minister Indira Gandhi visited Indonesia and the Philippines, and in 1986 Prime Minister Rajiv Gandhi sought to renew engagement with Southeast Asia through visits to Indonesia and Thailand, which “filled the long felt need to give more attention to this region,” according to a Ministry of External Affairs report.15 During his five years in office, Gandhi also visited Myanmar and Vietnam and hosted President Suharto of Indonesia, Lee Kwan Yew of Singapore, Mahathir Mohammad of Malaysia, Nguyen Van Linh of Vietnam, and Hun Sen of Cambodia.

“Look East” Launched

In 1992, Prime Minister Narasimha Rao formally launched India’s “Look East” policy, the fourth wave of engagement, though in truth it was a continuation of Rajiv Gandhi’s efforts, as Rao had served as Gandhi’s foreign minister and accompanied the prime minister to China in 1988. Disintegration of the Soviet Union had caused policymakers to reevaluate Indian foreign policy. The Rao government introduced economic reforms, constituting a dramatic “paradigm shift” in India’s domestic and foreign policy.16

India’s interest in ASEAN was finally reciprocated, as a number of Southeast Asian countries, starting with Singapore, began to view India as an attractive trading partner. In 1992, India became a “sectoral dialogue” partner of ASEAN on trade, investment, tourism, and science and technology. Two years later, in a policy address in Singapore, Rao officially defined India’s Look East policy as focused on strategic links with individual Southeast Asian countries, closer political ties with ASEAN, and stronger economic ties to the region.

Then, in 1995, ASEAN leaders decided to raise India’s status from a “sectoral dialogue” partner to a “full dialogue” partner, allowing for cooperation on political and security issues. From 1995 onward, India steadily integrated into a number of the region’s security and economic institutions. India joined the ASEAN Regional Forum in 1996; that year Thailand also launched a complementary “Look West”17 policy in an effort to tap into new sources of investment and energy and new markets. India, along with several South and Southeast Asian nations, established the Bay of Bengal Initiative for Multi-Sectoral

Scientific Technological and Economic Cooperation in 1997. India and the Mekong Basin countries of Cambodia, Laos, Myanmar, Thailand, and Vietnam established the Mekong-Ganga Cooperation Forum in 2000, with an emphasis on tourism, culture, education, transportation, and communication. India became a summit partner of ASEAN in November 2002 in Cambodia and has held annual summits with ASEAN in the decade since.

Engagement Tempo Accelerates

From 1999, the tempo of high-level India-ASEAN visits accelerated. Substantive engagement deepened in 2003 when, at the second India–ASEAN summit held in Bali, three broad accords were signed: (1) a comprehensive economic cooperation agreement; (2) a pact aimed at combating terrorism; and (3) an agreement facilitating India’s accession to ASEAN’s Treaty of Amity and Cooperation, which promotes regional peace and stability. At the same time, New Delhi offered an “open skies” opportunity to several Southeast Asian airlines and extended special market access to a number of ASEAN nations.

In 2004, during the third India–ASEAN summit in Vientiane, Laos, India and ASEAN members signed the India–ASEAN Partnership for Peace, Progress, and Shared Prosperity. A multipronged action plan to boost trade, investment, tourism, culture, sports, and people-to-people ties, the pact pledged its partners to (1) cooperate in multilateral forums such as the World Trade Organization; (2) address shared challenges, including economic growth, food security, energy, terrorism, transnational crime (drugs, arms, human trafficking), piracy, and nuclear proliferation; and (3) build institutional linkages for intelligence sharing and law enforcement cooperation.

In 2005, ASEAN established the EAS, with India as a founding member. That year also saw a setback: delays in implementing a proposed Myanmar-Bangladesh-India pipeline led to Myanmar and China signing a key pipeline agreement. In 2007, the fifth India–ASEAN summit, held in Cebu, Philippines, focused on an India–ASEAN free trade agreement (FTA). In 2009, the Delhi Dialogue inaugural meeting concentrated on regional security and regional connectivity. That same year, India and ASEAN signed an FTA in goods, which took effect in 2010.

In December 2012, India hosted the Twentieth Commemorative India–ASEAN Summit, where leaders elevated the relationship to a strategic partnership and finalized an FTA in services and investments, likely to be implemented in 2013. Before the summit, the ASEAN-India Eminent Persons Group wrote:

While peoples of ASEAN and India inhabit a shared geographical and cultural space, each country retains its distinctiveness and unique identity. It is this celebration of

19. Ibid., 288.
diversity, of plural yet related cultures, which underlies the ASEAN-India partnership. Our vision is to recreate, in a contemporary setting, the many linkages that have bound our countries together in the past and unleash a creative surge, which will impart even greater momentum to the Asian resurgence.21

One of those eminent persons, former Indian national security advisor Shyam Saran, told participants in the February 2013 CSIS-ICRIER Track 1.5 dialogue that he believes the India-ASEAN “celebration of diversity” provides a basis for an enduring partnership.

Today’s India-Southeast Asia cultural ties include music and dance based on the Rama-yana in Thailand, Tamil movies and food in Malaysia, and music, film, theater, painting, and dance exchanges between India and Myanmar.22 Bollywood movies are popular throughout the region, and Thailand is a popular filming spot for Bollywood producers.23 Thailand also is a preferred destination for Indian tourists, and the number of Indian visitors to the country rose 29 percent between 2009 and 2010.24 Many Thai and Myanmar

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24. Ibid.
Buddhists also travel to India for spiritual tourism. The Indian diaspora community in Myanmar numbers over two million, with origins from the colonial period. This year, India will open a cultural center in Hanoi to “bring to the people of Vietnam a flavor of India” and “greatly facilitate [Indo-Vietnamese] cultural ties and promote people-to-people contacts.”

Seven million Indians live in Southeast Asia today. Along with commerce, cultural ties, and educational exchanges, their family ties will bind India and ASEAN ever more closely well into the twenty-first century and beyond.

India and ASEAN: Toward Maritime Security Cooperation

C. Raja Mohan

That India’s “Look East” policy has been one of New Delhi’s more successful foreign policy initiatives is not in doubt. The success of the policy is rooted in the transformation of India’s economy that began in the early 1990s and the consistent support from ASEAN, which has welcomed India into its fold. Despite the widespread skepticism at the time on prospects for long overdue reforms in India, ASEAN leaders kept faith with the proposition that New Delhi would increasingly matter to economic growth, political stability, and regional security in the East Asian region. This bet has paid off, with India emerging as an important economic, political, and security partner for ASEAN.

Although many would like to see a faster pace of progress, there is no denying what has been achieved in the last two decades. India is now a full partner in all of ASEAN’s institutions. It has a free trade agreement with ASEAN and is committed to negotiating a more comprehensive regional economic partnership agreement with the organization and six of its leading trade partners. India and ASEAN elevated their relations to the level of a strategic partnership at the commemorative summit in New Delhi in December 2012 that marked twenty years of India’s engagement with Southeast Asia.¹ It demonstrated India’s increasing weight in Southeast Asia, as well as the growing expectations in ASEAN that New Delhi would play a proactive political role in stabilizing the region at a moment of profound political turbulence in East Asia.

The new emphasis on the strategic partnership underscored ASEAN’s interest in security cooperation with India. The security dimension, which was always latent in India’s Look East policy, has now become explicit. This chapter begins with a brief review of the context in which India’s Look East policy was announced at the turn of the 1990s and the legacy of India’s security role in Southeast Asia. In the second section, it assesses the impact of India’s emergence on the geopolitics of the region and the consequent changes to the mental maps of Asia and its waters. The final section makes the case for stronger security cooperation between India and the ASEAN, especially in the maritime domain.

Reconnecting to Southeast Asia

The connections between India and Southeast Asia are deeply rooted. The two civilizations co-evolved through exchanges of people, ideas, and goods over the millennia. In the modern era, the links between the two regions were revived and shaped when the European colonial powers came into the Indian Ocean from the West, established their presence in India, conquered the regions to the east of India, and reconnected the economies of the subcontinent and Southeast Asia. After the United Kingdom prevailed over its European rivals, the British Raj became the principal provider of security and order in the Indian Ocean and its abutting regions.

While the Raj reconnected the regions to each other and drew them into the globalizing economy in the colonial age, the discovery of Indian civilizational influences in Southeast Asia provided a big boost to the rise of Indian nationalism and facilitated the emergence of the ideas of Asian unity. But the British-led order was shattered in Asia with the rise of Japan and its rapid occupation of China and Southeast Asia in the 1930s and early 1940s. Reversing the Japanese aggression needed the full mobilization of the Indian subcontinent’s resources. Nearly 750,000 Indian troops under Lord Mountbatten’s Southeast Asia command delivered a hard-fought victory in what is often called the “forgotten war.” British India and the United States also played a key role in assisting the nationalist government in China to fight the Japanese occupation by opening supply routes through Myanmar.

As India’s massive contribution began to alter the course of World War II in Asia, it was not difficult to visualize a critical role for New Delhi in shaping the postwar order in Asia. K. M. Panikkar, one of the early Indian strategists, argued that “A free and stable government in India conscious of its responsibilities and capable of playing its part in Southeast Asia, is the essential pre-requisite” for the success of such a collective security system. “In the absence of such a government in India,” Panikkar said, Southeast Asia “will remain the cockpit of colonial ambitions, incapable of defending itself, and a prey to the predatory urge of any power which is strong enough to attack it.”

What Panikkar did not foresee in 1943 was the partition of India, which tore apart the role of the subcontinent as the traditional geopolitical anchor for the stability of Southeast Asia. Through the nineteenth century and the first half of the twentieth, military power radiated out of the subcontinent into all corners of the Indian Ocean and its abutting regions. Following the partition, the military energies of the subcontinent turned inward as the bitter legacy of partition endured. On top of it, China’s entry into Tibet further focused India’s military energies northward. India’s centrality in Southeast Asian security rapidly declined.

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2. The British Raj was the term commonly used for British rule on the Indian subcontinent, which included, but was not limited to, modern-day India.
More broadly, the breakup of the subcontinent created a security vacuum in Southeast Asia that has not been easy to fill. U.S. alliances such as the Southeast Asia Treaty Organization (SEATO) did not survive for long given the reluctance of key countries of the region to support it. It was the emergence of ASEAN, not initially conceived as a security organization, that promoted regional cooperation, mitigated some of the local conflicts, and steadily generated greater economic prosperity that produced a measure of stability. But India found itself increasingly isolated from ASEAN.

Although partition severely weakened New Delhi, there was no diminishing of independent India’s aspirations to lead Asia. If the British Raj underlined the primacy of the subcontinent in securing Southeast Asia, India’s nationalist movement was driven by a different set of impulses in pursuit of the idea of Asian unity. As Asia captured the political imagination of an emerging India, it was no surprise, then, that the first diplomatic act of India, months before it became free, was to convene the Asian Relations Conference. Jawaharlal Nehru later joined Indonesia’s Sukarno in sponsoring a more structured Asian-African conference at Bandung, Indonesia, in 1955.

Despite the current habit of romanticizing “Nehruvian” foreign policy and the tendency to overinterpret some of Nehru’s diplomatic initiatives, the Asian gatherings in New Delhi (1947) and Bandung (1955) underlined the profound differences among the newly emerging nations. These included divergent assessments of the contemporary international situation, deep suspicion of Western capitalism, and contrary attitudes about the East-West divide at the global level. The impact of the Cold War on the region and India’s own conflict with China undermined the hopes for Asian unity.

As the core concepts of India’s Asian project were shattered by the early 1960s, India had no option but to discard, in operational terms, any ambitions to lead the Asian project. As East and Southeast Asia began to turn away from India, New Delhi focused less on Asia and more on global Cold War issues. When ASEAN was formed in 1967, India entertained many doubts about the organization and was not interested in what it saw as a probable rebirth of the discredited SEATO. In the early 1980s, an attempt at a renewed dialogue between India and ASEAN collapsed amid New Delhi’s decision to support Vietnam’s military intervention in Cambodia.

By the late 1980s, the distance between India and East Asia seemed vast and unbridgeable. Adding to the separation was India’s own inward-looking economic policies that steadily severed the historic commercial links between India and Southeast Asia. Although the region viewed the Soviet Union with great suspicion, Moscow was New Delhi’s most important strategic partner.

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7. For a succinct historical analysis, see Kripa Sridharan, *The ASEAN Region in India’s Foreign Policy* (Aldershot, England: Dartmouth, 1996).
When India did return to Southeast Asia with its Look East policy in the early 1990s, it faced a very different dynamic with the region. New Delhi now had to cope with the changed balance between India and Southeast Asia. The ASEAN nations had made considerable economic progress in the intervening decades, and India was now looking to the region for lessons to help it catch up with Southeast Asia’s dynamism. If Asia had looked up to India during the middle of the twentieth century, it was India’s turn now to be inspired by East Asia’s rapid economic growth in the 1970s and 1980s. ASEAN and its economic policies became benchmarks in India’s own tortuous debates on economic reforms.

That India and ASEAN had traded places was also reflected in the fact that not all members of the organization were enthusiastic about bringing New Delhi into regional institutions. India’s friends in the region advised New Delhi to discard its traditional high-decibel diplomacy. They wanted India to avoid the habit of posturing on big global issues and focus on practical questions of regional cooperation. Determined to become a part of the region’s institutions, New Delhi was quite happy to heed Deng Xiaoping’s advice to China’s leaders: “Keep a low profile, and never take the lead.” That deliberate decision in New Delhi has now come back to haunt ASEAN and limit the possibilities for India’s role in Southeast Asia.

A modest approach did indeed seem to serve the objectives of India’s Look East policy in the early years of engagement with ASEAN. India became a special dialogue partner of the grouping in the mid-1990s. Since then, it has become part of all major institutions created by ASEAN, including the ASEAN Regional Forum, the East Asia Summit, and the ASEAN Defense Ministers’ Meeting Plus (ADMM+). After arguing for years that India had no place in Southeast Asia, let alone the larger framework of East Asia, the region has now begun to acknowledge India’s relevance to the regional order and invited New Delhi to shape it.

As India gets drawn into Asia, the case in New Delhi for a modest regional strategy has begun to unravel. The stronger the Indian economy and the higher its international profile, the greater are ASEAN’s expectations of New Delhi. But India’s continuing caution has left a big question mark on whether it is willing to bridge the gap between its potential security role and its current performance. Disclaiming leadership of Asia did not necessarily mean that India has not done anything at all to raise its security engagement with the region. Although there is no articulation of a grand Asian scheme by New Delhi, it is quite easy to identify the elements of India’s East Asia policy: multidirectionally engaging with the great powers of Asia, integrating with regional institutions, expanding India’s security cooperation with key actors in the region, and working for a relative improvement in its geopolitical standing in Asia.

Although India has moved in all these directions, New Delhi’s slow pace and seeming lack of purposefulness have generated considerable disappointment in the region. Many in ASEAN see India as unwilling or unable to deploy its growing resources to promote regional security and public goods in Southeast Asia. Some have argued that the problem appears to be India’s lack of awareness of its own strength and the absence of a strategic
culture. \(^8\) Whatever the merits of that argument, there is growing pressure on New Delhi to respond to the mounting expectations in Southeast Asia for a vigorous Indian role. Much of this is a consequence of India’s own successful integration with ASEAN.

**Southeast Asian Hinge: The Maritime Core of the Indo-Pacific**

India’s inward orientation starting in the 1960s resulted in the steady dissipation of its commercial, political, and security links with Southeast Asia. Foreign offices around the world and the international relations community began to treat South and Southeast Asia as very different regions that had little to do with each other. This began inevitably to change once India began to look east and ASEAN began to bet on the possibilities of India’s growth. India’s integration with ASEAN was not just about getting membership in regional institutions; it was about the long overdue integration with Asia. The process of reconnecting Asia with itself began with the formation of ASEAN in the late 1960s, its eventual expansion to cover all of Southeast Asia, and its deeper engagement with Japan and later with China. Bringing India in was pulling the last big economy into the framework of regional cooperation.

Although the pace of India’s integration has been slow, it has steadily begun to change the geopolitical conceptions of Asia and erase the differences between East Asia and South Asia. Intensifying this process was the rapid economic growth of China. The development of its eastern seaboard during the early years of China’s reform saw the integration of its economy with that of the rest of East Asia. When China launched its West Region Development Strategy in 2000, it focused on connecting its underdeveloped regions in the far west and southwest with Southeast Asia, South Asia, and Central Asia. The more recent opening of Myanmar, the last major economy in Southeast Asia to seek integration with the region, will ensure that the geographic distinctions between different parts of Asia will increasingly break down.

The growing economic integration of Asia with itself is not limited to the land territories. It has also created a strategic perspective that sees the Pacific and Indian Oceans as a single continuum. East Asia’s early industrializers, Japan and South Korea, have long been dependent on the energy resources of the Persian Gulf. China’s economic modernization has made that interdependence much stronger. China has not only become one of the biggest importers of oil from the Persian Gulf, it has increasingly focused on Africa for energy and mineral resources.

Unlike many East Asian countries that have been content to rely on the United States for the maintenance of order on Asia’s high seas, China is clearly focused on building independent blue water naval capabilities to secure its expanding interests in the Indian Ocean. It

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\(^8\) “India as a Great Power: Know Your Own Strength,” *The Economist*, March 30, 2013.
is also actively constructing a strategic maritime infrastructure in the Indian Ocean that will facilitate the pursuit of its growing maritime interests in the Indian Ocean.

Meanwhile, India’s trade and economic relations with East Asia are acquiring greater weight, with more than 50 percent of its trade flows now heading east. India’s stake in the political stability and security of the Western Pacific has also steadily risen. New Delhi’s Look East policy has acquired a distinct naval dimension over the last decade. Since the beginning of the 2000s, the Indian navy has made continuous forays into the Western Pacific. The traditional clear distinctions, then, between the Indian Ocean and the Pacific are beginning to erode.

The economic transformation of China and India has begun to break down the barriers between them and produce new geographic constructions. Economic growth in East Asia in the 1980s generated the concept of the “Pacific Rim.” The expansion of this growth to Southeast Asia led to the construction of the term “Asia Pacific.” China’s increasing reliance on the Indian Ocean and the acceleration of India’s economic growth and strategic interests in the Pacific has now led to the increasing use of the term “Indo-Pacific.” The intersection of the maritime interests of a rising China and an emerging India with those of the United States, which has long provided security in the two oceans, has begun to give the Indo-Pacific a distinctive geopolitical character.9

The idea of the Indo-Pacific is not entirely new. The German geopolitical thinker Karl Haushofer had expanded on the idea of “Indopazifischen Raum,” or the “Indo-Pacific space,” in the 1920s. Before him, U.S. naval historian Alfred Thayer Mahan saw Asia and its waters as a single space. World War II, as we noted earlier, saw the two theaters as a single military zone. And the British imperial defense system stretched from the eastern Mediterranean to the South China Sea and was centered on India. What is new and more current is the tendency to see Asia as consisting of separate zones, and dividing its littoral into the Indian and the Pacific.

The integration of Asia with itself and the expanding global interests of China and India are what make up the Indo-Pacific. The concept of the Indo-Pacific has gained policy attention in recent years, especially since U.S. secretary of state Hillary Clinton talked about the interconnections between the two oceans and outlined the framework of Washington’s “pivot” to Asia at the end of 2011. The notion has been eagerly embraced by Australia, which faces both the Indian and Pacific Oceans.

In India, the term has gained salience as New Delhi begins to appreciate the importance of its economic and strategic interests in the western Pacific. Well before the strategic communities and policymakers in these three countries began to embrace the notion of the Indo-Pacific, a section of the Japanese leadership began to recognize the strategic significance of the Indian Ocean for its security. During his visit to India in his first, brief tenure

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as prime minister of Japan, Shinzo Abe talked about the “confluence between the two oceans.”

There have also been suspicions about the concept of an Indo-Pacific and whether it is an effort to build a countervailing coalition aimed against China. Others have argued that the concept encompasses too vast a region—from the east coast of Africa to the western Pacific—and is not very useful in promoting practical economic and security regionalism. After all, the Indo-Pacific has a variety of subregions, each substantially different from the others. Nonetheless, the concept has relevance because it underlines the geopolitical transformation of Asia’s waters amid China’s growing interest in the Indian Ocean and India’s rising profile in the western Pacific.

Although the theoretical debate over the Indo-Pacific and its meaning has just begun, it is not an abstract notion for Southeast Asia. This is because the region is at the very intersection of the Indian and Pacific Oceans and links the Indian subcontinent and East Asia. As mental maps of Asia and its waters are reconceptualized amid the region’s integration with itself, “Southeast Asia becomes not an appendage to either East or South Asia but a hinge linking both together.” Many of the new geopolitical trends find their fullest expression in the littorals of the Bay of Bengal, the Andaman Sea, and the South China Sea, which connect the two oceans and demand greater attention.

China’s vital sea lines of communication pass through the Malacca Straits and other passages in archipelagic Southeast Asia. India’s own eastbound trade travels in the other direction through Malacca Straits. To address the challenges from the so-called Malacca dilemma, Beijing has begun to build transport corridors and oil pipelines from the Indian Ocean to western and southwestern China that avoid the passage through the straits. One of the most intensive Chinese efforts in this direction is in Myanmar, where China is building a dual pipeline system from its southwestern province of Yunnan to Myanmar’s Rakhine coast on the Bay of Bengal. China is developing port and hydrocarbon infrastructure on Kyaukphyu Island, where the pipeline system connects with the Bay of Bengal.

Meanwhile, India is strengthening its joint military command on the Andaman and Nicobar Islands, whose southern tip is at the mouth of the Malacca Straits. If New Delhi worries about the security implications of China’s strategic investments in Myanmar and the Bay of Bengal, Beijing is concerned about India’s ability to interdict its sea lines of

communication in the Andaman Sea and about the growing naval collaboration between New Delhi and Washington.

If the Bay of Bengal and the Andaman Sea have acquired a new geopolitical salience in the eastern Indian Ocean, the deepening conflict in the South China Sea between China and its neighbors has pushed the littoral to the center of the regional power play. Much like India, which is concerned about the rising Chinese naval profile in the Indian Ocean, Beijing is warily watching India’s growing diplomatic and strategic interest in the South China Sea. A deepening security dilemma between China and India in the Bay of Bengal, the Andaman Sea, and the South China Sea has begun to intersect with the increasingly uncertain dynamic between China and the United States in the western Pacific. The intensifying territorial disputes between China and Japan in the East China Sea naturally spill over into the South China Sea. The current churn in the waters to the east and west of the Malacca Straits has set an entirely different context for political and security cooperation between India and ASEAN, especially in the maritime domain.

Deepening Maritime Security Cooperation

A central theme of India’s Look East policy has been a conscious deference to the leadership of ASEAN in the building of an East Asian order. During the last two decades, India has repeatedly underlined ASEAN centrality in shaping the future of East Asia.\(^{14}\) There is more than prudence dictating this policy posture. It is rooted in the recognition that ASEAN’s coherence is in India’s vital national interest. India is aware that a weaker ASEAN might allow a great power to pry away its member states into special relationships and introduce rivalry with other powers, including India. For India, a strong ASEAN that can insulate Southeast Asia from great power rivalry is preferable to a weak regional institution that becomes vulnerable to external intervention.

India recognizes the significance of ASEAN in transforming a region that was once known as “Asia’s Balkans” into the principal agency promoting regional integration. Yet India will increasingly have to confront the fact that the new political dynamic in the region is testing ASEAN’s coherence and its ability to act as a moderating force in the area. Until recently, it seemed that ASEAN was quite capable of managing structural changes in the East Asian system through multidirectional engagement and by finding a way to draw most of the major powers into the regional process.\(^{15}\)

Although ASEAN has offered the broadest possible platform for Asian regionalism in recent decades, its ability to do so in the future is being threatened by the rapid changes in the distribution of power and intensifying territorial conflicts between some of its

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members and China. During 2010–2012, as China’s maritime territorial conflicts with Vietnam and the Philippines intensified, it has not been clear that ASEAN as a whole is willing to lend strong support to their member states against Beijing.

China’s refusal to collectively engage ASEAN on the South China Sea issue and its growing ability to wean away individual members of the organization underlines the dangers of the new dynamic in ASEAN. As internal political fissures within ASEAN come to the fore amid the changing regional balance of power, India cannot assume that repeating the slogan of ASEAN centrality is a sufficient strategy. It will need to do a lot more to ensure that ASEAN remains a strong and coherent organization. This in turn demands a more activist Indian engagement with the ASEAN states collectively and individually in the political and security domains.

To be sure, security cooperation with ASEAN, largely absent in the early years of India’s Look East policy, has acquired a new importance over the last decade. In the early 1990s, when India opened up to the world, the Indian navy reached out to its maritime neighbors in Southeast Asia. In the 1980s, the region was concerned about India’s growing naval might and its security partnership with the Soviet Union. The multilateral Milan exercises launched in the early 1990s sought to dispel the fears of the region, generate transparency to India’s naval plans, and lay the foundation for long-term maritime engagement with the Southeast Asian nations.

At the end of 2004, the Indian navy was quick to respond, on its own, to the tsunami disaster and later joined the navies of the United States, Japan, and Australia to provide relief in Southeast Asia. In 2005, the Indian aircraft carrier INS Virat arrived for the first time in Southeast Asian ports: Singapore, Jakarta, and Klang, Malaysia. In the spring and summer of 2007, the Indian navy sailed all the way up to Vladivostok, Russia, and conducted a series of bilateral and multilateral exercises with a number of nations, including major powers the United States, Japan, Russia, and China, as well as regional actors Singapore, Vietnam, and the Philippines.

India also began to conduct coordinated maritime patrols of the Malacca Straits with the littoral states, because piracy in the region seemed to threaten the security of their mutual sea lines of communication. The Indian navy also took the initiative to convene an Indian Ocean Naval Symposium (IONS) in February 2008. Since then, the biennial IONS has become a forum for the discussion of regional naval cooperation and confidence build-

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17. For the unfolding debate within ASEAN on its central role, see Benjamin Ho, “Asean’s Centrality in a Rising Asia,” RSIS Working Paper 249 (September 2012).
18. For a former Indian official’s perspective on the security dimensions of India’s Look East policy, see Sudhir Devare, India and Southeast Asia: Towards Security Convergence (Singapore: Institute for Southeast Asian Studies, 2006).
ing among the chiefs of littoral navies in the Indian Ocean. In 2010, when ASEAN expanded its defense ministers forum into the ADMM+, India was invited to join.

As disputes in South China Sea escalated, India lent its diplomatic voice in favor of peaceful resolution of disputes in accordance with the United Nations Convention on the Law of the Sea (UNCLOS). New Delhi also joined the United States and other powers in emphasizing the importance of protecting the right to freedom of navigation in the South China Sea. Since 2011, India has sought to revive the Indian Ocean Rim Association for Regional Cooperation and inject some security content into its deliberations.21

Beyond the expanded reach and scope of its multilateral military engagement, India has stepped up its bilateral security cooperation across the region. During the last few years, India has signed security cooperation agreements with a number of Southeast Asian countries, including Singapore, Indonesia, Malaysia, Vietnam, and Thailand.22 These involve Indian assistance in port calls, joint exercises, military training, servicing of military equipment, and dialogues between defense establishments.

This vigorous Indian military diplomacy in Southeast Asia is a significant departure from India's recent tradition of military isolationism. After a century and a half of dominating the regional security environment, India's armed forces withdrew into a shell in the post-Nehru years. India's first prime minister had actively pursued defense cooperation with key partners in Asia—for example, with Indonesia and Myanmar in Southeast Asia. After Nehru, military disengagement became synonymous with nonalignment. From being a lone ranger, India has now begun to emphasize the virtues of security partnerships—of working with other great powers, cooperating with regional actors, and contributing to multilateral security forums.

Although this shift is real, many of India's military partnerships remain underdeveloped. The ASEAN leaders want more, not less, security cooperation with India both at the bilateral and multilateral levels. Although they are impressed with the professionalism of the Indian armed forces and value cooperation with them, they are frustrated at the slow and tentative responses of the civilian leadership in the Indian Ministry of Defense. ASEAN also wants the Indian defense establishment to more actively participate in the deliberations of the ADMM+, propose pragmatic steps for promoting regional security, and exercise leadership.

As littoral states increasingly make the waters of Southeast Asia a matter of national security, ASEAN is seeking more intensive maritime security cooperation with India. The vision statement issued at the end of the 2012 commemorative summit in New Delhi declared that the two sides “are committed to strengthening cooperation to ensure maritime

security and freedom of navigation, and safety of sea lanes of communication for unfettered movement of trade in accordance with international law, including UNCLOS.”

India and ASEAN also agreed to “promote maritime cooperation, including through engagement in the ASEAN Maritime Forum and its expanded format, to address common challenges on maritime issues, including sea piracy, search and rescue at sea, maritime environment, maritime security, maritime connectivity, freedom of navigation, fisheries, and other areas of cooperation.”23

Determining the pace and intensity of this cooperation now largely rests with New Delhi, which must bring its real, existing naval capabilities into synergy with the growing maritime security needs of the region. To effectively contribute to ASEAN’s maritime security, India needs to change the core political assumption on which it launched its Look East policy at the turn of the 1990s. As India returned to the region, New Delhi chose to defer to the existing regional leadership, underline the centrality of ASEAN, maintain a low profile, and avoid interjecting itself into regional disputes. The last few years have seen a dramatic transformation of that political context. Neighbors are seeking effective contributions from India in helping to stabilize the region and demonstrate leadership on maritime security issues at a time when the Southeast Asian seas are becoming the locus of regional conflict and great power confrontation.

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Linking India and South Asia to Southeast Asia through emerging road, air, and sea links will benefit India’s economy, boost per capita incomes across the region, and improve the movement of goods and people across Asia. Already, 55 percent of India’s trade traverses the South China Sea, and Singapore is the second largest source of foreign direct investment (FDI) for India, so engaging east is vital to India’s interests. Expanding trade in the region will further the twin goals of prosperity and stability. India’s continuing diplomatic outreach toward its neighbors and Japan’s already strong and constructive presence in the region, combined with the political and economic transformation taking place in Myanmar, present an unprecedented opportunity. As Indian prime minister Manmohan Singh said recently, “Connectivity—physical, institutional, people-to-people, digital, and by sea and air—holds the key to closer partnership between India and ASEAN.”

Hardware and Software

Connectivity has elements that are akin to systems hardware: roads, bridges, and electrical grids. Other elements constitute the software of systems: the customs codes, transit regulations, training, and capacity building that facilitate the passage of goods, ideas, technology, and individuals back and forth between nations. An efficient international division of labor in terms of production processes and tasks requires effective “hardware,” “software,” and “antivirus software” to deal with the downsides of connectivity.

Low transport costs are the result of good infrastructure and smooth border procedures. Connectivity between India and Southeast Asia is burdened by bottlenecks in both “hardware” and “software”: transportation costs are high, and India’s production processes are poorly integrated with those of Southeast Asia. By contrast, China has deeply

integrated its economy with those of many Southeast Asian nations, and China-Southeast Asia trade is more than five times the volume of India-Southeast Asia trade. Economic engagement with India can also help further ASEAN’s connectivity agenda and its pursuit of an ASEAN Economic Community, to be launched in 2015. Additional infrastructure links and better trade relations would also help unlock and expand existing markets for U.S. goods and services. The United States can contribute to greater Indo-Pacific connectivity through bilateral partnerships, more focused assistance efforts, increased private investment, and greater multilateral engagement, including through multilateral development banks. During his first visit to Asia as secretary of state, John Kerry hailed the opportunities of “an Indo-Pacific economic corridor that can promote development, trade, and security in a crucial part of the world.”

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Multilateral development banks will play a critical role in Indo-Pacific economic integration, as they have in Southeast Asia through the Greater Mekong Subregion (GMS) Economic Cooperation Program. In particular, supporting regional efforts such as the Bay of Bengal Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the Mekong-Ganga Cooperation framework could be useful vehicles for expanding regional infrastructure, accelerating trade, and building economic linkages along this revitalized Indo-Pacific corridor. The Asian Development Bank (ADB) has a special role in these efforts, given its partnership with BIMSTEC, and the levels of development in many of the concerned countries.

Infrastructure

Already, billions of dollars of trade pass through the region every year. In addition, infrastructure opportunities in the region are huge. The Economic Research Institute for ASEAN and East Asia (ERIA) has conducted groundbreaking research on the impact of a Mekong-India Economic Corridor. Depending on the level of infrastructure investment, in both “hardware” and “software,” growth rates can be elevated between 2 percent and 15 percent in Myanmar, Cambodia, Bangladesh, Thailand, Vietnam, and eastern India, according to ERIA’s research.7

ERIA’s work shows that multimodal transport is crucial to regional commercial activity, through a diversity of trading routes and modes of travel. It is not sufficient, ERIA argues, to focus only on a few critical infrastructure projects; multimodal connectivity (for example, between ports in India and Myanmar and via a Southeast Asia road network) will maximize economic benefits. An example of such multimodal transport would allow cars made in Chennai, India, to reach Ho Chi Minh City, Vietnam, traveling by ship across the Bay of Bengal and then by road through Myanmar, Thailand, and Cambodia. Likewise, Bangladesh could become an important economic hub if it could link the markets of India to the rest of East Asia.

The World Bank estimates that an additional 1 percent of GDP spent on infrastructure would increase global GDP by 2 percent and GDP in developing countries by almost 7 percent.8 This is certainly true of infrastructure investments that enhance connectivity between India and ASEAN. A McKinsey study concludes that an additional 1 percent of GDP spent on infrastructure would translate into an additional 3.4 million jobs in India, 1.5 million in the United States, and 700,000 in Indonesia.9

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Cities such as Chennai, Kolkata, Dhaka, and Yangon must adopt sustainable strategies, including urban planning, critical infrastructure, and economic incentives in order to facilitate and manage the projected increase in people movement and goods trade that will occur over the next several decades. According to the ADB, the Indo-Pacific region is moving from a rural to urban majority faster than anywhere else on earth.\(^{10}\) By building critical infrastructure and sustainable urban communities of the future, the Indo-Pacific will make itself the nexus of twenty-first-century commerce, leveraging this trend of rapid yet sustainable urbanization. Akin to a demographic dividend, one could view this as an urbanization dividend.

Failing to plan and swiftly implement strategies for rural-to-urban migration, not constructing cities that can accommodate breakneck growth, resource stress, and natural calamities, or neglecting to transparently support critical infrastructure linking major hubs will severely constrain the region’s potential, turning demographic dividends into disasters. Because urban centers are commercial chokepoints, India, the United States, and ASEAN can share expertise on how private investment can take place in a sustainable, predictable, and transparent way and how gains from development can be equitably and broadly distributed among the population.

Energy

The Indo-Pacific region faces an acute demand for energy. The ability to shape regional energy security will have a direct effect on long-term prosperity. Energy plays a key role in economic security, political stability, and innovation. Energy politics in Asia are increasingly complex, as the skyrocketing demand for energy throughout the region will lead to considerable gaps between supply and demand for fossil fuels in South Asia, Northeast Asia, and Southeast Asia. Now that China has displaced the United States as the world’s biggest oil importer,\(^{11}\) its hunger for energy has affected global supplies significantly, forcing its South and Southeast Asian neighbors to work collaboratively on energy issues. Estimates suggest that at least $9 trillion is needed in electricity investment alone through 2035 to meet growing demand in the region.\(^{12}\)

Collaboration between neighbors, including Pakistan, India, Bangladesh, Bhutan, Nepal, and Myanmar, can contribute to solutions. For example, Bangladesh has significant natural gas reserves.\(^{13}\) With improved India–Bangladesh relations and expanding ties to Myanmar, an opportunity now exists to revive the Myanmar-Bangladesh-India pipeline.

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project. India has already secured a 12.5 percent share of the investment in a gas pipeline and a 30 percent share in the corresponding gas blocks in Myanmar.14 Similarly, opportunities exist to link electricity grids across borders, and Northeast India is a source of oil, gas, and electricity generation. Fortunately, energy projects are bankable.

ASEAN is also important strategically to New Delhi because of India’s desire to use the Malacca Strait to ship liquefied natural gas from Russia and, potentially, the United States. India and Vietnam recently agreed to embark on a joint oil exploration project in the South China Sea,15 while India’s Reliance Industries has agreed with a Chinese company to jointly develop and operate power plants in Indonesia.16

The first ministerial meeting between India and ASEAN on renewable energy took place in November 2012, aiming to boost institutional and private sector cooperation in the region.17 Indian minister of new and renewable energy Farooq Abdullah referred to the “India–ASEAN renewable energy family” and outlined several first steps for cooperation: information sharing, capacity building, technical cooperation, knowledge management, and human resource development.18 Abdullah also pointed out that India’s “liberalized policy regime for FDI opens up opportunities for companies from ASEAN countries to take advantage of [India’s] booming clean energy sector.”19

Coal is also a target for India-ASEAN collaboration. India consumes the third largest amount of coal in the world,20 while ASEAN increasingly uses coal to generate electricity—up from 27 percent today to 50 percent of total generation by 2030.21 Indonesia possesses the largest and most easily accessible coal reserves in ASEAN and serves as a critical supplier to India.22

U.S. president Barack Obama, Indonesian president Susilo Bambang Yudhoyono, and Brunei’s sultan Hassanal Bolkiah in November 2012 announced the U.S.-Asia-Pacific

19. Ibid.
22. Ibid.
Comprehensive Energy Partnership (USACEP), which provides a mechanism for energy collaboration among the United States, India, and ASEAN. Its priorities include renewables and cleaner energy, power markets and cross-border connectivity, promoting the use of natural gas, and sustainable rural electrification. USACEP started with $5 billion from the U.S. Export-Import Bank to implement energy infrastructure projects and $1 billion from the Overseas Private Investment Corporation. It also includes technical support from the U.S. Trade and Development Agency to upgrade grid efficiencies and promote renewable energy and $1 million from the State Department to provide technical assistance to build partners’ capacity.

USACEP will work in partnership with the private sector and existing energy initiatives, such as the ASEAN-United States Energy Cooperation Work Plan, the Asia-Pacific Economic Community (APEC) Energy Working Group, and the East Asia Summit (EAS) Energy Ministers. Under USACEP is an EAS Energy Cooperation Task Force23 to promote the development and use of renewable energy technologies in EAS countries.

When the UN General Assembly declared 2012 the “International Year of Sustainable Energy for All,” it recognized that “access to modern affordable energy services in developing countries is essential for the achievement of the internationally agreed development goals, including the Millennium Development Goals, and sustainable development, which would help to reduce poverty and to improve the conditions and standard of living for the majority of the world’s population.”24 The General Assembly is encouraging member states and other actors to increase awareness of the importance of addressing energy issues and to promote action at the local, national, regional, and international levels.

**Trade and Transport**

Current economic links between India and ASEAN are far below their potential. While ASEAN accounts for about 10 percent of India’s global trade,25 India-ASEAN trade amounts to just one-fifth26 of China-ASEAN trade.27 Northeast India, Bangladesh, and Myanmar, surrounded by three of the most vigorous economies in the world (China, India, and ASEAN), could boost trade by building more infrastructure to physically connect these economies. Today, the lack of roads, ports, and railroads is an obstacle because connectivity is only as strong as its weakest link.

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26. “India-ASEAN Trade to Touch $100 Bn by ’15.”
27. “ASEAN–China Trade Reaches Record High.”
As ERIA’s research demonstrates, regional connectivity cannot be completed with a single mode of transportation. Indian and ASEAN leaders face a menu of potential infrastructure projects involving land (e.g., roads and railways), maritime (e.g., inland waterway transport), and air transportation. The benefits of implementing these projects would include new dynamism in the regional production network. Stronger production networks in turn would enhance trade and investment and deepen the East Asian integration process. What is needed is to remove constraints and bottlenecks that hamper growth.

In order to sustain the regional production network, trade costs must be reduced and opportunities seized to make use of each country’s comparative advantage in both traditional trade and supply-chain trade. Results would include expanded markets, reduced poverty, and increased welfare and quality of life for the citizens of these nations.

Below is a brief outline of some of the current constraints on trade and transport.

INDIA-MYANMAR

India is helping build a sea link via the $120 million Sittwe port in Myanmar, which will provide an alternative to transit through Bangladesh. The port will (1) establish a direct land route between India and Myanmar to the ocean; (2) serve as a hedge against transit difficulties with Bangladesh; and (3) provide an alternative to Chinese-dominated port facilities. Participants in the CSIS–ICRIER Track 1.5 dialogue recommended turning Sittwe into a Special Economic Zone.

In phase two of the Comprehensive Asia Development Plan that ERIA developed at the request of ASEAN, Sittwe is linked to the Kaladan Multimodal Transport Project, which uses river and land transport to develop better India–Myanmar connectivity. The project combines road, airport, seaport, and railway elements to facilitate the transport of goods from Kolkata to Aizawl, the capital of India’s Mizoram state, via Sittwe and the Kaladan River, which runs between Myanmar and India.28

More ambitious plans are under way to upgrade Chennai port on India’s east coast. Chennai, the capital of Tamil Nadu state, is a growing hub for India’s automotive industry, and the planned construction of a roll-on, roll-off berth and multilevel car parking is expected to boost automotive and other trade between India and Southeast Asia. Tamil Nadu is fast growing and has active trade links with Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam, giving Chennai the potential to become a major gateway connecting ASEAN and India.

Opposite Chennai is the planned deep-sea port at Dawei in Myanmar, with a projected cost of $8.6 billion29 and, if funding can be secured, real potential for east–west maritime

trade. Ambitious plans for Dawei include a deep-sea port; an industrial estate\(^\text{30}\) and heavy industries such as a steel mill, \(^\text{31}\) fertilizer plant, power plant, \(^\text{32}\) and other utility services; a cross-border road, rail, and pipeline link to Pu Nam Ron in Thailand’s Kanchanaburi province;\(^\text{33}\) and a township for residential and commercial development and tourism.

These are elements of the ADB-supported Mekong–India Economic Corridor, which seeks to enhance land and sea connectivity between Ho Chi Minh City, Phnom Penh, Bangkok, Dawei, and Chennai. ADB’s member states have yet to provide a clear prioritization of corridor projects.


\(^{33}\) Ibid.
Myanmar’s border trade with India has been slow compared with that with China and Thailand. The India–Myanmar land border is 1,021 miles long but has only two major checkpoints, at the towns of Moreh and Rhee, as well as a number of smaller checkpoints. Moreh, in India’s Manipur state, is the busiest checkpoint, accounting for almost 99 percent of northeast India’s trade with Myanmar.\textsuperscript{34} Legal trade is only a portion of the total trade along the border. In May 2012, India extended a $500 million line of credit to Myanmar, part of which is to be used for a two-lane Manipur-Mandalay road to be built by 2016.\textsuperscript{35} Prime Minister Singh has also announced that bus service will be opened between Manipur and Mandalay.\textsuperscript{36} Myanmar, meanwhile, allows only passenger rail service, not freight trains.

Connectivity between Myanmar and northeast India has been limited not only by the lack of adequate physical infrastructure but also by the restrictive institutional arrangements between Myanmar and India, especially the restrictions on tradable items and modes of settlement.

**BANGLADESH-MYANMAR**

A land link through Bangladesh to Myanmar via road and rail holds potential to boost trade in energy and goods, especially between India and Southeast Asia. Warming India-Bangladesh relations and a September 2011 India-Bangladesh economic framework agreement serve as a good start for building stronger commercial ties between those two nations. However, the forthcoming 2014 elections in Bangladesh provide an element of uncertainty as to whether the positive trend will continue. Transit issues hamper India-Bangladesh agreements. Bangladeshis insist that problems such as border violence and water sharing need to be addressed before territory can be used to transit Indian goods.

Agartala, the capital of India’s Tripura state, is the transit point for significant Indian trade with Bangladesh. An agreement to upgrade this facility followed a series of high-level visits between India and Bangladesh in 2010, and the project is set for completion in mid-2013. The existing checkpoint facilitates 200 to 300 truckloads of goods per day (each truck is unloaded and reloaded at the border),\textsuperscript{37} and the new facility will have a capacity of 500 truckloads per day, with room to expand.

Insurgencies in the border region pose a potential threat. Additional obstacles to Bangladesh-Myanmar cross-border trade include subpar customs and border facilities, the


lack of banking and cold storage infrastructure, and an abundance of red tape for those who brave the system.

The unfinished Bangladesh-Myanmar Friendship Highway includes twenty-two miles built by Bangladesh, but the paved road stops at the border. Formal trade between Bangladesh and Myanmar's Rakhine state, three miles across the Naaf River, takes place at Bangladesh's Teknaf land port. In addition to unrest, poor port infrastructure, and onerous travel authorization required by Myanmar, significant illegal trade has reportedly caused this privately owned port's revenues to decline year after year.

The Padma Bridge in Bangladesh could be a key link. The World Bank, ADB, and the Japan International Cooperation Agency committed approximately $3 billion to its completion, but before stepping down, World Bank president Robert Zoellick canceled financing for the project. Although Bangladesh has withdrawn its request for World Bank loans, participants in the February 19 CSIS–ICRIER Track 1.5 dialogue questioned whether member states would reconsider allowing multilateral development banks to assist in its financing.

**MYANMAR**

In Myanmar, the World Bank’s future assistance program will ultimately be shaped by the pace and scale of political reform. Three special economic zones are planned in Myanmar. The $8.6 billion Dawei deep-sea port project is on the coast near the border crossing at Mae Sot, Thailand. Dawei is in the initial stages of development by an Italian-Thai development corporation and needs additional financing from the Thai and Myanmar governments, multilateral development banks, or the private sector. Special economic zones are also planned for Thilawa, outside Yangon, and at Kyaukphyu in Rakhine state, where China is planning a deep-sea port.

Currently, no funding has been identified for planned rail links from Dawei and Mawlamyine in Myanmar’s Mon state to Katchanburi province in Thailand or for a land bridge from Tamu, Myanmar, to Moreh in northeast India.

Myanmar intends to make good on a number of ASEAN Framework Agreements signed on issues relating to transport facilitation, multimodal transport, and goods and interstate export facilitation, but reportedly “all proposals related to Bangladesh are on hold.” Two major impediments will slow the implementation of Myanmar’s connectivity: limited funding and a lack of technical capacity.

**NORTHEAST INDIA**

India's northeastern region and the state of West Bengal link the rest of the country to its eastern neighbors, including Bangladesh, China, and Myanmar. Before partition in 1947, the northeast's eight states—Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura—were linked with the rest of India through present-day Bangladesh. Today the region is mostly landlocked, connected with Kolkata and the rest of India only through the long, narrow Siliguri Corridor.
Although the northeast is rich in resources such as hydrocarbons, forests, hydroelectricity, and minerals, high transportation costs have slowed its growth and bottlenecks have contributed to the region's poverty and political volatility. Transforming the region into an integrated economic space that connects mainland India to Southeast Asia holds great opportunity but has been an elusive goal for a generation.

Real potential exists for regional trade in energy resources and electricity generation between India, Bangladesh, Bhutan, and Nepal. India may need to shift in the near term to natural gas imports from Bangladesh and Myanmar, perhaps through an envisioned underwater Myanmar-Bangladesh-India pipeline stretching over 300 miles from the coast of Myanmar to Kolkata. The Indian and Bangladeshi electrical grids should be connected in West Bengal by the summer of 2013. Northeast India and northwest Myanmar’s abundance of hydro resources may hold significant potential for future collaboration.

Constraints Limiting Connectivity

Real challenges must be addressed to expand India–ASEAN connectivity. Although growth in India–ASEAN ties will contribute to greater regional prosperity, expectations are not matched by concrete Indian actions. One participant in the CSIS–ICRIER Track 1.5 dialogue
commented, “While India is important, it’s a peripheral player. Relative to China, it does little.” He attributed this to serious limitations to state capacity. “India has the will, but not the capacity.” India remains inwardly focused, another participant added, with its north-east states especially poor and underdeveloped. By contrast, although the capacity of India’s government is limited, its private sector has tremendous potential to enhance connectivity.

ASEAN, too, faces capacity limitations. Its internal dynamics and institutional weakness limit ASEAN’s effectiveness in adopting regional approaches to significant challenges. For its part, the United States also has capacity limitations, especially during a period of fiscal contraction.
Specific challenges to ASEAN-India physical connectivity include

- difficult regional geography (mountains, jungles, waterways);
- no harmonization of railway networks;
- no standardization of all-weather paved roads;
- inefficient and underdeveloped land border customs stations;
- absence of enabling software such as smooth transit procedures;
- inadequate security;
- cumbersome trade documentation requirements; and
- illegal immigration tensions between India, Bangladesh, and Myanmar.

In Bangladesh, many want their nation to be at the center of an increasingly integrated region. Although Bangladesh allows certain imports from India, it limits transit through its territory for Indian goods from Kolkata to northeast India. India seeks direct access through Bangladesh, so that a ship from Chennai or Tokyo could put in at the Bangladeshi sea port of Chittagong or the river port at Dhaka, transfer cargo to a truck or freight train, and from there transport it to northeast India. India is perceived as paternalistic by its neighbors, including Bangladesh; suspicions of Indian motives within South Asia are high. To counter this, India has demonstrated its willingness to work asymmetrically with neighbors on matters such as trade by giving them most-favored-nation (MFN) or better-than-MFN status.

India and the ASEAN nations also face challenges in financing infrastructure projects. McKinsey estimates\(^\text{39}\) that $57 trillion in infrastructure investment is needed worldwide between now and 2030, or approximately $10,000 for every human on the planet. That translates into real competition for infrastructure investment funding. China and Japan are particularly active in funding the infrastructure that enhances Myanmar’s connectivity to ASEAN; the question is, to what extent will India’s private sector and the multilateral development banks accelerate their investments?

Recent changes in Myanmar create a unique opening. Infrastructure is a serious challenge, but it is not the only one. The plight of the Rohingya, who are traditionally middlemen for trade between Myanmar and Bangladesh, presents a serious impediment to greater connectivity between western Myanmar and Bangladesh. Currently there are more than 110,000 internally displaced persons in Rakhine state, most of them Rohingya driven from their homes by Rakhine Buddhists who would like to see them forced out of the country. The Rohingya are denied citizenship by the Myanmar government, which

considers them illegal immigrants from Bangladesh and has no clear plan of action to address the situation.  

Periodic outbreaks of violence against the Rohingya have left entire villages burned and leave the stability necessary for economic growth and large-scale infrastructure development in Rakhine difficult to find. They also cause growing discord between Myanmar and Bangladesh, each of whom blames the other for failure to patrol the border and says that the Rohingya are illegal migrants who originated on the other side. Anti-Rohingya violence in Myanmar in June and October 2012 negatively affected Bangladesh, both by causing a flood of refugees that the state is ill equipped to handle and by sparking retaliatory attacks on Bangladesh’s minority Buddhist population.

A long-term regional solution is needed. With a porous border across the Naaf River, neither Myanmar nor Bangladesh can solve the Rohingya problem on its own. Curtailing the passage of illegal traffic, both human and goods, will require joint action. It is also a necessary step for Myanmar’s leaders to come to grips with the Rohingya issue. The group, which numbers roughly 750,000 people in Myanmar, must be given citizenship. But given the disturbing level of anti-Rohingya sentiment in the country, eventual citizenship will be possible only if Myanmar’s newly democratic leaders can show that the border is growing more secure.

Progress on the Rohingya issue offers a reason for and a path to enhanced security cooperation between Bangladesh and Myanmar, increased trade flows, and opportunities to build badly needed infrastructure.

The fragility of Myanmar’s political opening and the existence of lingering insurgent groups (particularly in its north) also constitute challenges to greater India-ASEAN connectivity. Northeast India, ethnically diverse and underdeveloped, is rife with conflict and instability. Insurgent groups have struggled against the state and agitated for increased self-rule since India’s independence. Currently, about forty northeastern militant groups are “warring with the central government,” and “the writ of the central government [in the northeast] remains tenuous in many areas.” Since independence, New Delhi has applied the Armed Forces Special Powers Act, a colonial-era tool, to the northeast.

India in APEC?

The United States has embarked on a long-term effort to support India’s involvement in many global institutions, including the UN Security Council, the Group of Twenty, and four multilateral nonproliferation regimes. Inviting India to join the twenty-one-nation APEC

forum would enable it to take part in the trade facilitation and deal-making conversations that the region needs. Exposure to APEC’s work could help Indian officials adopt winning economic and trade standards and could have a long-term beneficial impact on the U.S.-India bilateral economic and trade relationship.

History shows that India acts more productively when inside institutions than when outside; Indian leaders help enforce global rules and look beyond narrow self-interest. As the German Marshall Fund’s Daniel Twining argued in testimony before the U.S. Congress on March 13, 2013, “Although India is part of Asia’s security architecture, it is not a part of Asia’s economic architecture. This disjuncture makes little sense for a country that sits in the middle of Asia, is an important partner to countries like America and Japan, and has an economy that, according to the [Organization for Economic Cooperation and Development], could comprise nearly 20 percent of global GDP by 2060.”

For its part, India should continue to pursue and implement economic reform and resist protectionist temptations. The World Bank ranks India 132nd in the world in terms of ease of doing business. According to the 2013 National Trade Estimate Report on Foreign Trade Barriers, “While the United States has actively sought bilateral and multilateral opportunities to open India’s market, U.S. exporters continue to encounter tariff and nontariff barriers that impede imports of U.S. products, despite the government of India’s ongoing economic reform efforts.”


Opportunities for Collaboration

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Enhancing India-ASEAN connectivity is an urgent goal, especially given the demographic dividend the region will experience in the decades to come: India alone has 560 million young people under the age of twenty-five and 225 million between ages ten and nineteen.\(^1\) The ability of young people across the Indo-Pacific to experience upward mobility through education, growth, and transnational commerce has ramifications that extend beyond Delhi, Dhaka, or Bangkok.

It is also important to address connectivity in a sustainable manner. The region is far too important, politically, economically, and socioculturally, not to put a premium on sustainable growth. Already, human and natural systems are dangerously stressed. Addressing issues of sustainability and human capacity building enhances our ability to consider and address the region’s strategic challenges, including poverty. As the Asian Development Bank has shown, the poor suffer most from environmental degradation, which is now threatening both growth prospects and Asia’s hard-won gains against poverty. Economic growth in the region must include higher productivity growth, more innovation, strategies for coping with rapid urbanization, and greater regional integration.\(^2\) This is the “anti-virus software” that eases the problems that can surface with greater connectivity.

The United States can contribute to this process. India and ASEAN have welcomed U.S. engagement in the Indo-Pacific, acknowledging that growth and prosperity depend on improvements in technology and human capacity. The United States is still needed in the Indo-Pacific as a key source of innovation and practical knowledge.

Chapter 3 focused on “hardware”: roads, bridges, ports, and energy. This chapter will concentrate on “software” and “antivirus software” challenges: how India, ASEAN, and the United States can collaborate on issues that will help make economic growth sustainable and democratic governance more effective. One participant in the CSIS–ICRIER Track 1.5 dialogue proposed a virtuous triangle where China provides the hardware for connectivity, India the software, and the United States the technology and know-how. This chapter will conclude by highlighting important opportunities for collaboration to address


nontraditional security threats, including natural disasters, piracy, terrorism, and food insecurity.

Education, Science, and Technology

Education is a rich area for collaboration between India, ASEAN, and the United States, including via university partnerships and exchanges. Already, educational cooperation between India and ASEAN is growing, and the United States is contributing through initiatives such as youth exchange programs, special training courses for ASEAN diplomats, media exchange programs, and the ASEAN-India Network of Think Tanks meeting.

India’s Nalanda University in Bihar is an international center of education established as a regional initiative under the aegis of the East Asia Summit (EAS). It holds great potential for increasing academic engagement by bringing together academics, researchers, and professors from the United States, India, and South Asia to form a truly globalized classroom. The government of India highlighted its commitment to Nalanda University as a center of educational excellence in its 2013 budget. From the fifth century AD until its destruction in the twelfth century, the ancient university of Nalanda was a preeminent center of research and learning. The modern-day project is attracting support from East Asian nations and has the potential to boost not only the university but also Bihar’s development.

Community colleges serve the critical function of providing a pathway to a four-year degree and equipping a large youth population with relevant skills in flourishing industries. Community colleges will be critical for addressing India’s skilled and technical labor shortage and for educating 600 million Indians under the age of twenty-five. Currently, only 25 percent of the 3 million graduates and postgraduates each year are technical graduates, and only 10 to 15 percent of other graduates are considered “employable.”

India’s Ministry of Human Resource Development and the U.S. University Grants Commission have launched a project to establish 200 additional community colleges in India. The ultimate goal is to reach 40 million students, especially those studying to enter such professions as health care, hospitality, and the automotive industry.

Community colleges can partner with the private sector to promote jobs-driven higher education. For example, Reliance Group operates the Dhirubhai Ambani Institute of Information and Communication Technology in Bhopal, India, on land provided by the government.

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of Madhya Pradesh state. Spice Group has launched Digital University in Uttar Pradesh state, while the University of Mumbai and Hindustan Coca-Cola are creating four new community colleges with free tuition. Graduates will be placed in jobs at Coca-Cola factories. The Wadhwani Foundation sponsors Skills Colleges, a fast-track associate degree program to build vocationally linked skills of Indian laborers. Highlighting the advantages of workforce development is paramount, and governments will need to facilitate partnerships with the private sector and nongovernmental institutions in order to produce real results.

The history of U.S.-India education collaboration dates back to the 1950s and 1960s, when the Massachusetts Institute of Technology and other universities helped start up the Indian Institutes of Technology—public engineering schools spread across India. Today, a number of mechanisms exist, including the U.S.-India Higher Education Dialogue and the Obama–Singh 21st Century Knowledge Initiative, which has committed $10 million over five years to build partnerships between U.S. and Indian universities.

Without harnessing the talent and economic potential of women, the region risks significant economic and social costs. India and the United States are committed to promoting education for women, especially in science, technology, engineering, and math.

At the seventh ASEAN-India Summit, in October 2009, India announced a contribution of $50 million to the ASEAN-India Cooperation Fund to support ASEAN-India projects across a range of sectors, including education. India has established Centers for English Language Training and Entrepreneurship Development Centers in Cambodia, Laos, Myanmar, and Vietnam. Expanding the exchange of students and teachers, artists and scientists, and executives and entrepreneurs in India and ASEAN countries will create opportunities for increased collaboration in many fields.

In a November 2012 letter to President Obama, Prime Minister Singh singled out scientific cooperation as a top priority for the bilateral relationship. India is already one of the largest research and development centers for top U.S. companies such as General Electric, Honeywell, and IBM. The Indian government enthusiastically supports science and technology collaboration with the United States, but the challenge is focusing collaboration in equitable and sustainable ways. Given tight budgets in New Delhi and Washington, the private sectors of both nations will play a leading role. Enhancing a more innovative science and technology ecosystem in India will help produce new technologies that meet societal needs while enticing the private sector investment that is crucial for advancing science and commercializing basic research.

In recent years, India has increased its expenditures in medical research and development. This has led to a renewed interest in South-South collaboration, which has extended to biotechnology. India is currently a member of the International Center for Genetic

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Engineering and Biotechnology, a UN initiative designed to strengthen training capacity and research on molecular biology and biotechnology in developing countries.\(^8\) The India-ASEAN Institute of Biotechnology was established in Jakarta, where research and development is conducted in pharmaceuticals and bioinformatics. India-ASEAN cooperation in this realm also emphasizes intellectual property rights and technology management.\(^9\)

**Health**

As pandemic diseases often originate in South or Southeast Asia and, in an interconnected world, move quickly across borders, it is in the interest of India, ASEAN, and the United States to collaborate in addressing health challenges. Despite the overall gains to health from globalization, inequities in health care access throughout India and ASEAN

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8. Ibid., 181.
9. Ibid., 182.
have deepened, and disparities between rich and poor and urban and rural have grown. In addressing these challenges, today’s technologies, including telemedicine, can prove useful in reaching underserved populations. Telemedicine technologies can be used to improve reporting of infectious disease cases, map outbreaks, deploy health workers more efficiently, raise awareness about HIV and other communicable diseases, and deliver health care diagnoses and treatment advice to frontline healthcare providers.

Telemedicine can also help address the shortage of doctors in rural areas or bridge infrastructure barriers between patients and doctors. For example, World Health Partners uses remote diagnostic devices to monitor heart rate and blood pressure to enable doctors to diagnose the illnesses of rural patients. Aravind Eye Clinic uses Wi-Fi videoconferencing networks in India’s Tamil Nadu state. Telemedicine can provide second opinions and peer consultation for rural doctors and can serve as a low-cost solution for hospitals in Southeast Asia, linking them to Indian radiologists and diagnosticians.

Internet technology can also provide continuing education for medical and paramedical staff via digital medical libraries, e-conferences, and distance learning. An India market research firm predicts that the “global telemedicine market will grow at a compound
annual growth rate . . . of around 19 percent from 2010 to 2015.”¹⁰ A London-based market intelligence firm said in a 2009 report that Asia is the fastest growing region for the telemedicine market, with India and China leading that growth.¹¹ India has led the way in public–private partnerships with its Department of Information Technology, Ministry of Health and Family Welfare, state governments, medical colleges, health care facilities like Apollo Hospital, and private health technology and telemedicine firms undertaking tel-emedicine partnerships.

Not to be confused with “health tourism,” which constitutes travel to spa resorts or for traditional and alternative therapies, medical tourism typically involves high-tech procedures that are more expensive in a tourist’s home country. India, Singapore, Malaysia, the Philippines, and Thailand are the leading Asian countries for medical tourism, with most tourists coming from elsewhere in Asia. Asian countries aspire to offer world-class medical care at approximately 20 percent the cost of treatment in the United States and United Kingdom. Medical tourists to Asian countries are increasing by between 20 percent and 30 percent annually,¹² and medical tourism in Asia is estimated to be worth $8.5 billion.¹³ Government-sponsored initiatives in Malaysia and the Philippines to promote the industry have led to compound annual growth rates of 11.9 percent and 29.2 percent, respectively.¹⁴

Indian medical tourists increasingly come from ASEAN countries. Along with surro-gacy services, India is known for high-tech cardiac, pediatric, dental, cosmetic, and ortho-pedic surgical services, as well as traditional healing systems.¹⁵ Growth in medical tourism is encouraging investment by corporate hospitals and other partners, such as the aviation industry, private tour services, travel operators, and the hotel and hospitality industries.

India has begun providing public health assistance to developing countries, especially in Africa.¹⁶ More appropriate for ASEAN, however, would be exporting medical goods and services, providing technical assistance (sharing technology and best practices), improving intellectual property and access to medicines, modeling institutional frameworks for public health, sharing lessons learned, and taking on a greater role in global health governance.¹⁷

¹⁴ Ibid.
¹⁷ Ibid., 253–89.
ASEAN stepped up its interest in addressing communicable diseases after the 2003 SARS outbreak. The ASEAN Strategic Framework on Health Development 2010–2015 expands this agenda to include access to health care services and pandemic preparedness. However, ASEAN’s effectiveness is hampered by a “lack of trust between the countries,” leading to “silo-style nationally focused activities.”18 ASEAN also faces shortages in expertise and capacity in this area, so collaboration with India and with the United States could be beneficial.

In ASEAN, there are a host of regulatory restrictions geared toward foreign operators in health and medical services:

- In the Philippines and Malaysia, foreign medical professionals are subject to “economic needs” tests, and some professions, such as dentistry, are completely closed to foreigners.
- Thailand requires medical professionals to take an examination demonstrating proficiency in the Thai language.
- In Cambodia, full foreign ownership is allowed, but one director must be Cambodian.
- Vietnam utilizes an economic needs test and requires transfer of technology and training of staff.19

These restrictions need to be reviewed. Health care and medical services have the potential to not only boost employment and income in ASEAN but also to contribute to regional connectivity.20 Opportunities in the realm of health care in ASEAN include rising tourism in the region, an aging population, rising rates of chronic and noncommunicable diseases, rising incomes, and the growth of a middle class.21

In India, barriers to trade in health services include restrictions on foreign direct investment, restrictions on entry and terms of practice for foreign health service providers, and domestic infrastructure and capacity restraints. India enjoys a cost advantage in health services, offering care that is cheaper than that of the United States, the United Kingdom, Thailand, Singapore, and the United Arab Emirates, among other nations.22

Launched in 2010 by the U.S. Department of Health and Human Services and the Indian Ministry of Health and Family Welfare, the United States-India Health Initiative leverages technical expertise to help meet India’s health goals. The Health Initiative includes sharing best practices in areas such as strengthening health systems and services, infectious diseases, noncommunicable diseases, and maternal and child health. The initiative has been successful in launching a number of innovative partnerships through multiple agreements and working group activities. The Global Disease Detection (GDD) Center was launched in 2010 to enhance laboratory capabilities to further strengthen India’s ability to accurately detect and diagnose diseases of international importance. The GDD Center is developing emergency operation center capacity and now hosts several major programs, including a new postgraduate field training model. These activities could be broadened to include collaboration with ASEAN.

The Vaccine Action Program is a twenty-five-year partnership on biotechnology and vaccine technology research with a goal of reducing the burden of vaccine-preventable diseases of public health significance in India, the United States, and the world. The program focuses on tuberculosis, human immunology, rotavirus, malaria, and dengue. In partnership with the Indian Ministry of Health and Family Welfare, the United States has sponsored regional nursing workshops and exchanges for nursing experts and policy leaders from India, Afghanistan, Nepal, and Bangladesh to learn more about community health practices. The Child Survival Call to Action forum, which was organized by the governments of Ethiopia, India, and the United States and held June 14–15, 2012, in Washington, launched a series of activities taking an innovative approach to accelerating child survival by improving accountability and taking action to prevent unnecessary loss of life. These partnerships demonstrate what can be done in the health field and could be readily expanded to ASEAN.

Water, Air, and Climate Change

Across Asia, freshwater from the Tibetan Plateau is critical to the health, economic development, and security of 1.5 billion people. The Himalayan glaciers feed major river systems flowing into South and South East Asia via the Mekong, Irrawaddy, and Salween rivers. Because of climate change and black carbon, which contributes to the “Asian brown cloud” phenomenon, these glaciers are shrinking faster than elsewhere in the world. Countries along the Indo-Pacific corridor can already detect the downstream impacts of glacier melt, as they are more severely affected by desertification and drought than anywhere else in the world.

Improving shared understanding of the river systems and reducing pollution across the region will be important to better manage shared water resources. Targeted workshops studying the impact of climate change on the rivers flowing from the Himalayas take place through regional scientific organizations such as the International Center for Integrated Mountain Development in Kathmandu, Nepal, and the Mekong River Commission in
Vientiane, Laos, but broader dialogues, especially ones that include downstream neighbors across subregions, are also needed.

Increased agricultural output and rising temperatures due to climate change drive the increased use of water. Experts predict that by 2025, nearly two-thirds of the world’s population will be water stressed,\(^23\) impeding socioeconomic development. This is most acute in Asia, especially India and Bangladesh, where rapidly growing economies are most at risk.

Air pollution in major Asian cities is associated with 530,000 premature deaths per year.\(^24\) South Asia was ranked the world’s second worst region in urban air pollution in 2011 by the World Health Organization (WHO). Southeast Asian nations suffer levels four to seven times the WHO standard of 20 micrograms.\(^25\) India, China, and developing na-


\(^{24}\) Nag, “Asia’s Challenges,” 22.

Satellite imagery shows the heavy haze of smog that frequently hangs over China. Emissions in Southeast Asia emit large amounts of dark-colored aerosols that have led to a haze of smog hanging over the region—what has been dubbed the “Asian brown cloud.” Other sources of the “Asian brown cloud” include peat fires in Sumatra and cook stoves on the

Gangetic Plains region in India and Bangladesh. Although it is understood that this haze (and traditional cooking practices) affects human health, its impact on monsoon patterns, and therefore on the livelihood of anyone in the Indo-Pacific region involved in agriculture, is less well known. Steps have been taken within the ASEAN region to combat the problem of transboundary haze pollution, but efforts to address this challenge are so far insufficient.

India, ASEAN, and the United States share an interest in reducing carbon dioxide levels in the region and in mitigating the effects of climate change. However, India and the United States have reached a stalemate in their discussions about climate change. A recent study by the Emerging Markets Forum shows the potential influence of developing nations on climate change. Under a “business as usual” scenario, the average global temperature will rise by 8.8 degrees Fahrenheit by the year 2100. If only the developed countries take action, that figure will drop to 7.9 degrees. But if developing countries also take action, the average global temperature rise would be limited to 4.9 degrees. A “business as usual” development path will cause sea levels to rise by up to 1.6 feet by the end of this century, exposing large coastal cities to major surge-induced floods. Of the twenty cities identified as most vulnerable, fifteen are in the Indo-Pacific. Climate change could cost Southeast Asia the equivalent of 6.4 percent of GDP each year by 2100.

Recognizing this, Indonesian president Susilo Bambang Yudhoyono broke with developing country dogma and in 2009 declared that Indonesia would take responsibility for reducing its greenhouse gas emissions by 26 percent over business as usual levels by 2020 and could reduce them by up to 41 percent with international support. Progress toward these goals has been slow, but since then, the United States has invested about $500 million and Norway has pledged $1 billion to support efforts to promote low-carbon development and to slow the rate of deforestation in Indonesia.

During their 2007 annual summit, India and ASEAN established a Green Fund for the promotion of climate change adaptation and mitigation technologies. With their 2010 Plan of Action, India and ASEAN renewed efforts to address climate change jointly; they reiterated this intent at the 2012 ASEAN-India Expert Meeting on Climate Change and at the

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Fourth Delhi Dialogue the same year. These pledges have been followed by proposals for joint workshops on climate-induced natural disasters.

Deforestation is the main source of carbon dioxide emissions from Indonesia. The Southeast Asian region has lost 13 percent of its forest area—roughly the size of Vietnam—over the past twenty years. The United Nations has prioritized lessening deforestation


rates in ASEAN, with a stated goal of “zero deforestation” in ASEAN nations by 2020.\textsuperscript{34} To this end, the U.S. Agency for International Development is investing about $50 million in forest conservation programs, and the United States and Indonesia have concluded two forest conservation debt-for-nature swaps. The U.S. Millennium Challenge Corporation’s commitment of $332.5 million to “green prosperity” in Indonesia is primarily aimed at expanding access to renewable energy in underserved areas, improving productivity and land use practices of smallholder farmers, enhancing stewardship of forests and other natural resources, and improving the accuracy and transparency of district-level spatial planning.

In addition, the White House has given attention to the issue of deforestation in its U.S.–India Green Partnership, aiming to reduce deforestation and forest degradation in India and to promote sustainable management of forests.\textsuperscript{35}

**Rule of Law and Anti-Corruption**

Despite India’s recent economic successes, the problem of corruption continues to cause harm. From 1947 until the economic reforms of 1991, a period dubbed “License Raj” by some scholars, the Indian government’s heavy hand in the economy created an environment ripe for corruption among government officials. Bribes “became the most efficient way to do business.”\textsuperscript{36} Laws aimed at reducing corruption in India, from the original Prevention of Corruption Act of 1947 to the 1988 amendment to it, have had limited effect.

India’s long-standing fight against corruption came to the fore with the recent emergence of activist Anna Hazare, a man who “dresses like Mahatma Gandhi (white homespun cloth, round spectacles) and uses Gandhian tactics (nonviolent protest, hunger strikes) to fight the corruption he believes is damaging India.”\textsuperscript{37} Hazare was successful in rallying hundreds of thousands of Indian citizens around the anti-corruption cause and subsequently in “forc[ing] a panicked Indian government to agree to a series of demands for anti-corruption legislation.”\textsuperscript{38}

Similarly, corruption remains a problem in Southeast Asia. Myanmar, Laos, Cambodia, Vietnam, and Indonesia all received scores of 32 or below, indicating the country is


\textsuperscript{38} Ibid.
perceived as “highly corrupt,” on Transparency International’s 2012 Corruption Perceptions Index. 39

Some ASEAN nations have begun to take action to counter this problem. In December 2004, representatives from anti-corruption agencies from Malaysia, Singapore, Indonesia, and Brunei signed an agreement that has since “served as the foundation for regional cooperation in combating corruption in Southeast Asia.”40 Many ASEAN nations have since signed on to this “anti-graft pact” and have agreed to join together to enforce rule of law and fight corruption via collective “information sharing and capacity building.”41 Most ASEAN nations (with the exception of Myanmar and Cambodia) have also ratified the UN Convention on Anti-Corruption.42 Unfortunately, on the whole, “a truly effective and harmonious system of anti-corruption enforcement remains a distant ideal” in ASEAN.43

Other Nontraditional Security Threats

As C. Raja Mohan discussed in Chapter 2, maintaining maritime security and addressing common maritime challenges are critical if the Indo-Pacific region is to prosper. Similarly, working together to assist in the aftermath of natural disasters; to combat piracy, terrorism, and human trafficking; and to cope with food insecurity could create habits of collaboration and coordination that will extend into the traditional security realm.

NATURAL DISASTERS

Sixty percent of the world’s hydro-meteorological disasters occur in the Indo-Pacific, making it the most disaster-prone region in the world. More than 200 million people are affected and more than 70,000 people killed by natural disasters in the Indo-Pacific each year.44 Astonishingly, direct physical losses due to disasters are outpacing regional GDP growth.45 And it will get worse: climate change will have major implications for disaster likelihoods in Asia. According to a recent report by the risk analysis firm Maplecroft,46 the following cities (in rank order out of fifty chosen for analysis) face serious climate change-related disaster risk: Dhaka (1), Manila (2), Bangkok (3), Yangon (4), Jakarta (5), Ho Chi Minh City (6), and Kolkata (7).

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41. Ibid.
43. Ibid.
The Indo-Pacific must therefore place a premium on proactive disaster preparedness. ASEAN has an Agreement on Disaster Management and Emergency Response. Military exercises, such as India’s Milan, focus on disaster response, and over the last decade the United States has provided more than $1.2 billion in disaster response assistance to the South Asia region alone. But there is no regional system in place to identify and mobilize available resources effectively.

PIRACY

The recent history of the fight against piracy contains a number of lessons. From 2004, Indonesia, Malaysia, and Singapore initiated coordinated patrols off the Strait of Malacca. In 2005, Thailand began participating, and patrols began using aerial surveillance. These

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47. The multilateral Milan exercises are geared toward helping Indo-Pacific navies learn to collaborate on counterpiracy, counterterrorism, and search-and-rescue training.
efforts have largely eradicated piracy in the strait. From 2008, India and China dispatched ships to engage in counterpiracy operations off the coast of East Africa and participated in the Contact Group on Piracy off the Coast of Somalia.

Patterns of collaboration already exist, and an effective mechanism for anti-piracy cooperation is in place: the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). Brought into force in September 2006, this government-to-government agreement obligates members to implement counterpiracy initiatives by enhancing operational cooperation in response to incidents and implementing preventative measures. The agreement also created the ReCAAP Information Sharing Center. ReCAAP has helped reduce pirate attacks and has bolstered cooperative efforts. The agreement’s strengths include a focus on capacity-building initiatives and recognition of the importance of participation from international organizations and the private sector.

However, ReCAAP’s reach is limited by the fact that two of the region’s most important players—Indonesia and Malaysia—are not signatories.

TERRORISM

Links between South Asian terrorist groups and Southeast Asian groups can be traced back to the 1980s, when members of the Philippines-based Moro Islamic Liberation Front and Abu Sayyaf Group fought alongside mujahideen fighters in Afghanistan. There remain two major active linkages today: (1) Middle East- and South Asia-based supporters provide Abu Sayyaf with financial assistance; and (2) Jemaah Islamiyah, a pan-Southeast Asia terrorist group with a historic presence in Malaysia, Thailand, Singapore, and the Philippines, is modeled on al Qaeda and has links to Arab and South Asian militants.

Some mechanisms already exist for counterterrorism cooperation. India and ASEAN adopted the ASEAN–India Joint Declaration for Cooperation to Combat International Terrorism in Bali, Indonesia, in October 2003. This declaration is central to laying out the ideal nuts and bolts of the cooperation between the two on counterterrorism. In it, the two parties acknowledge the transnational character of the terrorist threat and to this end propose closer cooperation in a variety of areas, including (1) exchange of information on terrorist financing, intelligence sharing, training, and education through seminars and conferences for counterterrorism professionals; (2) enhancement of relationships between respective law enforcement agencies; and (3) assistance on immigration and transportation challenges and conducting joint operations, as appropriate.49 India and ASEAN pledged to continue and build on their joint efforts to combat terrorism in their December vision statement.

HUMAN, NARCOTICS, AND ARMS TRAFFICKING

Human trafficking is a major concern in the region that could provide an opportunity for increased India-ASEAN cooperation. An estimated 200,000–250,000 women and children are trafficked from Southeast Asia each year, and victims from the region are detected in more than twenty countries.50 The overall incidence of trafficking victims in the region is estimated at three per 1,000 inhabitants.51 The Bali Process was established in 2002 as a regional forum to address trafficking issues.

State failure in Somalia has led to an increase in illegal arms in the region, particularly as it relates to piracy operations. After the Liberation Tigers of Tamil Eelam’s defeat in Sri Lanka, arms trade in the Indo-Pacific region has been reduced. However, subnational

conflicts in Thailand and Myanmar could potentially reverse that trend. Drug trade tends to pass over land across Asia, but there are still trafficking routes linking Pakistan and India to other parts of the region.

**FOOD INSECURITY**

Food security has proven a long-standing challenge in India. In 2011, it was estimated that 21 percent of India’s population suffered from malnourishment. The issue has gained traction in recent years as an Indian government priority. In 2007, the country’s National Development Council launched the National Food Security Mission to be carried out by the Ministry of Agriculture. The goal of the mission was to substantially increase the production of rice, wheat, and pulses. More recently, a Food Security Bill has been in the works. This bill aims to “make food a legal right” by essentially subsidizing large amounts of rice and coarse grain purchases for two-thirds of India’s population by discharging enormous quantities of these items from “overflowing storage sites.”

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Similarly, food security has been an area of focus for ASEAN. Various measures have been taken to enhance cooperation and coordination among ASEAN nations in this realm. In 2002, the ASEAN Ministers on Agriculture and Forestry established the ASEAN Food Security Information System, the goal of which is to “facilitate food security planning, implementation, monitoring, and evaluation in ASEAN through the systematic collection, organization, management, analysis, and dissemination of food security data and information.” The ASEAN Integrated Food Security Framework, established in 2009, aims to “increase food production, reduce post-harvest losses, promote conducive trade for agriculture commodities, and operationalize regional food emergency relief arrangements.”

Some have suggested that fish are the key to combating food insecurity in Southeast Asia. Many fisheries in Southeast Asia are currently in jeopardy and near collapse due to overexploitation and increased oceanic acidity from climate change. Fish accounted for 72 percent of animal protein consumption for Indonesian citizens in 2011 and provide an essential livelihood for many coastal communities.

In December 2012, the ASEAN Public–Private Dialogue on Sustainable Fisheries and Aquaculture was held in Bangkok, the purpose of which was to “respond to the challenges of the rapidly diminishing fish and other aquatic stocks, climate change, and market demand shifts to the fisheries and aquaculture sectors in ASEAN.” Illegal, unreported, and unregulated fishing activities cause a significant economic and social loss. Indonesia is one of the world’s largest victims of such fishing, with estimated losses of $3 billion annually.

India–ASEAN cooperation on food security is just beginning. Food security was a topic discussed under the umbrella subject of “Non-Traditional Security Challenges” at the fifth India-ASEAN Delhi Dialogue that took place in February 2013.

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Key Recommendations for Diplomacy and Security

- **The United States and India should continue their productive dialogue on East Asia and the U.S.-India-Japan trilateral should include a discussion of ASEAN.** The U.S.-India dialogue and U.S.-India-Japan trilateral have begun to produce a shared vision for the regional order. Track 1.5 dialogue participants urged that those dialogues be deepened during the second Obama administration.

- **India should send a resident ambassador to the ASEAN Secretariat in Jakarta.** Meanwhile, India’s ambassador to Indonesia should coordinate closely with the U.S. ambassador to ASEAN, especially prior to the East Asia Summit (EAS) and key ASEAN meetings.

- **India and the United States should work together to support Myanmar’s economic development and democratic consolidation, helping to strengthen ASEAN while doing so.** India, the United States, and the ASEAN nations should facilitate Myanmar’s integration into the region. Already, Myanmar’s military looks to Indonesia as a model for how it can ease out of politics and still remain relevant. Indonesian journalists are helping to train journalists in Myanmar. India could contribute to this process through capacity building in government ministries, military-to-military exchanges, and civil society engagement.

- **Bangladesh should be integrated into regional structures, and India and the United States should facilitate pursuit of opportunities for Bangladesh’s development.** A connectivity agenda based on seaborne trade alone would miss important opportunities to integrate Myanmar, Bangladesh, and northeast India into the increasingly interdependent production networks in the region. And an agenda focused on connectivity “hardware” without proper attention to “software” will certainly fail.

- **In the maritime realm, India, China, and the United States should develop confidence-building measures, including agreements to prevent incidents at sea.** Such agreements can be modeled on the U.S.-Soviet template, specifically the 1972 U.S.-Soviet Incidents at Sea Agreement.\(^1\) The Expanded ASEAN Maritime Forum could be a venue for discussion of confidence-building measures and collaborative endeavors.

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The United States should offer to India a more ambitious framework for maritime cooperation, one that develops into a joint concept of operations and redefines bilateral maritime cooperation. U.S. senator John McCain called for such a new framework, saying, “With political will on both sides, there is no reason why we cannot develop a joint U.S.–Indian concept of operations for both the Indian and Pacific Oceans.”

Building on existing agreements, India should strengthen counterterrorism collaboration with ASEAN. India could initiate a tenth-anniversary assessment of the effect of actions taken since the 2003 ASEAN-India Joint Declaration for Cooperation to Combat International Terrorism. India could further institutionalize methods for sharing with ASEAN partners its experiences in combating South Asian terrorist groups and information from its databases on those organizations. This could involve greater pooling of resources in combating terrorism and, based on current bilateral arrangements between India and ASEAN partners, could expand into more effective multilateral efforts.

Indian defense officials could expand collaboration with their counterparts in ASEAN nations on counterterrorism activity and joint drills like the Milan naval exercises. India and ASEAN could more clearly designate specific point people to act as liaisons for counterterrorism-related activities and dialogues. In addition, as part of an effort to combat extremism, India and ASEAN could create joint programs to engage youth in interfaith activities and community service. This could involve cross-border travel for conferences and youth summits.

Additional Recommendations for Diplomacy and Security

India should be included in the region's economic architecture. The Trans-Pacific Partnership (TPP) does not include a pathway for partners who are not Asia-Pacific Economic Cooperation (APEC) members, such as India or three of the ASEAN member states—Myanmar, Cambodia, and Laos—to join the agreement. A clear path security. As discussed in Chapter 2, the Indian Ocean Naval Symposium includes thirty-five member countries and convenes a biennial conference of chiefs of naval operations and maritime security heads as well as smaller workshops. The symposium highlights Indian regional leadership in maritime information sharing, naval training, and operational collaboration. Also raised in Chapter 2, the Expanded ASEAN Maritime Forum is a venue for addressing common challenges on maritime issues, including sea piracy, search and rescue at sea, maritime environment, maritime security, maritime connectivity, freedom of navigation, and fisheries.

2. Ibid., 78–79.
5. Raman, “Paper 649.”
6. Kripa Sridharan, “India and Southeast Asia in the Context of India’s Rise,” in Rising India and Indian Communities in East Asia (Singapore: Institute of Southeast Asian Studies, 2008), 79.
should be articulated for them to do so. Indonesia should be encouraged to join TPP as well. The U.S.-ASEAN Expanded Economic Engagement Initiative is an important but insufficient step in that direction. India should be invited to join APEC. India should also be invited to join the Friends of the Lower Mekong, a body aimed at fostering dialogue between countries and organizations providing regional assistance to the lower Mekong countries and facilitating greater cooperation and coordination among them.

- **India, China, and the United States should create a new trilateral.** China should be encouraged to discuss maritime security and other issues with India and the United States in a new trilateral arrangement. Secretary of State Hillary Clinton called for a formal trilateral arrangement, and maritime security would be a good first agenda item. At present, China is considering this proposal.

- **Indo-Pacific security architecture should be strengthened.** The East Asia Summit holds the potential to be the central security institution for the Indo-Pacific. It requires an underlying support system to ensure its success, including sherpas from each member to set the agenda, handle initial negotiations, and pave the way for the annual heads of state summit. The ASEAN Defense Ministers’ Meeting Plus also holds great promise in this regard. Indian national security adviser Shivshankar Menon, who has recommended the establishment of collective security arrangements in the region, notes that shared maritime and energy security interests provide the major powers “a rare potential area of convergence” that could be the “starting point to build a flexible and adaptable Asian order.”

- **Myanmar and Bangladesh should cooperate on Rohingya issues, including cross-border migration and trafficking.** Progress on the Rohingya issue offers a reason for and a path to enhanced security cooperation between Bangladesh and Myanmar, increased trade flows, and opportunities to build badly needed infrastructure. A long-term regional solution is needed. With a porous border across the Naaf River, neither Myanmar nor Bangladesh can solve the Rohingya problem on its own. Curtailing the passage of illegal traffic, both human and goods, will require joint action. It is also a necessary step for Myanmar’s leaders to come to grips with the Rohingya issue and forge a path toward citizenship for them.

- **The United States should ratify the UN Convention on the Law of the Sea.** Accession would give the United States a seat at the table when the maritime regime for the twenty-first century is developed.

- **India should develop logistics support agreements.** India needs to develop logistics support agreements and access arrangements with Singapore, Indonesia, Thailand,

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Myanmar, and Vietnam. Such agreements with the United States and Japan are also needed.9

- **Members should expand the scope of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP).** ReCAAP includes eighteen members and seeks to combat piracy in South and Southeast Asia via information sharing. Despite the expansion of its scope and membership in recent years, ReCAAP remains focused largely on the Strait of Malacca and archipelagic waters in Southeast Asia. The organization should place more emphasis on the Indian Ocean and South China Sea and seek more direct involvement by its South Asian members and nonmembers such as the United States and Australia. ASEAN should play a greater role in the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), which is now broadening its purview.

- **Regional actors should develop better maritime domain awareness and strengthen law enforcement at sea.** The United States should launch an initiative with India and Indonesia to develop an affordable, long-range unmanned system for maritime domain awareness.10 In addition, the ASEAN police body, ASEANAPOL, should give more focus to law enforcement at sea, possibly by establishing a subgroup for maritime crime to include representation by regional maritime law enforcement agencies such as national coast guards.11

- **The private sector should take actions against piracy.** The shipping industry should play a more active role in countering piracy. In order to better safeguard assets, shipping companies can ensure that crews are well trained and efficient, maintain adequate crew numbers, and reduce the employment of substandard ships. With the currently depressed shipping market caused by the global financial crisis, ship owners have cut costs by reducing crew numbers and wages.12 Reduced crews make the shipping industry even more vulnerable to piracy, thus making the need for safeguards ever more urgent.

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Key Recommendations on Infrastructure and Energy

- **India and the United States should work with multilateral development banks on expanding the ADB’s Greater Mekong Sub-Region program to include the Mekong–India Economic Corridor (MIEC).** Support for road, rail, port, and pipeline infrastructure is needed to help fulfill a connectivity agenda. In addition to seeking private sector investment, a key task will be to work with multinational development banks on expanding the Greater Mekong Sub-Region to include the MIEC. The State Department has already engaged at senior levels with the ADB. Given its focus on roads, bridges, water, and electricity, the Japan International Cooperation Agency also has an important role to play.

- **India, ASEAN, and the United States should provide clear signals to the multilateral development banks on priorities for addressing transportation bottlenecks and other infrastructure gaps.** The Economic Research Institute for ASEAN and East Asia’s research shows that port projects provide the most immediate economic benefits, as most regional trade is seaborne. Upgrading India’s eastern ports and building international ports in Myanmar at Dawei and Sittwe will provide a tremendous boost to connectivity. A proposed $10 billion deep-sea port in Bangladesh could provide for third-country trade and therefore benefit the entire subregion. Northeast India, Bangladesh, and Myanmar, surrounded by three of the most vigorous economies in the world—China, India, and ASEAN—could play an important role by physically connecting these economies. Land linkages connecting India’s northeast to Bangladesh and Myanmar are of great strategic and economic importance.

- **India, ASEAN, and the United States should begin creating an interconnected “super grid” stretching from India to Southeast Asia so that power from one nation can be transmitted to another in the case of blackouts and shortages.** India, ASEAN, and the United States should take steps to address regional energy price inequality. Working together, in a formal, regular gathering if necessary, regional partners could promote energy collaboration based on three principles: (1) greater energy diversity in the types of fuels used; (2) more geographic diversity in the sourcing of energy; and (3) a more multifaceted network of energy transport and distribution, through improved ports, roads, pipelines, transmission lines, and liquefied natural gas terminals. This cooperation is about risk mitigation as much as about seeking to promote economic competition and reduce excessive dependency on a single energy source. The goal will be to create an interconnected “super grid” stretching from India to Southeast Asia, where power from one nation can be transmitted to another in the case of blackouts and shortages. The U.S.-Asia Pacific Comprehensive Energy Partnership provides a mechanism and basic funding for such an initiative.

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• The United States should expand initiatives to help India and ASEAN nations “leapfrog” to cleaner and higher-efficiency energy technologies.\textsuperscript{14} India and ASEAN should take advantage of new cost-effective clean technologies when building coal-fed thermal power plants. The United States should work with India to help it shift to the use of clean coal technology, such as carbon capture and storage, and reduce sulfur oxides, nitrogen oxides, and dust emissions when possible.

Under the India-U.S. bilateral Joint Clean Energy Research and Development Center, three consortia led by Indian and U.S. institutions are taking up collaborative research in advanced biofuels, energy efficiency in buildings, and solar energy. This collaboration should be expanded to include ASEAN neighbors. In 2011 alone, India installed more than 300 megawatts of new solar photovoltaic capacity and 3,000 megawatts of wind power.\textsuperscript{15} The United States should also facilitate cooperation between ASEAN and India in the realm of innovation and development of renewables such as solar, wind, biomass (especially palm oil), and small hydro technology.

Additional Recommendations on Infrastructure and Energy

• India and its neighbors should do more to facilitate trade. Steps are needed to upgrade existing land border trade between India and its neighbors by lifting or expanding the list of tradable items and by allowing financial settlements, including the introduction of letters of credit. An improved infrastructure between India and ASEAN will be insufficient to foster regional integration until and unless it is widely complemented by appropriate policies and regulations and private sector participation. Policies and regulations should facilitate effective cross-border movement of goods, services, and people. Harmonizing and simplifying customs procedures, sharing information, modernizing customs, establishing transparent transit rules, and improving logistics in general are also critical to infrastructure expansion.

• The United States, India, and ASEAN should collaborate on nuclear power standards. The United States should work with India and other international partners to ensure that ASEAN’s development of nuclear power does not pose nonproliferation challenges or cause sensitive materials or know-how to become vulnerable to nonstate actors.\textsuperscript{16}


Key Recommendations on Enhancing People-to-People Collaboration

• **India-ASEAN-U.S. cooperation should be expanded to promote the creation of community colleges, vocational training, and distance learning opportunities. U.S. universities, the private sector, and civil society should be encouraged to partner with Indian and ASEAN universities in this endeavor.** Community colleges serve the critical function of equipping a large youth population with relevant skills in flourishing industries. Companies such as the Reliance Group and Spice Group have already shown how community college partnerships with the private sector can be mutually beneficial. The work of the U.S.-Indonesia Society and India’s Wadhwani Foundation demonstrate the key role civil society can play in facilitating higher education exchanges. India’s English-language education system and its advantage in information technology can provide important opportunities for Southeast Asian youth. Attracting bright students from Southeast Asia to study in the United States and India, and sending U.S. students to study in India and Southeast Asia would yield positive benefits. India and ASEAN could also establish a flagship ASEAN-India Skills Institute and Vocational Training Center in one of India’s northeast states. They could also create “meta-universities” offering an online curriculum to students engaged in distance learning.

• **The U.S. Export-Import Bank (Ex-Im) should provide financing for loans and scholarships in India and the ASEAN region for study in the United States.** The United States exports more than $3.3 billion in educational services per year, much of which is accounted for by tuition paid by the more than 100,000 Indian students in the United States. The Institute of International Education estimates that the benefit to the U.S. economy from each of them is up to forty times the price of a student’s first-year tuition. Ex-Im should treat education like any other export and provide financing for loans and scholarships. Ex-Im legal experts have clarified that funding educational exports is consistent with the bank’s congressional mandate.

• **Research collaboration among the United States, India, and ASEAN, especially in biotechnology, nanotechnology, and oceans research, should be facilitated through public–private partnerships.** India’s focus on innovation has already made it one of the largest research and development (R&D) centers for many top U.S. companies, including General Electric, Honeywell, and IBM. International companies run about 750

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global R&D centers in India.\textsuperscript{20} R&D in biotech will receive private-sector support. India and ASEAN could partner to create an educational exchange program whereby promising students interested in biotech are offered scholarships and training to study in India or, where applicable, ASEAN nations.\textsuperscript{21} This collaboration could be conducted under the aegis of the Indian Ministry of External Affairs’ Indian Technical and Economic Cooperation Program or via the ASEAN–India Science and Technology Development Fund.

Private-sector collaboration on biotechnology and nanotechnology is also needed. India, ASEAN, and the United States should engage in joint research in the Indian Ocean under the auspices of the IOR-ARC. India, ASEAN, and the United States could work to improve patent rights frameworks and intellectual property promotion mechanisms that will encourage science and technology innovation.\textsuperscript{22}

- **ASEAN, India, and the United States should pursue health collaboration in (1) opportunities in telemedicine, especially for rural populations; (2) improvements in health care access through smart infrastructure planning that puts a premium on available medical access; and (3) sharing of best practices to improve health care outcomes in treating diseases endemic to the region.** As the international donor community increasingly focuses on Africa and parts of South Asia, ASEAN countries must support each other via financial cooperation and the ASEAN surveillance process to track disease outbreaks before they become crises or pandemics.\textsuperscript{23} It is possible to build on and increase the capacity for India’s existing “e-network for telemedicine and tele-education” by extending it to Cambodia, Laos, Myanmar, and Vietnam.\textsuperscript{24} Telemedicine technologies can be used to improve infectious disease reporting, map outbreaks, deploy health workers more efficiently, raise awareness about HIV and other communicable diseases, and deliver health care diagnoses and treatment advice to frontline healthcare providers. As World Health Partners and Aravind Eye Clinic have shown, telemedicine can also help address the shortage of doctors in rural areas or bridge infrastructure barriers between patients and doctors. Telemedicine can provide second opinions and peer consultation for rural doctors and can serve as a low-cost solution for hospitals in Southeast Asia, linking them to Indian radiologists and diagnosticians.

\begin{itemize}
\item \textsuperscript{21} Sachin Chaturvedi and Halla Thorsteinsdotter, “A Growing Southern Agenda: India’s South-South Health Biotechnology Collaboration,” in *South-South Collaboration in Health Biotechnology* (New Delhi: Academic Foundation, 2012).
\item \textsuperscript{24} Muni and See, “ASEAN-India Relations,” 13.
\end{itemize}
• **ASEAN, India, and the United States should collaborate on clean water, including storage, distribution, and pipelines to help maximize resource efficiency. Together, they can develop low-cost clean water technologies.** Countries should seek collaborative activities focused on maximizing resource efficiency, preserving clean water, and developing lower-cost clean water technologies. ASEAN, India, and the United States share interests in investing in streamlining existing processes, from innovative programs such as Singapore’s desalinization and NuWater initiatives to jointly developing increased productivity in agriculture techniques.25

• **An official trilateral dialogue on climate change between the United States, India, and ASEAN should be supplemented by collaborative research involving the U.S. National Oceanic and Atmospheric Administration (NOAA), India’s Ministry of Earth Sciences, and relevant ASEAN institutions, especially on monsoon and tsunami monitoring and predictions.** Moving past the current stalemate in climate negotiations requires the United States, India, and ASEAN to work together. The United States and India should establish a program with ASEAN to more accurately predict monsoons, building on the current partnership between NOAA and the Indian Ministry of Earth Sciences, and work to bring India and ASEAN together in the realm of predicting and sharing information about climate change–related threats.26

    Given the need for accurate prediction of hydro-climate extremes, there is an urgent need for improved weather and climate services and information sharing. The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation hosts a Weather and Climate Center, and India and Thailand share early-warning tsunami systems. Such efforts could be expanded region-wide. Countries in the region can dramatically benefit from sharing lessons learned, such as their experiences establishing national disaster management agencies, which India recently did and Nepal seeks to do.

• **Countries should share best practices in urban planning and air and water management for growing cities.** The stress on growing urban populations in South and Southeast Asia is particularly severe. The provision of water can be so sporadic that families of all income levels are left to purchase it from “water mafias.” Access to sewage systems is extremely limited. Any strategy for regional cooperation on urban planning must make water management a key component. Also, air pollution has a direct effect on human health. India, ASEAN, and the United States can partner to target cities with especially high levels of air pollution and help them replicate New Delhi’s installation of air pollution monitoring machines that send data to websites in real time.27

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25. Ibid.
• India, ASEAN, and the United States should partner in the quest to minimize deforestation in the Indo-Pacific. Possibilities include tree-planting campaigns, conducting training in sustainable forest management, government designation of certain areas of forest as protected, and education campaigns on fire safety to reduce the occurrence of forest fires. The Millennium Challenge Corporation can share lessons learned from its experiences in Indonesia.

• India, ASEAN, and the United States should coordinate response plans before natural disasters occur, saving lives by allowing each country to deploy its resources more quickly. Coordinated response plans developed in advance of natural disasters, such as agreements on emergency flyovers, would allow each country to deploy its resources more quickly and save more lives. Nations would benefit from a rehearsed doctrine for minimizing the time factor of response. India would benefit from logistical support agreements with friendly navies across the region.

Additional Recommendations on Enhancing People-to-People Collaboration

• Higher education collaboration should be demonstrated via flagship efforts. The establishment of an Institute of South Asian Studies at the National University of Singapore reflects the increasing economic and political importance of South Asia to the ASEAN nations. A reciprocal South East Asia Institute in India, perhaps as part of the Nalanda International University project, could focus on the civilizational, historic, and contemporary linkages between ASEAN and India and further deepen these ties. The United States currently supports university partnerships that link Indian institutions with ASEAN institutions through the ASEAN University Network to develop new curricula, train faculty, and establish long-term working relationships. Such partnerships present unique opportunities to connect the South and Southeast Asia. Increasing university partnerships in the region complements an EAS-led effort to increase educational cooperation. India could establish Indian Institute of Technology and Indian Institute of Management campuses in Indonesia and Malaysia, markets where there is demand for such Indian institutes.

• Youth and women exchanges should be boosted. India, ASEAN, and the United States should support projects that increase contact between the youth of India and ASEAN countries and programs that empower women as entrepreneurs and leaders. Through the multiregional International Visitor Program, the United States can bring Indians and ASEAN country nationals together to explore critical subject areas. The

State Department could tailor programs to key subjects including innovation, urban planning, and economic connectivity.

- **Space collaboration should be enhanced.** India, ASEAN, and the United States should partner on future joint activities related to space, including U.S. and Indian earth observation satellites (e.g., climate, weather, and natural disasters satellites), new projects on solar system exploration by the U.S. National Aeronautics and Space Administration and the Indian Space Research Organization, and cooperation to ensure the compatibility of India’s planned global positioning system augmentation service.

- **India, Southeast Asia, and regional partners should establish an interfaith dialogue.** Hinduism and Islam, which came to Southeast Asia from India, serve as important cultural connectors. The United States, Japan, and Australia could take part as well.

- **Maternal and child health collaboration should be strengthened.** To address maternal and child mortality rates, governments should work through ASEAN regional structure to combine health interventions with non-health programs such as microfinance and conditional cash transfer programs. Southeast Asian countries should create networks similar to the ASEAN SARS Containment Information Network—a model for sharing information, best practices, and new research findings—to improve maternal, neonatal, and child health. Also, by expanding parts of the U.S.-India health partnerships to include ASEAN, the United States could greatly lower health costs, improve technology sharing, and leverage health care expertise across the entire Indo-Pacific region.

- **India and ASEAN should facilitate visas and medical tourism.** Medical visa processes should be reformed to allow for easier travel, and governments should partner with health care providers and tourism boards to encourage more India-ASEAN medical tourism.

- **Southeast Asia should empower the ASEAN Economic Community to take on a larger role in health.** Member states should empower the ASEAN Economic Community, which is planned to come into effect in 2015, to encourage more regional cooperation on health, including setting standards and increasing investment between health care providers. India and ASEAN could choose to exempt one another from restrictions on trade in health and medical services. This could include lifting restrictions on foreign direct investment and the entry of foreign health service providers, eliminating the economic needs test, and facilitating health care services trade to create an incentive for increased India-ASEAN public health cooperation.

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• **ASEAN and India should facilitate exports of hydropower and develop river management agreements.** Electricity-selling investment schemes between India and certain ASEAN countries could be modeled on the India-Bhutan investment arrangement, through which Bhutan sells electricity to India that is generated from Indian investments into Bhutan’s power-generation infrastructure. The resulting royalties paid by India for this electricity accounts for almost half of Bhutan’s GDP. This can be seen as a win-win situation and could potentially be replicated with other neighbors. 34 Laos and Thailand have a similar arrangement. It will be important as well to develop regional or bilateral water-sharing treaties. 35

• **India, ASEAN, and the United States should collaborate on agriculture and food security.** India, ASEAN, and the United States should step up joint development of increased-productivity agriculture techniques, reducing the amount of water necessary to produce desired grain yields. 36 ASEAN should integrate India into existing frameworks such as the ASEAN Food Security Information System and the ASEAN Integrated Food Security Framework. The private sector in India and ASEAN increasingly engages in food security programs across South and Southeast Asia; governments should facilitate that collaboration.

  Increased information exchanges between India and ASEAN on food security could be accomplished via the establishment of joint R&D centers and cross-border exchanges of nongovernmental organization representatives, students, and academics. India and ASEAN can also collaborate on developing “integrated land use policies,” creating and sharing weather forecasting and risk management tools, 37 sustainable agriculture techniques such as precision irrigation, and innovative technologies such as drought-resistant seeds.

• **Governments should share governance and anti-corruption best practices.** India, ASEAN, and the United States should develop an anti-corruption pact that includes a multilateral agency with enforcement powers to combat corruption and rules-based mechanisms on issues such as joint investigations of corruption cases and arrest and extradition of fugitives accused of corruption. 38 They could also establish an “anti-corruption ombudsmen” 39 for India and ASEAN nations. These officials would be

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36. Ibid.
appointed to investigate individual citizens’ complaints of maladministration by public authorities.

In addition, India, the United States, and ASEAN could expand the current Dialogue on Open Government created by President Obama and Prime Minister Singh in 2010. The dialogue includes (1) identification of best practices in open governance; (2) use of prizes and challenges encouraging citizen creativity in developing web-based tools for improved delivery of services for citizens and citizen empowerment; (3) e-governance initiatives to promote data transparency and citizen engagement; and (4) a joint action plan for future collaboration on projects to enhance government accountability and transparency. For environmental governance, the United States and India should build on current efforts to help the U.S. Environmental Protection Agency work with Indian partners to establish a National Environmental Protection Authority in that country.41

• **A business leaders' forum should be established.** ASEAN, India, and the United States should establish an annual forum that convenes key private-sector leaders from each country to discuss industry concerns, market access, and job creation. Such a forum should also work to deepen commercial linkages, establish joint ventures, and promote skills development initiatives that better prepare the region’s workforce to compete in today’s global economy. It should incorporate science and technology and health in the discussion.

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41. White House Office of the Press Secretary, “U.S.–India Green Partnership.”
Introduction

Economic Research Institute for ASEAN and East Asia (ERIA) submitted the Comprehensive Asia Development Plan (CADP) to the 5th East Asia Summit in October 2010, as a grand spatial design for infrastructure development in East Asia. The conceptual framework of the CADP, which was elaborated based on new waves of international trade theory namely the fragmentation theory and new economic geography, demonstrated how the region can pursue deepening economic integration as well as narrowing development gaps. This claim was supported by simulation analyses on the impacts of logistic enhancement to the region using the Geographical Simulation Model (GSM). CADP also provided a long list of prospective infrastructure projects which would be important to realize the policy recommendation of the CADP.

During the same series of summit meetings, the 17th ASEAN Summit adopted the Master Plan on ASEAN Connectivity (MPAC) as an umbrella master plan to expedite the establishment of the ASEAN Community, during the drafting process of which ERIA also provided intellectual contribution based on the conceptual framework of the CADP. The MPAC defined three modes of connectivity, namely physical connectivity, institutional connectivity, and people-to-people connectivity, as the keys for the successful establishment of the ASEAN Community. The MPAC and the CADP share a common philosophy in the sense that both stress the importance of physical and institutional connectivity in deepening economic integration and narrowing development gaps. Although the MPAC is a plan of ASEAN, it also emphasizes the importance of the connectivity with neighboring countries including EAS member countries.

Although the CADP successfully fulfilled its initial mission, there still remain a number of issues to address, of the primal importance of which is the implementation of infrastructure projects and policy measures recommended in the CADP. This executive summary will summarize the current implementation status of the infrastructure projects listed in the CADP as a follow-up, and another set of prospective infrastructure projects to enhance ASEAN-India connectivity will be presented, together with key findings and policy recommendations from the second phase of an ERIA research project on the CADP.

### Implementation Status of Infrastructure Projects Listed in the CAPD

Figure 1 shows current implementation status of the prospective infrastructure projects provided in the long list of the CADP. The conceptional stage means projects have only

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2. Chairman’s Statement of the East Asia Summit (EAS), Hanoi, October 30, 2010, 13: “We commended the Economic Research Institute for ASEAN and East Asia (ERIA) for its effective contributions in enhancing regional economic integration, bridging development gaps and promoting connectivity for both ASEAN and EAS countries, including its intellectual contribution to developing the ASEAN Connectivity Master Plan. We noted the Statement of the ERIA’s 3rd Governing Board Meeting and its study identifying its future contribution to regional integration. We appreciated the completion of the Comprehensive Asia Development Plan (CADP) by ERIA in collaboration with the ADB and the ASEAN Secretariat.”
conceptual design or proposals. The feasibility study stage includes preliminary feasibility studies, bankable feasibility studies, and contract stages. The construction stage takes account of the projects under construction and the projects completed but waiting for operation. We can see more than 60% of the projects have reached at least the feasibility study stage.

Figures 2, 3, and 4 illustrate the current implementation status of the selected infrastructure projects in the Mekong sub-region, the Indonesia-Malaysia-Thailand Growth Triangle Plus (IMT+) sub-region, and the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area Plus (BIMP+) sub-region, respectively. Apparent positive trends in the Mekong sub-region can be seen compared with IMT+ and BIMP+, although there remains a significant missing link in the Myanmar section of the Mekong India Economic Corridor (MIEC) which needs to be connected by a number of infrastructure projects in Dawei, such as a deep sea port and a highway from Dawei to Thai border along the ASEAN Highway No.123. This issue has been further elaborated in the second phase of the CADP project and will be discussed in the next section.

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3. IMT+ and BIMP+ are new concepts extended from the original IMT-GT and BIMP-EAGA concepts. See the CADP report for details.
Figure 3: Selected Infrastructure Projects in the IMT+ Sub-region. Source: ERIA.

Figure 4: Selected Infrastructure Projects in the BIMP+ Sub-region. Source: ERIA.
ASEAN-India Connectivity

Although the CADP successfully fulfilled its initial mission, there still remain a number of issues which require further intensive studies. Out of these outstanding issues, ASEAN-India connectivity is selected as the main theme of the second of the CADP (CADP2), because of the growing importance of the issue amidst the ongoing restructuring of economic activities. Both the CADP and the MPAC emphasize the importance of the connectivity with the neighboring countries including China, India, and other EAS member countries. Though both China and India are the emerging economic superpowers in the region as well as the immediate neighbors to ASEAN, the exposure of India in ASEAN is still limited compared with China, reflecting the differences in the historical relationships and the weaker physical connectivity with ASEAN. Therefore, it is highly important to develop a basic strategy to enhance the connectivity between ASEAN and India, because there are huge potential benefits.

Figure 5 provides a regional framework to enhance connectivity between ASEAN and India. There are two main routes, the sea route, as the west link of the Mekong-India Economic Corridor (MIEC), and the land routes, with various optional routes, along the trilateral highway between Thailand, Myanmar, and India.
MEKONG-INDIA ECONOMIC CORRIDOR (MIEC)

While the validity of MIEC was also demonstrated in the CADP, there remain significant missing links, including the lack of a Mekong bridge in Neak Leoung (Cambodia) and the lack of the gateway port in Dawei (Myanmar). As often discussed, an economic corridor is only as strong as its weakest link. In addition, the connectivity between Thailand and Myanmar should be enhanced through the construction of a highway between Dawei and Thai border (physical connectivity) and various trade and transport facilitation measures (institutional connectivity). It is important to pinpoint the challenges ahead of the development of MIEC through an updated review of the progress of these projects.

ERIA conducts a series of simulation analyses using the 4th version of the Geographical Simulation Model (GSM), and their findings are summarized as follows: (1) MIEC has the largest impacts on Cambodia, followed by Myanmar, Thailand, and Lao PDR; (2) Taninthayi, where the capital city is Dawei, enjoys the largest impact, equivalent to 9.5% vis-a-vis the GDP in 2030 in the baseline scenario; (3) allowing the transit transport in Myanmar is critical for countries other than Myanmar, especially for Thailand; (4) Dawei project in Myanmar has larger impact than Pak Bara project in Thailand even for Thailand, and there is almost no additional impact when we compare Dawei project only and both Dawei and Pak Bara projects, because most benefit from connecting to India or EU can be achieved by Dawei project only; (5) West Bengal and Tamil Nadu have slight positive impacts while others see slight negative impacts and in total in India there is almost no impact, mainly due to the fact that India has higher preference for domestic products. It reflects India’s least participation in the production networks in Asia. It suggests the need for greater integration with the production networks through improved institutional connectivity.

THE TRILATERAL HIGHWAY CONNECTING THAILAND, MYANMAR, AND INDIA

Another major route to enhance ASEAN-India connectivity can be developed by upgrading road infrastructure of the Thailand-Myanmar-India section of Asian Highway No.1, which has also been identified as the Trilateral Highway in the cooperation among these three countries.4 As the road infrastructure in Thailand is already well developed, the remaining issues are the sections in Myanmar and the Northeast India. More importantly, trade and transport facilitation across two national borders between Thailand and Myanmar, and Myanmar and India needs to be addressed with strong political commitment, although there is no trade and transport facilitation initiative between Myanmar and India as of today. Actually, Myanmar locates on the west end of ASEAN, having China on the north, and is the lowest income country in ASEAN with the weakest connectivity with other ASEAN Member States. Similarly, Northeast India locates on the northeast end of India, having China on the northeast beyond Myanmar the immediate neighbor, and is among the poorest regions in India with the weakest connectivity with other parts of India. Myan-

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mar and Northeast India, surrounded by all three of the most vigorous economies in the world, namely, China, India, and (other part of) ASEAN, are expected to play a very important role as the connecting nodes to physically connect these economies. In this broader perspective, Myanmar and Northeast India are no longer at one end of the region they belong to. Taking this strategic role into consideration, development strategies for Myanmar and Northeast India can be the core of the regional strategy to enhance ASEAN-India connectivity.

A REGIONAL FRAMEWORK

A regional framework strategy for the enhancement of ASEAN-India connectivity needs to be designed based on a multi-modal approach, a multi-functional approach, and a multi-tier approach.

First, it is obvious that regional connectivity cannot be completed with a single mode of transportation, implying a need to take a multi-modal approach. As discussed in detail in the last section, a number of infrastructure projects have been proposed and are being implemented in all modes of transportation, namely, land (including road and railways), maritime (including inland waterway transport), and air. In land transport, the completion of the ASEAN Highway Network (AHN), including the upgrading of the weak link along the EWEC between Thingannyaung and Kawkareik (AH1), and other AHN sections in Myanmar such as Dawei-Kawthaung (AH112), Dawei-Maesameepass (AH123), Chaun U-Kalay (AH1), and Kengtong-Taunggyi (AH2), was adopted as one of the prioritised strategies in the MPAC. The abovementioned sections on AH1 in Myanmar are also identified as integral parts of the trilateral highway connecting Thailand, Myanmar, and India. In addition to the long-waited completion of the Singapore Kunming Rail Link (SKRL), which is also a prioritised project in the MPAC, there is another ambitious plan to establish a rail link from India to Ho Chi Minh City crossing the Indochina Peninsular. In maritime transport, the construction of new ports in Dawei, Kyaukphyu, and Pakbara are in the pipeline, and the expansion or upgrading of existing ports, such as Yangon, Sittwe, and Chennai, are identified. Inland waterways along the Kaladan River and Ganga are also expected to play important roles in enhancing the connectivity between the mainland and Northeast India via Myanmar and Bangladesh respectively. In air transport, there are plans to construct or upgrade airports in Chennai and Dawei. Although this is beyond the scope of this report, air transport network is expected to be enhanced by the ongoing initiatives to establish the ASEAN Single Aviation Market (ASAM) and the ASEAN’s air transport agreements with its Dialogue Partners including India, China, and Korea. Although all these initiatives are important on their own, it is of crucial importance to pay enough attention to the connectivity between these different modes of transportation.

Second, in order to explore the full potentials of enhanced regional connectivity, physical infrastructure alone is not sufficient enough, indicating a need for a multi-functional approach. Infrastructure for physical connectivity, such as roads, ports, airports, gas

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5. This section is an integral part of MIEC, connecting Dawei and Thai border near Kanchanaburi.
pipelines, and power grids, are of course important as necessary conditions. As discussed in the last section, for example, the connectivity between Myanmar and Northeast India has been limited not only by the lack of adequate physical infrastructure but also by the restrictive institutional arrangement between Myanmar and India, namely the restrictions on the tradable items and the mode of settlement. In order for the success of the comprehensive development plan in Dawei, as the crucial link in MIEC, the timely implementation of transport facilitation agreement in ASEAN is highly important and it was also agreed by ASEAN Leaders as one of the prioritised strategy in the MPAC. A proper enforcement of regional transport agreement would enable logistic service providers to reduce significantly the cost to cross national borders, by saving the money and time for unloading and reloading. In addition, the connectivity of people can be a facilitating factor particularly in the case of border trade. For example, there are various ethnic groups along the border between Myanmar and Northeast India, and some of them share the same language and maintain strong cultural ties, including trade relationships, whether formal or informal. Although they could be sometimes recognized as a discouraging factor for insurgency problems in the border areas, their existing economic relationship can be the basis to expand bilateral trade in the future.

Third, as claimed in the CADP, it is of crucial importance to consider the interactions among the regions in different development stages. In the geographical coverage of this report, there are existing industrial agglomerations such as Bangkok and Chennai (Tier 1). These agglomerations are expected to lead the regional economy by providing large markets of final and intermediate goods and raw materials for neighboring Tier 2 and Tier 3 regions, and by continuously upgrading themselves to be more innovative to expand the frontiers of economic activities in the region as a whole.

Considering the size and their roles in regional production networks, Chiang Mai, Kolkata, Dhaka, and Kunming can be regarded as existing Tier 2 regions, followed by emerging Tier 2 regions such as Yangon and Mandalay. In addition, taking account of the ongoing development plans and geographical location, Dawei, Kyaukphyu, and some cities in Northeast India such as Guwahati are also expected to join into the regional production network as new connecting nodes of regional production networks. The major role of Tier 2 is to be the sources of economic dynamism in the region by attracting production processes from neighboring Tier 1 or other places through fragmentation, which are suitable to the location advantage of the region. This process of fragmentation would benefit not only Tier 2 by providing new economic activities which includes new employment opportunities, but also Tier 1 by allowing them to focus more on innovative economic activities.

With enhanced connectivity, other regions, conceptually regarded as Tier 3, are expected to expand their economic activities, such as agriculture, mining, and tourism, based on their own location advantages including the endowment of natural and cultural resources, lower wages and rents. Indeed, Myanmar and Northeast India are endowed with natural and mineral resources such as natural gas, oil, coal and limestone, and have potentials as an agricultural production base or a tourism destination. These
opportunities would not materialize without efficient and reliable connectivity with neighboring regions.

**KEY INFRASTRUCTURE PROJECTS FOR ASEAN-INDIA CONNECTIVITY**

Figure 6 visualizes key infrastructure projects to enhance the connectivity between ASEAN and India. As already discussed, there are two main routes, namely the sea route along MIEC and the land route along the Trilateral Highway. Although the designed route of Trilateral Highway ends at Kohima in Northeast India, it is expected to connect to mainland India through the existing national highway network in India via “chicken neck,” through the multimodal transport corridor being developed under the Kaladan Multimodal Transit Transport project, or through Bangladesh using its highway network or inland waterway.

As already discussed, development projects in Dawei are of the primal importance for the successful completion of MIEC. Although there is a comprehensive plan including a deep sea port, a special economic zone, highway to Thai border, a power plant, and so on, the actual construction work has just started and will take several years for completion. In addition, there are a lot of challenges to explore the full potentials of the plan, particularly in inviting foreign investment in Dawei. Furthermore, as pointed out by Kumagai and Isono (2011), it is important to establish an effective and efficient institutional arrangement to allow transit transport in Myanmar part of MIEC, that is, between Maesameepass (Thai border) and Dawei. Under the transport cooperation in ASEAN, three framework
agreements on transport facilitation are planned to be implemented by the year 2015, with explicit emphasis on the designated transit transport routes (TTRs). Although this route connecting Kanchanaburi and Dawei is identified as a part of ASEAN Highway Network, it is not included in the “designated” TTRs. As the completion of MIEC is already agreed as one of the strategic actions in the MPAC, this route should be included in the designated TTRs in order to explore the full potentials of the plan. Physical connectivity is necessary, but not the sufficient condition for success. It should be complemented by an institutional connectivity, that is, a proper institutional arrangement to facilitate cross border movement of goods and services. This in turn would contribute in reducing significantly the service link costs connecting Bangkok and Dawei, and Chennai as well, and facilitating fragmentation of manufacturing activities to Dawei.

On the Indian side, Chennai and surrounding areas have a number of infrastructure projects as well, particularly to expand the capacity of ports and airport, and to enhance the road and rail networks connecting Chennai with other parts of India. Indeed, reflecting the rapid growth of Chennai and surrounding areas, the capacity of Chennai port, including the backyard space, and the access to the port have been identified as key bottlenecks for further development of the region. This problem is well addressed by the planned expansion of ports of Ennore as well as Chennai, and the plan to enhance the connectivity between the two ports. In addition, as Chennai is a growing hub of automotive industry, the planned construction of a Ro-Ro (roll-on, roll-off) berth and multi-level car parking is expected to have a major impact. With all these infrastructure projects, Chennai and surrounding areas will be well prepared as the gateway connecting ASEAN and India.

In its original design, the identified route of Trilateral Highway is from Bangkok, Nakhon Sawan, Tak, to Mae Sot in Thailand, from Myawaddy, Thaton, Payagyi, Mandalay, Gangaw, Kaleymyo, to Tamu in Myanmar, and from Moleh, Imphal, and to Kohima in India, tracing the Asian (and ASEAN) Highway No.1. As the routes in Thailand and India are already well developed, with an exception that a mountainous section between Moreh and Palel would need moderate repair or upgrading works, the remaining issues are to upgrade physical road infrastructure in Myanmar and to establish effective and efficient institutional arrangement to facilitate cross border trade and transportation.

Along the Trilateral Highway, two sections are highlighted in Figure 6, namely, between Thingannyinaung and Kawkareik (near Thai border), and between Chaung U and Kalay (a section between Mandalay and Indian border). These projects are of urgent importance, not only as integral parts of the Trilateral Highway but also as a major route to enhance domestic connectivity in Myanmar. From a regional perspective, in addition to these physical infrastructures, institutional connectivity to facilitate cross border trade and transportation needs to be enhanced under the trilateral cooperation. In this sense, India’s plan to establish an Integrated Check Post (ICP) in Moreh is very important.
The Next Step: Maritime Connectivity in ASEAN

The concept of economic corridors has been the core of regional development plans in ASEAN and East Asia, as can be seen in the Greater Mekong Subregion (GMS) initiative lead by the Asian Development Bank (ADB) and the CADP as well. In order to explore the full potentials of economic corridors in the region, it is important to enhance the connectivity among the economic corridors by upgrading maritime connectivity. Indeed, as demonstrated in the CADP, the enhancement of maritime connectivity is expected to have larger impacts on economic growth and narrowing of development gaps.

Despite the importance, many ASEAN countries, with the exception of Singapore and Malaysia, rank poorly relative to China and Hong Kong in the UNCTAD Liner Shipping Connectivity Index. At the same time, most of the gateway ports of the ASEAN member states are already “fairly full” which means that investments in capacity expansion would have to be made in order to meet the growth in trade expected from the deeper economic
integration of the AMSs among themselves and with the rest of the world. In addition, a JICA study on 47 designated ports in ASEAN revealed a number of challenges in providing more efficient shipping network services given the varying levels of port infrastructure development.6

In addition to the physical infrastructure, it is also important to make the regional shipping market more efficient and competitive. For this purpose, the MPAC identifies the development of an ASEAN Single Shipping Market (ASSM) as one of the key strategies. ASEAN has started a comprehensive study for ASSM, with a support from Korea, based on the strategic paper on ASSM prepared by Indonesia. In addition, ASEAN decided to conduct a study on the roll-on/roll-off (RoRo) network and short sea shipping as one of the prioritized projects in the MPAC. This study is regarded as a first step in exploring one of the options to enhance the connectivity between archipelagic and mainland ASEAN. The successful case of the Philippines Nautical Highway Network is expected to provide important lessons for ASEAN in establishing international RoRo networks in the region.

Enhanced maritime connectivity in ASEAN will enhance the connectivity among various economic corridors, and thereby promote the integration between archipelagic and mainland ASEAN (Figure 7). This is clearly an integral step for ASEAN to become a single market and production base, as envisaged in the ASEAN Economic Community Blueprint, which in turn will spread the benefits of economic integration to throughout ASEAN and East Asia.

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6. The recommendations from the JICA study were incorporated in the list of prospective infrastructure projects in the CADP.
Further Reading


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Cover photo: Indian prime minister Manmohan Singh (center) with the 10 ASEAN heads of state at the 2012 India-ASEAN Commemorative Summit.