



# From Look East to Act East

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## Heading East

Security, Trade, and Environment  
between India and Southeast Asia

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# Look East

- **Cold War Period (Farrell and Ganguly, 2016)**
  - India chose to ignore the bulk of Southeast Asian countries
  - Principle of non-alignment further drove a wedge between India and US-aligned states in Southeast Asia
  - Import substitution industrialization cut India from the global market
  - India also opposed US involvement in Vietnam

# Look East

- Economic reforms provided impetus for Look East Policy
  - Gradual termination of state-led strategy of economic growth
  - Prime Minister Narasimha Rao and then Finance Minister Manmohan Singh sought to reduce tariff barriers and attract foreign investment
  - PM Rao initiated the Look East Policy (LEP)

# Look East Policy

- Attract investment from the states of Southeast Asia
- To obtain access to SEA markets
- To boost trade
- In 1995, India was made full ASEAN Dialogue Partner

# Look East Policy

- **Indian Economic Initiatives**

- Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)
- Mekong-Ganga Cooperation Initiative
- India-ASEAN Free Trade Agreement
- Worthwhile but yet to fully deliver

# Act East Policy

- **Prime Minister Narendra Modi (May 2014)**
  - Continuation of past policies (market access etc)
  - Concerns about China's rise

# Will India deliver?

- Convergence of interests
  - Southeast Asia has been “calling for a greater Indian profile in the region in order to offset China’s growing economic clout and military capabilities” (Karl 2016)
  - “India and ASEAN Nations should intensify their engagement for maritime security and safety, for freedom of navigation, and for peaceful settlement of maritime disputes in accordance with international law” (Modi 2012)



# Will India deliver?

- Doubts exists
  - Policy constancy and resource commitments are primary ASEAN complaints
  - Rhetoric does not match with corresponding action

# ASEAN Business and Investment Summit 2017



“The Act East policy of my government puts this region at the centre of our engagement. We have exceptionally good political and people-to-people relations with each and every country in the ASEAN region. We wish to bring our economic and business relations up to the same level.”