

## India-Thailand Security and Economic Co-operation and its Impacts on Regionalization

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### Abstract

Historically, relations between India and Thailand have always been dominated by economic co-operation and cultural exchange. However, since Indian Prime Minister Narendra Modi took office in May 2014 and the subsequent announcement of his 'Act East policy', not only is there intensifying co-operation of India with Thailand in general, but also a broadening of areas of collaboration. Most remarkable in this context is the new, strong focus of security-related issues as well as efforts to boost economic interaction. This article argues that India's increased interest in Thailand is a result of new international parameters, foremost of which is China's enhanced engagement in the Indian Ocean as well as the South China Sea. As such, it is stated that India-Thai relations must be understood in the wider context of New Delhi's attempt to define its new role in the larger Asia-Pacific region. Furthermore, India's recent deteriorating relations with Pakistan and the consequent negative impacts regarding regional connectivity towards 'the West' urges the country even more to reassess its foreign policy towards the South-East Asian region, among which Thailand is identified as a natural gateway. On the other side, Thailand increasingly appears to be identifying India as a priority access to the West. Against this backdrop, the intensification of India-Thailand relations could serve as a catalyst for more regional co-operation between South Asia and South-East Asia.



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## Genesis of India-Thailand relations

At the Fourth Foreign Office Consultations (FOC) in August 2016, India and Thailand reviewed the entire gamut of their bilateral relations in New Delhi. The consultations included not only the celebration in 2017 of the seventieth anniversary of diplomatic relations between both countries, but also talks regarding co-operation in economic, trade and investment, political, defence and security-related matters, connectivity and increasing people-to-people ties. This event must be seen as a continuation of a series of high-level visits conducted during past years leading to numerous new Memorandums of Understanding (MoUs) and other agreements. There are no doubts that these meetings are marking a peak in India-Thai relations, which have already undergone some extraordinary transitions in the past.

Indo-Thai relations can be traced back some 1,000 years ago, and their civilisations are linked in religious, linguistic, and socio-economic dimensions. “The anti-colonial movements provided an impetus for both South and South-East Asia to rediscover each other” (Grare and Mattoo 2001, p. 13), which created a growing impulse towards regional integration within Asia and, indeed, in the direction of a ‘Pan-Asianism’<sup>1</sup> phenomenon. Even before India gained independence, diplomatic relations between India and Thailand were established on 1 August 1947. Thailand was one of the first Asian countries to recognize and establish diplomatic relations with India (Chinwanno 2007). The first decade of the official relations between both countries can be described as “cordial and friendly” (Chinwanno 2008).

However, due to special historical circumstances and international trajectories – i.e., the British colonial intervention, and the Cold War and its ensuing global political divide – as well as the slow pace of growth of India’s economy, the historical (and natural) connectivity between India and South-East Asia was interrupted. As a result, relations between New Delhi and Bangkok cooled. The Cold War, in particular, turned out to be one of the major roadblocks between closer India-Thai relations.

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<sup>1</sup> For more information on ‘Pan-Asianism’ see S. K. Mitra, S.O. Wolf, and J. Schoettli, *A Political Economic and Political Dictionary of South Asia* (London: Routledge, 2006), pp. 144-146.

Bangkok decided to join the Southeast Asian Treaty Organisation (SEATO) in 1954,<sup>2</sup> a Western, United States-initiated, multilateral collective defence alliance, and switched later to a bilateral collective defence arrangement with the United States (Thanat-Rusk Joint Communique of 1962<sup>3</sup>). In contrast, India pursued an independent and active foreign policy of *Panchsheel*<sup>4</sup> (Five Principles of Peaceful Coexistence) and non-alignment. In 1961, India led the formation of the Non-Alignment Movement (NAM).

New Delhi interpreted its non-alignment initiative as a policy of avoiding ideological affiliations with either of the major power blocs during the Cold War. Nevertheless, non-alignment was not meant to be a position of neutrality; rather, it was an instrument of foreign policy to enhance India's manoeuvrability, particularly in securing foreign aid. This search for flexibility in its foreign policy, which can be seen in New Delhi's tilting towards the (former) Soviet Union, added much to the confusion in bilateral relations of India with other countries, especially with United States-allied South-East Asian States such as Thailand. Consequently, New Delhi and Bangkok took different positions on several severe issues, for example, the Korean War, Viet Nam War, Kampuchean Crisis<sup>5</sup> and the (former) Soviet occupation of Afghanistan. A "palpable chill in the relationship" (Num 2001, pp. 147-160; Reddy 2008, pp. 43-61) was the result.

By the mid-1960s, India had experienced a humiliating defeat by the Chinese in the Sino-Indian Border Conflict of 1962 and a war with Pakistan in 1965, prompting a rethink of Indian foreign policy (Mitra, Wolf & Schoettli 2006). One of the results of this reassessment was the 1971 Treaty of Peace, Friendship and Cooperation with the (former) Soviet Union to counterbalance the United States-Pakistan and Pakistan-China influence in South Asia. However, this formal bandwagon with the Soviet bloc had severe consequences for New Delhi's foreign policy as it resulted in a sharp division between an isolated pro-Soviet India and the South-East Asian countries belonging to the

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<sup>2</sup> In this context, it should be noted that Thailand decided to move away from SEATO about the non-intervention of the alliance in the 1961 Laotian crisis. See C. Chinwanno, *Thai-Indian Diplomatic Relations*, pp. 8-9.

<sup>3</sup> More specifically, in this agreement Washington confirmed "its security commitment and obligation to Thailand"; see C. Chinwanno, *Thai-Indian Diplomatic Relations*, pp. 8-9.

<sup>4</sup> For more details on *Panchsheel* see S. K. Mitra, S. O. Wolf, and J. Schoettli, *A Political Economic and Political Dictionary of South Asia* (London: Routledge, 2006), pp. 326-327.

<sup>5</sup> For example, when Viet Nam invaded Cambodia in 1979 and subsequently installed the Heng Sam-Hun Sen regime, New Delhi recognised the Viet Nam-backed Cambodian Government while Bangkok opposed it. See C. Chinwanno, *Thai-Indian Diplomatic Relations*, p. 8.

anti-communist, military alliance, SEATO. In sum, during the Cold War, New Delhi and Bangkok found themselves on opposite ‘sides’.

Furthermore, New Delhi was clearly not able to evolve a proactive, ‘realistic’ long-term policy beyond South Asia that was aimed at securing its own interests, in economic as well as security terms. New Delhi was recognised as an ambiguous actor in foreign policy, which was viewed as “one long saga of spineless policies” out of tune with the realities of international politics (Mattoo 2000). India also had to realise that its initial foreign policy, also known as “India’s exceptionalism” (Brewster 2012), which was based on the idealistic (and naïve) conception of an ‘Asian brotherhood’ that only focused on shared experiences of colonialism and cultural ties, was not enough to enforce regional co-operation and integration (Zhang 2006).

With the existing remarkably divergent world views and perceptions of national interests, there was not much that New Delhi could do to increase economic and political collaboration with South-East Asian States. Next to the preoccupation with arch-enemy Pakistan in the Kashmir issue, the 1962 Indo-China war and the inability to meet its development needs, this caused India to turn inwards, resulting in New Delhi having neither the political will nor the economic and military capabilities to play any crucial role in the South-East Asian region at that time.

Subsequently, Thailand did not receive any special attention in Indian foreign policy, and South-East Asia was a much-neglected region by Indian political decision-makers, foremost between 1958 to 1986. This period of India-Thai relations has been described as “cold and distant” (Chinwanno 2007).

The end of the Cold War initiated not only a shift in India’s strategic world-view but also a rapprochement with the United States (Nayar and Paul 2003). This led to a significant improvement in New Delhi’s relations with South-East Asian States (Devare 2006). India-Thai relations experienced a first remarkable improvement in substance and pace after the official visit of Rajiv Gandhi to Thailand in 1986, the first-ever made by an Indian prime minister. This visit was followed with an official visit by Prime Minister Chatchai Choonhavan in March 1989, the first

Thai prime minister to do so (Chinwanno 2007). Another milestone event was the visit of Indian Prime Minister Narasimha Rao to Thailand in April 1993 (Reddy 2008), which can be considered as the trigger for the initial formulation of India's 'Look East Policy' (LEP) and the precursor of Prime Minister Modi's 'Act East Policy' (AEP) (Mishra 2014). Since then, high-level visits have become a firm element of Thai-India diplomatic relations, and annual prime minister-level exchange visits were established in 2001.<sup>6</sup>

### **Push-and-pull factors of India's shift in foreign policy towards South-East Asia**

The following reasons can be viewed as push-and-pull factors for closer India-Thai relations.

First, after the decline of the communist bloc and the fragmentation of the (former) Soviet Union, India's strategic world-view was clearly shifting from 'idealistic moral-speak' to realpolitik. New Delhi was starting to reassess its foreign policy, leading to acquiring and exercising economic and to a certain extent military power. In this context, one must be aware that at the end of the Cold War, India stood bereft of its main political, economic and military partner, the former Soviet Union. India's omni-directional foreign approach and ambiguous non-alignment policy left it with few close friends, and these were not powerful ones. However, the end of the Cold War also ended the imposed political-ideological polarisation between India and South-East Asia.

This transformation was also reflected in a "positive strategic change" (Chinwanno 2004, pp. 190-205) within South-East Asia. With the (former) Soviet Union no longer posing a threat to the region – either directly or by proxy – and the India-Russia relationship shorn of its military quasi-alliance trappings, a more benign view of India in South-East Asia turned into political reality. Furthermore, Viet Nam was no longer perceived as a threat by Thailand, while the Cambodian crisis (1970-1979) and its aftermath lost its significance as a crucial determinant in Indian-South-East Asian relations. In consequence, New Delhi's failed foreign policies, and the resulting anxieties, motivated India's decision-makers to 'Look East' in search for friends (Acharya 2015).

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<sup>6</sup> With one exception; in 2006, due to political uncertainties in Thailand, no Prime Minister's visit took place. See L. Reddy, "Keynote speech", in *Thailand and India Relations: Partnership for Peace and Prosperity*, Corrine Phuangkasem, ed. (Bangkok: Thammasat University, 2008), p. 50.

Second, India's economic liberalisation and beginning of economic growth is another significant factor paving the way towards closer co-operation between India and Thailand. Until the early 1990s, India's insistence on a near-autarchic, inward-looking and over-regulated "mixed economy"<sup>7</sup> – also known as the "Licence Permit Raj system"<sup>8</sup> – made it increasingly irrelevant to a dynamic South-East Asia. Thailand, for example, had already achieved double-digit economic growth in the late 1980s (Chinwanno 2008). India's main and (more or less) sole objective after achieving independence from the United Kingdom was to attain self-sufficiency under a planned economic-administrative system. However, this policy led not only to what was generally called the "Hindu rate of growth" (Mitra, Wolf & Schoettli 2006, p. 163) – a low but steady annual economic growth rate of about 3.5 per cent – but also a growing fiscal deficit that reached 8.3 per cent of India's GDP during the Gulf War in 1991. As a result, during its first four decades, self-sufficiency remained an elusive vision, and the import-substitution attempts failed to yield the desired result. Instead, what became obvious was an economy slowed down by inefficiency, stagnation and poor performance.

When Prime Minister Rao assumed office in 1991, India was experiencing the most severe economic crisis since its independence with a dramatic decline in the country's foreign exchange reserves (which were nearly exhausted), a sharp downgrading of India's credit rating and a cut-off of foreign private lending. Rao and then finance minister Manmohan Singh, in co-operation with the International Monetary Fund (IMF) and the World Bank, implemented a broad stabilisation package including large-scale economic reforms as well as open embracement of globalisation and liberalisation (Reddy 2008).

Subsequently, the new Government was able to handle the external balance of payments problem as well as dismantle the bureaucratic control regime of the "Licence Permit Raj system" (Mitra, Wolf & Schoettli 2006, p. 163), and to allow free market forces to play a bigger role in India's economy. The balance of payments crisis, and the following economic paradigm shift and enthusiasm towards liberalisation, certainly proved to be one of the most significant catalysts in India's decision to open

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<sup>7</sup> For more information on "Mixed economy" see S. K. Mitra, S.O. Wolf, and J. Schoettli, *A Political Economic and Political Dictionary of South Asia* (London: Routledge, 2006), p. 210.

<sup>8</sup> For more information on "Licence permit Raj" (Regime) or "Licence Raj" see S. K. Mitra, S.O. Wolf, and J. Schoettli, *A Political Economic and Political Dictionary of South Asia* (London: Routledge, 2006), p. 210.

up to the world market, in which relations with the South-East Asian neighbourhood in general and Thailand in particular were seen as a crucial opportunity.

Third, each analysis of India's foreign policy remains incomplete as long as China is not taken into account. Ever since the Chinese invasion of Tibet and the following measures taken by China in 1959 to control dissent as well as the Sino-Indian Border War of 1962, Beijing and New Delhi have been strategic rivals not only in South Asia but also in South-East and East Asia. China is competing with India for influence in Bangladesh, Myanmar, Sri Lanka, Maldives, and the Himalayan States of Nepal and Bhutan. In order to contain or even to push back New Delhi's leverage in these countries, Beijing is using its large financial resources for infrastructural and industrial development projects. The projects are not only used to gain control over the economic transformations of the respective States but also to capitalise on increasing economic independence for geopolitical interests (Shams 14 November 2016).

In that context, the most remarkable example is the cultivation of close economic and military ties with Pakistan, India's neighbour and arch-enemy, with its current peak in the implementation of the China-Pakistan Economic Corridor (CPEC) (Wolf 2016) as part of Beijing's "One Belt, One Road" development initiative" (Ze 2015). The fact that this multi-US dollar infrastructure project will be partly implemented in the disputed territory of Gilgit-Baltistan, accompanied by a tremendous increase in China-Pakistan defence and security co-operation, is not only contributing to India-Pakistan disputes but also to suspicions with regard to Sino-India relations.

In addition, Beijing's ongoing diplomatic protection for Pakistani-based terrorists at multi-national forums, e.g., the United Nations, the BRICS summit<sup>9</sup> (Swami 2016), or the Heart of Asia Conference (Shams 4 December 2016) in December 2016, is creating further disillusion about substantial and comprehensive co-operation in South Asia. Therefore, it comes as no surprise that India identifies China's assertiveness in the Indian Ocean and the Asia-Pacific region as a challenge to its own national, especially security interests.

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<sup>9</sup> The latest BRICS summit took place in Xiamen, China in September 2017.

Fourth, besides India's own increasing interests in South-East Asia, there has been a clear call by Washington to New Delhi to adopt a stronger, more acting role in South-East Asia not only to face the increased activities of Beijing, which "has been muscling-in its way for decades", but also to "emerge as a net provider of security in this vital region" (Kapila 2016). This approach is gaining significance due to the recently announced major change in the foreign policy of the Philippines by President Rodrigo Duterte. Specifically, he was calling for an economic and military separation from the United States in favour of a realignment with China (The Telegraph 2016).

Although the rapprochement between Beijing and Manila has helped to reduce tensions in the disputed South China Sea, in the long term it might have severe consequences as: (a) it will determine a major shift in the regional balance of power; (b) it has the potential to contribute to the erosion of the United States hegemony in the Asia-Pacific region; and (c) it may weaken the United States alliance system aimed at counterbalancing China's growing maritime power (Perlez 2016). However, this would also lead to growing strategic congruency of New Delhi with Washington. Additionally, it would create further security interests between India and Japan, Viet Nam and Australia, which are carefully watching China's assertiveness in the whole India-Asia-Pacific region. Beijing's policy of seeding the South China Sea with artificial islands and military installations is raising massive concerns (Cohen 2016). Subsequently, the above-mentioned push-and-pull factors are pointing towards a tremendous new opportunity for more strategic co-operation between India and South-East Asian countries. There is no doubt "India would be expected to play a significant role (in) upholding the security and stability of the region" (Kapila 2016). Today, "India has now singled out Thailand as a top strategic asset, ahead of Singapore" (Chongkittavorn 2013). Subsequently, numerous academics and diplomats are stating that New Delhi is recognising Thailand as a "natural gateway" (Shankar 2014) to the whole of the South-East Asian subregion, such as into ASEAN as well as the Asia-Pacific region, while Bangkok sees India as a gateway to the West.

### **South and South-East Asian relations: From 'Look East' to 'Act East'**

During the past 15 years, the term 'Look East' has been used as the buzzword to describe India's interaction with South-East Asia. The broader 'Look East' policy context was given an initial thrust



with then Prime Minister Narasimha Rao in the early 1990s. After visiting various ASEAN members, in 1992 India became an important dialogue partner of this regional organisation. The 'Look East' policy was first formally articulated by Prime Minister Rao, in his 1994 Singapore address (Muni 2011), and subsequently further developed and enacted during the Government of Prime Minister Atal Bihari Vajpayee.

Launched after the collapse of the (former) Soviet Union and in moving away from Cold War-era policies, India's strategy focused on two primary objectives. First, it was aimed at determining India's position as a regional power in 'Southern Asia', comprised of South Asia as well as South-East Asia. In this context, the 'Look East' policy was "an attempt to carve a place for India in the larger Asia-Pacific". Second, its objective was to contain and/or act as a counterweight to China's influence, particularly in South-East Asia. In order to achieve these goals, New Delhi started to forge closer economic and commercial ties with its eastern 'neighbourhood' in order to create and expand regional markets for trade, investments and industrial development. Furthermore, India was interested in increasing strategic and security co-operation with South-East Asian countries. This included issues such as "energy security and development needs, counter-terrorism, maritime security, combating militant Islamic fundamentalism (Jihadism) as well as stabilizing and developing of India's periphery" (Bajpae 2007), foremost its 'north-eastern States'.

However, it must be emphasised that India made extensive use of the 'cultural argument' as a reason for closer co-operation with South Asian States. Large sections of India's political elite were convinced that close cultural affinity – especially originating from the notion that it was the birthplace of Buddhism, which would automatically move India to the centre of 'Asian culture' – would help the country in building up a good working relationship with the people of South-East Asia. However, India ignored the fact that its cultural approach could be also identified as a kind of 'cultural expansionism' to ensure national interests. Consequently, this culturally dominated and India-centric 'Look East' provoked fears and suspicions among South-East Asian's foreign policy circles. Furthermore, India's foreign policy decision-makers were still unwilling or unable to break totally with the patterns of the past; as a result, the outcomes of the 'Look East' policy remained quite limited. Thus, it did not come as a surprise when India's application for membership in the

ASEAN Regional Forum (ARF) was turned down in 1994, because South-East and East Asian countries were convinced that New Delhi “did not have much to contribute to the regional security equilibrium” (Mishra 2014). However, some successes were achieved, for example: India became a sectoral partner of ASEAN in 1992, and a dialogue partner and member of the ASEAN Regional Forum in 1996; ASEAN and India entered into a summit partnership in 2002; and launched negotiations for a free trade agreement (FTA) in goods in 2003, which was finally agreed in 2009 (Sajjanhar 2016).

Today, India-Thailand relations have finally begun experiencing a necessary and critical juncture in the road to meaningful and substantial co-operation since Indian Prime Minister Modi took office in 2014. Mr. Modi used the twelfth ASEAN-India Summit and ninth East Asia Summit in Myanmar in November 2014 to unveil India’s new ‘Act East’ policy (Parameswaran 17 November 2014; Ministry of External Affairs 8 September 2016). The new mantra of New Delhi foreign policy will be the change from ‘Looking East’ to ‘Acting East’. The term ‘Act East’ was first popularised by then United States Secretary of State Hillary Clinton in a speech on “A Vision for the 21st Century” during her visit to India in July 2011, when she encouraged New Delhi “not just to look East, but to engage East and act East” (United States Department of State 2011).

This vision of United States-India co-operation and the need for India to ‘Act East’ was further manifested in a United States-India Joint Statement: “Noting India’s ‘Act East’ policy and the United States’ rebalance to Asia, the leaders committed to work more closely with other Asia-Pacific countries through consultations, dialogue and joint exercises”. They underlined the importance of their trilateral dialogue with Japan and decided to explore holding this dialogue among their Foreign Ministers (The White House 2014). By implementing this approach, New Delhi “is not only striving to engage ASEAN members, but also the countries of the wider Asia-Pacific region in political, strategic, cultural, and economic domains” (Mishra 2014). This offers a variety of opportunities for contemporary and future co-operation, which are briefly outlined in the following section.

## *Economic perspective of India-Thailand relations*

Due to the impacts of the long-lasting Cold War, Bangkok ignored India for a long time, despite repeated overtures by New Delhi and the private sector (Chongkittavorn 2013). Nevertheless, India has since become the most important trade partner of Thailand in the South Asian region. India's economic and commercial relations with Thailand are rooted in history and extensive people-to-people contacts (Embassy of India 2016). The latter finds its expression in the fact that, in addition to bilateral economic co-operation, the Indian community in Thailand contributes actively to the economic life in Thailand (Shankar 2014).

Therefore, economic co-operation has always been a key element in India-Thai relations, with tremendous benefits for both countries. In this context, India's LEP (now AEP) and Thailand's 'Look West' policy (since 1996) have been complementary in consolidating bilateral relations (Embassy of India 2016) and "instrumental in bridging mutual understanding" (Chirathivat and Cheewatrakoolpong 2015). Being the second largest economy in ASEAN and the Greater Mekong Subregion, Thailand offers many opportunities for mutual economic engagements (Embassy of India 2016). India's new 'Act East' policy combined with Prime Minister Modi's economic and investment programmes are effective instruments in creating manoeuvrability and strategic space for utilising the great potential of economic and commercial linkages between India and Thailand. These programmes include 'Make in India', 'Skill India', 'Digital India', promoting energy security, creating infrastructure and building 'smart cities' (Sajjanhar 2016).

Subsequently, Bangkok and New Delhi have witnessed rapid intensification of economic interaction. For example, investments by Indian and Thai companies in each other's countries have been growing in recent times.<sup>10</sup> Furthermore, bilateral trade has grown significantly, having multiplied more than four times between 2004 and 2014, i.e., from US\$ 2.05 billion to US\$ 8.65 billion (Royal Thai Embassy 2016). A significant factor has been the implementation of the Early Harvest Scheme under the Framework Agreement for Establishing a Free Trade Area between

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<sup>10</sup> For example, the "investment from Thailand in India has grown from US\$ 23.72 million (2014) to US\$ 24.30 million (2015)" (Embassy of India 2016).

Thailand and India, which was signed on 9 October 2003. In this context, the ASEAN–India Free Trade Agreement (ASEAN-India FTA), signed in 2009 gave an additional boost.

However, in addition to trade, commerce, investment, and more specific areas like tourism, information technology, pharmaceuticals, auto components and machinery, India is very keen to improve infrastructure connectivity as an area of priority for India’s development. In this regard, major projects are in New Delhi’s focus, e.g., the construction of the India-Myanmar-Thailand Trilateral Highway, which will connect Mae Sot (northern Thailand) to Yangon and Mandalay (Myanmar) and Moreh (India). Improved cross-border connectivity through the implementation of the trilateral highway project will not only help India’s north-eastern States but also Myanmar and northern Thailand. Additionally, through further infrastructure connectivity projects – e.g., India’s Mumbai-Delhi Economic Corridor, the Amritsar-Delhi-Kolkata Corridor and the East West Economic Corridor in South-East Asia – regional integration and collaboration within and between the South and South-East Asian regions will gain tremendously regarding trade, commerce, tourism and people-to-people exchange. As such, increased connectivity between Thailand and India will be essential for literally bridging the whole of South Asia.

### *Security perspective of India-Thailand relations*

For several years, India and Thailand have been also enhancing their co-operation in the field of security (Ministry of External Affairs 17 June 2016). New Delhi and Bangkok already have a series of bilateral defence co-operation actions in place, including regular joint exercises, training of officers and dialogue at various levels as outlined in the MoU on defence co-operation in January 2012 (Parameswaran 9 February 2016). This defence co-operation gained further impetus through recent high-level visits such as the one by Ajit Doval, National Security Adviser to Indian Prime Minister Narendra Modi, to Prime Minister Prayuth Chan-o-cha and Defence Minister Prawit Wongsuwon among other top Thai officials in 2015 and the visit of Thai military top brass to India in 2016.

Another significant development is the establishment of an ad hoc working group on Thailand-India’s co-operation in security, and judicial and legal affairs as well as marine co-operation

emphasising the need for closer collaboration between both countries in counter-terrorism and development of each country's national defence industry (Royal Thai Government 2016). In sum, New Delhi and Bangkok are increasingly working together in numerous security-related areas. In the recent bilateral high-level meetings, New Delhi and Bangkok identified several other areas of potential security co-operation, for example, defence production, security of international sea lanes of communication and commerce, piracy, counter-terrorism and human trafficking (Parameswaran 7 April 2015). Some of them are explained in more detail below.

### *Maritime security co-operation*

India and Thailand share a nearly 1,000-kilometre common maritime border in the Andaman Sea. Through the high degree of dependence of the two countries on sea-based trade and the emerging asymmetric challenges in the maritime domain (Ministry of External Affairs 25 July 2015; Chongkittavorn 2013), both New Delhi and Bangkok unsurprisingly identify maritime security as “a key component of the bilateral defence relationship and has been a particular focus of the two sides over the past few years” (Parameswaran 9 February 2016). More specific areas for collaboration are “exchange of white shipping information to complement each other's Maritime Domain Awareness, a greater degree of co-ordinated patrols and anti-piracy as areas of immediate importance as well as exploring the possibility of co-operation in hydrographic surveys” (Ministry of External Affairs 25 July 2015; Chongkittavorn 2013).

There have also been regular exchanges of ‘goodwill visits’, and both countries hold naval exercises in the Andaman Sea (Parameswaran 9 February 2016) or have taken part in multilateral maritime exercises such as joint co-ordinated patrols in the Bay of Bengal at the mouth of the Strait of Malacca. Based on Thailand's support, India was invited to take part as an ‘observer plus’ country in Cobra Gold, the Asia-Pacific's largest annual multinational military exercise (Peri 2016). In addition to co-operation in maritime security in general, the navies of India and Thailand are enhancing their common engagement “through joint naval exercises to help curb piracy and other forms of seaborne transnational crimes” (Chongkittavorn 2013).

## *Defence industry collaboration*

India's defence industry collaboration with Thailand is also on the upswing, and both countries are increasingly working on the development of a roadmap for more defence co-operation (Ministry of External Affairs 25 July 2015). "One of the interesting areas that has been discussed for years is defence industry collaboration, with Thailand expressing interest in India's defence industry to meet some of its needs" (Parameswaran 7 April 2015). An already identified example of bilateral co-operation is the area of ship-building and ship construction projects. In this context, Thailand has started to focus on the build-up of its own defence industry to substitute large arms imports and become militarily self-reliant (Chingchit 2015).

## *Transnational crime*

Transnational crime is another area where the foundation for collaboration is already firmly in place, including related treaties on extradition and legal assistance (Parameswaran 7 April 2015). In this context, a landmark step was taken in May 2013 with the signing of two MoUs providing for a legal structure to the extradition process between India and Thailand. One MoU is a Treaty on Extradition, setting up a legal basis for seeking the extradition of fugitives, including those involved in terrorism, transnational crimes and economic offences. After two decades of negotiations, India and Thailand will finally have a structured legal framework to extradite the criminals whose trials are pending in their respective countries (Bhattacharjee 2013). The second treaty is between the Financial Intelligence Unit (India) and the Anti-Money laundering Organisation (Thailand) on co-operation in the exchange of intelligence related to money laundering and terrorism financing (Bhattacharjee 2013).

## **Conclusion**

Based on the assessment of the genesis and level of India-Thailand relations as outlined above, the following concluding statements can be made.

India's new 'Act East' policy must be understood as a serious attempt to find a foreign policy that is matched to the country's economic and security needs, embedded in pragmatism and shared interests with partners, and beyond any ideological border. In the past, due to complex reasons, New

Delhi was clearly not able to evolve a proactive, ‘realistic’ long-term policy aimed at safeguarding its own interests, especially regarding security beyond South Asia. As such, ‘Act East’ policy and the recent strengthening of India-Thailand relations must be seen as a continuation of a transformation process of the traditional, post-colonial perception of India’s own role both in the regional and the international environment. This process is favoured because Thailand and other South-East Asian States are increasingly accommodating India’s rising profile and increasing presence in South-East Asia into the subregion’s strategic calculus (Mohan 2008), leading to more co-operation with New Delhi. However, in order to maintain this momentum, India has to understand that its new ‘Act East’ policy must be followed by tangible actions. Otherwise, critics will question the credibility and sustainability of India’s role as a major balancing power in the Asia-Pacific region.

Despite the increasing level of co-operation during the past few years, traditional and non-traditional security dimension in India-Thai relations remain underdeveloped compared to economic and cultural interaction as well as defence co-operation with other South-East Asian nations such as Viet-Nam or Singapore (Parameswaran 7 April 2015; Chingchit 2015). In this context, there are severe deficiencies in defence diplomacy in India-Thai relations. The fact that New Delhi and Bangkok needed five years to sign a general defence agreement can be seen as an indication of that particular problem (Chingchit 2015). However, in addition to the new emphasis on security and defence-related aspects of Thai-India relations, the improvement of physical connectivity – e.g., through the trilateral highway project – is essential for India to be able to play a greater role in mainland South-East Asia.

India-Thailand relations will work as a catalyst connecting South Asia and South-East Asia. In this context, the importance of Thailand’s contribution to India’s integration into South-East Asian and East Asian regimes, and co-operative efforts on the subregional level, such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation and the Mekong-Ganga Cooperation (Chirathivat and Cheewatrakoolpong 2015).

Bangkok also needs to rebalance its international relations, especially with regard to China and the United States. This will be more challenging if the region experiences a further increase of tensions in the South China Sea between the United States and China. More specifically, maintaining the image of being a ‘neutral state’, co-operation with all countries in the extended region might become more difficult for Thailand. The current reshuffling of formal alliances or quasi-alliances worldwide is making the situation even more complex, especially in maritime East Asia and South-East Asia.

The India-United States rapprochement is just one facet of the increasingly intricate multi-polar world. The recent anti-United States stand by the Philippines Prime Minister Rodrigo Duterte or the China-United States diplomatic row in the aftermath of a phone call discussion between Taiwanese President Tsai Ing-wen and the then US President-elect Donald Trump not only point to the ongoing tectonic shifts in Asia’s great-power relations within the region, but also highlight potential fissures within ASEAN. Against this backdrop, the strengthening of India-Thailand ties could contribute to balancing relations in the Indian Ocean and Asia Pacific regions. The most crucial determinant, however, is a comprehensive reassessment of respective relations of New Delhi and Bangkok with Beijing.

To sum up, taking the recent years into account, it can be stated that India-Thai relations have made substantial progress in extending and deepening co-operation. Increasing common interests, especially with regard to security-related matters, combined with a new strong political will in New Delhi as well as Bangkok, have paved the way for the improvement of infrastructural, economic, political and people-to-people connectivity. This is gaining significance because at the moment it appears that larger co-operative efforts and regimes of global importance are hampering regional co-operation rather than promoting it.

The last meetings of G20 and the BRICS members (Brazil, Russian Federation, India, China and South Africa) exemplify the ineffectiveness of such platforms in addressing challenges when they are blocked by tensions between some member states. In consequence, the significance of constructive bilateral relations in establishing sustainable regional stability and greater harmony is



gaining prominence today. In this context, India-Thailand relations can offer much when the decision makers in both countries are able to take advantage of the tremendous potential for co-operation by transforming their joint interests into co-operative action.

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