

Growing interconnections between India and ASEAN-10

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This essay appreciates existing trade and collaboration between India and South East Asian Nations which are happening through the operation of Indian MNCs and explores the depth of economic connections between India and South East Asian nations which are rooted from the trade India-ASEAN-10 Trade. At last, author delved the multipronged tendencies of South East Asian countries for establishing economic relation through their MNCs and FDIs in Indian business and cultural hotspot to explain the new regional dynamics of New ASEAN.

India's relations with the countries of South East Asia have traditionally been close and warm as we share the common historical and cultural legacy. After the end of cold war and since introduction of economic reforms in India, there has been renewed vigour in the relationship of India with the countries of South East Asian region. India's Look East policy and country's potential as a major market have contributed significantly toward expanding and diversifying India's relations with the ASEAN region. The closeness of relationship is reflected in the regular exchange of high level visits, like, the visits of Presidents of Vietnam (Dec. 1st to 5th 1999), the visit of the PM Singapore (January 2000), the president of Indonesia (Feb, 2000), and the PM of Cambodia (Feb, 2000) to India, Joint Commission meeting with Vietnam and Laos and the foreign office consultations with the Philippines, Indonesia, and Australia.

India became ASEAN's Sectoral dialogue partner in 1992 and full Dialogue Partner as well as a member of the ASEAN Regional Forum (ARF) in 1996. The growing ties with ASEAN have further developed in the recent years. The dialogue partnership ASEAN has enabled India to significantly broaden and diversify its relationship with the ASEAN member countries. The ASEAN member countries have recognized the positive role that India can

play in maintaining peace and stability in the region.

Currently, India is closely collaborating with South East Asian Countries in various fields such as trade and investment, Science and Technology, tourism, human resource and infrastructure development. India expected to intensify such linkages further. Through the institutions of dialogue partnership with ASEAN, attempts were being made to identify the areas for focus interaction, including formulation of concrete work programmes and action plan.

The total bilateral trade between India and the ASEAN countries had increased from about US\$ 2.5 billion in 1993-1994 to US\$ 5.98bn in 1997-98 and \$5.36bn in 1998-99. With the regional economic crisis having bottomed out, India hopes to increase trade both in terms of quantity and value with the ASEAN countries and also enhanced investment.

The interconnections, till 1998, between India and South East Asian nations have already become a history before a decade. What happened during last the decade 1998-2008? To explore, let us, first, appreciate the trade and collaborations between India and South East Asian Nations during the last decade (from 1998-2008). In second, let us look into the operations of Indian MNCs and operation of South East Asian MNCs in Indian business and cultural hotspot.

Trade during 1988-08:

Export from India to ASEAN:

Overall export from the India to the ASEAN-10 is revealing a picture of gradual growth along with timeline (Fig. 1). India's export to the ASEAN-10 is reaching to the large exporting and undersized exporting countries. The large importing countries are those countries which are importing more than the value of 100.00\$ million during the referred period, they are Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. The second group of countries are undersized importing countries, they are Brunei, Cambodia, Lao-PDR whose export value are less than 100.00\$ million during more than five consecutive years of any part of the decade. From Table 1 (in appendix), all the large importing countries showed the continuous import growth from

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