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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Special Report

India's Policies Toward Southeast Asia

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State Department review completed

No 746

7 February 1969

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Approved For Release 2006/03/16 : CIA-RDP79-00927A006900020003-4

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INDIA'S POLICIES TOWARD SOUTHEAST ASIA

India believes it has a vital security interest in the future of Southeast Asia and is searching for the means to influence events in the area. With the primary objective of restraining Communist China's aggressive ambitions, New Delhi seeks to contribute toward the development of viable economies and representative governments capable of warding off all forms of foreign intervention. India tentatively envisions the emergence of a regional grouping of economically interdependent countries whose neutrality would be guaranteed by formal agreement among all the major powers.

Motivated largely by an increasing concern over the threat of Chinese-aided "struggles for national liberation" in both India and Southeast Asia, Indian officials in 1968 laid the groundwork for an expanded role in the area, to which New Delhi had previously accorded relatively little attention. This unusual burst of Indian initiative faces numerous obstacles, however, including resistance within the countries themselves, opposition from the USSR, competition from the Japanese, and the severe limitations of India's resources. Nevertheless, New Delhi is likely to persist in modest efforts to achieve closer trade and cultural relations with its eastern neighbors, though such moves will at best have only a marginal bearing on accelerating economic development and strengthening the ability of Southeast Asia to defend itself against subversion.



*Chandikeshvara, a Shivaite saint.
Dravidian bronze, 13th-14th cent.*

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BACKGROUND

India's present preoccupation with its national security is rooted in the magnitude and success of China's offensive in the Sino-Indian border war of 1962. This humiliating blow forced India to adopt a more realistic view of world affairs and to recognize that moral suasion is no substitute for military strength. In the last two years of his life, Prime Minister Nehru sought to bolster India's defenses with military assistance from East and West, while, disillusioned and aging, he witnessed the decline of India's influence as an international mediator, leader of the Afro-Asian world, and a moral force that had discounted military power.

The blossoming of Sino-Pakistani relations after 1962 added urgency to India's efforts to equip itself against the possibilities of aggression from its two hostile neighbors. The Indo-Pakistani war in 1965 and the threat of further Chinese aggression at that time caused India to abandon any remaining complacency from the Nehru era and to seek new answers to the vital problem of national security.

CHANGING NATURE OF THE THREAT

The Indian Government has been coming around to the view that the immediate Chinese threat to India lies in subversion via "struggles for national liberation" within India and in neighboring regions, rather than in a frontal military assault in the 1962 manner. Chinese support for insurrection in Thailand and Burma, the apparent evidence of Chinese assistance in training and arming rebellious tribal groups in eastern India, and indications of Chinese support for Communist extremist movements in several Indian states have dramatized the proximity and immediacy of the threat.

New Delhi, groping for a means to meet these situations, is faced with a number of puz-

zling factors and a sense of isolation. The American experience in Vietnam has raised doubts about the most effective method of curbing subversion, and the prolongation of the Vietnam conflict has clearly demonstrated to New Delhi that modern military power does not constitute an absolute deterrent. Whether force is relevant or not, India's confidence also has been shaken by doubts that it can count on guaranteed assistance from the major powers. A US embargo on the direct sale of lethal weapons to the subcontinent has been in effect since the Indo-Pakistani war in 1965, and the Indians are not optimistic it will soon be revoked. In addition, Indian press accounts have given widespread coverage to sharp cutbacks in US economic aid to India as well as to popular and governmental disillusionment in the US with American involvement on the Asian mainland. Although the USSR appears likely to continue supporting Indian interests against China, India's confidence in the automatic reliability of Soviet support has been weakened by Moscow's willingness to sell arms to Pakistan and by several rounds of difficult Indo-USSR negotiations in 1968.

The Sino-Indian debacle in 1962 clearly pointed out to India that its espousal of nonalignment provided no assurance of support from its like-minded Afro-Asian friends. Instead of rallying behind India, they applied the policy of non-alignment to the conflict and urged negotiations between India and China. This disappointing response led India to question seriously the value of continuing to woo these countries. In recent months, New Delhi has responded to Tito's proposed 1969 nonaligned conference with, at most, lukewarm enthusiasm.

India's political climate today is amenable to some reorientation in foreign policy for other reasons. There is again a discernible mood of assertiveness in New Delhi—not unlike the early

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years of Nehru's leadership—but this time coupled with growing nationalism and a feeling that India should seek an enhanced international role commensurate with its size and potential. Indian intellectuals and politicians urge a more pragmatic, self-reliant line in foreign policy that would render India less vulnerable to pressure from the major powers. The ultranationalistic Jan Sangh party, a small but gradually expanding opposition to the ruling Congress Party, vigorously espouses the resurgence of traditional Hindu values and stresses their relevance to government policies. Hindu nationalists, in particular, would see special merit in greater Indian interest in Southeast Asia based on the historic Hindu cultural links with the area.

HISTORIC TIES

History does indeed verify India's significant contributions to the cultural heritage of Southeast Asia and India's imprint is evident even

today. During the first 13 centuries of the Christian era, Indian commercial and cultural influence had a profound impact throughout Southeast Asia—except in Vietnam, where Chinese culture took precedence, and in the Philippines. Indian merchants, Hindu priests, and Buddhist monks, only rarely motivated by political concerns, played a vital role in the development of Indianized states capable of organizing large maritime empires and of constructing such architectural masterpieces as the 8th century Borobudur Buddhist monument in central Java and the 12th century temple of Angkor Wat in Cambodia. Indian historians proudly refer to Southeast Asia as "Greater India," and quickly point out that unlike China, India has no record of political conquest in any part of the area.

EXISTING RELATIONS

With varying degrees of cordiality, India today enjoys good relations with each Southeast



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Central Temple at Angkor Wat

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Asian government. The Indonesian independence struggle was the first anticolonial cause championed by independent India. Indo-Indonesian relations until the end of the fifties were extremely close and, following a period of strain between 1962-66, they are again growing cordial. New Delhi nevertheless probably regards Singapore and Malaysia as its two most reliable friends in the area. Malaysia was the only Asian state to give India its wholehearted support in the Sino-Indian border dispute; Singapore has been the most receptive to Indian overtures for an expanded regional role. India's relations with the Philippines have traditionally been less close, and have stretched further apart since India reiterated its support for Malaysia in the Sabah dispute. Thailand's close association with the US has caused the government in Bangkok to be viewed with some scorn and suspicion by the Indians, while Cambodia's avowed policy of neutrality has helped to cement Indo-Cambodian friendship.

New Delhi tends to view northern Burma as an extension of its own military frontier against China, and fears that the Burmese are not equipped to counter Chinese-supported insurgency in that region. Because of Burma's policy of isolation, it has cooperated only informally with India in efforts to control insurgency and infiltration along the Burma-Indian border. At times, the Burmese appear to be slightly more responsive to India's proposals for closer relations, but Rangoon will continue to give first priority to avoiding any action that Peking could see as provocative.

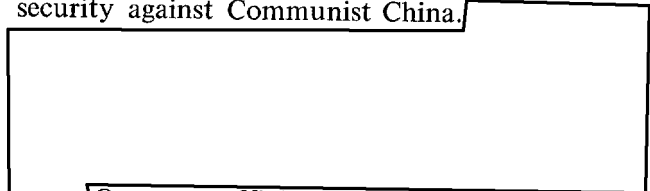
Nehru supported Indochina's struggle for independence, and since 1954 India has been directly involved in Vietnam by virtue of its chairmanship of the International Control Commission, (ICC), a tripartite (India, Poland, Canada) body charged by the Geneva Conference in 1954 to supervise the truce in Indochina. India's tolera-

tion of Poland's obstructionism has been largely responsible for the ICC's inability to function effectively in Laos, Cambodia, or Vietnam. New Delhi favors a political settlement on the Geneva model and the withdrawal of foreign troops from Southeast Asia. 25X1



PLANS FOR AN EXPANDED INDIAN ROLE

In the early sixties India recognized with considerable reluctance that greater involvement in Southeast Asia—and to a degree, the security of all of east Asia—hinged on a closer relationship with Japan. This realization led to the establishment of annual Indo-Japanese discussions of economic-political questions in which they shared a common interest. At the third session in 1968, the Indians were more forthcoming than previously in indicating their desire to strengthen relations with eastern Asia, both to achieve greater economic cooperation and as a measure of security against Communist China. 25X1



On an unofficial level, Indo-Japanese economic talks in New Delhi last November represented an important positive development in India's growing trade relationship with Japan, marking the encouraging start of a meaningful economic dialogue.

The Indian foreign minister has made two trips to Southeast Asia in recent years, during which there was some talk of regional cooperation. Prime Minister Indira Gandhi's visit in April-May 1968 to Malaysia, Singapore, Australia,

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and New Zealand was the first by an Indian prime minister to those countries, except for Nehru's brief stopover in Singapore in 1955. Nehru's visits to other countries in the region were connected with activities of the nonaligned bloc, and were aimed at enlisting Asian support for a "third force" grouping of uncommitted, anticolonial nations to balance the Communist and Western blocs. Nehru's successor, Prime Minister Shastri, began to focus Indian attention on the area, but during his brief tenure was able to visit only Rangoon.

Mrs. Gandhi's tour was primarily a goodwill mission intended to foster a friendly view of India and to manifest India's interest in expanding its relations with the nations in the area. Notable among the bland generalities that characterized her speeches was the indication that India was interested in participating in some form of broad regional economic cooperation. She had no precisely defined machinery to propose and her remarks were typically lacking in clarity. The message that came forth with considerable force, however, was her concern for the security of Southeast Asia. To deal with this problem, Mrs. Gandhi offered her usual formula based on nationalism, mutual economic help, and economic strength.

By July, Indian officials were ready to solicit a US reaction to their proposal for an expanded role in Southeast Asia. At the first of projected annual Indo-US talks, the Indians proposed that they promote a regional group whose neutrality and security would be guaranteed by an agreement among all the major powers. External economic assistance was considered vital, but they felt it should be channeled through multilateral organizations such as the Asian Development Bank, although they did not rule out bilateral arrangements. The Indian plan was lacking in specifics but reflected New Delhi's traditional

aversion to military alliances and involvement in military and political blocs. The Indians made it equally clear, however, that they favored the continuation of a US presence, at least politically and economically. On several occasions, the Soviets have expressed disapproval of the formation of, and Indian participation in, any institutionalized cooperative arrangement in Southeast Asia other than ECAFE, the UN's principal vehicle for economic development in Asia. Nevertheless, the Indians appear hopeful that Moscow will not object, and may even accede, to efforts aimed at curbing China and promoting economic development in Southeast Asia.

India's concentrated efforts in 1968 to map out a new policy were climaxed in December by an unusual conference of all India's envoys in the Far East and Southeast Asia who were summoned to New Delhi to evaluate current policies. It appears that the driving force behind this initiative, and probably much of the recent effort to activate India's foreign policy, is the recently promoted foreign secretary, T. N. Kaul. Kaul, an ambitious [redacted] Kashmiri Brahman

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T. N. Kaul, High Commissioner

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related to the Nehru family, has energetically and persistently sought a mediatory role for India in resolving the Vietnam conflict and has injected an element of aggressiveness into the usually apathetic Foreign Ministry.

No cohesive policy has yet emerged and it appears that India's primary emphasis for the present will be on cultivating a more favorable image of India in the area. Indian officials can be expected to increase their efforts for expanded trade agreements and to work for the creation of an atmosphere conducive to future multilateral arrangements.

AREAS OF POTENTIAL EXPANSION

The potential for an expanded Indian role is tightly circumscribed by the limits of India's resources. India's one-million-man army—fourth largest in the world—is committed to the defense of its borders with Pakistan and China, and the Indians are far from convinced they yet have the ability to defend their own frontiers. Even if Indian self-confidence continues to grow, domestic political opposition makes it extremely unlikely that India would agree to any alliance that would require it to send sizable forces to Southeast Asia or to run the implicit risk of nuclear retaliation from China.

In terms of economic assistance, India has little to offer. India's "massive aid" to Singapore in 1967 consisted of one trainer aircraft and 80 ceremonial horses—the latter never arrived, reportedly because India subsequently indicated it expected reimbursement. Among India's few government-to-government loans is a 100 million rupee (\$13.3 million) credit to Indonesia to finance the purchase of Indian goods, but such credit arrangements will of necessity be extremely few.

Far greater potential lies in trade and economic collaboration. A major weakness in India's

economic development has been its lack of success in expanding exports, and Southeast Asia is viewed as a promising market. India is particularly interested in exporting manufactured items—bicycles, flashlight batteries, tires, light machine tools—and supplying capital equipment for manufacturing plants and construction projects. Joint ventures are also favored.

In December, New Delhi signed its first trade agreement with Thailand, and also sanctioned a private Indian firm's project to establish a joint-venture steel rerolling plant in Thailand using Indian steel and technical expertise. An Indo-Malaysian corporation recently began manufacturing steel furniture in Malaysia, and negotiations are under way for joint enterprises to produce chemicals and electrical appliances such as sewing machines and fans. Such products will, however, meet stiff competition from preferred Japanese consumer exports, which are rapidly permeating Asian markets.

The exchange of technical assistance is a more immediately feasible area of expansion. As a member of the Colombo Plan since its inception in 1950, India has made substantial contributions to regional economic development through the services of Indian experts and training facilities in India. On a bilateral basis, India has agreed to provide training for a large number of Malaysians in agriculture, forestry, horticulture, accounting, medicine, engineering and pharmacy, as well as in Indian defense academies. After a ten-year hiatus, Burma has resumed sending a few military officers to Indian military schools. Similar programs of small dimensions will probably be extended to other countries in the future.

India is a member of the Asian Development Bank and plays a major role in ECAFE. It welcomed the formation last December of a Council of Asian Economic Ministers in the ECAFE region for the purpose of adopting and

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implementing Asian economic projects and programs in the fields of intraregional investment, payments arrangements, preferential trade exchanges, transportation, and communications. There is growing favor in India, moreover, for organizations with purely Asian membership.

Two modest advances in exclusively Asian regional cooperation recently came to fruition in India's agreement with six Southeast Asian countries to establish the Asian Coconut Community to improve coconut production and marketing, and in plans to set up a committee for coordination of offshore prospecting for mineral resources in the Indian Ocean. There is no evidence that India has sought membership in two other recently formed regional groupings, the Asian and Pacific Council or the association for Southeast Asian Nations, which have political or military implications.

HINDRANCES TO EXPANSION

A number of factors will significantly inhibit India's efforts to expand its relations eastward. Perhaps the most serious obstacle it must face is opposition from within the Southeast Asian region, largely a result of the very real fear that India's participation in regional affairs would lead to Indian domination. Throughout Southeast Asia, nationalist leaderships are alert to the slightest suggestions of "neocolonial" economic domination and maintain a vigilant guard against what are regarded as excessive foreign inroads.

Indonesia is particularly wary of Indian ambitions. It views India's potential for wielding an overbearing influence as a threat to what Djakarta regards as its own rightful leadership role in Southeast Asia. In addition, the continuing presence of Western forces in the area reduces the urgency that Indonesia and others might feel to establish alliances against Chinese expansionism.

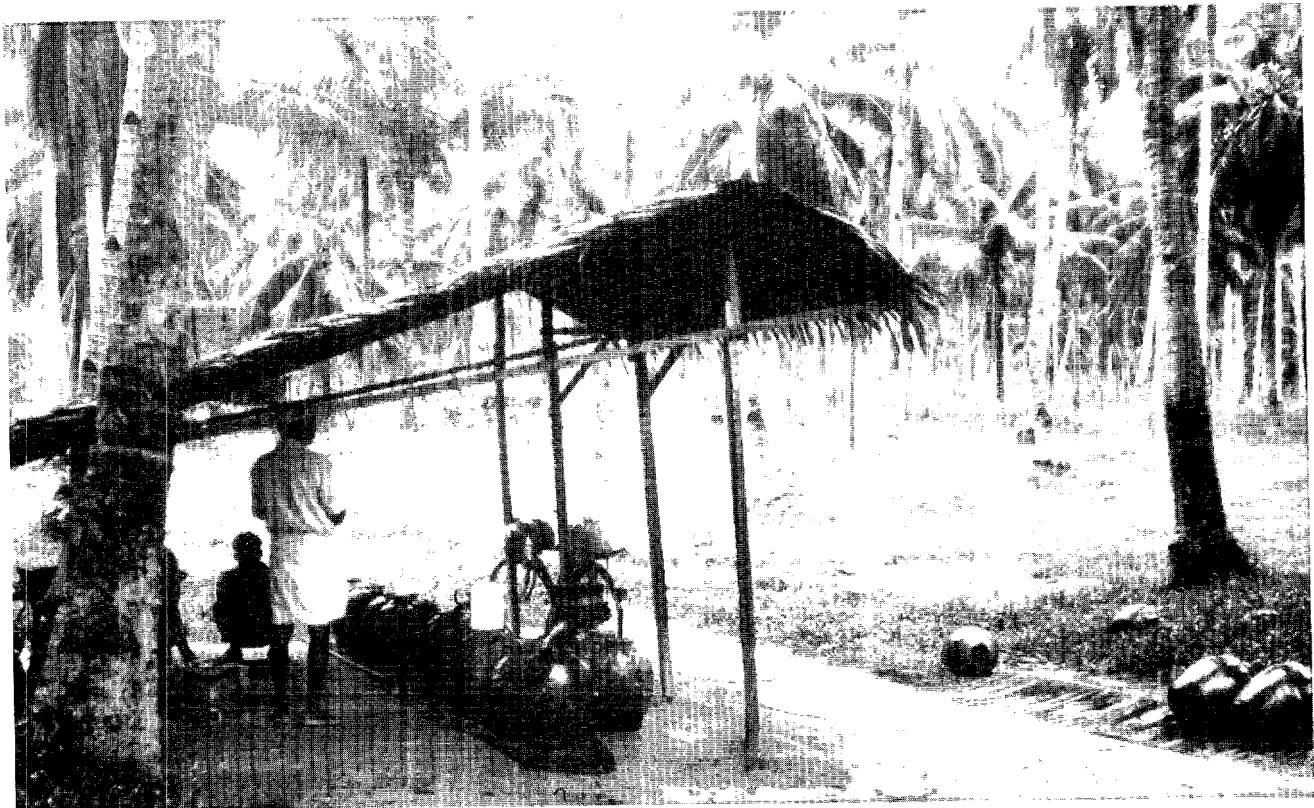
Doubts among leaders in the area about India's ability to contribute toward rather than be a drain upon an Asian regional grouping are centered on their awareness of India's liabilities—a population of 535 million expanding at about 13 million annually; a host of domestic economic and political problems; the seemingly unresolvable Indo-Pakistani feud; and India's continued involvement in other parts of the world as a leader of the nonaligned. It is widely felt and often expressed by these leaders that India ought to put its own house in order before trying to organize its neighbors'.

The presence of sizable ethnic Indian populations in various Southeast Asian countries has generated strong anti-Indian feelings and presents a potential irritant to closer bilateral relations. As shopkeepers, moneylenders, and landowners, overseas Indians have performed important services, but by virtue of their occupations have frequently obtained an economic stranglehold over native populations. As an unskilled labor force, they have tended to depress wages and have taken jobs from local workers. In Singapore, Indians constitute a large proportion of the unskilled and semiskilled work force, and the approximately 25,000 Indians without Singaporean citizenship face increasing difficulties in securing citizenship and work permits. Deep-rooted prejudice against India also exists in Burma, and Rangoon's discriminatory measures against its large Indian minority since 1964 have not only contributed to the exodus of some 156,000 Indians but have caused strains in Indo-Burmese relations.

The failure of overseas Indians to integrate themselves successfully into the culture of their adopted countries has contributed to the general disdain with which they are held by native inhabitants. Indian visitors, diplomats, and journalists have also antagonized their hosts by a

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Indian Laborers in Malaysia

frequently arrogant and contemptuous attitude, arising in some cases from the stigma of inferiority that Indians attach to the citizens of countries closely allied to the West.

The Japanese have been candid in their opposition to India's participation in regional economic organizations, claiming that India is not a part of "Asia" as they regard the term and would constitute an added economic burden. At the same time, a compelling motivation behind India's eastward initiatives is its desire to offset rising Japanese commercial and cultural inroads in the area, and a considerable degree of mutual suspicion lies beneath the surface of cordial Indo-

Japanese relations. The Japanese vigorously opposed Singapore's inviting India to participate as an observer at the third Southeast Asian Ministerial Conference in Singapore in April 1968. India did not attend the first two conferences in 1966 and 1967, but is anxious to attend the next meeting scheduled for April 1969 in Bangkok. Indian officials have not had much success in convincing participants that India is not seeking aid but, in fact, wants to offer the services of English-speaking Indian technical personnel.

The Indian Government's adherence to nonalignment does not necessarily preclude a large Indian involvement in Southeast Asia. The

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ambiguity inherent in the nonalignment theme provides enough flexibility to accommodate most contingencies, probably even a fairly formal security relationship if it does not include the major powers. Nevertheless, there is still a strong emotional attachment to the concept of nonalignment in India, and were the government to move into a closer relationship with a regional grouping dominated by countries participating in an alliance relationship with the US—Japan, South Korea, Nationalist China, the Philippines, New Zealand, and Australia—New Delhi would be subjected to considerable domestic leftist criticism. Mrs. Gandhi's Congress-dominated government will be increasingly anxious to avoid such opprobrium as the 1972 national elections draw nearer.

Mrs. Gandhi herself represents a negative factor, for in her three years as prime minister she has been extremely reluctant to promote any major program in either domestic or external affairs. Partially in emulation of her father's practice, she has acted as her own foreign minister since August 1967. She has not, however, duplicated her father's preoccupation with foreign policy during India's first 17 years of independence. The resultant passivity deprives the government of the impetus needed for pursuing broad policy goals that are not motivated by immediate external necessity, such as major Communist successes in Burma, or by widespread domestic political pressure. It remains to be seen whether the bureaucratic machinery, and particularly the Foreign Ministry under Kaul's direction, will have more success in translating ideas into practical action.

OUTLOOK

India lacks the political power and influence and the material resources to have a major impact

on the course of events in Southeast Asia in the near future. Nevertheless, the Indian Government is increasingly evincing an interest in cooperating to establish relative stability in the region—as a means of serving India's interests in curbing China's predatory ambitions, discouraging Communist insurgent movements, and providing a favorable climate for trade expansion.

Indian leaders believe that economic growth plays a vital role in national development, and they see economic cooperation as a particularly appropriate means of bolstering Southeast Asia's regional identity. New Delhi's hopes for major advances in intraregional cooperation appear to be premature, however, for the constituent countries are only gradually beginning to surmount the barriers erected in colonial days when they were more closely oriented toward their respective metropolitan powers than toward each other. The extended presence of foreign military forces is likely to further delay cooperative efforts to protect vital common interests.

Undeniably, India is a weak nation on the world power scale, but in the context of Asia, India is a factor that cannot be ignored. Its strategic position on the Asian land mass, its vast population and economic possibilities, and its potential as an Asian counterbalance to China attest to its importance. Despite intense internal stresses and strains, India has retained its unity and commitment to democracy during 21 years of independence. Gradually, with considerable Western encouragement, Indian leaders have awakened to India's responsibility for promoting Asian stability, and now, in a very limited manner, they are ready to begin.

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