

## India-Japan Relations: New Opportunities

*Arvind Gupta*

*Dr Arvind Gupta is Director General, Institute for Defence Studies and Analyses (IDSA), New Delhi.*

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### ***Summary***

The Emperor of Japan and his wife are visiting India. 60-years ago they had laid the foundation stone of India International Centre. The visit will further strengthen India-Japan strategic partnership in the backdrop of major global and regional geopolitical shifts, particularly the rise of China; the US policy of 'rebalancing' and "pivot to Asia;" and maritime security challenges in the Indian and Pacific Oceans

Emperor Akihito and his wife Empress Michiko of Japan are visiting India. The visit symbolizes the deepening of global and strategic partnership between the two countries. The couple had last visited India in 1960 as Crown Prince and Princess and had the occasion to meet President Rajendra Prasad and Prime Minister Jawaharlal Nehru during the visit.

Having refined tastes, the Emperor and the Empress write *waka*, a classical form of poetry dating back to the eighth century. They also host the traditional New Year's poetry reading at the palace. The Emperor follows a practice instituted by his father Emperor Showa of planting and harvesting rice. The Empress raises silk worms. These practices symbolize the Japanese love for tradition and underline the simplicity of their character which touches the Indian heart.

The Emperor's visit will further strengthen India-Japan strategic partnership which is developing in the backdrop of major global and regional geopolitical shifts, i.e. the rise of China; the US policy of 'rebalancing' and "pivot to Asia;" and the response of regional countries; evolution of a new security architecture in Asia; maritime security challenges in the Indian and Pacific Oceans; nuclear tests by North Korea; tensions on account of territorial disputes in South China Sea and East China; prospects of a new economic order illustrated by RCEP and TPP; evolution of ASEAN into an ASEAN community; turmoil in the Arab world; crisis in Afghanistan and Pakistan. These changes pose challenges to Indian and Japanese diplomacy and security.

Japan is in the midst of political and economic renaissance. Prime Minister Abe's election last year has brought in perceptible changes in Japan's security and economic policies. Abe-economics is focused at energizing the stagnant Japanese economy. Japan is also reaching out to "broader Asia", a concept Abe had talked about in 2007 when he visited India. Japanese troops have arrived in the typhoon-ravaged Philippines for the Humanitarian and Disaster Relief operations. During his visit to India, Prime Minister Abe had spoken about geostrategic coupling of Pacific and Indian Oceans. This has led to a debate on the concept of Indo-Pacific as a geostrategic concept. In Japan's vision, partnership with India occupies top priority in the backdrop of shifting equations of power. In a notable development, Japan, India and the US have also begun to engage officially in a trilateral format. India, Japan and South Korea have also been engaging in a Track II trilateral format supported by the respective governments. These budding partnerships will make a difference to the balance of power in the region.

India is also shedding its hesitation to engage with a broader world. India's **Look East Policy**, now being expanded, seeks to create web of bilateral and multilateral links in Asia. India is strengthening its ties with Japan in the framework of strategic and global partnerships. Prime Minister Manmohan Singh visited Japan in May 2013. Prime Minister Abe is expected to come to India for a short time. India and Japan have put their relationship on a firm basis which includes a "2+2 dialogue", the foreign secretary dialogue, the defence secretary dialogue and the trilateral dialogue between India, US and Japan.

**Security** cooperation has emerged as an important area of bilateral engagement. An institutional framework of defence cooperation was set up in 2006 and subsequently the two countries signed a declaration on security cooperation in 2009. The Indian navy and the Japan maritime Self Defence Force held first ever bilateral exercise in June, 2012 off the coast of Japan. Defence cooperation will receive further boost following the setting up of a joint working group for the cooperation of US-2 Amphibian aircraft.

India, as a developing country needs Japanese investments and developmental assistance. Japan can take advantage of the vast Indian markets and reinvigorate its economy. The **Comprehensive Economic Partnership Agreement** has given a fillip to economic relations. Japanese investment in India needs to be increased. A host of new initiatives were announced during Prime Minister Manmohan Singh's visit in a range of sectors including infrastructure, high speed railways, energy cooperation, clean coal technologies, education etc. It is, however, necessary that bilateral trade increases in a balanced manner.

At the **strategic level** the two countries hold similar views on a range of issues. The joint statement of May 2013 highlighted the commitment of both the countries to "freedom of navigation and unimpeded commerce based on the principles of international law". This formulation is important as it will apply to the contentious areas like the South China Sea, where both the countries have substantial security and economic interests.

The two sides have also been cooperating on Asian cooperative security architecture through **East Asia Summit** which is a forum for dialogue on a broad range of strategic, political and economic issues. They are also cooperating in the **ADMM** plus format.

India and Japan do not consider their cooperation as being directed against any third country. Yet, China remains an unspoken factor in India-Japan relations. China's emphasis on 'core interests' affect both India and Japan. Both countries would be keenly watching the Chinese military strategy as well as the domestic focus which the 3<sup>rd</sup> Plenum of the CCP has signaled. India and Japan would also be interested in the 'new paradigm' of great power relationship which the Chinese have been talking about. The Chinese media reports see the growing strategic partnership between India, Japan and the US with concern. At the same time, Japan and India maintain independent relationships with China.

Both countries stand to gain from their strategic partnership but there are still some **unresolved** issues in India-Japan relations. There is considerable scope for increased Japanese investment in India. Japanese companies have been conservative while dealing with India. Japanese investment in India is much below its potential.

Japanese policy makers continue to be cautious and conservative on India-Japan **civil nuclear cooperation**. Signing an agreement on this issue could not be resolved even during Prime Minister Manmohan Singh's visit.

Although there is an ongoing defence and security dialogue between the two countries,

practical cooperation on these issues has yet to reach its full potential. In India there remains hesitation in deepening defence cooperation because of the China factor. India should be more forthcoming.

There are many practical aspects to India-Japan dialogue. Both India and Japan are **energy** deficient countries. Both rely upon imports of hydrocarbons from the Middle East/West Asia. The bilateral energy dialogue includes energy efficiency and conservation, renewable energy, coal, electricity, etc. This dialogue needs to show tangible results.

**People to people** contacts between India and Japan need to increase further. There are only 500 Indian students studying in Japan as compared 80,000 from China. This is despite the fact that relations between Japan and China are highly strained. Clearly, Japan needs to make its universities and institutions of higher learning more attractive to Indian students.

Emperor Akihito's visit will undoubtedly raise Japan's visibility in India. The two countries should take advantage and strengthen their ties further.

Japan has, in the recent past, accorded higher priority to South Asia in its foreign policy. According to a senior Japanese diplomat, Japan would focus on building hard connectivity in South Asia, encourage trade facilitation, strengthen energy cooperation, build regional financial structures and also help connect North East of India with South East of Asia. India is central to South Asia. Therefore, India-Japan relations will occupy centre stage in Japan's South Asia policy. Focusing in South Asia will help Japan compete better with China in South Asia.

In **conclusion**, one can say that Japan has great opportunity to enhance its presence in India through a variety of political, economic and security initiatives. This opportunity should not be missed. China's footprint is increasing in South Asia. This causes worry in many quarters. However, Japan faces no such hurdle. Japan has a positive image in India and South Asia. There is no baggage of history which might impede Japanese presence in India. It should shed its inhibitions and deepen engagement with India and other countries of the region. This will help increase its profile in Asia.