

# International Economic Environment of India's Interests in Post-Cold War Era with Asean

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**Abstract – World politics is entering a new phase, in which the great divisions among humankind and the dominating source of international conflict will be cultural Civilizations-the highest cultural groupings of people-are differentiated from each other by religion, history, language and tradition. These divisions are deep and increasing in importance. In this context the economic cooperation is the only way to achieve unity and somehow the equal growth and to provide quality of life to reduce these gaps effectively. Economic cooperation will lead the world towards peace and growth.**

**Paradigmatic shift in India's regional policy can be explained by post-cold war global political-economic developments. Indian leaders well know that the success of their country's economic liberalization depends upon its ability to increase exports to new markets in developed and developing countries. Until recently, India has achieved only restricted access to the markets of Japan, North America, and Western Europe due to these countries' protectionist policies and various kinds of non-tariff barriers against Indian products. Additionally, with the collapse of the Soviet Union and the gradual incorporation of Eastern Europe with, the west European economy, India has lost two of its privileged marked links. India's growing interest in Central Asia is not confined merely to the linked threats of terrorism separatism, drug trading, and incitement to civil violence. It also has deep and long standing strategic and economic roots.**

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During the 1990s, New Delhi sought to reduce Pakistan's ability to deflect it from playing the broader Asian role India craved by reaching out to all its interlocutors including Central Asia.

This paper discuss the various areas which require much consideration and need the most efficient and effective way to have strong fruitful policies in nations interests. The Parts of the paper are.

- (i) Economic Power and Policy with ASEAN
- (ii) India's Economic Relation with Central Asia
- (iii) Economic Relations with African Continent'
- (iv) Global Geopolitical Change in the Post-Cold War Era
- (v) Political Economy of Regional Co-operations in South Asia. and ASEAN

## ECONOMIC POWER AND POLICY WITH ASEAN

Economic power is perhaps the most-strongest power and show also is the very important. With special reference to ASEAN This is not only because a rising economy is the indispensable prerequisite for

advanced military capability and for offering other states inducements to cooperate with India. More importantly, India's rising economic profile is transforming India and its neighborhood, impelling Indian leaders to rethink India's strategic requirements and goals while presenting them with new problems, opportunities and instruments for dealing with both of them. Economic growth is necessary to keep the underlying cross – cutting societal cleavages from becoming a divisive force. In a sense if the Indian economic ship tries to enter the harbor of prosperity on a low tide, it will start hitting the rocks at the bottom of the harbor that it might other wish have smoothly sailed over during high tide. With will ration of ASEAN

Former Indian Prime Minister Mr. I. K. Gujral noted in 1997 that much of India's foreign policy revolves around economic and infrastructural needs. He outlined a vision of regional economic development including Central Asia which he called "our near abroad" Gujral emphasized investment in infrastructure railroads, railway, Power, generation, tele-communications, Parts and airports, in formatives Cross-bar disinvestments energy exchanges, up to and including "Trans-Asian pipelines," Strengthened regional organizations, tariff reductions and freer trade, and meeting "an exponential surge in energy demand" through the

cooperative development of all forms of energy. Obviously, this vision would collapse if Central Asia down to Kashmir were engulfed in violence and hostility to India. Then sustaining India's economic development and internal security becomes much more problematic.

### INDIA'S ECONOMIC RELATIONS WITH CENTRAL ASIA

Central Asia's large gas and oil reserves and India's rising demand for energy sources also suggested a naturally complementary relationship. However, when crisis engulfed Indo – Pakistani's relations in 2001-2002, Pakistan closed its air space to Indian trade, holding India's Central Asian trade hostage to Pakistani policy. Therefore, increased terrorism could force India to retract its broader ambitions and curtail its rising trade with Central Asia. Paradoxically, this threat has sharpened India's focus on Central Asia and the threat has sharpened India's focus on Central Asia and the identity of Indian economic and strategic interests there.

Economics and strategy come together in the vision of India influencing trends from Suez to Singapore, including Central Asia, when it invokes this vision India also sees the lengthening shadow of China's spectacular ascent.

There is no doubt that India is continuing to expand its "investment" in Central Asia and that it will deepen its connections to the area in terms of economics, diplomacy, and defense cooperation. Therefore if we are to understand both Indian policy and strategic trends is central Asia and assessment of India's role there is essential.

### ECONOMIC RELATIONS WITH AFRICAN CONTINENT

In the post-Cold war era, granted that Indians and Africans were allies in the struggle against colonialism and apartheid, both now need to march together to the tune of geo-economics. Based on historic friendship, we can still be partners in the struggle against under-development, poverty and other common problems. India's Africa policy in the post-Cold war era, it appears, is composed of the following areas :

- \* Promoting economic cooperation
- \* Engaging the PIO's
- \* Preventing and combating terrorism  
Preserving peace
- \* Assisting the African defense forces

### PROMOTING ECONOMIC COOPERATION AND TRADE WITH ASEAN

In the early 1990s the government stressed that in the future, new relationships based on concrete economic, technological and educational cooperation will assume enhanced significance". It needs to be pointed out though that India's objectives with regard to more axiom to PTA countries and ASEAN Evolving found for Africa and commercial Representations.

### GLOBAL GEOPOLITICAL CHANGE IN THE POST-COLD WAR ERA

Evolution of the world geopolitical system follows organism developmental principles. The system is complex. It is characterized by a flexibly hierarchical. Specialized and integrated spatial structure. Global imbalance is. A function of changes among and between geostrategics realms and their geopolitical regions. The imbalance especially reflects differences in entropic levels of major national stated, particularly first – and second-order powers. As power becomes more diffused across the evolving world system, the system is better equipped to cope with the shock of change. The evolution of the system depends upon such change.

An evolving system is reflected in the multiplication of its parts. The system becomes more integrated as these parts become more specialized. A novel example of specialization is the Gateway region. Eastern Europe is emerging as the gateway that will link the Maritime and Continental Geostrategic realms. Ultimately the Middle Eastern Shatter elf may also acquire Gateway status. In addition, in the coming decades, nearly thirty Gateway states are likely to emerge. These are small exchange states with qualified sovereignty that will spin off from existing national entities to hel link the world system. Such gateways serve the dynamic system as structures of accommodation.

### THE POLITICAL ECONOMY OF REGIONAL COOPERATION IN SOUTH ASIA AND ASEAN

The formation of the south Asian Association for Regional Cooperation (SAARC) in December 1985 was hailed as a major diplomatic breakthrough in South Asia. But SAARC's slow progress and modest achievements over the past decade have evoked different reactions among different people. To some, SAARC is merely a talking shop, which can provide nothing more than a lip service to the various issues of peace and development in the region. To others ASEAN, SAARC and may not be a panacea to the region's problems, but its existence has certainly provided an opportunity for the policy makers, administrators, and experts to meet regularly and hold informal dialogues on important bilateral and regional issues. This practice of in formalism and

behind-the-scenes discussions among the political leaders on various SARRC forums has helped contain many difficult situations in the region and has contributed to the beginning of a confidence-building process in South Asia. Additionally, the ratification of SAARC and ASEAN Preferential Trading Arrangement (SAPTA) by all SARRC members in December 1995 and their decision to create a SAARC Free Trade Area (SAFTA) as early as possible have generated guarded optimism about the relevance of SAARC in promoting regional economic cooperation in South Asia. Will economic interdependence drive the South Asian countries toward greater cooperation? If so, what is the potential for the growth of regional economic cooperation in South Asia? Given the decades of mutual hostility and distrust, to what extent will the South Asian Countries be able to achieve economic interdependence? The answer to these questions requires a thorough understanding of the domestic political and economic dynamics of the South Asian Countries and ASEAN.

## CONCLUSION

India needs to evolve a broad-based strategy that would not only ensure the security of its vital interests but also provide policy options for effectively responding to developing situations in the area. India's geostrategic Location dictates that the primary focus of its security policies must be its relationship with the neighboring countries and the countries that form part of its "extended security horizon," which, in one official publication, is defined as "regions with economic, social cultural, and environmental linkages with ASEAN (that) result in overlapping security interests." Expanding economic and media links are giving India what India historically could never give itself : a distinctly "Indian" identity.

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