



HEDGING AS A FOREIGN POLICY TOOL IN INDIA'S ACT EAST POLICY

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ABSTRACT

This thesis provides insights into India's evolving role in the Indo-Pacific region and contributes to the literature on the use of hedging in foreign policy by shedding light on the patterns of India's hedging behavior. By using qualitative research methodology for data collection including primary data (interviews) and secondary data sources, this thesis analyses how India's Act East Policy (AEP) uses the 'hedging' strategy against China's rise in the Indo-Pacific region, why China's rise is a matter of concern to India's foreign policy and further evaluates the developments and limitations of AEP during Modi's second term (2019-2023). Within the context of the Indo-Pacific, AEP, the cornerstone of India's foreign policy exhibits a clear hedging pattern. India's hedging behavior is motivated by its desire to preserve strategic autonomy, protect its national interests, negotiate the region's complicated geopolitical landscape, and simultaneously realize its Indo-Pacific goals. This multifaceted strategy enables India to position itself as a prominent and autonomous player in the Indo-Pacific region while navigating the geopolitical risks that arise. However, India's outreach to the Indo-Pacific arena encounters obstacles, as well as skeptical views from ASEAN countries due to its weaker stance, inconsistency, and ambiguous behavior. Even so, considering the current Indo-Pacific situation, India would be far better suited to use hedging to accomplish its goals in the region without encountering heavy deadlocks. AEP remains comparatively weaker against China's foreign policies in this region. Hence, to exercise effective hedging, India needs to reinvigorate its AEP and deepen ties with ASEAN countries, while maintaining a trustworthy standpoint with its allies like the US and QUAD. By illuminating the complexities of India's hedging behavior this thesis contributes to the broader discourse on strategic hedging in foreign policy.

Keywords: Hedging, Look East Policy (LEP), Act East Policy (AEP), Indo-Pacific, India, US, China, ASEAN, QUAD.

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LIST OF ABBREVIATIONS

Symbols/Abbreviations	Terms
ADB	ASEAN Development Bank
ADMM+	ASEAN Defence Ministers Meeting Plus
AEP	Act East Policy
AIFTA	ASEAN-India Free Trade Agreement
AIIPOIP	Australia-India Indo-Pacific Oceans Initiative Partnership
AITIGA	ASEAN-India Trade in Goods Agreement
AOIP	ASEAN Outlook on the Indo-Pacific
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
BBIN	Bangladesh, Bhutan, India, Nepal Initiative
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BJP	Bharatiya Janata Party
BRI	Belt and Road Initiative
BRICS	Brazil, Russia, India, China and South Africa
CAA	Citizenship Amendment Act
CECA	Comprehensive Economic Cooperation Agreement
CLMV	Cambodia, Laos, Myanmar, and Vietnam
CSP	Comprehensive Strategic Partnership
COVID-19	Corona Virus Disease 2019
CPEC	China-Pakistan Economic Corridor
EAMF	Expanded ASEAN Maritime Forum
EAS	East Asia Summit
FDI	Foreign Direct Investment
FIPIC	Forum of India-Pacific Islands Cooperation
FTA	Free Trade Agreement
GDP	Gross Domestic Product
IMEC	India-Middle East-Europe Economic Corridor

IOR	Indian Ocean Region
IORA	Indian Ocean Rim Association
IPOI	Indo-Pacific Oceans Initiation
LEP	Look East Policy
LOC	Line of Control
MEA	Ministry of External Affairs
MGC	Mekong-Ganga Cooperation
MOUs	Memorandum of Understandings
NATO	North Atlantic Treaty Organization
QUAD	Quadrilateral Security Dialogue
RCEP	Regional Comprehensive Economic Partnership
SAGAR	Security and Growth for All in the Region
SCO	Shanghai Cooperation Organization
SIMBEX	Singapore-India Maritime Bilateral Exercise
TAC	Treaty of Amity and Cooperation in Southeast Asia
UNCLOS	United Nations Convention on the Law of the Sea

CHAPTER-1

INTRODUCTION

1.1 BACKGROUND:

Given its geostrategic location and political and economic strength, India has become the limelight in this age of great competition for power in the Indo-Pacific. Being the most populated country and the 'most populous democracy in the world,' India's presence in the Indo-Pacific region has a massive impact on all dimensions of engagements, political, economic, social, and security. The escalating tensions between the US and China have significantly impacted India's foreign policy. The US has positioned India as its essential ally in the Indo-Pacific region, and India has maintained a good political-security partnership with the USA. However, being a neighboring country that shares its political boundary, India has engaged economically with China for ages, despite all the border tensions and conflicts.

In this complex Indo-Pacific context, now is the ideal time for India to re-energize its age-old foreign strategy, dubbed 'the Act East strategy.' It is a foreign policy effort aimed at improving India's economic and strategic connections with Southeast Asia, East Asia, and the Pacific area. Prime Minister Narendra Modi launched the strategy in 2014 as a bigger and more dynamic version of its parent 'Look East strategy,' it has subsequently become a cornerstone of India's foreign policy. 'The free and open Indo-Pacific' and 'ASEAN centrality' are the main elements fostering India's Act East Policy.

Due to China's increasing aggressiveness in the South China Sea and the Indian Ocean, a pro-India mentality is already evident, with several ASEAN nations wanting India to counteract China's ascent. In recent years, India's relationships with its neighbors have significantly deepened (Roy, 2022). India is continuously engaging with ASEAN and SEA countries and working to deepen ties to increase its regional influence. Moreover, the main vehicle carrying India's Indo-Pacific vision is its Act East Policy. Given these scenarios, India needs to consider good strategic decisions that would maintain a peaceful relationship with both parties while at the same time increasing its capabilities and political-security influence in the region.

However, "every nation leader in the Indo-Pacific may not have or share the same strategic perspective, regardless of whether a growing China is a benefit or a curse for medium-sized and tiny countries" (Goh, 2005). "Modi's administration understands that the United States is not a regional country in geopolitics, but only has some interests in the Indo-Pacific region" (Hailin, 2018); thus, "the United States cannot care about the problems faced by the countries in this region; conversely, the United States frequently puts pressure on India to face the dilemma of choosing sides in political and economic issues when doing so can benefit the United States." "However, the ideal situation in India's mind is to peacefully coexist and appropriately work with China for mutual economic benefits" (Mukherjee, 2020). Hence, "the Indo-Pacific strategy of New Delhi will take comfort in "hedging the bets"—that is, engaging

as many powers as possible without "tying the knot" with anyone" (Dar, 2023). This thesis examines how India is implementing its Indo-Pacific policy.

Therefore, Hedging remains India's best option to exercise its foreign policy in the Indo-Pacific. Hedging is an alternative foreign policy tool to balancing and band-wagoning. Hedging strategy is used as a foreign policy tool to prevent the risks and uncertainties of balancing and bandwagoning alone. So, "Hedging is defined as a state's third strategic choice to avoid heightening tension or causing conflict with a target state by maintaining a cooperative posture" (Koga, 2018). This study defines 'hedging' as "a tool in foreign policy that employs both 'balancing' and 'bandwagoning' by not taking sides with any great powers." This paper will identify how India's Act East policy fits the hedging strategy. Further, the paper will identify the dimensions and nature of India's hedging policy to offer a deeper understanding of India's stance in the Indo-Pacific arena. This paper will also identify the policy changes, advancements, and limitations of the Act East Policy during the second term of Narendra Modi.

1.2 RESEARCH QUESTION:

The primary goal of the research is to answer the following research questions:

1. How does the Act East Policy fit into the hedging strategy?
2. How is the rise of China in the Indo-Pacific region a concern to India's foreign policy?
3. What are the developments and limitations of Act East Policy during Modi's 2nd Prime Ministerial term (2019-2023)?

The above three questions would primarily direct the structure and contents of the paper.

1.3 RESEARCH OBJECTIVE:

This research aims to study India's use of hedging strategy in its foreign policy. This paper aims to achieve the following objectives:

1. To identify the structure and dynamics of Act East Policy using the hedging concept.
2. To analyze India's standpoint and commitments in the Indo-Pacific arena.
3. To identify and analyze the reasons and challenges for India's hedging behavior.

1.4 HYPOTHESIS:

This research hypothesizes that the Act East Policy provides a platform to operationalize India's hedging strategy. India's formulation of its Indo-Pacific policy partially depends on the USA's presence in the region and simultaneously on China's rise. Further, India's shift of interest in the Indo-Pacific and ASEAN can also be considered a form of hedging strategy in its foreign policy. Moreover, India's political security bandwagoning with China is considered an implausible scenario that could happen. This study further hypothesizes that in light of the current Indo-Pacific situation, India would be far better suited to use hedging to accomplish its goals in the region without encountering heavy deadlocks. It emphasizes that India needs to maintain a stronger political-security relationship with its allies in the Indo-Pacific. Simultaneously, India's stance in SEA geopolitics is still elusive, and India needs to maintain a trustworthy standpoint and deepen ties with ASEAN to balance against China. This paper hypothesizes that AEP remains comparatively weaker against China's foreign policies (e.g., BRI) despite being an aged-old Policy. Act East Policy needs to be reinvigorated to exercise healthy and effective hedging in the Indo-Pacific arena.

1.5 RESEARCH SCOPE AND LIMITATIONS:

This study mainly focuses on India's foreign policy structure under India's Act East Policy. Therefore, this research would only encompass the frameworks, policies, and structures under the Act East Policy. To increase specificity and clarity, this study focuses on the timeline of the second Prime Ministerial term of Narendra Modi, i.e., from 2019 to 2023. Significant events that had major impacts on India's foreign policy, like COVID-19, the US Presidential change of Trump to Biden, the Russia-Ukraine war, escalation of tensions and border issues with China, etc., occurred during the period. This study will only discuss India's foreign policy under the Act East Policy and its related dimensions.

CHAPTER-2

REVIEW OF LITERATURE

2.1 LITERATURE REVIEW:

2.1 (a) The concept of Hedging

This section examines a few of the prominent works that contributed to the continued development of the hedging concept.

In the paper “The Concept of ‘Hedging’ Revisited: The Case of Japan’s Foreign Policy Strategy in East Asia’s Power Shift,” (Koga, 2018) Kei Koga describes “hedging as a state behavior that attempts to maintain strategic ambiguity to reduce or avoid the risks and uncertainties of negative consequences produced by balancing or bandwagoning alone.” He argued that “the concept of “hedging” should be understood in the context of the “balancing-bandwagoning” spectrum within the “balance of power” theory, in which hedging is located between balancing and bandwagoning as the state’s third strategic choice.” Koga affirms that “the usage of hedging aims to avoid heightening tension or causing conflict with a target state by maintaining a cooperative posture” (Koga, 2018).

In the paper “Great Powers and Strategic Hedging: The Case of Chinese Energy Security Strategy,” (Tessman & Wolfe, 2011) Tessman and Wolfe describe “hedging as a state’s third strategic choice besides balancing and bandwagoning.” Ciorciari and Haacke in their paper “Hedging in International Relations: An Introduction” (Ciorciari & Haacke, 2019), “describe hedging as a national security strategy undertaken by one state toward another featuring a mix of cooperative and confrontational elements.” The authors argue that hedging is not the same as acquiring insurance. Like military alliances, insurance policies are intended to take effect in response to a variety of specified or agreed-upon scenarios. Hedging strategies, on the other hand, aim at handling risk in the form of prospective security-related threats.

Kuik, in his paper, “Getting Hedging Right: A Small State Perspective,” (Kuik, 2021) “defines hedging as an insurance-seeking behavior with the following three attributes: (1) an insistence or a refusal to take sides or being looked into a rigid alignment; (2) an attempt to adopt contradicting measures to offset multiple risks across domains (security, political and economic); and (3) an inclination to diversify and cultivate fallback position,” Kuik states that “Hedging is in contrast to balancing (countering a threat) and bandwagoning (maximizing profits).” According to him, “Hedging is not just a ‘middle’ position but also an ‘opposite’ and a ‘fallback’ position.”

2.1 (b) Hedging in India's foreign policy

In his paper "The Hedging Prong in India's Evolving China Strategy," Hoo Tiang Boon (Boon, 2016) analyzes India's foreign policy towards China, arguing that "India has adopted a hedging strategy in response to China's growing power and influence." The author defines "hedging as a foreign policy strategy in which a country seeks to maintain good relations with two or more rival powers to protect its own interests." Boon argues that India is hedging against China by strengthening its ties with other major powers, such as the United States, Japan, and Russia. He also argues that "India is developing its own military capabilities to deter Chinese aggression."

Cheng-Chwee Kuik in his paper "Getting Hedging Right: A Small State Perspective" defines hedging as an 'insurance-seeking policy' (Kuik, 2021). Kuik argues that "India displays its Hedging more intermittently, even in the wake of the 2017 stand-off with China on the Doklam Plateau. He argues that India's strategy is due to Modi's insistence that India is non-aligned (QUAD is a non-alliance partnership)."

In his paper "Multi-alignment and Indian Foreign Policy under Narendra Modi," Ian Hall argues that "India practices a Normative Hedging practice to achieve four aims (in order of priority) (Hall, 2016):

1. Advancing India's socio-economic development.
2. Improving India's National Security (both external and internal security).
3. Boosting India's status and developing its role as a 'leading power' in International Relations.
4. Promoting India's political and social ideas and values beyond its borders."

The paper "India's 'Look East' – 'Act East' Policy: Hedging as a Foreign Policy Tool" by Bart Gaens et al. (TOOL, 2017), analyses India's Eastward focus which seeks to establish strategic partnerships, to balance a rising China. At the same time, the authors argue that "India's policy can be considered part of a hedging strategy, as it entails engagement and cooperation with China." Bart et al. define "hedging as a foreign policy that combines balancing and engagement strategies."

In the paper by Tan W. and Soong J., "The Political Economy of India and Its Strategic Choice under the USA–China Power Rivalry and Hegemonic Competition: A Defensive Hedging Policy," (Tan & Soong, 2022) the author delves into the intricate dynamics of India's Foreign policy amidst the escalating power rivalry between the United States and China. The authors posit that India has adopted a hedging strategy, a cautious approach that seeks to maintain amicable relations with both superpowers while safeguarding its own national interests. Tan and Soong meticulously examine the factors driving India's hedging strategy, highlighting the uncertainties and risks associated with the intensifying US-China rivalry. They argue that India's strategic choices are largely influenced by its domestic political economy, particularly its aspirations for economic growth, regional security, and global influence. The paper comprehensively analyzes India's hedging strategy, examining its manifestations in various domains, including diplomacy, military alliances, and economic partnerships. The authors highlight "India's efforts to balance its ties with the US and China, engaging in

multilateral initiatives while also pursuing bilateral engagements with both powers.” Tan and Soong conclude that “India's hedging strategy is likely to persist in the foreseeable future, as the US-China rivalry shows no signs of abating.” They maintain that India will continue to navigate the complex geopolitical landscape, seeking to maximize its interests while maintaining strategic autonomy. The paper offers valuable insights into India's foreign policy calculus and its delicate balancing act amidst the US-China rivalry. It offers a detailed view of the motivations and obstacles faced by India as it seeks to chart its course in a growing multipolar world.

Takenori Horimoto in his paper “Explaining India’s Foreign Policy: From Dream to Realization of Major Power” (Horimoto, 2017) paints India as “a potential major power in the future”. He argues that “the US and China might be the most influential factors at the regional level (Indo-Pacific region) that are likely to affect India’s journey to becoming a major power.” He used the terms ‘engagement’ and ‘hedging’ to explain the foreign policy strategy of India.

2.1 (c) India’s Act East Policy

In the book, India’s ‘Look East Policy’ by Acharya (Acharya, 2015), the author argues that India's "Look East" policy, initiated in the early 1990s, marked a significant shift in the country's foreign policy orientation, moving away from its traditional focus on non-alignment and towards a more proactive engagement with East Asia. Acharya highlights several factors that contributed to the emergence of India's "Look East" policy. These include the end of the Cold War, the rise of China as a regional power, and India's own growing economic and strategic ambitions. He argues that India's eastward engagement was driven by a desire to promote economic growth, enhance its security posture, and gain greater influence in the region.

K.V. Kesavan's paper "India's Act East Policy and Regional Cooperation" (Kesavan, 2020) delves into the intricacies of India's foreign policy approach towards Southeast Asia and the Indo-Pacific region particularly focusing on the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the Mekong-Ganga Cooperation (MGC). He highlights the significance of India's Act East Policy in fostering regional cooperation and economic integration within the Indo-Pacific region. The paper meticulously examines the historical context and evolution of India's Act East Policy, tracing its roots to the Look East Policy of the 1990s. Kesavan underscores the policy's objectives, which encompass strengthening economic ties, promoting cultural understanding, and forging strategic partnerships with countries in the Indo-Pacific. He further noted that the AEP faces several challenges, including the rise of China, the persistence of regional tensions, and India's domestic constraints. However, the paper missed an in-depth analysis of the weaknesses and challenges that the AEP faces. Although, the author describes AEP as an important foreign policy that will shape regional cooperation in the Indo-Pacific.

In the paper “India’s Security Dilemma: engaging big powers while retaining strategic autonomy,” (Muraviev et al., 2022a) Muraviev et al. argue that “the Act East Policy is seen as a way to counter China's growing influence in the region and to secure India's interests in the

Indian Ocean.” The paper argues that India's Act East Policy is a key component of India's hedging strategy. By engaging with nations in the Indo-Pacific region, India can diversify its partnerships and reduce its reliance on any one major power. This is important in light of the complex dynamics of the region, which include the ‘rise of China,’ ‘Russia's strategic alignment with China,’ and the United States' uncertain Indo-Pacific policy stance.

In his paper "Reinvigorating India's 'Act East' Policy in an Age of Renewed Power Politics," (Bajpae, 2022) Chietigj Bajpae examines the evolution and challenges of India's 'Act East' Policy, which he refers to as a foreign policy initiative focused on strengthening India's engagement with Southeast Asia and the broader Indo-Pacific region. He highlights “the policy's emphasis on economic integration, strategic cooperation, and people-to-people/cultural engagement.” However, Bajpae argues that “the policy confronts three major obstacles: (a) Domestic challenges: India's domestic reform agenda must keep pace with its foreign policy ambitions to ensure effective implementation of the 'Act East' Policy, (b) Regional challenges: The principle of 'ASEAN centrality,' which emphasizes ASEAN's leadership in regional affairs, is facing increasing scrutiny, potentially complicating India's engagement with the bloc, and (c) Global challenges: The international order is in transition amidst heightened rivalry between big powers, particularly the United States and China, which could impact India's ability to navigate the regional dynamics.”

To overcome these obstacles and reinvigorate the 'Act East' Policy, the author suggests that India should enhance its economic integration with the region, strengthen strategic cooperation to address security concerns, promote people-to-people/cultural engagement to enhance mutual understanding and connectivity, embrace ASEAN centrality by actively engaging with ASEAN institutions and supporting to maintain a rule-based regional order and balance relations with major powers by engaging both with the US and China in a constructive manner while upholding India's strategic autonomy. The author believes that by addressing these challenges and adopting the suggested measures, “India can reinvigorate its 'Act East' Policy and effectively navigate the complex geopolitical landscape of the Indo-Pacific region, securing its strategic interests and promoting regional stability and prosperity.”

In his paper "Is India Retreating from its Act East to Act Indo-Pacific Policy?" (Roy, 2022), Nalanda Roy examines the Indian government's change in its foreign policy focus from Southeast Asia to the broader Indo-Pacific region. Roy argues that the Indian government's decision to rename its "Look East Policy" to "Act East Policy" in 2014 was a notable change in its foreign policy focus. The Look East Policy had been mostly focused on Southeast Asia, but the Act East Policy enlarged India's focus to encompass other countries in the Indo-Pacific region, such as Japan, Australia, and the United States. Roy argues that this shift in focus was motivated by several factors, including India's escalating economic and strategic stakes in the Indo-Pacific region, as well as its concerns about China's rising influence in the region. However, Roy also argues that the Indian government's implementation of the Act East Policy has been somewhat uneven. She notes that India has made some advancements in fortifying its economic and security ties with other countries in the Indo-Pacific region, but that it has also faced some challenges, such as domestic constraints and regional tensions. Despite these challenges, Roy argues that the Indian government remains committed to the Act East Policy.

Roy concludes that “the Act East Policy is a critical component of India's foreign policy and that it is essential for India to continue to engage with the Indo-Pacific region to secure its strategic interests and promote regional stability and prosperity.”

2.1 (d) India - (US, China, ASEAN) relationship.

In the paper "Modi's Issue-by-Issue Diplomacy with China," (Hailin, 2018) Hailin Y examines Modi's foreign policy approach towards China, characterized by a focus on issue-specific diplomacy. The author argues that “this approach stems from India's concerns about China's growing power and influence in the region, as well as its desire to maintain a degree of autonomy in its foreign policy.” The author addresses Modi’s issue-specific diplomacy as a more aggressive form compared to previous India’s diplomacy towards China. The author argues that India is wary of China’s Belt and Road Initiative (BRI) and has been against it since it started in 2013. Hailin highlights several key aspects of Modi's issue-specific diplomacy with China. First, India has been actively engaging with China on a range of bilateral issues, such as border disputes, trade imbalances, and water sharing. Second, India has also been seeking to cooperate with China on regional and international issues, such as climate change and counterterrorism. Third, India has been balancing its engagement with China with outreach to other major powers, such as the United States and Japan. Hailin argues that Modi's issue-specific diplomacy has had both positive and negative outcomes. On the one hand, it has helped to manage tensions between India and China and promote cooperation on a range of issues. On the other hand, it has also limited India's ability to build a more comprehensive and strategic relationship with China. The author concludes that Modi's issue-specific diplomacy is a pragmatic approach that reflects India's complex relationship with China. While it has helped to manage tensions and promote cooperation, it remains to be seen whether it will be sufficient to address the underlying challenges in the India-China relationship. However, the author didn’t study the impact of Modi’s issue-specific diplomacy and there is a gap in the analysis of the issues mentioned.

R. Mukherjee's paper, "Chaos as an Opportunity: The United States and World Order in India's Grand Strategy," (Mukherjee, 2020) dives at India's strategic approach in the wake of a shifting global order and waning American leadership. Mukherjee argues that, unlike many other big nations, India has embraced the current chaos as an opportunity to position itself as a prominent global role. Mukherjee argues that India sees the shifting world order as an opportunity to enhance its influence and play a more proactive role in global affairs rather than a threat. The author goes on to assert that India's readiness to interact with both the United States and China while maintaining strategic autonomy has allowed it to play a more important role in global affairs. He highlights India's growing engagement in regional and multilateral institutions, such as the Quadrilateral Security Dialogue (QUAD), as a means of asserting its influence.

In their paper, "India's Act East Policy and ASEAN: Building a Regional Order Through Partnership in the Indo-Pacific," (Ngaibiakching & Pande, 2020) Ngaibiakching and Pande examine India's Act East Policy (AEP) and its implications for regional cooperation in the Indo-

Pacific region, with a particular focus on the relationship between India and the Association of Southeast Asian Nations (ASEAN). The authors argue that the AEP has the potential to strengthen India's ties with ASEAN and promote regional cooperation in several areas, including trade, connectivity, maritime security, and disaster management. The authors believe that "AEP appropriately fits the current scenario as India is set to take a larger role in the regional security environment." However, they highlight China and its aggressive policies as a threat to the regional architecture and also a challenge to India's AEP. The authors in conclusion stress the need to deepen ties between India and ASEAN to build a regional power balance.

The paper "India Balancing China: Exploring Soft Balancing Through Indo-Pacific" (Kumar, 2022) by Pavan Kumar examines India's approach to balancing China's growing power. The author uses the term 'soft balancing' to explain India's stance in the context of handling China. He defined 'soft balancing' as a strategy that involves building regional partnerships and institutions to constrain China's behavior without directly confronting it militarily. He highlights that China's growing power poses a great threat to India's strategic interests and India is militarily weaker in power compared to China. Therefore, to avoid direct confrontation and also in the meanwhile to control China's rise, the author suggests 'soft balancing' as the best option for India. He further argues that the Indo-Pacific region is the best arena for India to perform 'soft-balancing'. However, the paper does have some limitations. First, the paper does not provide a detailed analysis of the specific mechanisms of India's soft balancing strategy. Second, the paper does not discuss the potential challenges and risks that India faces in implementing its soft balancing strategy.

In the paper "India's Act East Policy: China's Perceptions and Responses" (Deepak, 2023), Deepak explores China's perceptions and responses towards India's Act Policy and Indo-Pacific vision. Deepak examines how the Chinese perceive the three phases of India's Act East Policy, which are "Strategic Layout (1991-2002), Strategic Expansion (2002-2013), and Strategic Partnership (2013-Date)." He draws attention to the Chinese response, which states that the first two phases were centered around equilibrium and that the last phase under Modi shows a shift from Look East to Act East followed by lost equilibrium between China and India. The author adds on to say that although India has strong ties to the ASEAN nations, the ASEAN nations have not yet fully adopted India's economic and geopolitical influence in the Indo-Pacific region, in contrast to China. China sees India's aspirations in the Indo-Pacific region as an "empty promise." Furthermore, China sees the Indo-Pacific strategy and India's realignment of the AEP with sub-regional groupings as a threat to its influence and the Belt and Road Initiative (BRI). Chinese academics interpret this as a containment tactic spearheaded by the US and a possible roadblock to India's more ambitious regional goals. China continues to doubt India's importance in the Indo-Pacific region since they do not recognize India as a Pacific nation.

This paper contributes by advancing the knowledge of China's strategic concerns over India's expanding influence in Southeast Asia. This article, however, exclusively examines Chinese beliefs, which may differ significantly from perceptions held by people in other countries because it appears like a biased assessment. Additionally, genuine conversations and relationships are more often centered on perceptions and reactions in the literature. In

conclusion, the author argues that India's ability to grow into a regional power mostly depends on its military, economic, and technological might as well as its soft power, diplomacy, and leadership capabilities.

In the paper “India and order transition in the Indo-Pacific: resisting the QUAD as a ‘security community’” (Sullivan de Estrada, 2023) Kate Sullivan de Estrada argues that India’s vision for the Indo-Pacific is distinct from the ‘security community’ that the other QUAD members have articulated. She affirms that the distinction is particularly evident in India’s relationship with ASEAN, where India has made an effort to advance regional cooperation through ASEAN-led mechanisms rather than through the QUAD. She highlights that India’s approach to the Indo-Pacific is characterized by a “low-resolution” liberalism, which emphasizes inclusivity and non-confrontation over the promotion of democratic values. The author suggests that India’s resistance to the QUAD’s vision of a “security community” could hinder the development of a coherent and effective regional order. However, she also argues that “India’s “low-resolution” liberalism could provide a more inclusive and adaptable framework for regional cooperation in the Indo-Pacific region.”

The paper “India’s Indo-Pacific Policy: Unpacking the Underpinnings and Challenges” (Dar, 2023) by Arshid Iqbal Dar frames “India’s Indo-Pacific Policy under the hedging strategy. The author argues that the hedging prong in India’s Indo-Pacific policy can be deciphered from New Delhi’s simultaneous engagement with the US and the QUAD grouping on the one hand and Russia and China on the other. Moreover, India’s emphasis on the “free, open, and inclusive Indo-Pacific” as well as the “ASEAN centrality” underlines New Delhi’s hedging strategy.” The author argues that “the huge power inequality with China aided by the US’s declining presence in the region is the most important factor for India to adopt an ambiguous hedging strategy in the Indo-Pacific.” The paper argues that India faces many obstacles in the Indo-Pacific like the huge power gap with China and economic fissure. However, the author affirms that “if India could overcome these challenges, then, not only will India be in a position of strength to manage China, but it will also add credibility to its image among its so-called like-minded partners who are expecting too much heavy-lifting from New Delhi in handling Beijing.”

2.2 GAPS IN LITERATURE:

Many scholars have discussed and contributed in context with India's Act East Policy and also the hedging strategy in India's foreign policy. However, there is a gap in connecting the hedging strategy in India's Act East Policy. Much literature has talked about India's hedging vis-à-vis China, but there is a gap in identifying the type of hedging and the reason behind India's Hedging behavior. Most of the literature concentrates on security reasons as the main underlying factor for India's hedging strategy. However, there could be other factors like economic, social, political, and cultural reasons for practicing hedging strategy. So, there is a need to systematically analyze the various dimensions of India's hedging policy.

There is a lack of empirical research on the effectiveness of hedging as a foreign policy tool. The impact of India's hedging strategies on individual ASEAN member states has received limited attention. A more detailed examination of how India's hedging behavior is perceived and responded to by different ASEAN countries is needed to fully understand the dynamics of India's Act East Policy. Moreover, the effectiveness of hedging as a foreign policy tool for India in achieving its objectives under the Act East Policy needs to be assessed to address the challenges and limitations of the Act East Policy. Therefore, this study aims to fill in the gaps in the existing literature.



CHAPTER-3

FRAMEWORK AND METHODOLOGY

3.1 THEORETICAL FRAMEWORK:

Hedging Strategy:

“Hedging is a term derived from economic theory whereby actors invest in diverse policies to ensure against unexpected failures” (TOOL, 2017). Hedging refers to “an insurance policy against opportunism.” “The usage of hedging aims to avoid heightening tension or causing conflict with a target state by maintaining a cooperative posture” (Koga, 2018). Hedging States behave to avoid risk and uncertainties by maintaining ‘strategic ambiguity.’

According to Kei Koga (Koga, 2018), “the concept of “hedging” should be understood in the context of the “balancing-band-wagoning” spectrum within the “balance of power” theory, in which hedging is located between balancing and band-wagoning as the state’s third strategic choice. The first step in determining a state's strategic behavior is to assess its economic and military prowess; if these indicators are insufficient to distinguish between balancing, band-wagoning, or hedging behavior, diplomatic factors should be considered, though they are relatively weaker indicators. Hedging, according to Koga, refers to a state behavior that attempts to maintain strategic ambiguity to reduce or avoid the risks and uncertainties of negative consequences produced by balancing or bandwagoning alone.”

One of the most significant benefits of using hedging is that “it helps to avoid heightening tension or causing conflict with a target state by maintaining a cooperative posture. The primary purpose of "hedging" is to lessen the risks and uncertainties connected with a specific course of action of balancing and bandwagoning alone” (Koga, 2018). However, hedging faces drawbacks too. Its ambiguous nature tends to escalate tensions with other states, which is an unintended outcome of the hedging strategy. Therefore, a hedging state aims to retain credibility by aligning its words with its actions to lower this risk.

Moreover, “there is a clear Conceptual gap between policy and scholarly usage” (Koga, 2018):

1. “Policymakers define “hedging” as a methodological choice. - The state has already taken sides against the target state but remains determined to use noncoercive methods to induce cooperation as long as the target state remains non-belligerent” (Goh, 2005).
2. “Scholars tend to define “hedging” as a strategic choice. - The state makes by not taking sides, either temporarily or permanently. - The third choice in addition to balancing and band-wagoning” (Kang, 2007; Tessman & Wolfe, 2011).

This study uses the Scholarly usage of the hedging strategy.

According to Kei Koga, there are six main patterns in which a state shows its hedging behavior (Koga, 2018):

1. “military balancing / economic bandwagoning (conventional hedging)
2. diplomatic balancing / economic bandwagoning (soft hedging)
3. military bandwagoning / economic balancing (economic hedging)
4. military bandwagoning / diplomatic balancing (security hedging)
5. economic balancing / diplomatic bandwagoning (diplomatic hedging); and
6. military balancing / diplomatic bandwagoning (politico-military hedging).”

Regarding whether the state engages in hedging activity, conventional hedging, and economic hedging are both clearer as such behaviors are founded on actual economic and military actions. In contrast, the remaining four patterns show an imprecise as they do not convey strong political conduct to the listener.

The hedging strategy has provided a framework to analyze the foreign policy behavior of a state. Kei Koga in his study, “The Concept of “Hedging” Revisited: The Case of Japan’s Foreign Policy Strategy in East Asia’s Power Shift,” has provided a case study of Japan in context with Hedging. This is considered suitable to use as a reference in this research as India and Japan show quite similar behavior in their foreign policy. This framework will help in providing answers to the thesis.

Operationalizing hedging concept:

According to Kei Koga (Koga, 2018), “military and economic capabilities and policies would be first examined” to operationalize the hedging concept. A state's Military capabilities can be identified from the state's defense policies, its military spending, and its share of the state's Gross Domestic Product (GDP). Similarly, the economic capabilities of a state can also be gathered from the GDP, Foreign Direct Investments (FDI), export, import, and other economic parameters. “If the military and economic capabilities cannot identify the nature of the state’s foreign policy, then, the diplomatic factor would be examined”. “Using the diplomatic historical record, which includes formal and informal diplomatic declarations and media coverage, tracking the evolution of diplomatic interaction between the state and the target state is possible.”

India’s Hedging Behaviour:

India's hedging behavior shows both patterns of Conventional hedging and soft hedging to some degree.

- Conventional hedging: military balancing with the US and its allies (e.g., QUAD); economic bandwagoning with China (e.g., SCO).
- Soft hedging: Diplomatic hedging against China. India is deepening its ties with ASEAN (Strategic Partnership), and its diplomatic ties with like-minded nations (e.g., QUAD) show hedging against China.

This research delves deeper into India's hedging practices within the framework of its Act East strategy, examining behaviors, responses, and supporting evidence in particular. The

roles that India plays in its foreign policy through the use of hedging are analyzed and examined in this paper. In addition, several factors supporting India's hedging practices are examined, while those impeding India's hedging in AEP are also noted.

3.2 RESEARCH METHODOLOGY:

3.2 (a) Data Collection Method

The Qualitative method of Data collection will be used for this research. Discourse analysis will be applied to the collected data. Discourse analysis “focuses on the social dimensions of communication and how individuals use language to achieve specific results (for example, to develop trust, induce doubt, elicit emotions, or manage conflict)” (Luo, 2019). Discourse analysis considers language as a vehicle for action. Sets of non-numerical, non-statistical, non-measurement approaches will be used to describe political cases. This qualitative approach will be based on non-numerical descriptions and observations. This qualitative method is considered appropriate for this research as this research aims to explain India’s Act East policy in context with the hedging strategy as a foreign policy tool. This research will critically assess the qualitative data from diverse sources to create a thorough output.

3.2 (b) Sources of Data

Data have been collected from primary and secondary sources to provide a comprehensive result. Primary data sources have been gathered from an assistant professor and a senior research analyst directly through interviews and other means of communication. The interviewees were as follows:

1. Joyprokash Mondal: Assistant Professor at the Department of Political Science, Bangabashi Evening College, Kolkata, India.
2. Ms. Antara Chakraborty: Senior Analyst at the Centre of Excellence for National Security (CENS), S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University (NTU), Singapore.

This research also collected and analyzed data from secondary sources as those sources provided additional information, which was an important source in supporting the research. The secondary sources comprise books, research papers, other academic works, government reports (from the Ministry of External Affairs), reports from media outlets, etc. The data collected were further processed following the steps of data processing (i.e., collection, preparation, input, processing, and output).

CHAPTER 4

FOREIGN POLICY STRATEGY UNDER ACT EAST POLICY OF INDIA.

4.1 FROM 'LOOK EAST' TO 'ACT EAST':

India's, cultural and historical relation with the South East Asian countries can be traced back to antiquity. The disintegration of the Soviet Union in 1991, thereby ending the Cold War (1947-1991) together with India's domestic imperatives compelled India to shift its policy towards the traditional alliances in Southeast Asia. Following the Economic liberalization in 1991, India has adopted a comprehensive policy for re-eastward engagement. As a part of this policy, the grand 'Look East Policy' of India was launched by the then Prime Minister of India, P.V. Narasimha Rao in 1991. Initially, the focus of LEP was on trade and investment linkages with the Southeast Asian Countries, particularly members of the Association of Southeast Asian Nations (ASEAN). It was primarily an economic cooperation. Therefore, Look East was a strategic shift for India, driven by the end of the Cold War, economic ambitions, and the desire to be a major player in the emerging Asian economic and security landscape. "India's proposal to have sectoral dialogue with ASEAN in the areas of trade, technical & manpower development, technology & tourism was accepted by ASEAN in January 1992." "Although there is some dispute over the exact origins of the policy, the establishment of India's sectoral dialogue status with ASEAN in 1992 is most frequently cited as the start of the policy" (Bajpae, 2017). Due to the fulfillment of India's commitment by the ASEAN members, the 5th ASEAN Summit held in Bangkok in 1995, announced that India would become a Full Dialogue Partner.

The Look East policy saw some success, but limitations became apparent. India's engagement remained modest in contrast to other regional powers like China and Japan. Moreover, China's expanding economic and military sway over the region prompted India to reassess its strategy. The LEP's primary economic focus did not adequately address emerging security concerns or leverage India's potential as a strategic player in the region. These legacies of Look East Policy have made it evident that India must take a more committed and multifaceted approach to Southeast and East Asia.

Furthermore, the United States, seeking to counter China's influence, encouraged India to take a more proactive role in the Indo-Pacific. "In 2011, U.S. Secretary of State Hillary Clinton, on a visit to India, emphasized the need for India to be more active in the Asia-Pacific region." She appealed to India to "act east" instead of just "looking east." The birth of the 'Act East' Policy was announced by India's Prime Minister Narendra Modi in 2014 on the 12th ASEAN-India Summit and EAS at Nyapitaw, Myanmar. Act East wasn't a complete overhaul, but an expansion with a more strategic outlook. It built upon the economic foundations laid by the LEP but placed greater emphasis on strategic cooperation, infrastructure development, and cultural exchange. The AEP adopted a more proactive approach, emphasizing India's participation in regional forums, such as the East Asia Summit and the ASEAN Regional Forum (ARF). It aimed to strengthen defense ties with ASEAN nations through joint military

exercises and capacity-building initiatives. Connectivity became a central pillar of the AEP, with a focus on developing infrastructure projects linking India's Northeast region with Southeast Asia. This focus addressed not only economic integration but also aimed to bridge the geographical gap between mainland India and the region. Cultural exchange programs, educational collaborations, and tourism initiatives were also prioritized under the AEP to foster closer people-to-people ties. “Modi indicated a renewal of India's external engagement to parallel and complement a renewed domestic reform momentum: "A new era of economic development, industrialization, and trade has begun in India. Externally, India's 'Look East Policy' has become 'Act East Policy'." He added that this was "a reflection of the priority that we (India) give to this region” (Bajpae, 2017). The shift from the “Look East” Policy to the “Act East” Policy has sought to add a dynamic and proactive stance to India’s eastward engagement.

Often described as the cornerstone of India’s Foreign Policy, ‘Look East’, now ‘Act East’ has developed and intensified through various stages. If one counts from the parent ‘Look East’, the now ‘Act East’ Policy is more than three decades old. And since its deepening and broadening to the Act East, the policy will celebrate its 10th anniversary on the 12th of November 2024. Since its birth, ‘Act East’ has continuously stressed ASEAN centrality in its policy enactment. The most distinctive aspects of the Act East Policy are its emphasis on the broader geographic scope and its strategic depth, compared with the Look East Policy. Act East Policy places a greater emphasis on strategic and security cooperation with regional partners. India seeks to engage in dialogues and collaborations on regional security issues, counter-terrorism efforts, and maritime security to contribute to regional stability.

India has come a long way with ASEAN, beginning with ‘Sectoral Dialogue Partner’ in 1992, ‘Dialogue Partner’ at the Foreign Minister level in 1996, ‘Summit Level Partner’ in 2002, ‘Strategic Partnership’ in 2012, to the ‘Comprehensive Strategic Partnership (CSP)’ in 2022. The year 2022 also marks India’s 30th Anniversary of India-ASEAN relationship. On the occasion, the “Joint Statement on ASEAN-India Comprehensive Strategic Partnership” was released. Moreover, India also shares many other institutional platforms with ASEAN like the East Asian Summit (EAS), ARF, ASEAN Defence Ministers’ Meeting (ADMM+), Shangri-la Dialogue, Shanghai Cooperation Organisation (SCO), ASEAN+, Asian Development Bank (ADB), Delhi Dialogue, Expanded ASEAN Maritime Forum (EAMF), ASEAN-India Free Trade Area (AIFTA), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Mekong Ganga Cooperation (MGC), etc. Besides this India is working to deepen its bilateral ties with the countries in the Indo-Pacific region. All these mechanisms play an important role in India’s Act East Policy.

This cornerstone policy of India was “developed and enacted during the government of Prime Minister Narsimha Rao (1991–1996) and rigorously pursued by the successive administrations of Atal Bihari Vajpayee (1998–2004), Manmohan Singh (2004–2014) and Narendra Modi (2014-2024).” From laying its foundation in 1992 as “Look East” to the present “Act East,” the policy has gone through so many transitions and changes. The changes can be broadly classified into three phases:

1. Building Bridges (1992-2002)

This phase of India's LEP from 1992 to 2002 marks the initial bridge-forming step for India with Southeast Asia. From being a "Sectoral Dialogue partner" in 1992, India became a full 'Dialogue Partner' in 1995, India joined the ASEAN Regional Forum in 1996, BIMSTEC in 1998, India with 5 ASEAN countries formed the Mekong Ganga Cooperation in 2000 and further India became the 'Summit Level Partner' in 2002. In this phase, LEP was mainly focused on economic and cultural connectivity. "Bilateral trade between India and ASEAN grew from US\$3 billion in 1993 to around US\$10 billion in 2000" (Deepak, 2023).

Despite some domestic political instability during this period, India sought to play a pivotal role in strategic and military cooperation through joint military exercises, strategic partnerships, and multilateral engagement with ASEAN countries. India initiated Joint Naval Exercises with Southeast Asian countries like Singapore (SIMBEX) in 1994. In 1992, the Malabar naval exercise was initiated as a combined Indo-US naval exercise. The naval exercise was suspended from 1998 to 2002 due to India's 1998 nuclear weapons testing; since then, it has been held annually (Gady, 2018). Indian Ocean Rim Association, IORA also played a crucial role in strengthening security ties in the region. Several Memorandums of Understanding (MOUs) and naval agreements were signed between India and ASEAN during this period.

2. Strategic Expansion (2003-2013):

Following the foundation laid down by the first phase, from 2003 to 2013, India's relations with East and Southeast Asia expanded to include political, security, cultural, connectivity, and economic aspects. "Three major agreements were signed at the Bali Summit in 2003: the Treaty of Amity and Cooperation (TAC) between India and ASEAN, a Framework Agreement on Comprehensive Economic Cooperation, and a Joint Declaration on Cooperation in Combatting International Terrorism. These agreements marked the beginning of India's closer political, security, and economic ties with ASEAN" (Bajpae, 2017). As a founding member, India took part in the East Asia Summit in 2005. In addition, the 2009-signed ASEAN-India Trade in Goods Agreement (AITIGA) became operative in 2010 (Medina, 2022). The second phase of LEP also shows India's vision to expand its connectivity to other ASEAN countries, particularly the CLMV countries. India showed its vision to step its foot and produce roots in the Asia-Pacific Arena.

Phase 2 showed India's engagement with ASEAN as well as East Asia in a much more institutionalized manner. India was a founding member of the East Asia Summit (EAS) in 2005, the ASEAN Defence Ministers' Meeting Plus (ADMM-Plus) in 2010, and the Expanded ASEAN Maritime Security Forum (EAMSF) in 2012. India went up to the level of 'Strategic Partnership' with ASEAN in 2012. Many more bilateral treaties were signed between India and ASEAN countries like Singapore, Thailand, and Malaysia. "The Comprehensive Economic Cooperation Agreement, CECA signed between India and Singapore in 2005 and with Malaysia in 2011 is worth mentioning."

The key difference between the first and second phases of LEP would be that the first phase was "largely confined to trade and economic relations with South East Asia." Meanwhile, during the second phase, India's engagement with South East Asia is becoming both deeper

and wider. It is becoming more integrated economically and going beyond economic interactions to bolster political and security ties”. It is also becoming wider by extending the policy's geographic reach beyond Southeast Asia to encompass the entirety of East Asia, all the while keeping ASEAN at the center of regional engagement (Bajpae, 2017).

3. Deepening ties and the rise of Act East Policy (2014-)

One of the significant steps taken by Modi as he started his office as a Prime Minister for the first time in 2014 was the change of ‘Look East’ to ‘Act East.’

“The expansion and deepening of our engagement in our extended neighborhood, particularly, after the new Government assumed office in 2014, led to the enhanced Look East Policy, acquiring a new dimension as ‘Act East’. This new phase in our relations is characterized by a more proactive and pragmatic approach to Foreign Policy with emphasis on concrete forms of cooperation in political, economic, and cultural spheres and timelines for implementation” (MEA, 2014-2015).

Some perceive this as a rebranding or renaming of the Look East while many perceive this as a major Strategic focus for India in the Indo-Pacific region. Look East Policy has been able to reach out to economic, political, strategic, and cultural dimensions with ASEAN, however, the focus of the enhanced Look Eat Policy or the Act East Policy extends beyond the ASEAN to reach the far end corner of the Indo-Pacific. 1st Forum for Indo-Pacific Island Community (FIPIC) was held in 2014, India deepened its ties with CLMV countries and continues to attend ASEAN-centric fora like EAS, ARF, ADMM+, EAMF (MEA, 2014-2015). ASEAN India FTA on Services was signed on 1st July 2015 completing the ASEAN-India FTA in all dimensions (MEA, 2015-2016). On June 1, 2018, Prime Minister Shri Narendra Modi gave a keynote speech at the Shangri-La Dialogue, outlining India's strategy in the Indo-Pacific area. In his speech, the prime minister reaffirmed ASEAN's centrality in the Indo-Pacific area (MEA, 2018-2019). Because of the importance of this region, “the Prime Minister of India articulated India’s vision of the Indo-Pacific in June 2018 by providing substantive policy elements and programs. India's Indo-Pacific vision also incorporates the Indo-Pacific policy of "Security and Growth for All in the Region" (SAGAR) into a comprehensive and inclusive framework” (MEA, 2018-2019). There were high-level diplomatic visits and exchanges at ministerial levels between India and ASEAN. “At the same time cooperation in the maritime domain has gained increasing prominence in India’s dialogue with ASEAN and other regional forums.”

With the continuation of Modi as Prime Minister for the second time, “the year 2019 witnessed an intensification of India’s engagement with various Indo-Pacific frameworks.” Modi's second term saw a greater emphasis on the Indo-Pacific concept, aligning India's Act East Policy with broader regional strategies. “The Ministry of External Affairs established a new Division for the Indo-Pacific in April 2019. 2019 marked the year when ASEAN formulated its Outlook towards the Indo-Pacific on 23 June 2019, as a response to the Indo-Pacific concept. The end of the year marked the 35th ASEAN/14th East Asia Summit (EAS)/16th India-ASEAN Summit from 2-4 November 2019 in Bangkok where the PM interacted with ASEAN Leaders and announced the India Pacific Oceans Initiative (IPOI)

during EAS” (MEA, 2019-2020). “During 2020-21, despite the challenges presented by the pandemic, India continued to intensify its engagement with various Indo-Pacific frameworks. The new ASEAN-India Plan of Action (2021-2025) was adopted at the ASEAN-India Foreign Ministers’ Meeting held on 12 September 2020” (MEA, 2020-2021). “On 28 October 2021, the Prime Minister co-chaired the 18th India-ASEAN Summit, the leaders announced the Year 2022 as the India-ASEAN Friendship Year to commemorate 30 years of ASEAN-India Partnership in 2022. The two sides also adopted the ASEAN-India Joint Statement on Cooperation on the ASEAN Outlook on the Indo-Pacific (AOIP) for Peace Stability and Prosperity in the Region - to build upon the synergies between the ASEAN Outlook for the Indo-Pacific and India’s Indo-Pacific Oceans Initiative (IPOI)” (MEA, 2021-2022). In addition, India and Australia signed the Australia-India Indo-Pacific Oceans Initiative Partnership (AIPOIP) in April 2021 to secure cooperation in ensuring an “open, inclusive, resilient, prosperous and rules-based maritime order.” It further seeks to “support regional architecture in line with their shared values and interests” (Horam, 2022). “The 2022 India-ASEAN Summit was historic as it elevated the ASEAN-India Partnership to a Comprehensive Strategic Partnership (CSP). A Joint Statement to establish the CSP was adopted by the Leaders” (MEA, 2022-2023). “On September 7, Prime Minister Narendra Modi attended the 20th ASEAN-India summit in Jakarta, Indonesia, where leaders held extensive discussions regarding bolstering the ASEAN-India relationship in the Indo-Pacific. Modi remarked on the ‘unison in the vision of India and ASEAN for the Indo-Pacific’ ” (MEA, 2022-2023).

During Modi's first term, the Act East Policy laid the groundwork for proactive engagement with Southeast Asia and the broader Asia-Pacific region. In his second term, the policy has expanded to encompass a more strategic and comprehensive vision of the Indo-Pacific, with a focus on security, economic connectivity, and regional stability. However, India and China had created "equilibrium" in the first two phases, which was essentially the extent of the first two phases, while the final due to the lost balance and growing asymmetries with China, phase witnessed a significant shift in India's Act East Policy (AEP) (Deepak, 2021). China's expanding military and economic power in the Indo-Pacific has given India's lone quest for regional economic cooperation a boost that has turned it into a roadblock for China. Building solid partnerships like QUAD is becoming increasingly significant under the Modi administration in order to maintain a stable Indo-Pacific. On the way to enhancing and deepening ties with Southeast and East Asian countries, India has continuously engaged through bilateral agreements and partnerships. “The bilateral trade stood at USD 122.67 billion in 2023-24” (India, 2024). Economic ties have deepened although the progress rate is slower compared to the trade rate in Look East Policy. Overall, the transition from the Look East Policy to the Act East Policy reflects a strategic recalibration in India's approach to the East, aligning with the changing geopolitical landscape and the growing significance of the Indo-Pacific region. The Act East Policy seeks to position India as an active and constructive player in the region, contributing to economic development, regional stability, and cooperation.

4.2 THE CONCEPT OF INDO-PACIFIC AND INDIA'S AEP:

According to Mondal, 'Throughout history, the maritime domain has been an important site of regional dynamics and the establishment of new and emerging powers shaping the larger security architecture. Great power competition is no different today. The emergence of the Indo-Pacific as a new geographic space, underlining the reemergence of maritime space as a theatre of geopolitical contestation—the mingling of the Indian and Pacific Oceans—signifies the new strategic actuality of the 21st century' (Mondal, Interview, 2024). The concept of the Indo-Pacific has evolved through historical, strategic, and geopolitical developments, reflecting the growing recognition of the interconnectedness and strategic importance of the Indian and Pacific Oceans. The contemporary usage of the term "Indo-Pacific" can be traced back to Japanese strategic thinking. In 2007, Japanese Prime Minister Shinzo Abe articulated the idea of a "Confluence of the Two Seas" in a speech to the Indian Parliament, emphasizing the strategic and economic linkages between the Indian and Pacific Oceans. The United States formally adopted the Indo-Pacific terminology in its strategic documents and policies, particularly during the Trump administration. The 2017 National Security Strategy of the United States emphasized the importance of a "free and open Indo-Pacific" in response to China's growing influence.

According to Prime Minister Modi, the Indo-Pacific region encompasses the Indian Ocean and extends "from the shores of Africa to those of the Americas." The primary vehicle carrying the Indo-Pacific vision of India is its Act East Policy. India has conceived the Indo-Pacific Ocean Initiative (IPOI) as a way to develop a mechanism to cooperate with like-minded countries to pursue a 'free, open, inclusive and rules-based' Indo-Pacific. "IPOI is built on the pillars of India's 'Act East' policy (focusing on the Eastern Indian Ocean and the Western Pacific) and 'Act West' (focusing on the Western Indian Ocean). IPOI draws on existing regional architecture and mechanisms to focus on seven pillars: maritime security, maritime resources, maritime ecology, capacity building and resource sharing, disaster risk reduction and management, science, technology, and academic cooperation, and trade connectivity and maritime transport." The Modi government has come up with the dual model, which will 'Link West with Act East policy,' and further enhance India's connectivity across the Indo-Pacific. India adopted a 'Neighbourhood First' policy to enhance regional cooperation with eastern neighbors. "Such policies are a priority because if India is unable to resolve its differences with neighbors, then it would set up an opportunity for China to run the geopolitical and strategic show in South Asia and beyond" (Roy, 2022).

The rise of the Indo-Pacific concept has geoeconomic underpinnings for India. To fuel its economic growth, India has stepped up its search for energy security. India's economic growth and energy security are closely tied to the maritime security of the Indian Ocean and the Pacific Ocean. "With over 90 percent by volume and 77 percent by value, India's foreign trade is dependent on maritime routes, with the Indian and Pacific Oceans being crucial to its economic growth and energy security." This has made it necessary for India to hyphenate and interlink the two ocean regions in terms of ensuring freedom of the seas and maritime security. Moreover, India's increasing outreach and economic relations with the South Pacific littoral countries have necessitated the need to include the region within India's geostrategic

considerations. This has been reflected in the expanded scope and outreach of the Act East Policy. Thus, India's rationale for the Indo-Pacific was largely driven by its geoeconomic objectives (Horam, 2022).

There is also a strategic dimension beyond the economic rationale of India's Indo-Pacific conception. Owing to the United States' strategic focus on the Middle East and its War on Terror, the post-Cold War security structure in the Asia-Pacific region witnessed the decline of the United States' influence and the increasing rise of China. "China's increasing presence in the Indian Ocean Region, its increasing assertiveness in the South and East China Seas, and its military exertion in the Pacific region have become a matter of strategic concern for India as well as other countries in the region. This shared concern prompted the quest for a new security architecture in the region" (Horam, 2022).

According to Antara, India's approach in the Indo-Pacific region is also based on active diplomacy, by engaging with ASEAN countries and other regional players through initiatives like the Act East Policy. Furthermore, India's diplomatic efforts are also heavily geared towards promoting a rules-based order and stability in the Indian Ocean, and the Indo-Pacific (Antara, Interview, 2024). As Mahan says, "Whoever controls the Indian Ocean, will control Asia" (Ghosh, 2011). It is imperative for India to forge strong partnerships, whether economic, security, political, or strategic, with South, and Southeast Asian as well as Indo-Pacific countries. Such moves will not only help India to end economic isolation in the north and northeast but will also strengthen its Act East trajectory far and beyond. The Indian government advocates rules-based order in the Indo-Pacific and seeks to gradually transform the AEP into an Act Indo-Pacific based on shared values and principles. "The India-ASEAN Plan of Action (2021-2025) will help the two sides to work towards the ASEAN 2025 vision for an economically integrated and rules-based grouping." Under the new plan of action, the idea is to strengthen the East Asia Summit "as a premier leaders-led forum for dialogue and cooperation on broad strategic, political and economic issues...with the aim of promoting peace, stability, and economic prosperity in the region." "India-ASEAN will also promote maritime security and safety, freedom of navigation, unimpeded commerce, the non-use of force, and the resolution of disputes by peaceful means, in accordance with international law and the 1982 UN Convention on the Law of the Sea (UNCLOS)."

In recent years, the narrative of the Indo-Pacific has been increasingly utilized by India as a geoeconomic and geostrategic framework in its eastward engagement. India's Act East Policy seeks to project the Indo-Pacific concept within the ambit of its economic, political, and strategic calculus. As such, the Indo-Pacific concept complements and conveniently fits into India's geopolitical strategy under the Act East Policy.

4.3 WHERE DOES ‘HEDGING’ LIES IN INDIA’S ACT EAST ENGAGEMENT?

According to Mondal, “hedging, in the context of international relations, refers to a strategy where a country avoids making firm commitments to any single power or bloc and instead maintains flexibility by balancing relationships with multiple countries” (Mondal, Interview, 2024). Many other pieces of literature defining the concepts of ‘hedging’ have been discussed above in this thesis. Here, this study defines ‘hedging’ as a tool in foreign policy that employs both ‘balancing’ and ‘bandwagoning’ by not taking sides with any great powers. India’s Act East Policy incorporates a mixture of ‘Conventional Hedging’ and ‘Soft Hedging,’ at the same time practicing strategic autonomy by not taking sides. ‘Conventional Hedging’ is when a state practices both economic bandwagoning and military balancing, while ‘Soft hedging’ is through diplomatic balancing and economic bandwagoning. According to Kei Koga, ‘conventional hedging’ is clear in terms of whether the state engages in hedging behavior because such behavior is founded on actual economic and military action, not a plan. While ‘soft hedging’ is based on expectations of the state’s future behavior, not on its actual behavior, and thus does not send a strong political signal to the audience, unless a diplomatic signal is transformed into actual policy actions it might invite confusion and misunderstanding compared to conventional hedging and economic hedging (Koga, 2018).

Act East Policy remains the sole vehicle of India’s Act East engagement or rather its Indo-Pacific strategy. The policy which was merely meant for economic cooperation with the South East and East Asian countries has now gone far more than just an economic partnership. It has deepened in all ties possible, be it economic, political, or security concerns. India’s foreign policy in the Indo-Pacific region exhibits clear hedging patterns. India has its own construct and opinion about its Act East policy or its broader Indo-Pacific vision which is different from the construct of the US. “The US has been very vocal in its vision of the Indo-Pacific as a bulwark against a rising China, while India has been loath to admit that China is the main driver of its Indo-Pacific policy” (Rajagopalan, 2020). This shows India’s stern point of non-alliance to any side. In what would become the first official statement of India on the Indo-Pacific, Prime Minister Modi in his June 2018 Shangri-La-Dialogue speech put it, thus: "India does not see the Indo-Pacific region as a club of limited members." Nor as a group that seeks to dominate. And we do not believe it is directed at any particular country... India’s vision for the Indo-Pacific region is, therefore, a positive one "(MEA, 2018-2019). This shows India’s stern point of non-alliance to any side. From the beginning, “India has repeatedly emphasized the inclusive nature of the Indo-Pacific with an explicit reassurance that it is not meant to target any power, a typical hedging strategy” (Dar, 2023).

However, India did participate in forming an alliance with the Quadrilateral Security Dialogue, famously known as QUAD with like-minded nations i.e., the US, Japan, and Australia. China called it an Asian NATO and is very much against this. The member countries except India, envisage QUAD as an alliance in Indo-Pacific to balance China’s aggression. Nevertheless, India has been opposing QUAD's institutionalization in addition to being hesitant to recognize it as a crucial part of its Indo-Pacific strategy. This has, in reality, meant delicately adjusting New Delhi's Indo-Pacific strategy to collaborate with the other QUAD members without going so far as to annoy Beijing. However, India continues to have strong bilateral

military and security ties with the QUAD members, which serves to counterbalance China without upsetting them in a formal or institutional sense. Moreover, India continues to participate in joint military exercises with the QUAD countries like the Malabar Exercises. The idea behind QUAD was to build “a free and open Indo-Pacific,” however the unstated objective is to build a common approach to counter China’s growing power (Roy, 2022). This shows India’s ‘Conventional hedging’ behavior by military balancing China through partnerships with like-minded countries. On the other hand, China is India’s second-largest economic partner, so economic bandwagoning with China is an inevitable case for India. However, India always remains aware and wary of this economic giant in its neighbor, so India rejects any economic relation with China that will hamper its national interest. That is the reason India left RCEP in 2019 and India opposed the Belt and Road Initiative (BRI) of China. However, India continues to maintain bilateral economic partnerships with China and also shares many economic and trade platforms, like the AIDB, SCO, BRICS, and many more. Even after the historic Doklam clashes and Galwan clashes that could have completely ended the India-China relationship, India continues to maintain economic bandwagoning with China exhibiting a ‘conventional hedging’ pattern.

While reaching out to the ASEAN which India has continuously emphasized as the core or centre of India’s AEP, India follows a pattern of ‘Soft hedging.’ ‘Soft hedging’ is the pattern in which a country practices diplomatic hedging against a rising power. India is deepening its ties with ASEAN (Strategic Partnership), and its diplomatic ties with like-minded nations (e.g., QUAD) show hedging against China. India has been deepening its Strategic partnership with ASEAN countries, both through institutional mechanisms and bilateral relationships. While India's Act East Policy has strengthened its engagement in the Indo-Pacific, China's foreign policy clout remains more pronounced due to its economic might, strategic investments, and military capabilities. India's Act East Policy has made considerable progress in enhancing its presence in the Indo-Pacific, but it faces significant challenges in matching China’s clout. To strengthen its position, India needs to continue deepening its strategic partnerships, enhancing economic engagement, and leveraging its cultural and diplomatic strengths. While the AEP alone may not be sufficient to fully combat China's influence, it is a crucial component of India’s broader strategy to navigate the complex geopolitics of the Indo-Pacific region. By balancing relations with major powers, engaging in regional multilateral institutions, forging strategic partnerships, leveraging economic initiatives, and enhancing military capabilities, India aims to maintain its strategic autonomy, maximize its options, and safeguard its national interests in a complex and dynamic regional environment. This multi-faceted approach allows India to navigate the uncertainties of the Indo-Pacific geopolitics while positioning itself as a significant and independent actor in the region. Nevertheless, India adopts a weak form of conventional hedging behavior as India puts more importance on maintaining strategic autonomy and continuously refusing to make any military alliance in the Indo-Pacific. The ‘soft hedging,’ on the other hand is more appealing for India as it focuses on peaceful diplomatic partnerships without risking strategic autonomy. However, it remains merely a talk show as India has to take more action. Such behavior has created a sense of confusion about India’s commitment to the Indo-Pacific.

CHAPTER 5

THE RISE OF CHINA AND INDIA'S AEP.

According to Antara, “As a middle power swing state, India’s role in the Indo-Pac region is becoming increasingly significant as it navigates great power competition primarily between the US and China. As a major democratic power in the subcontinent, India is strategically positioned to have the potential to influence the power in the region” (Antara, Interview, 2024). As stated by Mondal, “China's rise across the Indian and Pacific Oceans challenges the security umbrella. The rise of China and its economic, political, and military expansion from Europe and Africa to Asia and the Pacific are changing strategic realities for Canberra, Tokyo, and Washington, DC. India's move towards the Indo-Pacific has been formed by new strategic surroundings with the climb of China, mostly in the Indian Ocean region and South Asia. Although priorities and capabilities differ, Beijing's growing presence across the Indo-Pacific presents a common strategic challenge to Canberra, New Delhi, Tokyo, and Washington” (Mondal, Interview, 2024).

The China Factor:

Besides the protracted boundary disputes between India and China and the related threats to India’s territorial security, China poses significant regional security and strategic challenges for India. “The challenges from China relate to two aspects: China's increasing influence in the Indian Ocean Region (IOR) through its strategy of “strategic encirclement” of India, and the strategic challenge from China’s expanding presence and increasing assertiveness in the Asia-Pacific region” (Horam, 2022). “China’s increasing expansion and belligerence in the region—particularly in the South China Sea dispute—has caused New Delhi to reassess its strategic approach. India is wary of China’s encroachment into what New Delhi considers India’s “extended neighborhood” ” (KHAN, 2023). China’s expanding footprint in the Indian Ocean region deserves more discussion because this is an area that is increasingly fuelling Indian threat perceptions. In fact, some Indian thinkers see more than just encroachment; they perceive strategic ‘encirclement’ from China. In the past decade, China’s Belt & Road (BRI) initiative and the China–Pakistan Economic Corridor (CPEC) have scheming strategies for world dominance and raised significant security concerns for India, which has expressed reservations and concerns about BRI, The recent unprecedented deterioration of Indo-Maldives relations and the docking of a Chinese ‘research’ ship in the islands has sparked concerns about the resurgence of the Chinese strategy of the famed ‘String of Pearls,’ which aims to encircle India with Chinese outposts to maintain its dominance on its neighbor. The courageous audacity of a small country that largely depends on Indian tourists to challenge India has sent shockwaves across diplomatic channels. “China’s strategic push through the Kyaukphyu Port in Myanmar (apart from China’s naval base in Cambodia, Hambantota in Sri Lanka, and Gwadar in Pakistan, apart from a naval station at the port of

Djibouti) threatens India's nuclear attack submarine base on India's eastern command" (Kumar, 2024).

The Indian Ocean has crucial geoeconomic and geostrategic importance for India for high energy imports and geostrategic security. "India's geographic location at the center of the Indian Ocean has a strategic significance and provides distinct advantages to many chokepoints that lie almost equidistant from the country. India plays an important role in the current geopolitical situation due to its long stretch of coastline along the ocean. Hence, the security of its coastline and its islands are important in maritime governance" (Roy, 2022). India's response to China's assertion in the Indian Ocean Region can be seen through Modi's SAGAR initiative for maritime engagement intensified India's efforts to engage with IOR countries by deepening bilateral security cooperation and working towards building multilateral cooperative maritime security architecture. "The strategic and security challenges from China have transformed India's relationship with the IOR, which has gained a strategic emphasis under the Act East Policy" (Horam, 2022). "New Delhi's position among the Indo-Pacific members is seen as maintaining India's position on the safe side against Beijing. This reveals India's search to take advantage of China as an economic partner" (Liu & Jamali, 2021). According to Mondal, "While India does not necessarily need to act as a strong balancer against China in an adversarial sense, adopting a multifaceted approach that includes balancing China's influence is essential for fulfilling its Indo-Pacific vision. This approach ensures regional stability, protects India's strategic interests, and promotes a rules-based international order in the region" (Mondal, Interview, 2024). India's foreign policy has been shaped to a large degree by 'the China factor' which results in deeper articulation and a multifaceted approach for India to deal with such assertiveness. India does not opt for an eye-to-eye response to China's assertion but rather chooses to build up its strength through partnerships with Indo-Pacific countries and engaging multiple ties and partnerships like the QUAD, ASEAN and broadening its Act East Policy vision to reach far Indo-pacific to balance the rise of China in the region. To address the pressing challenges of the policy divergences among the Indo-Pacific players, Modi focuses on pursuing mutual compatibility with China. India is well aware that the economic and military might of China is of great anxiety for India. To address 'the China factor,' Modi hunts for broad-based Indo-Pacific inclusivity in this broader geopolitical scope while simultaneously refraining from making any security agreements that could ultimately symbolize India as an antagonist or potential balancer against China in the Indo-Pacific region.

5.1 India-QUAD: 'Weak yet Strong'

After a hiatus of about eight years, the QUAD countries' leaders met in the Philippines in 2017 on the sidelines of the ASEAN summit, thus reviving QUAD as QUAD 2.0. The revival of QUAD can be attributed to the events experienced by QUAD members due to China's aggression between 2013 and 2020. "To mention some of them, China jeopardized security by refusing to respect internationally accepted maritime rules, challenging rules-based orders, claiming lands and islands, building artificial islands, and becoming a threat to peace in the Indo-Pacific. Japan experienced Chinese coercive behavior near the Senkaku Islands in

2012. Tensions between Washington and Beijing also flared over their trade imbalance. As mentioned earlier, in 2017 and 2020, India faced border disputes with China at Doklam and Galwan Valley” (Pant, 2022). The first in-person QUAD-leader summit was held in 2021 hosted by Japan. Hosted by Australia, on 28 May 2023, the leaders of the QUAD (Prime Minister Anthony Albanese of Australia, Prime Minister Narendra Modi of India, Prime Minister Kishida Fumio of Japan, and President Joseph R. Biden, Jr. of the United States) meet for the 3rd time in-person QUAD meeting.

“Together, we reaffirm our steadfast commitment to a free and open Indo-Pacific that is inclusive and resilient. The global strategic and economic environment is changing rapidly – with direct impacts on countries in the region. We believe we should navigate this time of uncertainty and opportunity together, working closely with our Indo-Pacific partners. We seek a region where no country dominates and no country is dominated – one where all countries are free from coercion, and can exercise their agency to determine their futures. Our four countries are united by this shared vision,” Joint Statement, QUAD Leaders (Statement, 2023).

With its primary goal of making a ‘free, open, and secure Indo-Pacific,’ QUAD remains an informal dialogue forum. It has never been institutionalized. “While the informality of the QUAD allows it to be flexible and adaptable in responding to regional challenges, it may not be sufficient to address more overt and aggressive actions by China” (Rossiter & Cannon, 2023). Among the QUAD members US in particular has been playing the greatest role in the formation of such a group with an unacclaimed goal of containing its better rival, China in the Indo-Pacific. The United States identifies the QUAD as central to its Indo-Pacific strategy, and the QUAD construct attributes to all four members the status of being pivotal powers in the Indo-Pacific. Geographically, as India has a larger footprint in the Indian Ocean region, the US will be better off if its partner member India stands as a strong China balancer in the region. This is more or like the same unexpressed vision shared by the other QUAD members. Certainly, China has brought the QUAD together. The United States Japan and Australia already have security alliances in place. By political, economic, and, if required, military means, all three nations are attempting to counterbalance China's projection of strength in the East and South China Seas. Owing to U.S. economic and technological supremacy, India acknowledges the importance of the United States' capacity to aid India in the building out of its economic and military national power. For Jaishankar, “the most impressive (Asian) growth stories of the last 150 years have all been with the participation of the West” (Jaishankar, 2020).

However, India also does not share the imperative to tackle China explicitly as a systemic competitor of the United States. India has been perceived, particularly by the West as the ‘weak member’ in the group due to its reluctance to deepen defense cooperation. “India has a long history of practicing its strategic autonomy and hence does not consider aligning to any part of the region, be it the US or China. Observers have raised questions about India’s capabilities and future ability to project power, refusal to embrace the QUAD as an alliance formation, unwillingness to frame the grouping as a counterweight to China, and retention of a parallel, strategic relationship with Russia” (Estrada, 2023). However, “India’s worsening relations with China after the 2017 Doklam standoff and the 2020 border clashes bolstered New Delhi’s willingness to embrace the QUAD” (Malhotra, 2023). Even so, India continues

to remain a reticent player in the region. The way that Washington and New Delhi differ on key questions of global order is evident in India's attitude to Russia's invasion of Ukraine. India has stated time and time again that it will cooperate with the QUAD to maintain open skies, oceans, and airways while also working to advance a democratic and rules-based order in the Indo-Pacific region. However, India's alignment of interests with the US or its allies in the Indo-Pacific region does not mean that India has fully embraced the US conception of world order. This is demonstrated by India's emphasis on a pluralistic and inclusive understanding of the Indo-Pacific, rejection of the QUAD as an official alliance, and denial of foreign evaluations or comments on the country's internal democratic processes. Although China's increasing footprint in the Indo-Pacific region poses a direct challenge to all members of the QUAD, India has never accepted framing the QUAD as an anti-China grouping. India frequently quotes QUAD away from the definition of 'standing against' a major power. Concerning the rhetoric of QUAD being 'against,' S. Jaishankar stated, "What I would not like to be defined as is standing against something or somebody, because that diminishes me. That makes it out as though some other people are the center of the world and I'm only there to be for them or against them" (Blinken, 2023). Indian strategic elites remain resistant to a deeper institutionalization of the QUAD along hard security lines. India has been unwilling to pursue an overt collective strategy of Chinese containment or to frame or enact the QUAD as a militarized collective. War with China is never an option for India.

The longer-term ambition for India to emerge as a "leading power" or an independent pole in world politics makes conflicting demands of its relationship with the QUAD. India needs deep strategic relationships with QUAD partners to meet its resourcing imperatives, but it does not seek to prop up a regional order that serves any of the other three partners before India or that imposes socializing pressures that diminish its status and options. The contemporary value of the QUAD for India is as a stepping stone to greater power and status and the realization of a multipolar order. "Three key factors—the need for unconstrained material resourcing, the avoidance of the provocation of China, and resistance to a role as a socialis e in a U.S.-led order—are the imperatives behind India's clear determination to approach the QUAD on its own terms" (Estrada, 2023). While maintaining its 'strong' place and importance in the QUAD, India focuses on bilateral engagements with the QUAD members to achieve its long-term ambition. India is better off to remain in the prevailing position of adopting and multifaceted approach of multi-alignment within and outside QUAD partners. India's ambition for a multipolar world naturally means an end to both Chinese regional and the US global hegemony.

5.2 China's Response to India's Act East Policy.

According to Antara, "India's bilateral relations with China can be defined as a heavy hedge. While India and China have always been engaged in a strategic rivalry, they have also engaged in strategic dialogues, economic cooperation, and shared regional interests. At the same time, they have also faced tensions over territorial disputes (Doklam of 2017 and Galwan of 2020) and regional influences, which have become more pronounced in recent times" (Antara, Interview, 2024). In comparison, China is powerful in the field of economic and

military power, yet Beijing is well aware of India's political and diplomatic outreach and its potential economic rise. India's strategic and geographical position in the Indo-Pacific and India's dominance in the Indian Ocean Region has been a matter of hindrance to Beijing's 'wolf warrior' aggressive diplomacy.

China believes that the intent behind India's engagement in the Indo-Pacific is owing to economic and strategic reasons, at the beginning. However, as India began to reach the far Indo-Pacific through its multifaceted policy, China viewed India's Act East Policy through strategic rivalry and competition. In China's view, "India's AEP is in "concert with" the US's "rebalancing to Asia" or Indo-Pacific Strategy, which has resulted in a situation where the US and India are unitedly checking and balancing China" (Deepak, 2023). China perceives India's vision as a long-term vision to become a regional leader and influencer in the Indo-Pacific arena by building a strong military power in its backyard with its QUAD partners. "From Beijing's perspective, the QUAD represents a Cold War mentality—a united front against China—hence, Beijing continues to accept the old Asia-Pacific construct rather than subscribing to the new Indo-Pacific nomenclature" (KHAN, 2023). "China might dismiss the idea of the Indo-Pacific as an artificial U.S. foreign-policy construct and maintain a laser-like focus on its front yard in East Asia, but Beijing is not taking its eyes off the Indian Ocean" (Mohan, 2022). China identifies that India's vision is to create a "multipolar regional order" through its involvement in the Indo-Pacific Strategy and Act East Policy. Moreover, Beijing is concerned that "an emerging India" could soon overtake it as a "strong competitor of China" in the Indo-Pacific, which could impede the advancement of Sino-ASEAN relations. China perceives India's search for a partner in ASEAN by shifting from Look East to Act East as a balancing strategy to counter China in the Indo-Pacific. However, China does not see India-ASEAN relation to be alarming in its economic clout in the Southeast Asian region. "China holds the view that India's economic significance to ASEAN is yet to be realized" (Deepak, 2023). In 2022, the imports of goods to the ASEAN region from China accounted for approximately 22.9 percent of all imports to the ASEAN region. "In comparison, imports of goods from India to the ASEAN region accounted for 2.3 percent of all the imports to the region in 2022" (Statista, 2023). China perceives India as an economically weaker country and has to work on this side to match ASEAN's expectations as ASEAN is looking for a compromising economically stable partner, not an 'empty partner.'

However, Beijing cannot neglect India's potential of becoming a regional power in the Indo-Pacific and India shows many possible signs and capabilities of becoming one. In response to India's capabilities or rather in a way to show India its presence, China's device policies like the 'String of Pearls' and BRI bring its aggressive footprint in the India-dominated Indian Ocean Region and also form bridges with India's neighbors. It can be explained in the view of encircling India with its aggressive outreach. Such Chinese policies are a countering act to India's Act East Policy, Indo-Pacific vision, Neighbourhood policy, and India's relation with QUAD. China's Indo-Pacific policies are clear and straightforward giving larger attention to economic and military overclouding of the region. According to Antara, "India has been a regional power in the Indo-Pacific arena for over a decade, even before Modi's government took power. Despite growing internal and domestic challenges, India's foreign policy has largely remained consistent, marked by strategic hedging and engagement. India's proactive

stance in the Indo-Pacific, characterized by its “Look East” and “Act East” policies, has been driven by a long-term vision to enhance regional influence and secure its maritime interests” (Antara, Interview, 2024). China is therefore prepared to take all necessary measures to oppose any policies that a big nation like India devises that upset or interfere with China's foreign policy objectives. It is possible to argue that China's recent actions in Doklam and Galwan constitute an attempt to contain India. Therefore, if India were to pursue a very offensive foreign policy toward China, China may respond in any way, even if it requires igniting tension. Since both nations are well aware of and able to comprehend one another's reactions, they refrain from enacting policies that might have an immediate impact on one another. But if one were to weigh the level of tensions caused by one factor against another, China would be seen as the more aggressive country while pursuing its foreign policy, while India would occasionally act as a counterbalance to defend itself from its aggressiveness.

5.3 The ‘ASEAN centrality’ of India’s Indo-Pacific strategy

According to Nalanda Roy, “to build a common approach to counter China’s growing power, India needs to work with others to counter China as well as balance the power competition, and play an important role in the Indo-Pacific region. The Act East policy is expanding and will have an impact in the region” (Roy, May 14, 2024). Right from day one of enacting the Act East Policy and even its predecessor Look East Policy, India has continuously stressed the idea of ‘ASEAN centrality’ in its Act East Policy or the broader Indo-Pacific vision. India regards ASEAN as a springboard to grant entry into the far broader Indo-Pacific and dive into the multilateral partnerships in the region. Modi in his keynote speech at the Shangri-La Dialogue in June 2018, underscored the perspective of ‘ASEAN centrality’ to the Indo-pacific conception. As a foundational element of India’s Act East Policy, the “centrality of ASEAN” essentially remains the core of India’s “Indo-Pacific” vision. Even in the context of geopolitics, it makes sense to consider ASEAN as the center in the Indo-Pacific region. To build a rule-based ‘free and open’ maritime security in the Indo-Pacific, ASEAN is very crucial for India as emphasized in India’s Indo-Pacific Oceans Initiative (IPOI). Both IPOI and AOIP, stressed and accepted the idea of ASEAN centrality to build a rule-based Indo-Pacific region.

“Not only does emphasizing ASEAN’s centrality allow India to pursue its vision of a free, open, and inclusive Indo-Pacific but it also helps in reducing the member state’s anxiety regarding the loss of ASEAN’s place in the regional and economic order” (Dar, 2023). However, India’s standpoint and commitment to ASEAN face skeptical views and comments from its member countries. According to Antara, this notion can be attributed to factors such as, “firstly, India’s engagement with ASEAN has been perceived as “inconsistent”- with varying levels of diplomatic and economic involvement over time. Despite efforts to enhance trade and investment, India’s economic ties with many ASEAN countries remain relatively modest compared to those with China and other major powers. India’s principle of maintaining a level of strategic autonomy also contributes to a degree of uncertainty. Additionally, India’s capacity to project power and influence in the region and its focus on immediate neighborhood issues, such as tensions with Pakistan and China, often diverts attention and resources away from broader Indo-Pac engagement” (Antara, Interview, 2024). According to Mondal, the

skeptical views can be caused by “ASEAN countries that may view India's actions through the lens of China-India rivalry, leading to doubts about whether India's engagement is driven by long-term regional interests or primarily by its competition with China. Moreover, India's strategic autonomy policy and its approach to balancing relations with major powers like the US, China, and Russia can create an impression of ambivalence. While India participates in initiatives like the QUAD (Quadrilateral Security Dialogue) with the US, Japan, and Australia, it also seeks to maintain a stable relationship with China, despite border tensions. This balancing act can be perceived as a lack of clear commitment” (Mondal, Interview, 2024). India's withdrawal from the Regional Comprehensive Economic Partnership (RCEP) in November 2019 is viewed by many of its partners as a sign of India’s lack of commitment and economic protectionism. Moreover, India’s relation with QUAD members and frequent military exercises with the QUAD members has questioned if India’s commitment has changed from the ‘ASEAN centrality’ to ‘QUAD centrality.’ Many of the ASEAN countries are fearful of China’s rise, due to their dense economic dependence on China and lack of sufficient resources. Moreover, the ongoing tensions between China and India in the region for power dominance have already created a wary feeling and fear towards the smaller ASEAN countries, hence they do not wish to be caught in a cross-fire between China and India. ASEAN's wish to overcome China’s heavy clout in the region complements well with India’s Indo-Pacific vision. Hence, if India could clear the skeptical opinions and views and continue incorporating ASEAN centrality more actively in its Indo-Pacific strategy, its hedging policy would be more fruitful and effective.



CHAPTER 6

WHY IS INDIA 'HEDGING'?

India's use of hedging as a foreign policy instrument in its outreach to the Indo-Pacific region has long been known. Therefore, it's important to comprehend India's why India is using this tactic in the Indo-Pacific. According to this study, there are three main explanations for why India started practicing hedging:

1.) Geopolitical and Strategic Balancing: the 'China factor.'

India had to opt for "hedging" due to the Indo-Pacific's intricate geopolitical framework to avoid a Cold War-like situation. Despite the continuous border skirmishes and clashes in the Line of Control (LOC), India maintains good economic and trade connectivity with China. "New Delhi has never acknowledged the China Factor as the primary motivator for its Indo-Pacific strategy" (Dar, 2023). Despite the US's emphasis on China's rise as a cause for concern in the Indo-Pacific, India lacks the might to challenge China due to the significant imbalance in the region's military and economic spheres. "As of 2024, China and India are the 2nd and 5th largest economies in the world, respectively, on a nominal basis. In 2024, China's GDP of \$18,533 billion will be 4.71 times higher than the \$373 billion of India" (Times, 2024). "According to an analysis by Global Firepower in 2024, the index put India's military in fourth place and China's at third on its top ten list" (Explainers, 2024). "In the financial year 2023-2024, India allocated \$73.9 billion, while China reserved \$229 Billion of its budget for the military" (Sharma, 2024). India is making progress in narrowing the disparity between its military and economic asymmetries, but it is unable to eliminate China's extremely strong military and economic influence in the Indo-Pacific region. Along with this growing economic imbalance, China being the second-largest trading partner of India ensures that New Delhi can ill afford to alienate China. Economic bandwagoning with China is, therefore, indispensable.

India, as the weaker partner in the relationship, has realized that now is not the appropriate moment to openly challenge China. To address China, India is currently interacting with other Indo-Pacific allies, the most notable of which is the QUAD. However, New Delhi does not want to become a leading power in any containment strategy against China. "Modi's India has adopted a mixed strategy toward its asymmetric rival China that includes accommodation and cooperation at the multilateral level (e.g., the Asian Infrastructure Investment Bank), competition at the regional level (in the Indo-Pacific), rejection of China's unilateral initiatives (such as the Belt Road Initiative), and deterrence (along the Himalayas and in the Indian Ocean)" (Pardesi, 2022). The complex mixture of policy responses to deal with a powerful China makes hedging a smart move for India.

One can alter a country's political, economic, or security strategies, but one cannot alter its geographic location. India is aware that it shares 3488 kilometers of Line of Control (LOC) with China, which is why it would be foolish for it to take any actions that would anger China.

India, meantime, is fully aware of China's aggressive actions. Consequently, it adheres to a hedging strategy that seeks to counterbalance China by interacting with superpowers like the US and Russia, joining alliances like the QUAD, and strengthening its ties with ASEAN and the Indo-Pacific region in particular while economically bandwagoning with China. Hence, to strengthen India's position, it thus seems more appealing to adopt a hedging strategy that involves engagement with China in addition to simultaneous alignment with its adversaries.

2.) Regional stability: Reassuring ASEAN centrality in the uncertain Indo-Pacific.

The US-China power rivalry has already caused fear and uncertainty among the smaller nations in the ASEAN. India's entry as a challenger to China will therefore not be welcomed by these nations. Therefore, rather than interfering with other countries' might, India could act as a peaceful balancer to help clear the air. To reduce tensions, India's admission into the Indo-Pacific platform had to take the shape of a multilateral cooperation. As Jaishankar argues, "This is a time for us to engage America, manage China, cultivate Europe, reassure Russia, bring Japan into play, draw neighbors in, extend the neighborhood, and expand traditional constituencies of support" (Jaishankar, 2020). As the backbone of the Indo-Pacific, India's Act East Policy has consistently emphasized ASEAN centrality. By bolstering its influence in the ASEAN region, promoting an open and free Indo-Pacific, and aligning its trade, security, and defense sectors to control China and assume a more prominent (sub-superpower) position, India is legitimizing its place among the ASEAN nations.

Furthermore, ASEAN is worried about QUAD becoming well-known in India's Indo-Pacific outreach since it does not want a military alliance in the area that would jeopardize the stability of the Indo-Pacific. China views QUAD as an alliance against China's ascent in the Indo-Pacific, which is why it dubbed QUAD the Asian NATO and opposes such coalitions. would be through ASEAN. However, Modi noted that India's passage to the QUAD. That means "giving due consideration to the regional arrangements such as the East Asia Summit, the ASEAN Regional Forum, and the ASEAN Defence Ministers' Meeting-Plus (ADMM-PLUS), as potential platforms for dialog with the countries of the Indo-Pacific region" (Dar, 2023). The Indo-Pacific Oceans Initiative (IPOI) aligns with India's Act East Policy and reinforces its commitment to ASEAN centrality in the regional security architecture (Mondal, Interview, 2024). Therefore, rather than viewing China as a competition, India must demonstrate that it is eager to grant a smooth entry as a regional economic, political, and cultural partner working for regional stability in the face of an uncertain Indo-Pacific. This has made India adopt hedging to reassure peace in the Indo-Pacific at the same time gaining from this relationship.

3.) To Pursue its national interest while safeguarding its Strategic Autonomy.

"In the post-Cold War period, India's foreign policy and strategy shifted away from non-alignment to strategic autonomy. That meant pursuing strategic hedging while interacting with all the major powers in order to maintain the balance of power in its favor" (Muraviev et

al., 2022b). “Strategic autonomy refers to the capacity of the state to make relatively independent choices on issues of vital interest to the country, and this is the hallmark of great power” (Dar, 2023). India's strategic autonomy during the UN members' vote in favor of the Russia-Ukraine war is a classic example. Despite pressure from the other members of the alliance, India decided not to remain neutral when all of the QUAD members—the US, Japan, Australia, and China—voted against Russia. China dubbed this alliance as the Asian NATO. Conversely, despite vocal opposition to a policy shift that would have seen India fully ally with the US against China during the Galwan conflicts, the government has made it very evident that India will not join any alliance structure, albeit taking a more nuanced stance.

“To hedge against China, it moved closer to ASEAN through its 'Act East' policy, as well as joined the US-initiated geo-strategic constructs. To hedge against the USA's actions, it engaged China and joined China-initiated institutional frameworks. To hedge against China and the USA, it continued to nurture its special relations with Russia, although at a lower level” (Muraviev et al., 2022b). By taking part in all of the aforementioned organizations concurrently, India is demonstrating its support for the QUAD ideals, engagement with China, and the ASEAN's centrality in the Indo-Pacific region. Instead of a zero-sum alliance structure, this strategic hedging is more akin to a multipolar-Asia paradigm, wherein India could protect its strategic autonomy and independence to make choices that are optimal for its national interest. “The Modi government has found, as per Jaishankar, “the benefits of working with different powers on different issues” in the multi-polar world, like, “having many balls up in the air at the same time and displaying the confidence and dexterity to drop none”” (Jaishankar, 2020).

These three are the key drivers for India to opt for hedging in the Indo-Pacific region. India seeks to safeguard its national interests, advance regional stability, and guarantee a prosperous and secure Indo-Pacific region through balancing relations with major powers, broadening economic alliances, improving maritime security, and utilizing soft power diplomacy (Mondal, Interview, 2024). India is aware of the power imbalance and knows it cannot contain China's ambitions, but it can counterbalance its influence. "Hedging" is still by far the most appropriate step for India to take in order to handle the geopolitical and strategic issues in the unstable Indo-Pacific, accomplish its Indo-Pacific ambitions, adhere to ASEAN centrality, and preserve its strategic autonomy.

Challenges in India's Hedging:

Despite hedging being the most alluring tool in India's Indo-Pacific outreach, one must keep in mind the geopolitical scenarios, security dilemmas, and the changing global order in the Indo-Pacific. India's hedging is not new to these challenges. This study brings out three major challenges to India's hedging in its Act East Policy that could compromise India's Indo-Pacific strategy:

1.) Geopolitical and Economic Challenge:

India finds itself in a precarious situation as the US and China's rivalry grows more intense. India gains from having strategic and economic connections with both, but it is difficult to maintain balanced relations without offending either given the rising tensions between them. India is under growing pressure to ally itself more closely with the United States and its allies, especially through the QUAD (Quadrilateral Security Dialogue). This pressure makes it more difficult for India to uphold its strategic independence and stay out of China's way.

The heavy economic clout that China has been creating in the Indo-Pacific region hinders the entry of a developing country like India, despite India's attempts. India's economic engagement with ASEAN and other Indo-Pacific countries lags behind China's. China's Belt and Road Initiative (BRI) and its massive investments overshadow India's efforts. China's financial resources and willingness to invest in large-scale infrastructure projects in the region give it a significant advantage over India. "China's military presence and capabilities in the Indo-Pacific, particularly in the South China Sea and Indian Ocean, present a formidable challenge to India. China's deepening ties with countries like Cambodia, Laos, and Myanmar, and its strategic footholds through BRI projects, enhance its geopolitical influence" (Mondal, Interview, 2024).

"Although being a growing economic power, India has been undertaking efforts to scale up its role in trade and connectivity in the Indo-Pacific, guided by its 'Act East' policy. Nevertheless, New Delhi's overall economic performance in the region has come under serious pressure. India is only marginally attached to the region through shallow economic partnership agreements with Japan, South Korea, and the ASEAN countries; China is far ahead in terms of trade with almost all the Indo-Pacific countries" (Dar, 2023). Despite the free trade agreement, India and ASEAN have a severe lack of endogenous motive for economic and trade cooperation, in contrast to trade between China and ASEAN. Meanwhile, connectivity is probably going to stay in a semi-finished condition. Projects like the Bangladesh, Bhutan, India, and Nepal (BBIN) project, "Project Mausam," SAGAR, BIMSTEC, Kaladan Multi-Modal Transit Transport Project, and the India-Myanmar-Thailand Trilateral Highway, which was announced in 2002 and expanded to include Cambodia and Vietnam in 2012, are moving forward quite slowly because of "complex multinational construction procedures" and "India's limited financial capacity." India is unable to match China's substantial foreign aid and investment in the region due to its internal economic difficulties and resource limitations. India's efficacy may be impeded by its protracted bureaucratic procedures and delayed project delivery in contrast to China's swift execution (Dar, 2023). Strong economic ties and

collaborations are essential for the survival of a politico-economic framework like the Indo-Pacific. It won't be enough to only concentrate on strategic discussions and potential military collaboration since eventually, the inevitable economic logic will take over. Trade barriers, protectionist policies, and regulatory hurdles in partner countries pose challenges for India's trade relations in the region. These issues complicate efforts to deepen economic integration and expand market access.

2.) Regional Security Challenge:

The territorial disputes in the South China Sea involve several ASEAN members and China, posing a challenge for India as it seeks to engage with both ASEAN and China. India's support for freedom of navigation and its naval presence in the region can be seen as provocative by China, leading to diplomatic friction. Continued China's aggression on India's border also triggers India and makes it hard to merely remain a regional balancer. Moreover, China's increasing closeness with Russia and Pakistan might pose a heavy security challenge to India's policy in the Indo-Pacific. The Russia-Ukraine conflict has made Russia more dependent on China. "There is speculation that once the dust settles in Ukraine, Russia-China alliance will emerge tighter than before, coordinating their actions and policies, including in India's backyard" (Mehta, 2022). "The biggest factor behind their current closeness is their shared discomfort with the U.S. and its allies, especially the Indo-Pacific construct and QUAD, which they perceive as recreating the 'ideology of a new Cold War'" (Dobson, 2022). Even worse, Russia is also gaining ground with Pakistan, China's "all-weather" partner, and India's other main rival. A "geopolitical nightmare for India" is what the strategic convergence of Russia, China, and Pakistan is likely to be. The troika will not only seriously impair India's strategic options in the Indo-Pacific, but it may also limit India's impact within its own border. Essentially, there will be pressure on India's hedging strategy.

3.) Domestic constraints:

India being the world's populous democracy is what makes it a trustworthy nation in the Indo-Pacific. "The popular "democratic QUAD", in particular, is committed to defending democracy and advancing prosperity in the Indo-Pacific region by emphasizing the free, open, and rule-based order. However, in recent years, India's democratic credentials have suffered a significant setback, which would jeopardize the push for cooperation among "like-minded" democracies, especially when it comes to countering China. India's democracy is seriously backsliding." The Freedom House in its annual report downgraded the country from 'free' to 'partly free' in 2021 and India has not yet been able to revive the position. The report says that "While India is a multiparty democracy, the government led by Prime Minister Narendra Modi and the Hindu nationalist Bharatiya Janata Party (BJP) has presided over discriminatory policies and a rise in persecution affecting the Muslim population" (House, 2024). "India, which was downgraded to the status of an "electoral autocracy" in 2018, has declined even further on multiple metrics to emerge as "one of the worst autocratizers", according to the 'Democracy Report 2024' released by the Gothenburg-based V-Dem Institute that tracks

democratic freedoms worldwide” (Bureau, 2024). India needs to realize that democracy is the core foe and it is able to form multiple alliances and partnerships in its foreign policy. If these backsliding is not addressed on time, India’s alliances, the US in particular might set back from India’s partnership. If so then, the whole hedging policy of India might crumble down. On the other hand, years of continuous instability in India’s gateway to SEA, Myanmar has also posed serious security and connectivity issues in India's foreign policy. Moreover, India needs to address the domestic political crisis more rapidly. For India to rapidly grow its connectivity with SEA and EA, its gateway the Northeast India, which India considers as its springboard of AEP, cannot be left out of context. The classic case of ongoing Manipur violence, a state sharing its international border with Myanmar which started on May 3, 2023, has affected heavily on India AEP. Such incapability of the government to solve this issue has not only affected its domestic atmosphere but also its international image. Such kind of irresponsible behavior will have a huge negative impact on India’s hedging strategy. The Citizenship Amendment Act (CAA), passed by the BJP government has huge negative impacts on the Muslims and other minority religious communities in India. The name of being a ‘Hindu nationalist’ government causes a sense of marginalizing form of government in the eyes of other countries. The pandemic has even further raised concerns about BJP’s ‘Hindutva’ nature. The government has been receiving several backlashes from the opposition which caused a scene of decline of secularism in the external eyes. Being a secular democratic country is why India has been given the title of the world's most populous ‘religious diversity’ democratic country and India needs to uphold this democratic secularism. These challenges are crucial for India to address on time and solve as soon as possible, as India is likely to stick to the hedging strategy in the long run while working more on economic military developments.

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS.

This article analyses the changes in the strategic focus of India from the Look East Policy to the Act East Policy and further the motives behind the change. Look East Policy was founded merely due to India's search for a replacement for economic partnership after the disintegration of the Soviet Union and the end of the Cold War. However, the policy has now passed various phases and has deepened to incorporate political, security, cultural, and connectivity, besides economic aspects. The narrative of India's Act East Policy has now reached the broader Indo-Pacific region to achieve a 'free and open Indo-Pacific.' With the beginning of his office in 2014 and the reinvigorating of the 'Look East' to 'Act East', Modi has brought a strong foreign policy for India in the Indo-Pacific region. In his second term, the policy has expanded to encompass a more strategic and comprehensive vision of the Indo-Pacific, with a focus on security, economic connectivity, and regional stability. The shift from the Look East Policy to the Act East Policy signifies a strategic realignment of India's Eastward strategy, in line with the evolving geopolitical environment and the increasing importance of the Indo-Pacific area. Being a major power in the Indian Ocean Region, maritime security has been a matter of great importance to India. Hence, a secure and rule-based Indo-Pacific is a must for India to balance China's rise and aggressiveness and also at the same time to continue maintaining its good relationship with the other major power, i.e., the US. Moreover, India aims to become an important player in the Indo-Pacific rather than being just a balancer. This is when India's relationship with smaller countries in the Indo-Pacific and ASEAN takes a major role. The primary vehicle to address these multiple concerns in the Indo-Pacific is the Act East Policy of India. To address these crucial geopolitical dynamics, India adopts a multifaceted 'hedging' approach in its AEP. By using hedging as a tool in its foreign policy, India practices both balancing and bandwagoning without taking sides with any major power.

This study identifies two patterns of India's hedging behavior, i.e., 'Conventional hedging' and 'Soft hedging.' Despite many hurdles that could have caused a cease in Indo-China relations, India continues to economically bandwagon with China at the same time militarily balancing China with its alliances in the QUAD. Despite the importance of QUAD, New Delhi's QUAD narrative is different from the other three members and does not accept the idea of institutionalizing QUAD. At the same time, despite China being the main driver of its Indo-Pacific policy, New Delhi has refrained from openly admitting that. India refrains itself from making choices that would antagonize China and rather focuses on diplomatic linkages under the pillar of 'ASEAN centrality,' a pattern showing 'soft hedging.' India takes a multifaceted, yet cautious hedging strategy. India's slow progress with QUAD, compared to other regional forums incorporating Beijing like the BRICS, and SCO, highlights its cautious approach to strengthening security ties with other nations, such as the US, Japan, and Australia. India's hedging behavior is motivated by its desire to preserve strategic autonomy, protect its national interests, negotiate the region's complicated geopolitical landscape, and simultaneously realize its Indo-Pacific goals. Three main drivers for India's hedging are

identified in this research i.e., to address the ‘China factor’ by geopolitical and Strategic Balancing, to reassure ASEAN centrality, and to pursue its national interest while safeguarding its Strategic Autonomy. However, India faces hurdles and challenges in exercising its hedging practice such as geopolitical and economic power asymmetry with China, regional challenges due to India’s vague and inconsistent behavior, and domestic challenges that affect its international image and trust like India’s declining democracy rate. Besides the huge economic gap with China, India’s neighboring country, border skirmishes, and clashes have been diverting India from focusing on strategic policies and development. Moreover, recently, India has been engaging with QUAD actively, which not only irritates China but creates a sense of QUAD centrality instead of ASEAN centrality. This concerns the smaller ASEAN countries as they do not want an Indo-China power competition when already the US-China has concerned them. India and ASEAN's motives to reduce China’s clout in the Indo-Pacific align, but ASEAN does not want India to replace China as a new aggressive power. India needs to reassure the ASEAN countries about this uncertainty.

To address such a complex scenario, India could not stick to just one policy and has to adopt a multifaceted approach. The primary concern for India now is not the difficulty of choosing which side to align, with but rather its economic and development challenges. India’s exit from RCEP not only shows India's lack of commitment but also has stopped itself from getting the benefits from it. New Delhi might have its reasons to exit but India seems to neglect all the benefits it could bring just to fulfill some concerns. India needs to find other approaches to integrate itself into the powerful Asian economy. An economically powerful India will not only be a boon for itself but also for ASEAN as it would help in reducing aggressive China’s clout in the Indo-Pacific region. In this way, India would be able to achieve its aim of becoming an important regional power. Meanwhile, India needs to continuously maintain its relations with like-minded countries while keeping ASEAN centrality intact to maintain a rule-based relationship. Bilateral military exercises and partnerships will be crucial to close the power gap and also to protect itself. India needs to spend more focus on connectivity and infrastructure development to aid in its Indo-Pacific vision. Besides ASEAN and QUAD India needs to timely check its relationship with other nations like Russia, and the Middle Eastern countries. The India-Middle East-Europe Economic Corridor (IMEC) launched at the G20 summit in New Delhi on September 2023 is one big move for India. Leveraging its soft power will be a wise move for India. At the same time, it is the right time for India to reinvigorate its Act East Policy. Hence, ‘hedging’ remains by far the best-suited tool for India in the Indo-Pacific in the changing global dynamics. ‘Hedging’ without tying knots would help India in maintaining secure Indo-Pacific relations. However, to practice effective hedging, India needs to overcome its challenges and address the concerns on time. Most importantly to practice hedging, India must uphold its democratic values and maintain a peaceful order within the nation. This challenge has been more concerning for India now. The government must keep in mind that an undemocratic and unpeaceful India may be perceived as a liability in its democratic partners' Indo-Pacific agenda. Can India rise as a major power? Will India achieve its Indo-Pacific goals? The answer to these questions would be that India does have all the potential to become a major power and achieve its Indo-Pacific vision. After the election of 2024, Modi started his term for

the third time, and the answer to how long will India take to achieve its vision lies in the hands of the policymakers.

APPENDIX:

Interview questions:

Joyprokash Mondal:

1. Could you share your ideas on India's role in this great power competition in the Indo-Pacific region?
2. Can you observe Hedging patterns in India's Foreign policy within the Indo-Pacific region? If so, can you share your insights on this topic? If India does employ such hedging strategies, what might be the driving factors behind India using such a tool in its foreign policy?
3. Does India necessarily need to act as a strong balancer in this region against China to fulfill its Indo-Pacific vision?
4. Many ASEAN countries reportedly view India's commitment to the Indo-Pacific with a degree of skepticism. What, in your opinion, might be the key reasons behind this uncertainty?
5. Is India's AEP strong enough to combat China's foreign policy clout in the Indo-Pacific?

Antara Chakraborty:

1. Could you share your ideas on India's role in this great power competition in the Indo-Pacific region?
2. Could you share your ideas on Hedging? Can you observe Hedging patterns in India's Foreign policy within the Indo-Pacific region? If so, can you share your insights on this topic?
3. Does India necessarily need to act as a strong balancer in this region against China to fulfill its Indo-Pacific vision?
4. Many ASEAN countries reportedly view India's commitment to the Indo-Pacific with a degree of skepticism. What, in your opinion, might be the key reasons behind this uncertainty?
5. Can you mention some setbacks in Modi's National Policy (or Domestic Policy) that hindered Act East Policy and also its international image?
6. Do you think India under Modi's government is stable and strong enough to get ready to rise as a regional power in the Indo-Pacific arena?

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