

Shinzo Abe's Visit to India: Reviewing the Strategic Partnership

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The India-Japan summit level meeting held on 25 January 2014 and Prime Minister Shinzo Abe's presence as the chief guest of India's Republic Day parade the following day marked the deepening bond between the two countries. There has been a high-level of bilateral exchanges between the two countries from Manmohan Singh's visit to Tokyo in May 2013 to Abe's latest visit. Emperor Akihito and Empress Michiko visited India in November 2013 followed by the visit of the Defence Minister Itsunori Onodera in January. Clearly, a push towards strengthening the strategic partnership between India and Japan is ongoing.

On 25 January 2014, the leadership signed eight agreements. The currency swap arrangement expanded from US\$15 to 50 billion effective from January 2014. To further consolidate the relation and strengthen maritime cooperation, India has invited Japan to participate in the Malabar naval exercise 2014 despite Chinese reservations witnessed in 2007. The Japanese Coast Guards and their Indian counterparts performed a joint exercise off the coast of Kochi and Japan Maritime Self-Defence Force (JMSDF) and the Indian Navy conducted second bilateral exercise off the coast of Chennai in January 2014 and December 2013 respectively. A dialogue mechanism between the Secretary-General of National Security Secretariat of Japan, Shotaro Yachi, and India's National Security Advisor, Shivshankar Menon, has been instituted. Joint Working Group (JWG) negotiation on the ShinMaywa Industries Utility Seaplane Mark 2 (US-2) amphibian aircraft is scheduled for March 2014. Both the countries are weighing the possibility of assembling the US-2 aircraft in India, which will provide India the opportunity to access Japanese military technology.

Despite evident proximity, one of the challenges in the bilateral relation is negotiating the Agreement for Cooperation in the Peaceful Uses of Nuclear Energy. Fundamental differences on CTBT continue to make the negotiations difficult. While Japan underscores the importance of CTBT, India reiterates its commitment towards voluntary moratorium on nuclear testing. Following the 2008 NSG waiver, India has entered into civil nuclear agreements with several countries despite being a non-signatory to the CTBT. Moreover, the Indo-US Civil Nuclear Agreement of 2008 is the framework on which India wants to model subsequent agreements. Additionally, Abe is navigating through the difficult choice of Japan's position on nuclear non-proliferation and the commercial interests of Japanese nuclear businesses, struggling to cope with the post-Fukushima financial loss. The agreement is also important for the French and US nuclear businesses. Their projects in India are affected since critical components for the nuclear reactors are expected to be provided by the Japanese corporations. Toshiba, Hitachi and Mitsubishi have stakes in Westinghouse, General Electric and Areva respectively. Nuclear lobby is exerting pressure on the political leadership of Japan to facilitate nuclear technology export to compensate for the loss post-Fukushima accident. Delay in negotiation runs the risk of escalating cost.

While the bilateral trade figure is expanding following the 2011 Comprehensive Economic Partnership Agreement (CEPA), it reflects trade imbalance in favour of Japan, which is likely to continue in the near future. Bilateral trade in 2012-13 totalled US\$18.51 billion. This figure leaves much to be desired when compared to the bilateral trade figures between Japan and China, which amounts to \$334 billion despite the developments following the nationalisation of the Senkaku islands.

Export Import Statistics

\Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
EXPORT	3,025.70	3,629.54	5,091.24	6,328.54	6,100.06
%Growth		19.96	40.27	24.3	-3.61
India's Total Export	185,295.36	178,751.43	251,136.19	305,963.92	300,400.68
%Growth		-3.53	40.49	21.83	-1.82
%Share	1.63	2.03	2.03	2.07	2.03
IMPORT	7,886.27	6,734.18	8,632.03	11,999.43	12,412.29
%Growth		-14.61	28.18	39.01	3.44
India's Total Import	303,696.31	288,372.88	369,769.13	489,319.49	490,736.65
%Growth		-5.05	28.23	32.33	0.29
%Share	2.6	2.34	2.33	2.45	2.53
TOTAL TRADE	10,911.97	10,363.72	13,723.27	18,327.97	18,512.35
%Growth		-5.02	32.42	33.55	1.01
India's Total Trade	488,991.67	467,124.31	620,905.32	795,283.41	791,137.33
%Growth		-4.47	32.92	28.08	-0.52
%Share	2.23	2.22	2.21	2.3	2.34
TRADE BALANCE					
India's Trade Balance	-118,400.95	-109,621.45	-118,632.94	-183,355.57	-190,335.97

Values in US \$ Millions

Source: Department of Commerce Export Import Data Bank

<http://commerce.nic.in/eidb/iecmt.asp>

Japan is concerned about what is perceived as an assertive China particularly following the developments in the East China Sea. Japan has for long relied on the US-Japan security alliance, but there is a school of thought, which argues that US is worried about getting dragged into Japan's conflict. Following Abe's Yasukuni shrine visit, the US conveyed its disappointment stating that "Japan's leadership has taken an action that would exacerbate tensions with Japan's neighbours".¹ Abe realises that solely relying on the US-Japan security alliance might not serve national interest in the fast evolving regional security architecture. So the leadership is diversifying its options and strengthening cooperation with countries like India and Australia. Moreover, Abe is working hard to garner support for reviving the

¹ "Statement on Prime Minister Abe's December 26 Visit to Yasukuni Shrine", December 26, 2013

<http://japan.usembassy.gov/e/p/tp-20131226-01.html>

debate on Article 9 of the Constitution and restructuring Japan's pacifist orientation which, if matures, is expected to redefine Japan's role in international politics.

China has keenly observed the progress of the India-Japan relations that it perceives as a part of a broader attempt by Abe to encircle China. Chinese media has been restrained this time compared to the previous year following Manmohan Singh's visit, when People's Daily in May 2013 referred to Japanese politicians as "petty burglars" for courting India. The Global Times on 30 May 2013 reported that "Japan's wishful thinking of "encircling China" is just an illusion. Besides sneaking a few bargains from its competition with China, Japan does not have the strength to prevail over China's influence in Asia".² Chinese media perceived the recent visit as "aims at pinning down China but hardly looks like succeeding".³ The Foreign Ministry spokesperson, Qin Gang, on January 2014 conveyed a measured response by stating that "We hope that development of defence cooperation between both countries will be conducive to peace, stability and security of the whole region".

Abe, who is known for his hawkish foreign policy, is friendly towards India. It was under his leadership that Japan signed the Strategic and Global Partnership with India in 2006. His historic speech on the Confluence of the Two Seas and his concept of Democratic Security Diamond underscore that India is perceived as an important partner. The National Security Strategy and the National Defence Program Guidelines released in December 2013 articulated that "Japan will strengthen its relationship with India in a broad range of fields, including maritime security".⁴ Japan has enormous opportunity to invest since India is planning \$1 trillion investment in infrastructure over five years. The footprints of Japanese ODA in Indian infrastructure/developmental projects are expanding. There remains no historical baggage between India and Japan. The leadership should address the concerns and realise the full potential of the strategic partnership. While India is scheduled to head for elections shortly, there would be no major shift in overall policy position in case of change of leadership in New Delhi. Both India and Japan will continue to deepen their strategic partnership while responding to the evolving regional security landscape in the coming days.

Views expressed are of the author and do not necessarily reflect the views of the IDSA or of the Government of India.

² "Diplomatic row due to disoriented Japan", Global Times 2013-5-30

http://www.globaltimes.cn/content/785417.shtml#Uvmpo_tRLSg

³ "Abe cozies up to India", Global Times January 27, 2014

<http://www.globaltimes.cn/DesktopModules/DnnForge%20->

[%20NewsArticles/Print.aspx?tabid=99&tabmoduleid=94&articleid=839559&moduleid=405&PortalID=0](http://www.globaltimes.cn/DesktopModules/DnnForge%20-%20NewsArticles/Print.aspx?tabid=99&tabmoduleid=94&articleid=839559&moduleid=405&PortalID=0)

⁴ National Defence Program Guidelines For FY 2014 and Beyond, December 2013

http://www.mod.go.jp/j/approach/agenda/guideline/2014/pdf/20131217_e2.pdf