

## **NEIGHBOURS WOO INDIA**

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"I'M a very modest man," Narendra Modi, who as a young man sold tea by the railroad but who became India's prime minister in May, told 18,500 cheering fans in New York's Madison Square Garden last week. "That's why I plan to do big things for modest people".

While in New York and Washington, Modi exuded justifiable pride that India and the United States had "met on Mars", with satellites from both countries now circling that planet. Modi is now focusing on a more mundane — but even more important — mission: placing a toilet in each Indian home within five years.

His common-man approach is reflected in his decision to address the country regularly by radio so as to reach the hundreds of millions of people who have no access to television. He is keenly conscious of the country's need to shed its backwardness and to develop.

But he also knows that for India to develop, it needs to cooperate with other countries, such as China, Japan and the US, which is why he visited Tokyo and Washington and, in between, hosted the Chinese president, Xi Jinping, in his native state of Gujarat.

India, in fact, is being simultaneously wooed by all three countries. China does not want India to be part of an international effort to constrain its growth, while both Japan and the US hope that India will help to balance China's rise.

During Modi's talks with Premier Shinzo Abe, both sides agreed to deepen their strategic relationship and signed a defence agreement on regional stability. Japan also promised US\$35 billion (RM114 billion) in foreign investment in India, including assistance in developing high-speed trains.

Modi urged Japanese companies, many of which have had difficulties in China in recent years, to consider India a "competitive low-cost manufacturing hub".

In the aftermath of the Modi visit to Japan, the official People's Daily Online published an article under the headline, "Japan cannot rely on India to counter China".

"India, the 'giant elephant' of South Asia, operates an independent foreign policy," it said. "No major powers, including Japan and the US, will succeed in imposing their will on India. India's prudent foreign policy is decided by India's interests."

That, of course, goes without saying. Modi's first foreign policy acts after assuming power were to strengthen India's ties with his neighbours, inviting South Asian leaders to his

swearing-in. To China's great displeasure, this included Lobsang Sangay, leader of Tibetans in exile. Modi then went on his first trips abroad, to Bhutan and Nepal.

While India cannot be faulted for wanting good ties with neighbours, Modi's actions should be seen through the lens of China's increasingly active diplomacy in what India considers its backyard. Before Xi's visit to India, for example, he first went to Maldives and Sri Lanka.

Xi's visit to India was marked by great fanfare, beginning as it did on Modi's 64th birthday and taking place not in the capital but in Gujarat, the Indian leader's home state. However, the visit was marred by an incident along their disputed border, with Chinese troops allegedly crossing the line of actual control established after the 1962 war.

During the visit, it was announced that China would invest US\$20 billion in India over five years. India, on its part, agreed to build industrial parks for Chinese investors, which would reduce India's imports from China, thus easing India's huge trade deficit.

Twelve days after Modi met Xi, he was in Washington for talks with President Barack Obama. Indications are that the talks went well. In a joint statement, India for the first time expressed concern over maritime territorial disputes and specifically mentioned the South China Sea, where China's claims are contested by various countries, including Vietnam and the Philippines.

India's trading ties with the US are also much stronger than similar ties with China. In fact, India's trade with China, which stood at US\$65.5 billion last year, has been falling while its trade with the US has risen to US\$100 billion, with both sides now setting a target of US\$500 billion, though without a specific timeline.

After the Modi trip to the US, the People's Daily Online ran another commentary. This time, its headline read, "India will not be a major player in America's game of rebalancing the Asia-Pacific".

"No matter how close the relationship between India and the US grows, India will not be a major player on the American team," the article said. "There is little prospect of India and the US reaching consensus on Chinese issues."

So China says it isn't worried about India-Japan or India-US ties, but saying so suggests that it is concerned.

