

## **A Newly-Minted Old Relationship: Strategic Synergy between India and Singapore**

*A full-spectrum relationship has been fashioned during India's Prime Minister Narendra Modi's visit to Singapore at this time. With Singapore's Prime Minister Lee Hsien Loong extending an extraordinary welcome to Mr Modi, the two countries have been able to showcase a symphony of positive sentiments. The way forward will be keenly watched in the region, including China whose President Xi Jinping paid a strategic visit to Singapore a few weeks earlier.*

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Celebrating 50 years of friendly diplomatic relations, Singapore and India have now established a Strategic Partnership, giving it a strong forward-looking focus. The importance of this concerted decision – announced by India's Prime Minister Narendra Modi and his host, Singapore's Prime Minister Lee Hsien Loong, on 24 November 2015 – transcends the emblematic symbolism of a celebratory occasion. Such a Big Picture is discernible beyond the digital bytes of diplomacy which is often expressed in long-winded formal language, as indeed after this summit in Singapore.

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In a Joint Declaration, the two Prime Ministers have traced a number of dynamic factors that drive the India-Singapore relationship forward. Three clusters of these factors are crucial to generating a positive critical mass for accelerating this relationship along a new trajectory of Strategic Partnership. Essentially, these core factors flow from the economic, political and strategic dimensions of the existing relationship.

The economic matrix consists of (i) a desire to “elevate [the] long-standing and multi-faceted cooperation to a higher plane with focus on key areas for the prosperity of both countries and regions”; (ii) a resolve to “maximise the economic potential of both countries to reflect the on-going transformation of their economies in the global economic order” and (iii) a recognition that “the Comprehensive Economic Cooperation Agreement (CECA), signed in 2005, ... remains the bedrock of their economic partnership”.<sup>2</sup> As for the political spirit that permeates this relationship, the two Prime Ministers have reaffirmed a shared commitment to “a peaceful Asia-Pacific region as an essential foundation for regional growth and development”.<sup>3</sup> On the generic strategic aspects, India and Singapore have articulated their decision to build on “their [on-going] constructive collaboration in international and regional fora”. Also emphasised in this context is the empirical recognition that “both countries are gateways to their respective regions” of South Asia and Southeast Asia.<sup>4</sup> More potentially, a pulsating strategic driver is the decision by the two Prime Ministers to take into account “India’s growing engagement of Southeast and East Asia through her ‘Act East’ policy”.<sup>5</sup>

The new Strategic Partnership, viewed by both sides as an elevation of their already-robust engagement, has been further defined as “a framework to contribute to greater regional stability and growth, deepen existing areas of cooperation and catalyse new ones”. Some of these new niche areas relate to the possible expansion of mutually-beneficial “military and defence cooperation”; a scale-up of trade and investment, with an aspiration to “double trade volume over the next two decades”; air links and maritime cooperation; development of smart cities in India and its urban rejuvenation; skills development and capacity-building in India; and a sharper focus on the development of Singapore’s business and cultural links with India’s

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<sup>2</sup> The finer details are quoted or paraphrased from the Joint Declaration by the Prime Ministers of the Republic of India and the Republic of Singapore on a Strategic Partnership (Singapore; 24 November 2015); [http://www.mfa.gov.sg/content/mfa/media\\_centre/press\\_room/pr/2015/201511/press\\_...](http://www.mfa.gov.sg/content/mfa/media_centre/press_room/pr/2015/201511/press_...) (Accessed on 25 November 2015)

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid

constituent states.<sup>6</sup> There is a host of other aspects, some of which are not often showcased despite being equally relevant to a vibrant bilateral relationship.

## **Defence and Economic Ties**

The sheer magnitude of such a vast canvas is testimony to a full-spectrum focus. While the many aspects of economic cooperation and people-to-people contacts between the two countries are well-known, the story of India-Singapore defence ties, while being transparent, is relatively less-chronicled. Joint military exercises and the training programmes between the two armed forces will continue to be a regular feature. New Delhi has been welcoming of Singapore's armed forces from all three services for training on the Indian soil, a unique gesture to a foreign military establishment.

In this context, it is significant that “defence and security cooperation” figures next only to “political exchanges” in the “framework” of the new Strategic Partnership. The relevant operative part in the Joint Declaration, already cited, reads as follows: “India and Singapore will expand military and defence cooperation in areas of mutual benefit, and *explore the possibility of further collaboration in defence technology, and co-development and co-production between their defence industries*”. (Emphasis added). Equally important, as a new feature, is the “Defence Ministers’ Dialogue”, with the two sides also agreeing to “explore expanding cooperation in maritime security and cyber security as well as in combating terrorism”.

While the plans for an expansion of cooperation in the realms of fighting terror and enhancing maritime and cyber security are noteworthy, the new buzz word in Singapore-India relationship can well be the defence-related co-development and co-production. There has been no immediate announcement of specific follow-up details. Taking wings, behind the scenes, however, is the intelligent speculation that co-development and co-production of howitzer field guns could be a mutually-beneficial domain. There is also some speculation that it might be mutually beneficial for the two countries to capitalise on India's software and Singapore's hardware capabilities in defence production. Regardless of the projects that might be

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<sup>6</sup> Ibid.

undertaken, the decision by the two countries to explore co-development and co-production is surely a confidence-booster.

Tech-savvy Singapore can certainly be seen as a natural defence-cooperation partner of India, given also their commitment to Asia-Pacific and global peace and stability. However, the strategic nucleus or core of the Singapore-India equation has always been the economic dimension. It is, therefore, a measure of the complexities of this economic dimension that the two Prime Ministers have now expressed no more than their desire for “an early conclusion of the Second Review of CECA [Comprehensive Economic Cooperation Agreement]”.<sup>7</sup> The two sides have estimated that the bilateral trade has more than doubled since 2005, when the CECA was signed, touching US\$ 17 billion by 2014-2015. The target now set is to double this trade volume in about two decades from now. While this may not loom as a towering goal, it appears to be a realistic target for a thriving City State, which has numerous big trading partners, and a rising major economy like India which needs to diversify its trade routes. Singapore has emerged as the second-largest source of Foreign Direct Investment (FDI) in India, being of the order of US\$ 35.9 billion, amounting to 13.9 per cent of the total FDI flows into India from April 2000 to June 2015. During this period, Indian investments in Singapore totalled about US\$ 37 billion.<sup>8</sup>

Singapore’s role in catalysing skills development, setting up information technology parks, and participating in several conventional power and port projects etc. is often acknowledged. Also in focus in recent times is a template of Singapore-India cooperation in the so-called 5-S domains: scale-up of trade and investments, speeding-up of connectivity, smart cities, skills development and the State focus (i.e. focus on India’s constituent states). On the financial side of the Singapore-India equation, a nuanced differential of their overall economic relationship, an issue of interest to New Delhi is how far the City State might be willing to go in promoting infrastructure-funding in India through a dedicated mechanism.

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<sup>7</sup> Joint Statement on a Strategic Partnership by the Prime Minister of the Republic of India and the Republic of Singapore “Renewed Spirit, New Energy” – *Naya Utsah, Naya Josh*, [http://www.mfa.gov.sg/content/mfa/media\\_centre/press\\_room/pr/2015/201511/press\\_...](http://www.mfa.gov.sg/content/mfa/media_centre/press_room/pr/2015/201511/press_...) (Accessed on 25 November 2015).

<sup>8</sup> The trade and investment figures are taken from the Ministry of External Affairs, Government of India, [http://www.mea.gov.in/media-briefings.htm?dtl/26043/Transcript\\_of\\_Media\\_Briefing...](http://www.mea.gov.in/media-briefings.htm?dtl/26043/Transcript_of_Media_Briefing...) (Accessed on 19 November 2015).

## Places and Memories

Potentially, now, Singapore is poised to make its entrepreneurial presence felt in India in a spectacular fashion in a relatively new niche area of smart city development. Mr Lee and Mr Modi “welcomed Singapore’s contribution of the Master Plan for the new Capital City of Andhra Pradesh, Amaravati, and encouraged investors and investment institutions in Singapore to take advantage of the immense investment opportunities provided by the new Capital”.<sup>9</sup>

The Buddhist art and architecture of ancient Amaravati had influenced East Asia.<sup>10</sup> And, the equally-ancient Mahayana Buddhist philosophy of Nagarjuna from the Andhra (Telugu) region had spread to China and the Far East, a fact recently highlighted by China’s female diplomat, Jiang Yili.<sup>11</sup>

A presenter at the cultural show that preceded Mr Modi’s address to the Non-Resident Indians (NRIs) in Singapore on 24 November 2015, projected Amaravati as a “*manchi udaharanamu*” (a “good example”) of Singapore-India friendship. The words were uttered in the Telugu language. In fact, Mr Modi’s visit was punctuated by several illustrations of Singapore-India friendship that spans the linguistic and cultural spectrum. Mr Lee presented Mr Modi with a copy of the *Tamil Murasu* article on India’s diplomatic recognition of Singapore just two days after it attained independence on 9 August 1965. Mr Modi presented Mr Lee with a reproduction of an old map of Singapore when it was still ruled by the British from their seat of power in colonial India. In a rewind to the colonial times, as it were, Mr Modi paid respects at the old Indian National Army (INA) marker in Singapore on 24 November 2015. The INA, led by Subhash Chandra Bose from Bengal, fought for independence from the British, and had accessed Singapore as a base. It is a tribute to the multi-racial and multi-ethnic cosmopolitanism of Singapore that Bose’s association with Imperial Japan, viewed to this day as an icon of atrocities in many parts of East Asia, does not rankle in the City State. Unrelated to the visit by India’s Prime Minister to the INA marker, and, as if emphasising a touch of continuing connectivity between the Indian and Singaporean societies long after both attained freedom, Mr Lee hosted dinner for Mr Modi at an Indian restaurant in the City State’s Little

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<sup>9</sup> Same source as in Note 7.

<sup>10</sup> Hermann Kulke in *Nagapattinam to Suvarnadwipa: Reflections on the Chola Naval Expedition to Southeast Asia*, Hermann Kulke, K. Kesavapany and Vijay Sakhuja (Editors), Institute of Southeast Asian Studies (ISEAS), Singapore, 2009.

<sup>11</sup> Jiang Yili, *Comparative Study between Buddhism and Hinduism*, Candid Creation, Singapore, September 2004.

India district on 23 November 2015. This was after Mr Modi had delivered the 37th Singapore Lecture.

Interestingly, it was in the Singapore Lecture that Mr Modi declared that “ASEAN [the Association of Southeast Asian Nations] is the anchor of our [India’s] Act East Policy”. And, recalling India’s national poet Rabindranath Tagore’s prediction about Asia “regaining its self-confidence”, Mr Modi voiced optimism that “here in Singapore, where the region’s currents merge; its diversity converges; ideas meet; and, aspirations gather wings, I feel that we are closer to that vision than ever before”.<sup>12</sup>

## Strategic Echoes of India and China

In a sense, some assertions by Mr Modi in his Singapore Lecture can explain the inevitable, even if limited, comparison between India and China, arising out of his visit to the City State, which was preceded by Chinese President Xi Jinping’s visit earlier in November itself. Mr Modi’s ‘Act East Policy’ is India’s ideological template in engaging the wider East Asian countries, including Singapore and China, while Mr Xi’s ‘Belt and Road’ (BAR) Initiative of Eurasian connectivity serves as his country’s framework of reference towards East Asia.

The crux of Mr Modi’s perspective on India-China relations is the view he expressed during his Singapore Lecture: “China’s economic transformation is an inspiration for us. And, as it rebalances its economy, and as India steps up the pace of its growth, *we can both reinforce each other’s progress*. And, we can advance stability and prosperity in our region. ... We have our unresolved issues, including our boundary question, but we have been able to keep our border region peaceful and stable. *And, we have agreed to strengthen strategic communication and expand convergences*”.<sup>13</sup> (Emphasis added).

A limited China-India comparison, therefore, becomes inevitable (a) in the light of New Delhi’s credentials as acknowledged in the Declaration that outlines India-Singapore Strategic Partnership and in their Joint Statement, as well as (b) in the context of some of Mr Xi’s

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<sup>12</sup> 37th Singapore Lecture, delivered by Mr Narendra Modi, [http://www.mea.gov.in/Speeches-Statements.htm?dtl/26058/37th\\_Singapore\\_Lecture...](http://www.mea.gov.in/Speeches-Statements.htm?dtl/26058/37th_Singapore_Lecture...)

<sup>13</sup> Ibid.

remarks in Singapore. On the political aspect of this Partnership, India's commitment to a "peaceful Asia Pacific region", matching that of Singapore's, has been flagged, and this can be compared with Mr Xi's accent on China's "peaceful development" as a positive factor for regional and global stability. On the generic strategic aspect of India-Singapore Strategic Partnership, Singapore's geo-economic position as an entry-point in Southeast Asia, and India's status as a front-parlour of South Asia, are self-evident ground realities. By comparison, the 21st Century Maritime Silk Road, the seaside component of the BAR project, is intended to give China far-and-wide access to almost the entire coastal Asia.

Propounding a key aspect of the BAR project, Mr Xi had told Mr Lee in Singapore on 7 November 2015 that both nations should "actively explore [a] mode of cooperation between the enterprises of both sides in third markets within the framework of the 'Belt and Road' initiative".<sup>14</sup> A matter of utmost interest to New Delhi in this context is whether China will persuade Singaporean enterprises to team up with Chinese companies for projects in India or Bangladesh or Sri Lanka. New Delhi may not raise its eyebrows in this scenario. But Sino-Singaporean projects, if any, in Pakistan – in the exclusive context of China's BAR Initiative – may attract India's strategic interest, the reason being related to the skewed New Delhi-Islamabad equation.

In the light of the inevitable overlap between the economic and strategic aspects of China's BAR project, Indian strategic-affairs establishment tends to assess New Delhi's potential options to mitigate, if not match, Beijing's long strategic-military reach in the Asia-Pacific region. An idea mooted, in this context, is that today's India should follow in the footsteps of British India, and seek access to Singapore as India's "eastern anchor". This idea may have some merit as pure strategic imagination. But the total absence of even the remotest hint of any such access to Singapore by India, in their latest Joint Statement and Declaration, shows that the idea is a no-flyer.

Of far greater pragmatic importance to China-India competition, particularly with reference to Singapore, is the City State's support for the inclusion of the Chinese currency in the Special Drawing Rights (SDR) basket of currencies at the International Monetary Fund.<sup>15</sup> Interestingly,

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<sup>14</sup> Ministry of Foreign Affairs, People's Republic of China, Xi Jinping Holds Talks with Prime Minister Lee Hsien Loong of Singapore 2015/11/07 (Accessed on 19 November 2015).

<sup>15</sup> Ibid.

Mr Modi said, during his address to the NRIs in Singapore, that a bond scheme in the Indian currency had been launched in London recently. It is evident that these two aspects are not exactly comparable. But Mr Modi has begun to seek some form of international status for the Indian currency, and Singapore's long-term view of the strength of the Indian rupee will be relevant to India.

One strategic aspect of India-Singapore relations, which pleases New Delhi very much, is Mr Lee's latest reaffirmation of the City State's "continuing support for India as a permanent member in a reformed United Nations Security Council".<sup>16</sup> Indeed, Singapore's strategic-affairs expert Kishore Mahbubani has argued that the United Nations should accommodate India as a permanent member of the Security Council, and thereby affirm its legitimacy as different from legality.<sup>17</sup> For New Delhi, Singapore's support for India's quest for a legitimate place in the world's elite security caucus completes an optimal spectrum of relationship with the City State – India's Singapore Story, as Mr Modi had titled his Lecture on 23 November. For the City State, India's willingness to develop close ties in all areas of Singaporean interest, and New Delhi's greater openness to foreign presence in most of the country's key economic domains, open the story of a newly-minted old relationship.

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<sup>16</sup> Same source as in Notes 7 and 9.

<sup>17</sup> Kishore Mahbubani, *The Great Convergence: Asia, the West, and the Logic of One World*, New York: Public Affairs, 2013.