

# Modi – drumming up a beat for Japan?

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*Despite minimal discussion of international relations in his election campaign, Modi's frequent state visits over the last year have made him one of the most travelled Indian Prime Ministers. **Miko Brown** reflects on the Indo-Japanese relationship as particularly representative of India's foreign policy objectives, due to the way Modi has courted investment but also because it brings discussions about balancing China and international organisations such as the UN to the fore.*

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*This article forms part of our [Modi's Government 1 Year On](#) series.*

One year ago, following Narendra Modi's triumphant election, I would have predicted that writing a piece on the BJP leader's foreign policy would have been insipid. The rising politician campaigned on a strong vision of fixing India at home and left a minor role for diplomacy.

On the contrary, after an impressive [15 state visits](#) during his first year in office Modi has become one of the best-travelled Indian Prime Ministers. Modi has internalised the idea that strong international linkages, especially in the economics realm with investment in manufacturing and technology transfers to boost infrastructure and entrepreneurship, are essential to achieving his dream of a flourishing India at home.

Modi has based his foreign policy on pragmatic economic development goals, such as promoting manufacturing in India through the central government's 'Make in India' campaign, and global perceptions of a "[resurgent India](#)." Representative of these foreign policy themes is the India-Japan relationship.

It should be noted that negotiations with Japan on economic, energy, and defence issues began under the previous [Manmohan Singh government](#). However, over the last year, India has shown it is prepared to play a more active role in the Asia Pacific as the Look East Policy, which has been a foreign policy objective of recent Prime Ministers, has been upgraded into an [Act East Policy](#) under Modi.

India-Japan relations depict the foreign policy pragmatism that is likely to aid India's economic development. But this relationship with another economically powerful, democratic Asian nation could also encourage India to think critically about China and push for international organisation reforms.

[Narendra Modi PM plays drums on Japan visit CC BY-SA 2.0](#)

*Modi plays drums on Japan visit. Image Credit: [Wikimedia Commons](#) CC BY-SA 2.0*

## *A foreign policy of practicality*

During Modi's visit to Japan in September 2014, the relationship was upgraded to a "[Special Strategic Global Partnership](#)" with economic investments, potential civilian nuclear cooperation, and defence technology transfers. Modi's India strives to be within the top 50 of the World Bank's Ease of Doing Business Rankings (in [2014 India ranked 142<sup>nd</sup>](#)). A policy of "[no red tape but red carpet](#)" for investors is geared towards growing nascent manufacturing clusters in the Indian states that have lower barriers to entry for foreign direct investment.

Shinzo Abe, Prime Minister of Japan, and Modi are old acquaintances. [As Chief Minister of Gujarat](#), Modi travelled to Japan in 2007 and 2012 to promote Gujarat as a location for Japanese investments. Recently, the Abe government committed \$33.58 billion (including official development assistance) in public and private investments in India over a five-year period under the [India-Japan Investment Promotion Partnership](#). In May

2015 the Japanese government selected [11 sites to establish industrial townships](#), or investment hubs, which include Tumkur in Karnataka, Mandal in Gujarat, and Ghilot in Rajasthan. These investment hubs will provide engineering training to Indian workers as well. Furthermore, Japan will also share its knowledge in creating top-of-the-line transportation systems. In a bid to bolster infrastructure to match India's rising potential, Japan will provide financial, technical and operational support to construct a [bullet train](#) line between Ahmedabad and Mumbai.

While the economic opportunities are abundant, progress on civilian nuclear energy technology has yet to be finalised with remaining disagreements. The Indian Government desires nuclear energy as a clean source of energy that can move India away from its use of coal. However, as a nation which [has campaigned strongly against nuclear weapons](#) since World War II, Japan seeks the inclusion of a "no nuclear test clause" to ensure that the fuel will not be used in a destructive way. India has been reluctant to accept an agreement that could be terminated if nuclear tests were to be conducted and declared that the state will have a "[self-imposed moratorium](#)" instead. Having said that, Abe must perceive that India has exercised a great degree of nuclear responsibility because Japanese bans on 6 Indian entities, including Hindustan Aeronautics Limited, that were imposed after India's 1998 nuclear tests [were lifted in September](#). The removal of the bans will facilitate defence cooperation and Japanese technology transfers to these Indian entities.

The Memorandum of Cooperation and Exchanges in the Field of Defence will enable the US-2 amphibian aircrafts to be sold to India's navy, which would strengthen India's own [defence](#) apparatus. Defence cooperation with Japan may offer India invaluable opportunities to become a domestic arms producer and eventually weapons exporter. Currently India is the world's largest arms importer; however, after learning from Japanese expertise and technology transfers, India could follow suit of other great powers and become an arms exporter.

### *A foreign policy of a resurgent India?*

In addition to pragmatic domestic development opportunities in investment, civilian nuclear energy (if successfully negotiated), and defence, the Japanese partnership could help India to shape the international stage.

In particular, India-Japan relations open up discussion on perceptions of China. Perhaps much to the chagrin of Abe, Modi has remained cautious with regards to balancing against China. On one hand, India needs to consider China as a neighbour and its largest trading partner. In an effort to keep relations amicable, India has signed up to be a founding member of the [Asian Infrastructure Investment Bank \(AIIB\)](#), which is the brainchild of China. Furthermore, positive and pragmatic economic ties are sought as Modi travelled to China in last weekend to promote "Make in India." On the other hand, during his visit to Japan Modi indirectly referred to China's perceived aggressive maritime activities that "engage in encroachments and [enter seas \(of others\)](#)." Perhaps if Japan seeks to secure a stronger Indian response to a rising China, Japan could point to evidence of China's engagements to challenge India's regional hegemony. For instance, China is impending free trade agreement with [Sri Lanka](#) could be a threat to Modi's aspirations to cultivate better relations with South Asian states. In addition, China is attempting to expand its reach into the Indian Ocean by negotiating a military base on the Horn of Africa in [Djibouti](#).

Finally, cooperation between India and Japan represents stronger normative calls for transformed international organisations that are more attuned to the current structure of the international system. India and Japan are both members of the G4, along with Germany and Brazil. Together these states have sought to reform the United Nations Security Council, particularly with regards to the veto power that is given to the five victors of World War II. During the September bilateral talks, Modi and Abe declared [reforms](#) that are more representative of a 21<sup>st</sup> century world with the rise of Asia ought to be realized by the 70<sup>th</sup> anniversary of the UN in 2015.

Missing from India-Japan relations are democracy norms. Would shared values of political participation

justify this Asian relationship in reshaping the region by countering a rising China? The China question is a policy area on which India-Japan relations could stagnate. Modi may not be convinced by the prospects of containing a rising China that could play a supportive role in the enhancement of India's domestic manufacturing industry and infrastructure.

The India-Japan relationship first and foremost is for the domestic development of India through increased investment opportunities in manufacturing and infrastructure building, potential civilian nuclear cooperation, and defence technology transfers. However, the relationship may serve as a foundation through which Modi will be compelled to enunciate his vision for India on an international stage, particularly with regards to a rising China and the archaic international organisations that do not reflect the strength of Asia in 21<sup>st</sup> century.

*Note: This article gives the views of the author, and not the position of the India at LSE blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.*

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Read more of Miko's India at LSE pieces [here](#).

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