

nance of each other's equipment, and conduct joint naval maneuvers. The two countries also agreed to cooperate in the fields of oceanography and hydrography. According to the defense cooperation agreement, India envisages supplying defense equipment and materials, training, and technical assistance to the Indonesian Army.

Wider Interest

While the media highlighted the defense agreements, New Delhi was equally eager to enhance bilateral trade relations with both Vietnam and Indonesia. Calling for a massive expansion in bilateral trade with Vietnam, Prime Minister Vajpayee said that India would be ready to assist with "requisite capital," the development of transportation, telecommunications, railways, power generation plants, and water supply facilities in Vietnam. He said that Vietnam is a "critical element" in India's plan to forge stronger ties with the Association of Southeast Asian Nations (ASEAN) and in India's "Look East" policy more generally.

Prime Minister Vajpayee's trip, and the earlier trips by India's External Affairs Minister and Defense Minister, stem from a number of other Indian objectives. Following its 1998 nuclear tests—widely known as the Pokhran II—India was castigated by the Group of Seven and all Southeast Asian nations. While India continued to claim that its nuclear weapons development is not targeted against any nation in particular, India's failure to undertake economic and secur-

ity initiatives in Southeast Asia made such claims seem hollow.

Cornered by world opinion, New Delhi finally chose to work out a strategy to come out of its shell and assert itself as a responsible nation. To begin with, it became evident to the Indian policymakers that India must work out bilateral ties with petroleum-producing nations and reduce its dependency on OPEC. Since then, India has signed bilateral oil purchase agreements with Nigeria, Iraq, Indonesia, and Malaysia, and has gotten involved in oil exploration work in Iraq and Vietnam.

Reports indicate that India is also in the process of working out a bilateral oil-purchase agreement with Venezuela. India has signed a number of agreements with the Persian Gulf nations for purchase of liquefied natural gas, and is negotiating with Iran on an Iran-India gas pipeline to bring in Iranian gas to India.

A safe and assured supply of oil and gas, New Delhi believes, will be possible only if India can provide adequate security to the vessels and pipelines. It is in this context that New Delhi is actively expanding its naval capabilities. It is also expected that in the coming decade, the Indian Navy will be showing its flag not only in the Arabian Sea and the Indian Ocean, but also along the western coastal lines of the South China Sea.

In order to ensure this facility, India has unleashed the Mekong-Ganga Cooperation project. This would provide in-

China Builds on Strong Ties to Southeast Asia

China, with long-standing ties to Thailand, Singapore, and Malaysia, has been building relations to the newer members of ASEAN, particularly Vietnam. During the past decade, China has been not only developing the upper Mekong River to open a transport gateway for its isolated southwestern region, but also taking serious measures to curb opium growing in the area and replace it with productive agriculture—both measures essential for the development of the Mekong Valley. Regional rail and energy projects are being planned.

China-Southeast Asian diplomacy is expanding rapidly. Vietnamese President Tran Duc Luong visited China on Dec. 25-29. He and Chinese President Jiang Zemin signed agreements on border demarcation for Beibu Bay, the large bay off the Vietnamese and Chinese coasts, and for all-round cooperation. The two sides some years ago opened their two rail links—the only ones existing between China and Southeast Asia—and have begun remov-

ing mines along their border, left from their 1979 clash. President Luong stated that the sea border agreement shows that Vietnam and China "are capable of resolving any problem through friendly consultation."

In November 2000, President Jiang became the first Chinese President to visit Laos, and the first Chinese head of state to go to Cambodia since 1963, an essential move of reconciliation after the Khmer Rouge holocaust. The visits promoted the idea of creating "quadrilateral" economic cooperation among China, Laos, Myanmar, and Thailand, and in the Mekong subregion, which would also include Cambodia and Vietnam.

Later, Chinese Prime Minister Zhu Rongji participated in the expanded fourth ASEAN informal summit in Singapore, on Nov. 22-27, where he proposed that China and ASEAN expand Mekong Basin infrastructure and eventually establish a free-trade relationship. He also discussed with Malaysia's Prime Minister Dr. Mahathir bin Mohamad, linking the Trans-Asia Railroad—with vital links still being planned—with China's famous Euro-Asian Continental Bridge. Indonesian President Abdurrahman Wahid recently called for strengthening relations with China.—*Mary Burdman*