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## **India-Singapore Relations**

### **A Brief Overview**

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#### **Introduction**

1. India and Singapore have long historical ties, since the era of Indianized states in Southeast Asia in the 14<sup>th</sup> century, of which ancient Temasik on Singapore was probably one stop in the ancient trade routes between India and Southeast Asia. This was followed by the colonial era, in which British Singapore, founded in 1819 by Stamford Raffles, was governed by the East India Company out of Calcutta until 1867. Singapore flourished as an entrepot and free-port in between India and China. Thus the ties between both countries have ancient roots.
2. There was however a period of coolness in the 1980s, when India supported the Vietnamese invasion and occupation of Cambodia, and recognized the puppet Heng Samrin regime in Phnom Penh, and Singapore strongly opposed these activities. India's actions were based on its close ties with the Soviet bloc, of which Vietnam was a member, and its opposition to China, a supporter of Sihanouk-Khmer Rouge, arising from the Sino-Indian War of 1962. In 1971, India had signed a 25 year treaty of friendship and cooperation with the USSR. With the end of the Cold War and the subsequent collapse of the USSR in 1991, bilateral ties became warmer in the mid-1990s. PM Goh Chok Tong's visit to India in 1994, when he launched the aptly-named "India Fever" started this ongoing era of warmer relations. India also had begun a Look East policy, and this coincided with Singapore's desire to balance its engagement with China, by helping to bring India into Southeast Asia. Thus Singapore helped India to upgrade its partial dialogue with ASEAN into a full dialogue in 1995, to join the ASEAN Regional Forum in 1996, and later to join in the ASEAN plus 3 process. Singapore has also helped India by drafting a Tourism Plan. India fully appreciates Singapore's help in such matters, as PM Vajpayee himself stated in his speech during his visit to Singapore in April 2002. There have been numerous visits by both sides at various levels, including the visit to India by Singapore President S. R. Nathan in January 2003. Within India, Singapore has a good reputation as a modern, well-governed, clean and green, garden-city. Mr. N. C. Naidu, Chief Minister of Andhra Pradesh, known as the CEO of his state for his business-like style of governance, complimented Singapore when he said; " We cannot succeed in IT. We are not America; we are not Singapore. We have changed that climate of opinion."

3. Diplomatic relations were established in 1965, when Singapore became independent. Like India, Singapore was a member of the Non-aligned Movement, the G77 and the Commonwealth. Economic ties have been traditionally strong since colonial times; in 2001, bilateral trade totaled \$7 billion. India is the number fifteenth trade partner of Singapore in 2001, and the largest trade partner of India within ASEAN, whilst Singapore is the eighth largest investor in India, with \$2 billion investments in India in 2001. Both sides are negotiating a bilateral Comprehensive Economic Cooperation Agreement, expected to be ready by mid-2004, whilst ASEAN and India are discussing an ASEAN-India Free Trade Agreement (FTA), expected to be ready in a decade. India has indicated its willingness to sign the ASEAN Treaty of Amity, just as China has so indicated, and India also initialed an agreement with ASEAN at the 9<sup>th</sup> ASEAN Summit in Bali in October 2003 to start talks on the proposed ASEAN-India FTA.
4. Previous Singapore attempts to set up joint ventures such as the SIA-Tata aviation company was not successful owing to internal opposition. Other more successful ventures include the Bangalore High Technology park with Singapore investments; the 1993 bilateral agreement to loan Indian cultural artifacts to a Singapore museum; and the operations of over 300 Indian companies in Singapore, attracted by the easier operations environment within Singapore. An Indian school called the Bhavan Indian Central School was set up to cater for the 3000 Indian expatriate Indian children living in Singapore. Other areas of cooperation include science and technology; counter-terrorism; training of high-level civil servants in Singapore; in education, wherein Singapore hopes to persuade one of the Indian Institutes of Technology to set up a branch; construction projects by Singapore companies in Indian, including building new towns and housing in Hyderabad, a warehousing project in Mumbai and a IT Park in Chennai. There is also an agreement signed to cooperate in training for other developing countries. An Air Services Agreement in June 2002 allows SIA more flights to India. Other agreements signed include: avoidance of double taxation; general economic cooperation; cooperation in shipping, tourism; private sector cooperation; civil aviation; information technology. In order to assist Singapore companies to operate in India, a Network India was set up in October 2002. Mumbai, formerly known as Bombay, would like to borrow Singapore's expertise in areas such as public housing, urban re-development, mass rapid transit, airport management. Hyderabad is another Indian city in which Singapore companies are building housing projects; in Chennai, formerly Madras, a Singapore company is building an IT park.
5. In the area of security cooperation, India has suggested a joint working group; the Indian Navy has conducted joint exercises known as Milan, with ASEAN navies in the protection of sea-lanes. Since 1991, ASEAN navies have made port visits to the Indian naval bases at Port Blair in the Andamans and to Vishakhapatnam. India and Singapore have held joint naval exercises for many years. Singapore is interested in gaining access to Indian training areas, an issue discussed by its Defence Minister, Rear Adm. Teo Chee Hean, during his visit to India in October 2003. He also signed a Defence Cooperation Agreement with the Indian Defence Minister, George Fernandes. This agreement will enable a defence policy dialogue to start between the two countries. Adm. Teo also called for increased cooperation in maritime security with India. In general, Singapore appreciates the balancing role that India can play with the other great Powers in Southeast Asia. India, on its part, appreciates the economic role that Singapore can play in its development. PM Goh Chok Tong had announced that Singapore was ready to set up a \$1 billion Fund for India's development projects.  
In passing, it should be noted that for great powers/large countries like India and China, it must be disconcerting and unusual to cooperate with Singapore, which to them, must be only one of their cities in size and population. For its part, Singapore must update its mental map and image

of India to correspond with modern reality of India as nuclear armed; space-capable; economic giant with steady growth of 6% per annum, IT-power and a regional power with legitimate interests in Southeast Asia, especially the sea-lanes.

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