



India-Taiwan Relations under the New Southbound Policy of Taiwan

Speaker: Dr. I-chung Lai and Dr. Mumin Chen

Chair: Dr. Jabin T. Jacob

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The entire presentation was divided into two parts. In the first part of the presentation, Dr. Mumin Chen focussed on the history of India-Taiwan relations. The speaker mentioned that the relations between Chiang Kai-shek and Indian leaders, prior to India's freedom from the British rule, were quite warm. India hosted Chinese KMT troops during the World War II and trained them to fight against Japanese forces. However, after its independence in 1947 and at the inauguration of the People's Republic of China in 1949, India refused to recognise Taiwan as a sovereign state. Both nations never maintained any official diplomatic contacts during the next five decades and the relations between them remained frozen. It is only after the end of the Cold War that the move towards establishing official contacts, short of diplomatic relations, was made. As a result, unofficial bilateral relations came in existence and the India-Taipei Association (ITA) in Taiwan and Taiwan Economic and Cultural Centre (TECC) in Delhi, were established in 1995.

Both ITA and TECC assisted in "promoting relation and cooperation" with each other. Post 2001, the number of MOU's and other agreements signed between both countries increased. A chronological display of the bilateral agreements was provided to the audience. However, the speaker reaffirmed that all these agreements do not have direct involvement of both governments; it is done through TECC and other "semi official agencies". The lack of direct diplomatic and political relations has remained in place so far.

Further, the speaker argued that a number of formal visits and meetings had taken place between delegations from both countries. In economic sphere, India ranked as the 19th trading partner of Taiwan and further trade promotion was being encouraged since 2003. The speaker displayed a list of various projects undertaken by both countries and concluded his speech, with an expectation of increased cooperation in economic, cultural and academic areas.

In the second half of the presentation, Dr. I-chung Lai focussed on 'The possible New South Bound Policy under President Tsai administration'. Dr. Lai spoke about the New Southbound Policy and Taiwan's willingness to build relations with South East Asian nations and the Indian subcontinent. It was necessary, as President Tsai argued in DPP's Diplomatic Reception in 2015, to diversify the economic and trade ties of Taiwan.

While describing the background of the southbound policy, the speaker argued that the strong economic dynamism of Southeast Asia and the Indian Subcontinent had seized global attention. Prior to this, there were two waves of South Bound Policies; first by President Lee

Teng Hui during 1993-1997, second by President Chen Shui-bian during 2003-2008 and they both focussed on engagements with India, despite the interruption from the Asian Financial Crisis. A different outcome is expected in the third wave under President Tsai administration starting from 20th May, 2016.

The speaker provided an insight into various changes and accomplishments of the South Bound Policy, from the time it was implemented to the current times. The important points covered under this were, the signing of the India-ASEAN FTA, Taiwan and India sharing U.S and Japan as a common friend, Taiwan receiving new immigrants from South East Asia, China drifting away from ASEAN and Taiwan not declaring independence to maintain the status quo. The speaker further argued that the New Southbound Policy kept India as its focal point. India occupies a special place in DPP's strategic imagination. Consequently, Taiwan-India engagement intensified during the DPP administration in 2001 and thenceforth, India-Taiwan relations have progressed consistently. The speaker mentioned major steps in this journey such as the introduction of Indian scientists to Taiwan, exchange of scholars between both countries, introduction of direct flights, and institutionalisation of vice-ministerial level dialogues in order to strengthen the relationship.

The Ma Ying-jeou administration also kept the momentum but it focussed mainly on the economic relations. However, India embraced Taiwan more openly through publicly airing about the FTA negotiations and by approving the ministerial level visitors to India. Taiwan however was hesitant to open up because it was concerned about the Chinese reaction. The speaker provided a list of new probable developments through the new southbound policy and gave examples of the establishment of national think tanks for research in Southeast Asia and the Indian Subcontinent, seeking possible civil society cooperation, establishing a coordinating body in the Prime Minister Office or Presidential Office/National Security Council and involving local governments to play a significant role at the base level of bilateral relations. The speaker hoped that in future there will be an increased interaction in areas like investments and trade, education, infrastructure projects, tourism and culture and both countries will increase their 'engagements' with each other.

Discussions

During discussions, an Indian speaker acknowledged the fact that there has always been a "self-imposed constraint" on the non-political relationship aspects between India and Taiwan as both countries remain concerned about the Chinese reaction. Encouraging visits of high ranking government officials from both sides would pave the way for better opportunities.

On a question about less awareness about Taiwan in Delhi as compared to China, Dr. Mumin Chen replied that in terms of policy making, think tanks and other research oriented projects, Taiwan is very small as compared to China. The cooperation between India and Taiwan mostly lies in the areas of science and technology that leaves a small scope for interactions in social science. In order to work on social sciences, both countries need to have sufficient interactions and agreements.

On being questioned about the advances and respect given to the Southeast Asian laborers in Taiwan, Dr. Lai acknowledged the fact that the Southeast Asian laborers are at times ill-treated by the Taiwanese landlords, which needs to be corrected. Meanwhile, it has been studied that the Southeast Asians receive higher wages from Taiwan than other countries and the Labour Protection Law of Taiwan is one of the best in the region.

On the question of China-Taiwan cooperation, the speaker replied that the relationship between both countries was now based on competition rather than cooperation. Finally, Indian speakers suggested that Taiwan should put efforts in international construction

projects with India and both countries should promote and explore these potentials in various spheres. The discussion ended with an anticipation of a greater creativity and ambition in the bilateral relationship.

Report prepared by Arpita Ghosh, Research Intern, Institute of Chinese Studies, Delhi.

About the Speaker

Dr. Mumin Chen is the Associate Professor and Chair at the Graduate Institute of International Politics, and the Director of the Center for Strategic Studies on South Asia and the Middle East, National Chung-Hsing University, Taichung, Taiwan. Chen joined the International Affairs Section of the Taiwanese Think-tank in 2008, and has served as an advisor since 2013.

Dr. I-chung Lai is the Assistant Professor at Mackay College for Medicine and Management, Taiwan. He has served as the Vice President of a Taiwan Think-tank since 2013 and as Executive Director of International Affairs Committee of the Taichung City Government, Taiwan since 2015.

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