

India & Japan in an Asian Context



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History

India has played a central role in the history of Asia, as well as in many other parts of the world. Scholars from across Asia have come to Indian universities and Indians have also gone abroad in large numbers. Japan remained a closed island country until recent times, with a strong socially-oriented culture, and rapidly developed as the first modern developed country in Asia, contributing greatly in terms of technology and capital across the region.

One strong connection within Asia is Buddhism, which originated in India and spread across the whole region, including Japan. Along with being an integral part of a larger Hindu culture, Buddhism is a respected philosophy and way of life within India for people of different faiths.

Mutual Trust & Respect

Japan is one of the most trusted and respected countries for Indians, not least because of the strong presence of Buddhism in Japan. There is deep respect in Japan for Mahatma Gandhi and for his principles of non-violence and for Asia's first Noble Prize winner, Rabindranath Tagore, who also visited Japan. The meeting and collaboration between the founder of the Tata Group in India, Jamsetji Tata, and the "father of Japanese capitalism" Eichi Shibusawa was remarkable. Japan's victory over Russia in the Russo-Japanese War (1904-1905) inspired India and the nationalist independence leader Subhas Chandra Bose worked very closely with Japan. The remarks of Indian justice Raghadinod Pal, the sole

dissenting judge at the International Military Tribunal in Tokyo following World War II, are still appreciated in Japan, where there is a monument in his honor at the Yasukuni Shrine. Friendly postwar gestures from India towards Japan, such as the gift of an elephant named Indira to Ueno Zoo, also struck a cord. The supplying of natural resources and the early establishment of an Indian diplomatic mission in Japan at a critical time in Japan's efforts to re-establish itself after the war were also a proof of the warmth between the two nations. As Japan regained its financial and industrial strength, India was the first and continues to be the largest recipient of Japanese ODA, which has helped in the development of education, health care, water supply, power and transport. In the broader Asian context, Japan is the largest financier of the Asian Development Bank, while India is also the largest recipient of loans from the ADB. There are also more multilateral defence exercises across the region involving India and Japan, which is surely a sign of trust from many other countries in Asia. People in India respect Japan for its hard-working and honest people, and Japanese respect Indians for their achievements in philosophy and mathematics.

Indian Diaspora

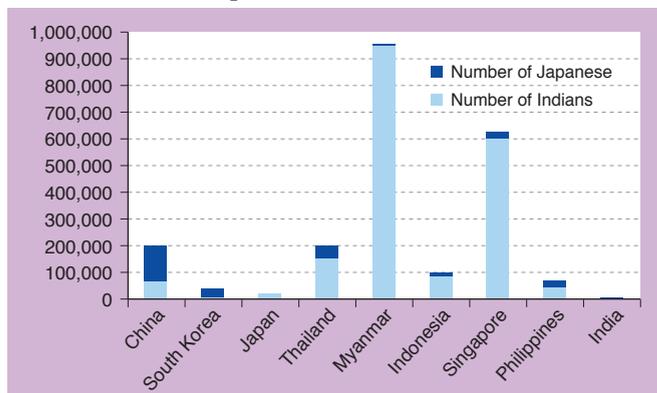
There are more than 25 million people of Indian origin estimated to be living overseas. For numerous reasons, such as education, employment, business, war and religion, Indian people have moved to various parts of the world, but there is still a very small Indian presence in Northeast Asia, that is in Japan, China and South Korea (*Chart 1*).

The diversity of India makes its people very comfortable with differences in cultures and at ease with the new culture and language of their adopted country. Some notable figures of Indian origin in other countries include Tharman Shanmugaratnam (deputy prime minister and finance minister of Singapore), Anand Satyanand (former governor general of New Zealand), Basdeo Pandey (former prime minister of Trinidad and Tobago), Bobby Jindal (governor of Louisiana), Keith Vaz (member of the UK parliament), Navinchandra Ramgoolam (prime minister of Mauritius), Sanjay Gupta (neurosurgeon and CNN chief medical correspondent), and S.R. Nathan (former president of Singapore).

Such an aptitude for inclusiveness, along with its experience of diversity and global presence, makes the Indian diaspora very powerful in international affairs. Many announcers and reporters on international TV channels are of Indian origin, as are the heads of multinational companies in various countries. Even in Japan, despite

CHART 1

Indians & Japanese in Asia



Note: The numbers are approximate and indicative for comparison purpose
Source: Wikipedia

Photo: Author



The author with the deputy prime minister of Singapore and other members of the Indian diaspora

the very small size of the Indian community, many multinational organizations have been headed by Indian people.

Japanese Technology & Capital

Being the first developed country in Asia, Japan has strong footprints across the continent both in terms of technology and capital (Chart 2). Japan holds more patents than all of Asia combined, and not only for domestic development. It has taken its technology to various countries across Asia which have received major contributions from Japan in infrastructure development, such as railways, roads, ports, airports, water and energy sectors. Japan has also contributed greatly to agriculture, education, health care and other areas of social development.

Along with the huge amounts of ODA, Japanese companies have also made significant investments in the private sector and own significant stakes of equity in high-technology manufacturing across Asia. The Tokyo Stock Exchange is obviously the largest in Asia. Japanese capital, both financial and intellectual, will naturally have a role to play if, for example, a Thai-based manufacturing company seeks a technology or business alliance with an Indonesian one.

Complementarities & Multilateral Projects

This strong business presence of Japan across Asia should help it play a central role in the Asian economy, but Japan has lacked international human resources and this has hindered it in demonstrating leadership effectively. In contrast, the Indian community has a very strong human network across Asia and Indian companies are also well suited to working in multicultural environments. There are around 100,000 people of Indian origin in both Thailand and Indonesia who could be a natural people-to-people bridge in alliances involving Japanese technology and capital.

With advances in communications technology and ease of travel we can see more and more examples of multilateral collaboration where such complementarities are being put to use. The Mekong-India Industrial Corridor project is one such example where Japanese government and industry are actively pursuing industrial connectivity across the region. This involves construction of new ports in Myanmar and a major highway project connecting Thailand to India via Myanmar, while major oil and gas companies from Japan, India and

CHART 2

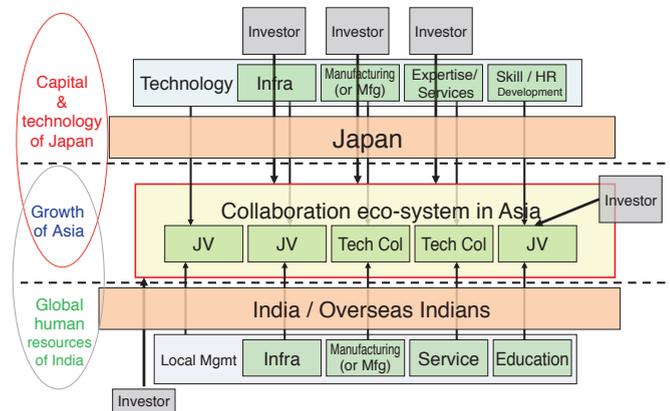
Japan as source of technology & capital flows in Asia



Source: Compiled by author

CHART 3

India-Japan business collaboration model



Source: Compiled by author

Australia are collaborating on an oil exploration project in East Timor.

India-Japan Holistic Model for Asia

As most of Asia lacks good infrastructure and skilled human resources, but has rapid growth potential with its large populations, a holistic approach is needed to cater to the demands of infrastructure, manufacturing, services and human resources simultaneously. With modern management capabilities, a holistic model for collaboration between Japan and India can be developed for Asia in which Japan can effectively lead from the technology and capital perspectives and India from the global human resources perspective (Chart 3).

Combining the technology and capital of Japan with the global human resources of India could be a winning recipe for Asian growth. **J.S**

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