

## India - Japan Relations

The friendship between India and Japan has a long history rooted in spiritual affinity and strong cultural and civilizational ties. The modern nation states have carried on the positive legacy of the old association which has been strengthened by shared values of belief in democracy, individual freedom and the rule of law. Over the years, the two countries have built upon these values and created a partnership based on both principle and pragmatism. Today, India is the largest democracy in Asia and Japan the most prosperous.

India's earliest documented direct contact with Japan was with the Todaiji Temple in Nara, where the consecration or eye-opening of the towering statue of Lord Buddha was performed by an Indian monk, Bodhisena, in 752 AD. In contemporary times, among other Indians associated with Japan were the Hindu leader Swami Vivekananda, Nobel laureate Rabindranath Tagore, entrepreneur JRD Tata, freedom fighter Netaji Subhash Chandra Bose and Judge Radha Binod Pal. The Japan-India Association was set up in 1903, and is today the oldest international friendship body in Japan.

Throughout the various phases of history since civilizational contacts between India and Japan began some 1400 years ago, the two countries have never been adversaries. Bilateral ties have been singularly free of any kind of dispute – ideological, cultural or territorial. The relationship is unique and one of mutual respect manifested in generous gestures and sentiments, and of standing by each other at times of need. Post the Second World War, India did not attend the San Francisco Conference, but decided to conclude a separate peace treaty with Japan in 1952 after its sovereignty was fully restored, marking a defining moment in the bilateral relations and setting the tone for the future. The sole dissenting voice of Judge Radha Binod Pal at the War Crimes Tribunal struck a deep chord among the Japanese public that continues to reverberate to this day.

In the first decade after diplomatic ties were established, several high level exchanges took place, including Japanese Prime Minister Nobusuke Kishi's visit to India in 1957, Prime Minister Nehru's return visit to Tokyo the same year (with a gift of two elephants) and President Rajendra Prasad's visit in 1958. The visit of their Highnesses, the then Japanese Crown Prince Akihito and Crown Princess Michiko in 1960 took the relations to a new level.

The momentum of bilateral ties, however, was not quite sustained in the following decades. This is evidenced by the fact that after Prime Minister Hayato Ikeda's visit to India in 1961, the next Prime Ministerial visit from Japan was by Yasuhiro Nakasone in 1984. Prime Ministerial visits from India included Smt. Indira Gandhi (1969 & 1982), Shri Rajiv Gandhi (1985 & 1987) and P. V. Narasimha Rao (1992). But a transformational development in the economic history of India was Suzuki Motor Corporation's pathbreaking investment in India in the early 1980s that revolutionized the automobile sector, bringing in advanced technology and management ethics to India. Japanese Official Development Assistance (ODA) also continued to flow helping to supplement the work of the Indian government and helping to plug the gaps in economic development. A test of the reliability of Japan as a friend was witnessed in 1991, when Japan was among the few countries that bailed India out of the balance of payment crisis.

The beginning of the 21st century witnessed a dramatic transformation in bilateral ties. During Prime Minister Mori's path-breaking visit to India in 2000, the Japan-India Global Partnership in the 21st century was launched providing the much needed impetus for the trajectory of relations to soar to new heights.

The Global Partnership formed the foundation for the strengthening ties in diverse fields, including identifying strategic convergences. The joint statement signed by Prime Ministers Manmohan Singh and Shinzo Abe in 2006 added a new dimension to factor in new challenges as they emerged, and the relationship was upgraded to a Global and Strategic Partnership with the provision of annual Prime Ministerial Summits. A Comprehensive Economic Partnership Agreement (CEPA) between Japan and India was concluded in 2011.

Prime Minister Shri Narendra Modi visited Japan from 30 August – September 3, 2014 for the 9th Annual Summit Meeting with Prime Minister Shinzo Abe. The visit commenced in Kyoto. PM Abe received PM Modi in Kyoto and hosted a private dinner. During the visit, the two sides decided to upgrade the relationship to a 'Special Strategic and Global Partnership' and launched an India-Japan Investment Promotion Partnership under which Japan announced its intention to invest in India approximately USD 35 billion over the next 5 years.

Prime Minister Shinzo Abe paid an official visit to India for the 8th Annual Summit with Prime Minister Dr. Manmohan Singh from 25-27 January 2014 and was the Chief Guest at the Republic Day parade in New Delhi. Following their restricted meeting and delegation level talks, both the Prime Ministers signed a Joint Statement sharing their vision on intensifying the India-Japan Strategic and Global Partnership.

Emperor Akihito and Empress Michiko were on a week-long visit to India from 30 November – 6 December 2013. Their official engagements in Delhi included visits to Raj Ghat, Jawaharlal Nehru University, India International Centre, Lodhi Gardens; calls by Vice-President, Prime Minister and Leader of Opposition, Lok Sabha. President Shri Pranab Mukherjee hosted a banquet in their honour. In Chennai, Their Majesties visited Kalakshetra Foundation, Guindy National Park and Spastic Society of Tamil Nadu. Governor of Tamil Nadu hosted a lunch in their honour.

The Foreign Minister level 8<sup>th</sup> Strategic Dialogue was held in New Delhi on 17 January 2015. The two Foreign Ministers reviewed all aspects of the bilateral Strategic and Global Partnership and discussed regional and international issues of mutual interest. The next dialogue is scheduled to be held in Tokyo. Bilateral Foreign Office Consolation was also held between Japan's Deputy Foreign Minister Mr. Shinsuke Sugiyama and Foreign Secretary Dr. S. Jaishankar in New Delhi on 6 April 2015 alongside the 2+2 bilateral dialogue at the level of Foreign and Defence Secretaries. Visiting Japan's Vice-Foreign Minister Akitaka Saiki also held talks with Foreign Secretary Dr. S. Jaishankar on 9 June 2015.

Hon'ble Home Minister Shri Rajnath Singh led an Indian Delegation to participate in the Third World Conference on Disaster Risk Reduction (WCDDR) from 14-16 March 2015 in Sendai, Japan. Hon'ble Home Minister delivered a country statement in Hindi at the conference on 14 March 2015. He also chaired a Ministerial Round-table on

“International cooperation in Support of Post-2015 Framework for Disaster Risk Reduction” and co-chaired the Asian Leaders’ Meeting held on the sidelines of the conference.

RakshaMantriShri Manohar Parrikar visited Japan (30-31 March) to take part in the Annual Defence Ministers’ Dialogue with his counterpart Gen Nakatani on 30 March. The two leaders exchanged views on the recent changes in each other countries’ security policies and welcomed the first JWG on Defence Equipment and Technology Transfer held on 23 March in Tokyo. Hon’ble RakshaMantri also called for increased defence collaboration between Indian and Japan in light of ‘Make in India’ drive launched by Government of India.

Under the Parliamentary exchanges programme between India and Japan, the Sasakawa Peace Foundation (SPF), in collaboration with the Confederation of Indian Industry (CII), has been organizing the visit of Members of Parliament since 2004. Under this exchange, so far, 11 Parliamentary delegations have visited Japan between 2004 and 2014. The India-Japan Forum of Parliamentarians (IJFP) was established by FICCI in 2005. Under this programme, two Parliamentary delegations have visited Japan so far between 2005 and 2011. The Ministry of Parliamentary Affairs sent a good will delegation of Parliamentarians to Japan from 26 January – 2 February 2011. Smt. Meira Kumar, Speaker, Lok Sabha, accompanied by a delegation of MPs visited Japan from 2-6 October 2011 at the joint invitation of the leaders of the Japanese Diet.

### **Economic and Commercial Cooperation**

In the economic sphere, the complementarities between the two countries are particularly striking. (i) Japan’s ageing population (23% above 65 years) and India’s youthful dynamism (over 50% below 25 years); (ii) India’s rich natural and human resources and Japan’s advanced technology; (iii) India’s prowess in services and Japan’s excellence in manufacturing; and (iv) Japan’s surplus capital for investments and India’s large and growing markets and the middle class.

Economic relations between India and Japan have vast potential for growth, given the obvious complementarities that exist between the two Asian economies. Japan's interest in India is increasing due to variety of reasons including India's huge and growing market and its resources, especially the human resources. The signing of the historic India-Japan Comprehensive Economic Partnership Agreement (CEPA) and its implementation from August 2011 is expected to further accelerate growth of trade, economic and commercial relations between the two countries.

Japanese ODA, for long the backbone of the bilateral relationship, still continues to provide long-term loans for India’s infrastructure development. New Delhi metro network has been realized with the Japanese assistance which helped to conceptualize and execute the prestigious Delhi Metro Project. The Western Dedicated Freight Corridor (DFC), the Delhi-Mumbai Industrial Corridor with eight new industrial townships, the Chennai-Bengaluru Industrial Corridor (CBIC) are all mega projects on the anvil which will transform India in the next decade.

In FY 2013-14, Japan-India bilateral trade reached \$16.31 billion, which is 11.89% lower than \$18.51 billion in the previous fiscal year. The fall in the total trade is mainly due to reduction in Japanese exports by 23.53%. However, India's exports have risen by 4.36% in 2013-14. The share of the India-Japan bilateral trade has been hovering around 1% of Japan's total foreign trade, while it was in the range of 2.2 to 2.5% of India's total trade in the last couple of years. Total bilateral trade was US\$ 12.11 billion during April-December 2014.

India's primary exports to Japan have been petroleum products, chemicals, elements, compounds, non-metallic mineral ware, fish & fish preparations, metalliferous ores & scrap, clothing & accessories, iron & steel products, textile yarn, fabrics and machinery etc.

Japanese FDI into India grew exponentially from US\$ 139 million in 2004 to all time high of US\$ 5551 million in 2008 due to mega deals particularly acquisition of Ranbaxy by Daichi Sankyo. Subsequent years have seen decreasing trend in Japanese FDI to India in line with overall FDI to India. However, in 2012, Japan's FDI into India increased by 19.8% over 2011 to reach \$2786 million, although it accounted for only 2.3% of Japan's overall FDI outflow in 2012. In 2013, the FDI declined by 22.64% which is 1.6% of the total FDI outflow from Japan. FDI from Japan to India was US\$ 1.7 billion during January-December 2014. Japanese FDI has mainly been in automobile, electrical equipment, telecommunications, chemical and pharmaceutical sectors.

The number of Japanese affiliated companies in India has grown significantly over the years. Presence of Japanese companies in India has been increasing steadily. As on December 2014, there are 1209 Japanese companies registered in India which constituted a 13% increase over 2013 figures. There were also a total of 3961 establishments of Japanese businesses operating in India- a rise of 56% compared to the year before.

Japan has been extending bilateral loan and grant assistance to India since 1958. Japan is the largest bilateral donor to India. Japanese ODA supports India's efforts for accelerated economic development particularly in priority areas like power, transportation, environmental projects and projects related to basic human needs.

## **Science & Technology and Cultural Cooperation**

The Science & Technology Cooperation Agreement between India and Japan was signed on 29th November 1985 with Ministry of Foreign Affairs Japan and Department of Science & Technology, India as nodal agencies on behalf of the two governments. The cooperation picked up its momentum after establishment of India-Japan Science Council (IJSC) in the year 1993 and so far 17 annual meetings of IJSC have taken place. The IJSC activities include collaborative research projects sessions, academic seminars, and exploratory visits by scientists from both countries and Raman-Mizushima lecture series. Under the collaborative projects, 6 priority themes for research in the basic sciences were identified.

Another important cooperation under the new science and technology initiative between JST and DST is a theme based activity. The initial theme was information and communication technologies (ICT) under which several projects were supported during 2006-2012. The current theme for JST-DST collaboration is on biomedical research. Under the S&T cooperative agreement between the two countries, MEXT and DST have signed Implementation Arrangement on 25 January 2014 during the visit of Prime Minister Shinzo Abe to India.

A cultural agreement was signed between India and Japan on 29 October 1956, which came into effect on 24 May 1957. In 1951, India established a scholarship system for young Japanese scholars to study in India. Prime Minister Rajiv Gandhi attended the April 1988 opening ceremony of the Festival of India. The year 2012 marked the 60th anniversary of establishment of diplomatic relations between India and Japan. The Vivekananda Cultural Centre in Tokyo was inaugurated during the visit of ICCR President on 25 September 2009. The Centre offers classes on Yoga, Tabla, Bharatanatyam, Odissi, Sambalpuri, Bollywood dances and Hindi and Bengali languages.

During the visit of Prime Minister of India to Japan, a year-long Festival of India in Japan 2014-15 was announced. The festival was formally launched by Shri Shripad Yesso Naik, Minister of Culture & Tourism of India and Mr. Akihiro Ohta, Minister of Land, Infrastructure, Transport & Tourism of Japan on 27 October 2014. The dance festival organized in October included more than 20 performances in 20 cities across Japan by Bharatanatyam, Manipuri, Kudiattam and Mohiniyattam dance groups from India. As a part of the festival, Hon'ble Home Minister Shri Rajnath Singh, along with the Japan's State Minister for Internal Affairs & Communication, Mr. Kosaburo Nishime inaugurated the Exhibition of Buddhist Art at the prestigious Tokyo National Museum on 16 March 2015. Other programmes under the festival included a Symposium on Buddhist Manuscripts, Food Festival and India-Japan Literary Festival.

## **Indian Community**

The arrival of Indians in Japan for business and commercial interests began in the 1870s at the two major open ports of Yokohama and Kobe. More Indians entered Japan during World War I when Japanese products were sought to fill gaps in demand that war-torn Europe could not meet. Following the great Kanto Earthquake in 1923, most of the Indians in Yokohama relocated to the Kansai region (Osaka-Kobe) and the city hosted the largest migrant Indian population in Japan. Yokohama authorities offered special incentives to the Indian community after World War II to revive their old base in Kanto. The old Indian community in Japan focused on trading in textiles, commodities and electronics. With close linkages to India as well as connections in Hong Kong and Shanghai, they became major players in trading activities across Asia. A newer segment of the community is engaged in gems and jewelry. The Indian community established the Indian Merchants Association in Yokohama (IMAY) in 1929.

In recent years, there has been a change in the composition of the Indian community with the arrival of a large number of professionals. These include IT professionals and engineers working for Indian and Japanese firms as well as professionals in management, finance, education, and S&T research who are engaged with multinational as well as Indian and Japanese organizations. The Nishikasai area in Tokyo is emerging as a “mini-India”. The community is engaged in a range of cultural and social activities. This maintains their links with the motherland and also promotes contacts with their Japanese neighbours. Their growing numbers had prompted the opening of two Indian schools in Tokyo and Yokohama. The community is actively engaged in events organized by the Embassy. The Indian community lives harmoniously with its neighbours and has developed relations with local governments to become valuable members of the Japanese community.

### **Useful Resources:**

Embassy of India, Tokyo website:

<http://www.indembassy-tokyo.gov.in/>

Embassy of India, Tokyo Facebook page:

<https://www.facebook.com/embassyofindiatokyo>

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