

# India and Taiwan 25 Years of Relationship

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India and Taiwan are celebrating 25 years of their partnership. However, the growing relationship has been a low-key affair as India has been hesitant to acknowledge the improving ties in public. Both India and Taiwan have enough common developmental space that they can cooperatively nurture. COVID-19 has given an opportune moment for the two democracies to explore new avenues for sustainable and mutually beneficial cooperation, particularly in the health sector.

**In news:** Recalibrating India-Taiwan ties

**Placing it in syllabus:** Foreign Affairs

**Dimensions**

- Historical Aspects
- Present Relationship
- Future Prospects

## **Content:**

### **Historical Aspects:**

- India-Taiwan relations have been improving gradually.
- The bilateral relations between India and Taiwan have improved since the 1990s despite both nations not maintaining official diplomatic relations
- The two sides established representative offices in 1995 in New Delhi and Taipei respectively.
- India recognises only the People's Republic of China (in mainland China) and not the Republic of China's claims of being the legitimate government of Mainland China, Hong Kong, and Macau – a conflict that emerged after the

Chinese Civil War (1945–49).

- However, India's economic and commercial links as well as people-to-people contacts with Taiwan have expanded in recent years
- Mutual efforts between Delhi and Taipei have enabled a range of bilateral agreements covering agriculture, investment, customs cooperation, civil aviation, industrial cooperation and other areas

### **One-China Policy:**

- India and Taiwan do not enjoy formal diplomatic ties as New Delhi recognizes the "one-China" policy, although it does have a Taipei office to carry out diplomatic functions.
- The "One-China policy" is a policy asserting that there is only one sovereign state under the name China, as opposed to the idea that there are two states, the People's Republic of China (PRC) and the Republic of China (ROC), whose official names incorporate "China".
- Many states follow a one China policy, but the meanings are not the same. The PRC exclusively uses the term "One China Principle" in its official communications.
- "One China principle", which is the principle that insists both Taiwan and mainland China are inalienable parts of a single "China".

### **Present Relationship:**

The growing relationship has been a low-key affair as India has been hesitant to acknowledge the improving ties in public.

### **Cooperation without Formal Diplomatic Relations:**

- India has sought to gradually develop better commercial, cultural and scientific cooperation with Taiwan, albeit whilst ruling out the possibility of establishing formal

diplomatic relations.

- Taiwan has also viewed India's rising geopolitical standing as a counterbalance to the PRC's dominance in the region.

### ***Shared Goals and Values:***

- Both have increasingly deepened mutual respect underpinned by openness, with democracy and diversity as the key principles for collective growth.
- The shared faith in freedom, human rights, justice, and rule of law continues to embolden their ties.

### ***Recent Political Relations:***

- In May 2020, two members of the Indian Parliament virtually attended the newly elected President Tsai's swearing in ceremony and praised Taiwanese democracy, thereby sending what some have termed a warning message to China and signaling a strengthening of relations between the Tsai and Modi administrations.
- In July 2020, the Indian government appointed a top career diplomat, Joint Secretary Gourangalal Das, the former head of the U.S. division in India's Ministry of External Affairs, as its new envoy to Taiwan.

### ***Commercial Relations:***

- As a part of its **"Look East" foreign policy**, India has sought to cultivate extensive ties with Taiwan in trade and investment as well as developing cooperation in science & technology, environment issues and people-to-people exchanges.
- **Both sides have aimed to develop ties, partly to counteract Chinese rivalry with both nations.**
- Between 1995 and 2014, the bilateral trade turnover has grown manifold from just \$934 million to \$5.91 billion.
- In 2019, India – Taiwan trade volume was US\$7 billion,

growing at a rate of 20% YoY.

- Major Taiwanese exports to India include integrated circuits, machinery and other electronic products.
- India is also keen to attract Taiwanese investment particularly in hi-tech and labour-intensive industries.
- More than 80 Taiwanese companies and entities currently have a presence in India
- In the field of science and technology, there are more than thirty ongoing government-funded joint research projects.

### **Cultural exchanges:**

- Both sides have also expanded educational exchanges after a mutual degree recognition agreement in higher education was signed in 2010.
- Buddhism is the most widely practiced religion in Taiwan, usually alongside elements of Daoism, and Bollywood films have in recent years gained a reasonably popular following, along with other aspects of Indian culture such as yoga, cuisine and Indian dance.
- Cultural exchanges between the two countries have grown significantly.
- With the Taiwan Tourism Bureau partnering with Mumbai Metro, Taiwan is trying to raise awareness about the country and increase the inflow of Indian tourists.
- However, Taiwanese tourists in India are a very small number.

### **'Act East' meets 'New Southbound':**

Over the past decade, a potential point of convergence emerged in the two countries' foreign policy outlook: India's **"Act East Policy,"** which seeks to advance ties with Indo-Pacific countries, and Taiwan's **"New Southbound Policy,"** an effort to wean off Chinese markets.

## Future Prospects:

### ***Transforming ties into Partnership:***

- India and Taiwan, thus far, have had relations constituted by various activities, but what needs to be thought about now is whether they can **transform their ties into a fruitful partnership.**
- For this to happen, India needs to review its Taiwan policy to recognize changed geopolitical and geo-economic realities, and also for the confirmation of the autonomy of Taiwan's democracy.
- Taiwan needs to review its India policy to shape what many perceive as its unrealistic and vague expectations

### ***Cultivating political framework:***

- To make this relationship more meaningful, both sides can create a group of empowered persons or a task force to chart out a road map in a given time frame.
- Political will is the key.

### ***Deepening healthcare cooperation:***

- India has been in the forefront of the fight against COVID-19. Likewise, Taiwan's handling of the pandemic and its support to many other countries underlines the need to deepen healthcare cooperation.
- India and Taiwan already collaborate in the area of traditional medicine.
- The time is ripe to expand cooperation in the field of healthcare.

### ***Undertaking joint R&D initiatives and Green Technology:***

- Maintaining air quality has become a mammoth challenge for the Indian government and stubble burning is an important reason for severe air pollution.
- Taiwan could be a valuable partner in dealing with this challenge through its **bio-friendly technologies.** Such

methods are applied to convert agricultural waste into value-added and environmentally beneficial renewable energy or biochemicals.

- This will be a win-win situation as it will help in dealing with air pollution and also enhance farmers' income.
- Further, New Delhi and Taipei can also undertake joint research and development initiatives in the field of organic farming.

### ***Tourism for civilisational exchange:***

- India and Taiwan need to **deepen people-to-people connection.**
- It not only helps one appreciate another culture but also helps in overcoming prejudices and cultural misunderstanding. Tourism is the key tool in this exchange.
- The **Buddhist pilgrimage tour** needs better connectivity and visibility, in addition to showcasing incredible India's diversity. This will accelerate the flow of Taiwanese tourists.
- With the Taiwan Tourism Bureau partnering with Mumbai Metro, Taiwan is trying to raise awareness about the country and increase the inflow of Indian tourists.

### ***Deepening economic ties:***

- India's huge market provides Taiwan with investment opportunities.
- **Taiwan's reputation as the world leader in semiconductor and electronics** complements India's leadership in **ITES (Information Technology-Enabled Services).**
- This convergence of interests will help create new opportunities.
- India's recent strides in the ease of business ranking not only provide Taiwan with lucrative business opportunities but also help it mitigate its over-

dependence on one country for investment opportunities.

**Mould your thought:** India Taiwan 25 years of unofficial ties provides an occasion to ponder over how they can deepen collaboration and strengthen their relations. Comment.

***Approach to the answer:***

- Introduction
- Discuss the historical background of India-Taiwan relations
- Discuss the present level of engagement
- Discuss the future prospects for the relations
- Conclusion