

CHAPTER: 4

INDO-MYANMAR RELATIONS: FROM 1993 TO 2013

There is a far reaching change in Indo-Myanmar relations under this phase, and this transformation is viewed by many as a compulsion of new economic world order while other observes much due to the contest of domestic politics. In some sense, the two propositions are true for Indo-Myanmar relations resumed after many decades of deadlock. Since then it start engaging each other through bilateral and regional cooperation. The goal of this rapprochement touches not merely of expansion on diplomatic, economic, strategic and military relations but in creating a borderless sub-continent without any hindrance by domestic bylaws. Thus India and Myanmar followed a prototype of European Union that brings interaction both at the governmental level as well as people-to-people contact in the process of integration and some unique steps is enunciated toward fulfillment of this ambitious grand plan. This paradigm shift is, in realistic view, to cop up the emerging global phenomenon as well as fortifying the mutual cooperation through tracing the history of two civilizations. Thus the Indo-Myanmar relations become dynamic in short interface and cyclic change is much motivated. The chapter assesses in detail on re-establishment of Indo-Myanmar relations, factors toward rapprochement, and futuristic of Indo-Myanmar relations. It also critically analyze how India's Northeast is impacted through this renew cooperation.

4.1. India's Foreign Policy aftermath of Cold War: *From Idealism to Pragmatism*

The foreign policy initiated by the founding fathers was to remain aloof from engaging in neither the tussles of two power blocs nor preponderance of power. India conceives as a young nation having experienced the brunt of colonialization for approximately two hundred years and does not want to follow the same suit of power hungry game.⁵²⁶ Thus the foreign policy is guided on the Gandhian principle of 'non-violence', and this made India to adopt the path of neutralism during the cold war. In this footprint, the first Prime Minister of India Jawaharlal Nehru works for 'voiceless nations' and toward integration of the newly independent countries from Asia and Africa with an objective to build peaceful co-existence and economically support each other. This initiative acquired wide endorsement among the Afro-Asian countries, and consequently led to formulation of Non-Alignment Movement.⁵²⁷ As one of the pioneers, India started its journey toward evangelizing the principle of sovereign equality and world peace. The

⁵²⁶ D.S. Rajan (1998). The goals of India's foreign policy. *International Studies*, 35 (1), p. 75.

⁵²⁷ V.P. Dutt (1987). *India's Foreign Policy*. New Delhi: Vani Educational Books, p. 33.

India's foreign policy, during this period, was based on idealism⁵²⁸ and many contemporary political analysts regarded as 'Nehruvian' policy. Soon the cold war came to an end, several changes were developed in a transitional mood in a world political and economic order – the system of bipolarity was shrinking and rise of multi-polar system was taken shape with Asia-Pacific region became more fragile as new power center.⁵²⁹ Simultaneously, the two 'Asian Giants' i.e., India and China is also quickly picking up their Gross Domestic Products (GDP) and began stiffly competing to emerged as a new economic forces.⁵³⁰

In history of international politics, this paradigm shift brought unimagined phenomenon with full of storm and stress as the non-issue of earlier century unprecedentedly became triggering attention to the international community. For instance, issues such as global warming, migrations, human security, energy security, terrorism, gender equality, competition for scarce resources and human rights etc. were no longer remain an issue of individual states but become a common problem that needs collective responsibility as it spread cross-borders. At the same time, new world order also transformed the world economy and this transformation integrate the 'north' and 'south' divides through the nuances of liberalization, globalization and marketization. International relations scholars view this drifting force as another form of new colonialism, which the western world initiated to control again the world under their grip. Many countries, poor and weak economy, resist the entry of globalization but despite strong resistance it entered with great force and impacted the economy.⁵³¹ This wave has ghastly influence not only the urban areas but exploits down to peripheries and India is no exception from the phenomena. Consequently, the small and weak economy formed a regional cooperation to counter-balance the might of globalization.

India's foreign policy, during this interface, encountered hurdles and shortcomings and there are reasons for this eventuality. Some of the factors that implicate

⁵²⁸ Jayantanuja Bandyopadhyaya (1970). *The Making of India's Foreign Policy: Determinants, Institutions, Processes and Personalities*. New Delhi: Allied Publishers, p.72.

⁵²⁹ Sampa Kundu (2014). India and Sub-Regionalism: An insight into BIMSTEC. In R. Srinivasan & Sanjay Rastogi (eds.), *India at the cross road: The way ahead*. Gurgaon: LexisNexis, p. 401.

⁵³⁰ *Ibid*, p. 403.

⁵³¹ *Ibid*, p. 403.

India are: firstly, collapsed of long seasonal friend the erstwhile Soviet Union; secondly, India's look west policy for a long time fetter no worth relations; thirdly, lack of strong regional cooperation within South Asia; fourthly, relative alienation from the regional groups outside South Asia; and fifthly, successful emergence of ASEAN push India to modify its own foreign policy.⁵³² Though India continues to keep multilateralism and non-alignment in a prominent place, the foreign policy have undertaken a paradigm shift looking more toward the Southeast Asia by retracing the past historical and shared values. The then Prime Minister of India PV Narashimha Rao enunciated a comprehensive policy towards building relation with ASEAN and a 'Look East Policy' is enunciated. This is a collaborative policy to Thailand's 'Look West Policy'.⁵³³ According to Gurudas Das & C. Joshua Thomas (2016), the look east policy is a 'game changer' for both the short and long term India's foreign policy – the policy merely not bring socio-economic cooperation but integrate India with Southeast and Far East Asia through the northeast frontier.⁵³⁴

Within a limited time, Government of India initiated major development plan, particularly infrastructural development in the northeast is initiated under the Ministry of DONER⁵³⁵ with a vision to connect to the ASEAN. Few notable works that is embarked are road and rail linkages, mega dams, and Border Trade Center across the international borders, particularly with Myanmar that has a border connection with India. In order to translate into action, Government of India signed agreements with Myanmar both bilateral and multilateral as well as participate in ASEAN. The major landmark of India in this pursuit was becoming a dialogue partner with ASEAN and then membership in ASEAN Regional Forum (ARF). Besides, India also joint in the East Asia Summit, ASEAN Prime Ministers Conference of 10+1; Mekong Ganga Cooperation and BIMSTEC.⁵³⁶ This participation symbolized a new turning point of India's foreign policy, and more so become an east centric. Subsequently, India and ASEAN have

⁵³² V.P. Dutt (2008). *India's foreign policy in a changing world*. New Delhi: Vikas Publication, p. 238.

⁵³³ Renaud Egreteau (2003). *Wooing the Generals: India's New Burma Policy*. Delhi: Authorspress.

⁵³⁴ Gurudas Das & C. Joshua Thomas eds. (2016). *Look East to Act East Policy*. Delhi: Routledge, p. 137

⁵³⁵ NEC-DONER Report (2008). *North eastern region vision 2020*. Guwahati: Ministry of DONER NEC.

⁵³⁶ Namrata Goswami (2009). *Looking 'East' Through India's North East: Identifying Policy 'Challenges' and outlining the 'Responses'*. IDSA Occasional Paper No. 2. New Delhi: IDSA, p. 5.

commemorated twentieth anniversary of dialogue partnership in 2012, followed up with more interactions and agreements on different spectrum.⁵³⁷ With the National Democratic Alliance coming to power in May 2014, India's 'Look East Policy' is converted to 'Act East Policy' and the Prime Minister Shri Narendra Modi elucidate that this transformation is to re-strengthen the relations with ASEAN much so to act promptly on the initiatives taken by the two parties.⁵³⁸ It is observed from this transformation that India's foreign policy is today changing from idealism to a more pragmatic one.

Generally, the post-Cold War presents a complex strategic environment, and impinges on many India concerns and national security interests. In search for strategic bilateral cooperation with important regional countries, Myanmar stands out to be the logical choice because the two neighbours share a wide area of convergence of interests on which solid strategic partnership is much needed in recent times.⁵³⁹ Since the ancient times, Myanmar played the role of gateway in spreading Indian culture and influence in Southeast Asia, and even today it occupies an important place in expanding relations. Recognizing this hard fact the two nations have steadily begun with a new vigor and optimism toward building the partnership into a greater height. The then Prime Minister Shri Narasimha Rao reaffirms the importance of having good cooperation with the east neighbours that has long history of shared intrinsic values and under his leadership, new chapter of Indo-Myanmar sowed seed.⁵⁴⁰

The Look East Policy (LEP) is one important policy that enhances cooperation with Myanmar in the process to engage with the Southeast Asian countries on trade and investment linkages, and later shift toward wider economic, security, political and physical connectivity. Myanmar became a prominent player in larger integration as it located at the corridor of India-ASEAN relations. Reciprocally, Myanmar also positively

⁵³⁷ B.C. Upreti (2003). India's Relations with the ASEAN Countries: Building a New Partnership. In B.C. Upreti, Mohan Lal Sharma & S.N. Kausik (Eds.), *India's Foreign Policy: Emerging Challenges and Paradigms*. Delhi: Kalunga Publications, p. 322.

⁵³⁸ Rahul Mishra (2016). India – ASEAN trade and economic relations: Ties that bind. In Gurudas Das & C. Joshua Thomas (eds.). *Look East to Act East Policy*. New York: Routledge, p. 59.

⁵³⁹ G.V.C. Naidu (2004). With the Look East Policy: India and Southeast Asia. *Strategic Analysis*, 28 (2), p. 336.

⁵⁴⁰ Namrata Goswami (2009). *Op.cit.* p. 4.

responded without much delayed as it too realized the necessity of good relation with the western neighbour.⁵⁴¹ Thus Indo-Myanmar relations slowly grew and the rapprochement after nearly three decades encoded a bilateral agreement. The two countries realized bilateral cooperation alone could not fully achieve their goals thus begun to participate together in different multilateral cooperation and some of the joint ventures are: Mekong Ganga Cooperation (2000), Asian Cooperation Dialogue (2002), Bangladesh-China-India-Myanmar Economic Forum (1998), Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation (1997), and India-Myanmar-Thailand Trilateral Agreement (2002) etc. The protagonist view the Indo-Myanmar relations, ever since, diametrically moves forward and filled not just the vacuum of regional organization but leverage the long standing negation between them. This convergence of ties in 1990s, according to Dipankar Banerjee (1996)⁵⁴², is because of the security and geo-strategic compulsion in the sub-region. The culmination of Indo-Myanmar relations, however, is far beyond security issue but due to the compulsion of domestic and international economic order. The pertaining reasons, according to Marie Lall (2008)⁵⁴³, for this paradigm shift is because of infrastructural development plan in northeast; keenness to trade with ASEAN; search for energy, and increasing Chinese involvement in Myanmar.

On other hand, international economic order has also transformed the old system with the end of cold war and evaporates an atmosphere of greater economic alignment. This open door policy pushes India to have greater linkage with ASEAN and Myanmar automatically became immediate partner.⁵⁴⁴ In the backdrop of strengthening relations, areas such as energy, agriculture, terrorism, cultural exchange, trade, transport and communication becomes a talking point. Indian investors have exploited at large in Myanmar in various sectors such as transport and communication, hydropower project, Oil & Gas in Myanmar, expansion of border trade, and made availability of medicine in

⁵⁴¹ Sudhir Devare (2006). *India and Southeast Asia: Towards Security Convergence*. Singapore: ISEAS Publications.

⁵⁴² Dipankar Banerjee (1996). Myanmar and Indian Security Concerns. *Strategic Analysis*, XIX (5), p. 694.

⁵⁴³ Marie Lall (2008). *India-Myanmar relations – geopolitics and energy in light of the new balance of power in Asia*. Working Paper No. 29. Singapore: ISAS, p. 5.

⁵⁴⁴ G. V. C. Naidu (2004). Wither the Look East Policy: India and Southeast Asia. *Strategic Analysis*, 28 (2), p. 337.

Myanmar markets vice versa.⁵⁴⁵ There are scores of projects, besides the above mentioned, and some of the initiatives have converted from word to action and many others are underway to complete in years ahead. The bilateral trade between the India and Myanmar, till this date, has jumped up from USD 273.32 million in the fiscal year 1997-1998 to USD 1957.35 in the fiscal year 2012-2013.⁵⁴⁶ It is hopeful that the relations endure better economic development on both side hand-in-hands with political ties.

4.2. Constructive Engagement between India and Myanmar

With the economic reformed of India in 1991 there occurred a sea change in Indo-Myanmar relations and it has become more realistic as compare to the era of Nehruvian policy. The Government of India began to deal with the military junta, who had been bitter relations in the last decade due to India's support for the pro-democracy demonstrators in Myanmar and military junta direct support to the Northeast insurgencies vice versa, following the ASEAN model of constructive engagement. This policy started to shift gradually in late 1992 after India reviewed the status of relations with the neighbours and when Look East Policy is embarked as newer foreign policy.⁵⁴⁷ The first demonstration for constructive engagement towards military junta occurred during the 1992 NAM Summit in Jakarta by not opposing the re-admission of Myanmar into the Non-Aligned Movement. Prior to that signal of India changing policy toward Myanmar is given when the broadcasting on anti-junta programs from the All India Radio (AIR) Burmese Service is withdrawn in 1991.⁵⁴⁸ Thereafter Indo-Myanmar recovered and begun to slowly engage with each other though there is apprehension surrounded on both side. This constructive engagement was propelled due to the compulsion of domestic and world political order.

⁵⁴⁵ K. Yhome (2009). *India-Myanmar relations (1998-2008): A decade of redefining bilateral ties*. New Delhi: Observer Research Foundation, p. 5.

⁵⁴⁶ Ministry of Commerce & Industry (2014). Export Import data bank version 7.1 Government of India, Department of Commerce. Data source DGCI&S, Kolkata. Retrieved from <http://www.commerce.nic.in/eidb/default.asp>

⁵⁴⁷ Ian Holliday (2001). *Burma redux: Global justice and the quest for political reform in Myanmar*. West Sussex: Columbia University Press, p. 110.

⁵⁴⁸ J.N. Dixit (2003). *My South Bloc Years Memoirs of a Foreign Secretary*. New Delhi: UBSPD, p. 65. Also see at Yogendra Singh (2008). (2008). *Constructive Engagement: A Study of India-Myanmar Relations*. M.Phil Dissertation/CSCSASPS/SIS/JNU, New Delhi, p. 28.

There are numerous reasons of the rapprochement but more importantly it was because of five main factors. Firstly, Chinese encirclement of India through Myanmar, Pakistan, Bangladesh and Sri Lanka is prominent and became a direct threat to India status quo. Hence to counter-balance such strategy it become necessary to build relations with the Chinese pearls particularly Myanmar. Secondly, there was unprecedented rise of insurgencies in India's Northeast in late 1980s and has disturbed peace and security of the country.⁵⁴⁹ Thirdly, India's consumption of energy has increased two folds but there was no substitute other than buying from the Arab world. In order to fill the gap, India finds Myanmar an alternative precursor to the rising needs of energy. Fourthly, there was no regional organization within South Asia other than SAARC to expand market economy but unfortunately SAARC became a pawn of political conflict rather than an engine of economic cooperation. Finally, India has been dependent on Erstwhile Soviet Union since 1947 but this look west policy paralyzed with the collapse of the erstwhile Soviet Union.⁵⁵⁰ On other hand, Udai Bhanu Singh (2006) added that the Southeast Asia was booming its economy under the ASEAN and it attracted Indian leaders to engage with ASEAN. To reach out the Southeast Asian countries, India formulates a look east policy with prime objective to expand socio-economic relation. In this process India became direct partner with Myanmar as it is the only Southeast Asian country that shares direct border with India and is seen possible linking with rest of Southeast Asian countries.⁵⁵¹

As a combine reasons of the above, India took initiative to constructively engage with Myanmar by changing its previous stance that advocated isolation of military junta. Hence, the then Foreign Secretary of India J.N. Dixit paid a landmark visit to Myanmar in 1993 to initiate a constructive dialogue. This visit was symbolic because it indicates India's willingness to engage and revives the relation with Myanmar more particularly with the existing regime.⁵⁵² The paradigm shift of Indo-Myanmar relations begun with the advent of National Democratic Alliance in New Delhi and the eastern strategy

⁵⁴⁹ Thangkhohal Haokip (2015). India's look east policy and the northeast. New Delhi: Sage, p. 123.

⁵⁵⁰ Man Mohini Kaul (2006). Regional Groupings: An Overview of BIMSTEC and MGC. *South Asian Survey*, 13 (2), pp. 314-15.

⁵⁵¹ Udai Bhanu Singh (2006). Challenges to Border Management in India-Myanmar Relations. *World Focus*, 27 (8), p. 33.

⁵⁵² Renaud Egretreau (2003). Op.cit. p. also see at Jurgen Haacke (2006). *Myanmar's Foreign Policy: Domestic Influences and International Implications*. London: Routledge, p. 34.

pursued by the then Foreign Minister Shri Jaswant Sinha. However, when India honoured Aung San Suu Kyi with the India's Prestigious Jawaharlal Nehru award for international understanding, India's policy on Myanmar was still facing a dilemma as the junta was suspicious of India's action thus the Indian policy was hanging between idealism and realism. In counter to this act, military junta promptly responded by withdrawing from the 'Golden Bird' operation, a joint military exercise targeting insurgent groups having bases in the northeast part of India.⁵⁵³ Myanmar's reaction generated unprecedented pressure thus within a year India Foreign Affairs Minister Shri Pranab Mukherjee openly accepted that Myanmar's movement for democracy as an internal matter.⁵⁵⁴ Subsequently, India indirectly confirmed its new policy towards the junta in August 1993 by remained silent and refused to extend support publicly when the Europe, US and some ASEAN countries strongly protested against the infringement on Aung San Suu Kyi's freedom.⁵⁵⁵ Thereafter India clearly indicated that it is ready to foster closer links with Myanmar and enhance cooperation.⁵⁵⁶ India and Myanmar thus reached new level of trust and signed many treaties and one that concluded in 2001 was a treaty to combat cross-border drug trafficking and separatist insurgencies. It also boosted the trade and economic links and both side have agreed to open four border check points.

Part of a confident building measure, India assured Myanmar to develop its infrastructure especially roads, rails and ports. Therefore, on the invitation of Maung Aye, Vice-Chairman of SPDC, the Indian Vice President paid a goodwill visit to Myanmar in 2003. The visit turns out a larger India's policy to offer Myanmar in counterweight of China.⁵⁵⁷ In reciprocity General Than Shwe, Chairman of SPDC, also paid visit to New Delhi in 2004 and reassured to check cross border terrorism, drug trafficking and arms smuggling. Many Indian policy-makers viewed the visit as a new landmark in Indo-Myanmar relations. After a gap of two years, the Indian President Shri APJ Abdul Kalam paid a return visit to Myanmar in March 2006, the first ever by an

⁵⁵³ Thin Thin Aung & Soe Myint (2006). Op.cit. p. 99.

⁵⁵⁴ Jurgen Haacke (2006). *Myanmar's Foreign Policy: Domestic Influences and International Implications*. London: Routledge, p. 34.

⁵⁵⁵ Ibid, p. 34.

⁵⁵⁶ Faizal Yahya (2003). India and Southeast Asia: Revisited. *Contemporary Southeast Asia*, 25 (1): 81-83.

⁵⁵⁷ Okkar (2003, November 30). Implementation of agreements during goodwill visit of Vice-President of India coordinated. *The New Light of Myanmar, Rangoon*.

Indian head of state, and signed three agreements in Petroleum, Space and Education sectors.⁵⁵⁸ Moreover, bilateral agreement related to visa exemption for official and diplomatic passports was signed and a MoU to increase the numbers of scholarships provided by India to enable Myanmar students and teachers was signed. Above that India announced USD 34.5 million credits and financial assistance to Myanmar for the purchase of heavy duty water pumps, development of a multimodal transport project upgrading remote sensing ground receiving station in Yangon.⁵⁵⁹ Consequently, on 23 April, 2007 an eighteen member Myanmar Army delegation, led by Brigadier-General Tin Maung Ohn visited Calcutta, for the 30th biennial liaison meeting of army officials from both countries and during the visit issues concerning to cross-border insurgency, arms-smuggling and border management were again discussed.⁵⁶⁰ This transformation of relations between India and Myanmar is due to a number of reasons, and a bilateral cooperation is reached to a new horizon in the last two decade. Indo-Myanmar relations have now through this engagement become a cordial partner. This constructive engagement is no longer confined within a bilateral ambit; it has expanded relations even in regional cooperation.

4.3. India's Look East Policy and Myanmar

India's constructive engagement with Myanmar is closely linked with the economic boom in Southeast Asia. The ASEAN countries, particularly Singapore, Malaysia and to some extent Thailand and Indonesia were being seen along with Korea, Taiwan and Hong Kong as the new 'tigers', and by early 1990 the ASEAN has emerged as one of the best performing regional organization.⁵⁶¹ Inspired by the economic growth of ASEAN, India launched its Look East Policy to take the advantage of opportunities available in the ASEAN. India's Look East Policy was, in fact, an attempt to carve a place for India in a larger Asia Pacific and it was meant to highlight India's economic

⁵⁵⁸ Jurgen Haacke (2006). Op.cit. p. 35.

⁵⁵⁹ The Tribune (2006, March 10). India to give \$ 34.5 m aid to Myanmar. The Tribune, Chandigarh. Retrieved from <http://www.tribuneindia.com/2006/20060310/world.htm#2>.

⁵⁶⁰ Yogendra Singh (2008). Op.cit. p. 67.

⁵⁶¹ Sudhir Devare (2006). *India and Southeast Asia: Towards Security Convergence*. Singapore: ISEAS Publications, p. 22.

potential for investment and trade.⁵⁶² Former Prime Minister of India Narashimha Rao expressed the essence of India's Look East Policy in his 1994's Singapore lecture on the potential for India's partnership with this nucleus organization, indicates to ASEAN, in the Asia Pacific is immensurable.⁵⁶³ The constructive engagement with Myanmar could be seen as a supplement to India's Look East Policy because for India, Southeast Asia begins with Myanmar.⁵⁶⁴ Thus it was not possible for India to keep distance from its gateway to ASEAN. After the inclusion of Myanmar in ASEAN in 1997, relations with Myanmar have become very significant from the perspective of India's effort to integrate its interest with the ASEAN region. Myanmar strategic importance in India's Look East Policy is reflected from India's External affairs minister Jaswant Singh's statement in February 2001 that India needed an eastward access and India could not have this if it stood apart from Myanmar.⁵⁶⁵ This statement indicates the Indian government's seriousness to develop close links with Myanmar. Therefore, in its effort to enhance linkages with Myanmar, India emphasized on developing constructive relations with Myanmar.

In reciprocity the Myanmar government also responded in a positive manner and played its part in integrating India with the ASEAN process. Yangon joined ASEAN when India had begun staking claims to the graduation of its status of interaction with ASEAN from full dialogue Partner to Summit level. Soon after its membership Myanmar joined Cambodia, Laos, Vietnam and Singapore to extend unequivocal support to India's demand which was finally conceded by ASEAN Summit in the November, 2001.⁵⁶⁶ India was keen to develop linkages with ASEAN because SAARC was not able to progress due to prioritize politics over the economic and apart from the political impediments, the limited economic potential of SAARC was the other factor which led India to look

⁵⁶² Joyti (2006). India's Look East Policy: In its Second Phase. *Global Journal of Pharmaceutical Sciences and Education*, 2 (1), p. 2.

⁵⁶³ Baladas Ghoshal (2013). China's Perception of India's 'Look East Policy' and Its Implications, (IDSA Monograph Series 26.). New Delhi: IDSA, p. 28.

⁵⁶⁴ Renaud Egreteau (2003). Op.cit. pp.103-6.

⁵⁶⁵ Faizal Yahya (2003). Op.cit. p. 81-83.

⁵⁶⁶ K. Sidharan (2005). Regional organisations and conflict management: Comparing ASEAN and SAARC. Working Paper 33. Singapore: Crisis States Research Centre, p. 6.

towards ASEAN and Southeast Asia. In truer term, ASEAN huge economic potential in comparison to SAARC reflects from the fact that in 1990, merchandise exports within the respective trade block were worth 27365 USD for ASEAN and 863 USD million for SAARC and this has increased to USD 122869 million for ASEAN but still only USD 5706 million for SAARC by 2004.⁵⁶⁷ Engagement with Myanmar was also vital because it has power to facilitate India's desire to initiate a process of sub-regional economic integration.

India under the vision of its Look East Policy, as a result, initiated two other projects to promote the sub-regional cooperation namely BIMSTEC and Mekong-Ganga Cooperation. India's idea started to take place when BIMSTEC was established in June 6, 1997.⁵⁶⁸ This organization started with five members – Bangladesh, India, Sri-Lanka and Thailand. However, due to lack of border linkages to each other, it was added Myanmar into the fold. Myanmar's importance to BIMSTEC is also evident from the fact that it is appointed the lead country in the energy and agriculture sectors which were identified for the sub-regional cooperation.⁵⁶⁹ India is interestingly looking towards BIMSTEC to enhance cooperation in the energy through Myanmar, because India's progress depends on the energy but dependency from the fragile Middle East became unpredictable and expensive.⁵⁷⁰ India is assigned as a coordinating country for the two projects along with Thailand. This sub-regional grouping was not only prompted by economic interest but strategic concerns were also behind the agenda. According to Anindya Batabyal (2006) India kept in mind the approach to expand the role of BIMSTEC beyond the economic cooperation as it part of its look east strategy and sought to utilize BIMSTEC to tackle the escalating Chinese influence in Myanmar.⁵⁷¹ This strategy also serves the interest of Myanmar to counter-balance from the influence of China in their economic affairs.

⁵⁶⁷ Man Mohini Kaul (2006). Regional Groupings: An Overview of BIMSTEC and MGC. *South Asian Survey*, 13 (2), p. 314-17.

⁵⁶⁸ G.V.C. Naidu (2008). BIMSTEC and its geo-strategic importance. *World Focus*, XXIX (1), p. 3.

⁵⁶⁹ Ibid, p. 4.

⁵⁷⁰ Laxman Kumar Behera (17 June 2005). India's Energy Outlook. Ecoworld. Retrieved from <http://www.ecoworld.com/energy-fuels/indias-energy-outlook.html>

⁵⁷¹ Anindya Batabyal (2006). Balancing China in Asia: A realist assessment of India's look east strategy. *China Report*, 42 (2), p. 179.

India started another foreign policy endeavour under the framework of its Look East Policy with a name Mekong-Ganga Cooperation Initiative to engage on socio-economic cooperation. The members of this initiative are countries who located at the littoral of Mekong and Ganga rivers, and this was in principle formed by India, Myanmar, Thailand, Vietnam, Laos and Cambodia on the sideline of ASEAN meeting in Bangkok in July 2000.⁵⁷² It was formally launched in Vientiane on November, 10, 2000 when officials from member countries issued a 'Vientiane Declaration'⁵⁷³ on the framework of cooperation. The declaration was inspired by a common desire to develop closer relations and better understanding to enhance friendship, solidarity and cooperation. The declaration committed to develop transport networks in particular the 'East-West Corridor' and the 'Trans-Asian Highway' under the framework of transport and communication.⁵⁷⁴ The grouping also agreed to promote joint research in the fields of dance, music and theatrical forms and organize round-tables for journalists, writers and experts in lecture, performing arts, women's empowerment, health and nutrition and the conservation, preservation and protection of heritage sites.⁵⁷⁵ In this manner the declaration objective was to enhance the developmental cooperation between the countries. However due to the absence of China, which is also a riparian Mekong river country, this organization is seen as a India's strategy to balance involving gaining success to the Indian ocean through its encirclement policy.⁵⁷⁶ According to Anindya Batabyal (2006), the MGC is undoubtedly India's strategy to counter response the Chinese strategy to consolidate its influence over the Mekong basin region.⁵⁷⁷

The Government of Myanmar is indeed very cooperative to India's initiative both the economic and military cooperation. Other than the regional cooperations, Myanmar is also builds up a strong bilateral relation with India to deal various issues both concerning

⁵⁷² David Brewster (2014). *India's Ocean – the story of India's bid for regional leadership*. New York: Routledge, p. 139.

⁵⁷³ Pankaj Kumar Jha (2003). Reassessing India's Look East Policy. *World Focus*, 24(10-11-12), p. 18. Also see at Man mohini kaul (2006). *Op.cit.* p. 316.

⁵⁷⁴ Swaran Singh (2007). *Mekong-Ganga Cooperation Initiatives: Analysis and Assessment of India's Engagement with Greater Mekong Sub-region*. Occasional Paper No. 3. Bangkok: IRASEC, p.16.

⁵⁷⁵ *Ibid*, p. 16.

⁵⁷⁶ Meenu Roy (2003). *India and her sub-continent neighbours – New pattern of relationships*. New Delhi: Deep and Deep publication, p. 133.

⁵⁷⁷ Anindya Batabyal (2006). *Op.cit.* p.183.

national interest and common problems. This relation have lifted to newer height in last two decades and both countries are committed to exploit the partnership with best interest to have relative gain through it. Some of the areas India and Myanmar putting effort are connectivity, trade, cultural exchange, dealing with insurgencies, public health, agriculture, energy, tourism. Since Myanmar responded to India's Look East Policy, border trade center also opened up to have greater trade relations not only at government level but through people to people contact. It can assume that the roles play by Myanmar is as expected and this cordial relationship between the two neighbours continued both at bilateral and multilateral level in days ahead.

4.4. Chinese Factors on the Indo-Myanmar Relations

While setting a foreign policy agenda towards Myanmar, the New Delhi takes into account on the relative influence of China in Myanmar along with its own strategy to convince Naypyidaw. Namrata Panwar (2009) describes that the China factor always has been a key factor in India's policy toward Myanmar. During the turmoil period of relation between India and Myanmar, the growing Chinese influence in Myanmar is unprecedented and it has been a deep concern for New Delhi because the impact of China-Myanmar relation no longer confined within but spread across the sub-region.⁵⁷⁸ After the withdrawal of the US and USSR, the Southeast Asian countries perceived China as a future hegemonic power in the region and this was exposed in 1979 during the clashes with Vietnam and more so in 1988 over the issue of spratly Islands. China intensified the levels of ASEAN's concern by passing the 'Territorial Waters Act' in February 1992 claiming the entire South China Sea.⁵⁷⁹ Against this backdrop, the Chinese intensifies influence over Myanmar and become a direct threat to regional security and stability. Gilles Boquerat (2001) trace the evolution of Sino-Myanmar honeymoon after the end of the Maoist era in China, and it turn more closely after General Ne Win's visit to China in April 1977. In a move which could obviously please China was when Myanmar withdrew from NAM in September 1979.⁵⁸⁰ Thus the establishment of Sino-

⁵⁷⁸ Namrata Panwar (2009). *India and China competing over Myanmar energy resources*. Working Draft for BISA Conference, Leicester: University of Leicester, pp 1-19.

⁵⁷⁹ Southeast Asian Affairs (1996). University of Michigan: Institute of Southeast Asian Studies. Digitized on 16 Jul 2010, p. 12. Retrieved from <https://www.books.google.co.in/books?id>

⁵⁸⁰ Virender (2000). Myanmar: Government and politics. New Delhi: Deep and Deep Publication, p. 429.

Myanmar relations sowed seed after the arrival of Deng Xio Ping though relations did not developed cordially prior to 1988 because of Chinese support to the ethnic insurgents and Communist Party of Burma. Largely the relations of China and Myanmar developed under duress because both faced a degree of global isolation on ground of human rights violations: the 1988 suppression of pro-democracy activists in Myanmar; and 1989 Tiananmen Massacres led both autocratic regimes close to each other.⁵⁸¹

The growing China-Myanmar relations and its linkages with some strategic development were perceived by India as potential threat to its security. This development is called as encirclement of India by China through pro-Chinese regime in Pakistan, Bangladesh, Sri Lanka and Myanmar. There is evident that after the 1962 Sino-India war, the Chinese have massively perpetrated its relations with the Indian neighbours with a strategy to maintain strategic network.⁵⁸² The Tatmadaw thereafter began to robustly depend on China not only to acquire small arms and ammunition but also major armaments for strengthening its armed force. The most significant move was the 1990 deal with China involving weapons and military equipments worth an estimated of USD 1.2 billion.⁵⁸³ Subsequently, China and Myanmar signed another defence contract agreement in 1994 with worth of 400 million dollar for the supply of helicopters, armored vehicles, field guns, assault rifles and patrol boats.⁵⁸⁴ The improvement in military capabilities of Myanmar is evident from the fact that the strength of armed forces is increased from 186000 in 1988 to approximately 300000 in 1992.⁵⁸⁵ Similarly, SD Muni (2002) evaluates the nature of China-Myanmar military cooperation and describes that weapons were supplied not on grants but purchased through soft and unspecified loans. The return payment is in barter system through commodities that includes rice, timber and precious stones. Besides, China also offered training to Myanmar armed forces

⁵⁸¹ Dipankar Banerjee (1996). Myanmar and Indian Security Concerns. *Strategic Analysis*, XIX (5): 695. See also at Bhaumik, Subir (2005). Guns, drugs and rebels. *Seminar*, No. 550: Gateway to the East, p. 42.

⁵⁸² Renaud Egreteau (2003). Op.cit. p.

⁵⁸³ Tin Maung Maung Than (2000). *Myanmar: The Dilemma of Stalled Reforms*. Singapore: ISEAS Publisher.

⁵⁸⁴ Udai Bhanu Singh (1996). Prospects for Myanmar. *Strategic Analysis*, XIX (4), p. 686.

⁵⁸⁵ P. Stobdan (1993). China's Forays into Burma-Implication for India. *Strategic Analysis*, XVI (1), 21-37.

mainly to learn the handling of Chinese weapons system.⁵⁸⁶ This started in 1990 with the arrival of the first installment of Chinese weapons to Myanmar. In recent years, China and Myanmar also started to share intelligence and defence related information not only on the border areas for controlling drug related and other crimes but on activities on Myanmar's sea front in the Bay of Bengal. On other hand, a bridge called 'Gun-Bridge' was constructed over the Shweli River in 1992 with the support of China to facilitate weapons trade.⁵⁸⁷ Apart from that China also helps to strengthen its strategic position against India by facilitating the military relations between Myanmar and Pakistan.⁵⁸⁸

China plays a very strong tactical game to corner India through this alliance among the neighbouring countries. There are many reasons behind but one core interest was to suppress the growing power of India so that it will not hurdle in their preponderance of power in the region. International community knows the growing unquenched interest of China; it wants to have dominant role in the Indian Ocean under the 'string of pearls' strategy but to carry forward this maiden strategy the first priority was to stop India.⁵⁸⁹ Thus Indian security management system was in peril due to presence of such hostile states in its neighborhood.

It is through this dependency, Myanmar became a pearl in the larger Chinese strategy of 'string of pearl' during the military regime. Under this strategy, China is increasingly involving in Myanmar through establishing ports, or heavily subsidizing construction of new port, modernizing military and airfield facilities.⁵⁹⁰ This episode gives a great concern for India and other neighbouring countries of Myanmar. Indian

⁵⁸⁶ S.D. Muni (2002). China's strategic engagement with the new ASEAN: an exploratory study of China's post-cold war political, strategic, and economic relations with Myanmar, Laos, Cambodia, and Vietnam. IDSS monograph Issue 2. Singapore: Institute of Defence and Strategic Studies, p. 3.

⁵⁸⁷ Bertil Lintner (1991). The Internationalization of Burma's Ethnic Conflict. In K. M. de Silva & R. J. May (eds.), *Internationalization of Ethnic Conflict*. London: Pinter.

⁵⁸⁸ S.D. Muni (2002). Op.cit. p. 7.

⁵⁸⁹ R. Suresh ed. (2015). *The Changing Dimensions of Security: India's Security Policy Options*. Delhi: Vij Books, p. 93.

⁵⁹⁰ Saji Abraham (2015). China's Role in the Indian Ocean: Its Implications on India's National Security, p. XXI. Also see at China builds up strategic sea lanes (2005, January 18). *The Washington Times*.

strategy analysts are concerned because in future if ongoing Sino-Myanmar continues, it would not be in the interest of India.⁵⁹¹

The major strategy behind it is to seek alternative routes bypassing Malacca Strait. In that context, Myanmar is strategically important for China because Yunnan province could be linked by the Mekong and Irrawaddy rivers with the road and railways network through Myanmar. Therefore, in 1992, China started its development project called the 'Greater Mekong Sub-Region Program' with assistance by the Asian Development Bank.⁵⁹² Other alternative route is to link Yunnan province to the Bay of Bengal through Myanmar's Irrawaddy River that finally leads to the Indian Ocean byroad but Myanmar suspended it as they become concerned about the unprecedented influence of Chinese within its territory. This step is considered by Indian policy-makers as a success of India's constructive engagement with Myanmar.⁵⁹³ The string of pearls does not pose a threat to India if it is limited to securing the SLORC's for energy security. However, there is increasing activities of China in Indian Ocean and its quest to become a Blue Water Navy from Green Water Navy is a source of concern for India.

Since China's improve the economy its outlook toward the Asia-Pacific region have unprecedentedly change and attempt to increase its influences in the Indian Ocean region. This attempt drew India's attention to counter-balance and one measure to stop it was through relations with Myanmar. In Indian perspective, the Indian Ocean's security is a vital component of India's security management system because substantial part of India's trade and energy supply pass through it. Thus the Chinese strategy to expand its influence into the Indian Ocean is seen as a source of concern by Indian policy makers. A Chinese military general elucidate that Chinese navy is extending its naval operations into Indian ocean in order to prevent the Indian Ocean becoming 'India's ocean' and sought strategic outpost on Myanmar Island.⁵⁹⁴ This alarm for the Indian military set up

⁵⁹¹ OPRF (2006, March). Newsletter. New Delhi: Ocean Policy Research Foundation

⁵⁹² International Monetary Fund-Asia and Pacific Dept (2015). People's Republic of China: Staff Report for the 2015 Article IV Consultation – Press release; staff report and statement by the executive directors of the People's Republic of China. IMF Country Report 15/234, p. 1988.

⁵⁹³ Bertil Linter (2012). Great Game East: India, China and the Struggle for Asia's Most Volatile Frontier. HarperCollins Publishers, p. 183.

⁵⁹⁴ Saji Abraham (2015). China's Role in the Indian Ocean: Its Implications on India's National Security. New Delhi: Vij Books, p. 5.

to counter it because such presence could lead maritime conflict between the two great neighbours.⁵⁹⁵ India is also concerned over the upgradation of Myanmar's naval facilities under the Chinese endowment. Harvir Sharma (2001) describes that China had provided its support to Myanmar at least four electronic listening posts along the Bay of Bengal, Andaman sea, Manaung Haingg Yi Zadetkyi island, and Coco islands to monitor this sensitive maritime region.⁵⁹⁶ Sawarn Singh (1995) also highlights on India's concern over the establishment of Chinese intelligence equipment in Indian Ocean and elaborate that China provided aid and expertise for the construction of five new ports along Myanmar's western coast and this construction by China is in collusion with the SLORC.⁵⁹⁷ However, some also gave the encirclement theories a new direction by arguing that China also posed a threat of encirclement by unfriendly, potentially, antagonistic and hostile states. According to Donald M. Seekin (1997), China's greatest fear is of being encircled to her and there is suspicion in post-SLORC, the Government of Myanmar promoted closer ties with India, Vietnam and Japan. Whatsoever, there are far-reaching implications of Chinese presence in Indian Ocean because the establishment of Sino-Myanmar installations in the Indian Ocean would constitute a direct challenge to India's non-negotiable claim to supremacy.⁵⁹⁸ Analyzing the validity of China threat theory, Renaud Egretreau (2003) also argues that China too could consider itself encircled by the other powers in the region with India and United States lead group.⁵⁹⁹ Therefore, China also has every reason to consider itself encircled by foreign power.

i. Chinese Efforts of Economic Consolidation in Myanmar

Myanmar-China growing engagement led towards greater Chinese penetration in Myanmar. The Chinese have emerged as a principal donor, arms supplier and a source of consumer goods to Myanmar. Bilateral volume of trade is increased significantly and alongside that Myanmar also heavily dependence on China for arms supply. This

⁵⁹⁵ Singh, Udai Bhanu (2006). Challenges to Border Management in India-Myanmar Relations. *World Focus*, 27 (8), p. 34.

⁵⁹⁶ Havir Sharma (2001). China's interest in Indian ocean RIM countries and India's maritime security. *India Quarterly*, 58 (4), 71.

⁵⁹⁷ Sawarn Singh (1998). Myanmar: The 'Strategic Hub' of the 21st Century Asia. *U.S.I. Journal*, CXXVIII (532), p. 248.

⁵⁹⁸ Donald M. Seekins (1997). Burma-China Relations: Playing with Fire. *Asian Survey*, 37 (6), p. 535.

⁵⁹⁹ Renaud Egretreau (2003). Op.cit. p.

dependency sow seed for China to increasingly participate in development process of Myanmar and in return ensured Chinese economic penetration in Myanmar.⁶⁰⁰ Since the legalization of trade with China in 1988 Myanmar has signed several agreements and the net consequence of free border trade cause the Chinese takeover of Upper Myanmar.⁶⁰¹ In way to facilitate the border trade Beijing started to build strategic connectivity networks viz. roadway, railways and port from its border town to the Coast in Myanmar. P Stobdon (1993) argues that there is no logic to have huge communication system for border trade, unless the Chinese have other motives beyond the Myanmar border. It was a part of the larger strategy to access the south and Southeast Asian markets.⁶⁰² Largely the Chinese strategic experts describe that in order to properly exploit for the Chinese advantage, the government has to select appropriate route across the 1000 plus kilometers Yunnan-Burma border, and if it is successful China can export its rich resources to the outside world.⁶⁰³ With the review from this it is clear that the calculation for trade through Myanmar was started since 1988 when China and Myanmar signed a cross border trade agreement.

In accordance with the initiatives, China started its investment heavily to modernize the road and communications links with the Yunnan province. China and Myanmar consequently signed six agreements concerning trade, transportation and infrastructure in July 1993. The legalization of trade between China and Myanmar foster to open free border trade and the Chinese slowly captured Upper Myanmar into her fold both in terms of economic investment and diaspora.⁶⁰⁴ The quench for soft power penetration of Chinese does not seem to end with Myanmar but to reach Bangladesh with an aim to wisely exploit the Indian markets. Once the Chinese is successful in this mission, India will definitely face both security dilemma and socio-economic challenges. Udai Bhanu Singh (1995) argues that Chinese penetration to Myanmar was not only

⁶⁰⁰ Andrew Selth (2007). Chinese Military Bases in Burma: The Explosion of a Myth. *Regional Outlook*, Issue No. 10, p. 16.

⁶⁰¹ Zou Keyuan (2009). China-ASEAN Relations and International Law. New Delhi: Chandos Publishing House, p. 203.

⁶⁰² P Stobdon (1993). China's Forays into Burma-Implication for India. *Strategic Analysis*, XVI (1), 21-37.

⁶⁰³ Tim Summers (2013). Yunnan- A Chinese bridgehead to Asia: A case study of china's political and economic relations with neighbours. New Delhi: Chandos Publishing House, p. 59.

⁶⁰⁴ Mya Maung (1997). Burma's Economic performance under Military Rule: An Assessment. *Asian Survey*, 37 (6), p. 503-524.

economic in nature but it had strategic implications too, and this implication in Myanmar is both short and long term effect.⁶⁰⁵

In the recent past, China is engaging in modernizing infrastructure in order to expand its trade network further. The old Stillwell road which links Yunnan with upper Myanmar is already operational. China has constructed roads from three districts namely Yinchang, Lungchuan and Terngchung of Yunnan province to connect Myanmar.⁶⁰⁶ The aim behind was to enable Yunnan to export its products to third countries via Myanmar. Various speeches and writings by important Chinese leaders, especially by Admiral Liu Huaqing shows that China had long stopped viewing Myanmar a buffer between China and India but as an extension of China into the larger southern hemisphere in which they assume to play a greater role in the 21st century.⁶⁰⁷ This report re-enforced the growing influence of China in various field and Myanmar was on course to become a client state of China. However, Turgen Haacke (2006) argues that though Myanmar leaders are interested in good working relations with China, but they are suspicious of its long term strategic intentions. Thus in order to diversifying the sources of diplomatic support, the regime has focused on developing bilateral relations with India, Thailand, and other members of ASEAN.⁶⁰⁸ It is true that Myanmar is seeking the opportunity to diversify its foreign relations and reduce dependency on China, but Myanmar under military junta is forced to prioritize China over other countries in its foreign relations.

4.5. India and Myanmar on Security Cooperation

The security cooperation between India and Myanmar is directly associated with the insurgencies movement and transnational crimes across the border. It first established in 1968 when Indian Prime Minister Indira Gandhi and General Ne Win of Myanmar discussed the issue of Naga insurgent group taking refuge in Kachin state of Myanmar. The secessionism, during the time, affected the security of both the countries, and despite taking various measures at different level it did not receded instead intensified its guerilla

⁶⁰⁵ Udai Bhanu Singh (1996). Op.cit. p. 685.

⁶⁰⁶ The first road was opened from Yinchang to Taihone; the second from Liangghe to Bhamo; and third from Myitkyina to Mangmin in 1993.

⁶⁰⁷ Swaran Singh (1995). Op.cit. p. 251.

⁶⁰⁸ Jurgen Haacke (2006). *Myanmar's Foreign Policy: Domestic Influences and International Implications*. London: Routledge.

warfare against the state hampering to the peace and harmony.⁶⁰⁹ On other hand, it gives birth to a new group thus India and Myanmar have to face the fierce tirade of insurgencies. The Northeast became a hot bed for India; similarly Myanmar was come near to disintegration of its union. During 1960s India and Myanmar were blaming China for sponsoring arms and ammunitions but there was no serious discussion on the matter between the two nations instead the leaders were sometime blaming each other for sheltering the extremists.⁶¹⁰

As a neighbour India and Myanmar share approximately 1643 km frontier open without restriction because the population along it have a strong socio-cultural affinity and it was difficult on either side to cut off the relations.⁶¹¹ Knowing this fact, the first Premier of India Jawaharlal Nehru and his counterpart of Myanmar U Nu left this issue untouched so that the ethnic groups who are resemblance to each other can enjoy the freedom of nature at their disposal. Even when there was unprecedented security concern arises neither India nor Myanmar was ready to talk and it become worsen after 1962 when the military coup d'état in Myanmar because both were more in confrontationist mood due to their strong position on each other. Consequently, Myanmar turns closer ties with China when the latter stopped its assistance to ethnic insurgents and Burma Communist Party in 1978, and after that Myanmar reluctant about security cooperation with India. As a result India adopted a policy of insurgent cross-fire to pressurize Myanmar with a motive to make junta put an end to its support to India insurgent outfits. Under this policy India also started forging ties with the insurgent groups in Myanmar such as Democratic Alliance of Burma (DAB), a grouping of 23 ethnic rebel armies, KIO, Chin National Front (CNF), and National Unity Party of Arakan.⁶¹² Subsequently, India also provided asylum to Soe Myint, who hijacked a Thai Airways to Kolkata on November 10, 1990, and allowed him to run a news agency Mizzima in India. This act upset the military junta and the SLORC chairman, Than Shwe, criticized India for

⁶⁰⁹ Mehtabuddin Ahmed & Prosenjit Chowdury eds. (1996). *The Turbulent North East*. New Delhi, p. 84.

⁶¹⁰ Subir Bhaumik (1996). *Insurgent Cross Fire: North-East India*. New Delhi: Lancer Publishers, p. 176.

⁶¹¹ Export-Import Bank of India (2014, November). *Enhancing India's Bilateral Ties with Cambodia, Lao PDR, Myanmar, Vietnam: A Brief Analysis*. WORKING PAPER NO. 34. New Delhi: Government of India, p. 42.

⁶¹² Subir Bhaumik (1996). *Op.cit.* p. 182.

encouraging and supporting internal insurgent and interfering in Myanmar's internal affairs. In spite of that India continues to allow the National Unity Party of Arakan (NUPA) to use few islets to the north of Andaman Island, close to the famous Coco Island, where China set up surveillance bases as an alternative center for their trade.⁶¹³ Largely the insurgent groups taking advantage of this opportunity has exploited both India and Myanmar. Apart from that, a multilateral coalition of insurgent outfit across the border has established its network to assault the state machinery and also it inspired the transnational ethnic linkages to demand separate states across the boundaries of existing states on the basis of their separate ethnic identity. Hence the insurgent problem is widespread in India's northeast and equally in upper Myanmar.

Soon India and Myanmar resume to a cordial relation in the early nineties; there was a concern over the security and slowly a negotiation on security cooperation taken into shape. Priority was to disseminate the active insurgent groups that are taking hold in the trans-border areas has started. Without a doubt, India and Myanmar cooperation in the area of security attained new heights in October, 2004 when Senior General Than Shwe visited India and assured that any anti-Indian activities would not be allowed on Myanmar's territory.⁶¹⁴ To keep his words, just two weeks after the visit, Than Shwe ordered the army to crackdown on the northeast insurgent camp in its territory. It indicates that India's diplomatic effort was finally paid off. It is believed that a couple of camps used by more than one insurgent groups including ULFA and NSCN (K) were destroyed during this operation.⁶¹⁵ This operation was in line with the 'coordinated approach' agreed between Than Shwe and Prime Minister Manmohan Singh. India side also responded to Myanmar in a positive manner in 2005 when Mizoram police launched 'Operation Hailstorm' to destroy a permanent camp of the Chin National Front near the Myanmar border. This camp was surrounded by around 2,500 line landmines and known

⁶¹³ Vishnu Bhagwat (2001). *Betrayal of the defence force: The insight truth*. New Delhi: Manas Publications, p. 231.

⁶¹⁴ Gurmeet Kanwal (2010). *A strategic perspectives on Indo-Myanmar relations*. in Alexis Rieffel ed. *Myanmar/Burma: Inside Challenges, Outside Interests*. Washington: Brooking Institution Press, 136.

⁶¹⁵ Samanta (2004, November 29). *Myanmar begins crackdown, destroys N-E insurgent*. *The Indian Express*, New Delhi.

as the camp of Victoria.⁶¹⁶ Thereafter, India initiated discussion with Myanmar regarding joint counter-insurgency operations inside the territory of Myanmar. India intended to organize such operation because the Myanmar military's operations against Indian insurgents in the mountainous region between the Arakan range and the Irrawaddy have not succeeded. General Than Shwe also emphasized that due to inability to access the border areas in northwest Myanmar, the Myanmar army's capacity to launch operations against the anti-Indian insurgent outfits is limited thus he requested for modern military equipment and eight new road projects with Indian assistance in northwest Myanmar. He also demanded more modernized equipment such as helicopters, helicopters' gunship, heavy rockets, navigation equipments and global positioning system devices. Although India is willing to supply the equipment, it is concerned that Myanmar's security forces are not trained enough to use the equipment.⁶¹⁷ This concern of India has communicated to Myanmar and also suggested that the equipment be deployed in joint operations with the Indian military. This is being discussed during the regular bilateral high-level officials meetings. In this way the defence cooperation between the two countries is gradually gaining ground, and it is observed from the fact that all three Indian armed forces' chiefs have visited Myanmar in 2006.⁶¹⁸ In the line of the growing top-level security exchanges Gen. Thura Shwe Mann, Joint Chief of Staff of the Myanmar Armed Forces, also visited New Delhi in 2006.

On other hand, India also keen on promoting naval ties with Myanmar to facilitate greater cooperation among the navies of Indian Ocean region. This invitation is responded in positive by Myanmar and thus now both are regularly taking part in the MILAN naval exercise. In January, 2007 Indian Foreign Minister Pranab Mukherjee during his visit to Myanmar also expressed India's intention to export the modernized weapons. However, it could reap as expected because Myanmar assurances to tackle the

⁶¹⁶ Mizoram police launched Operation Hailstorm against CNF (2005, June 25). *The Telegraph, Calcutta*.

⁶¹⁷ Sudha Ramachandran (2012). *China-South Asia Strategic Engagements – 3 Sino-Myanmar Relationships: Past Imperfect, Future Tense*. ISAS Working Paper No. 158. Singapore: Institute of South Asian Studies.

⁶¹⁸ Ellen L. Frost (2008). *Asia's New Regionalism*. Singapore: NUS Press, p. 186.

insurgency problem did not be produced any concrete outcome.⁶¹⁹ Thus the assurance from Myanmar side generally has remained verbal and they blamed the inaccessibility to the insurgent inhabited region and lack of infrastructure as the main predicaments. India is, to some extent, disappointed due to the slow pace of security operation and asserts that the lack of infrastructure is not an issue in all the areas. On July 19, 2006, the UNLF attack the newly opened Assam Rifles (AR) post from across the international border at Moreh in Chandel district. This matter has been sent to the higher authorities of Myanmar's army and also discussed at the post-level meeting which was held at Tamu the following day. Unfortunately, the case remains as it is, however, India has pointed out that an attack of this nature would not have been possible without the tacit help or knowledge of Myanmar's army for there are substantial army presence across the border.⁶²⁰ The Indian Army, through a series of major operations since October 2004, has been able to purge at least six of Manipur's sub-divisions – Thalon, Parbung, Shinghat and Henglep in Churachandpur, Jiribam in Imphal East and Chakpikarong in Chandel.⁶²¹ The main hurdle to fight against the insurgent group was the presence of certain pro-insurgent section in the military as a result there has been hindrance to successfully carry forward anti-insurgency operations.

The insurgent activities across the Indo-Myanmar borders have been sources of concern for India and Myanmar over the years. This problem has been aggravated by the trans-national nature of some tribal groups. It is a known fact that owing to their ethnic linkages, some Indian insurgent groups have developed close contact with the Myanmar insurgent groups to facilitate their activities such as procurement of arms, training and other lodging support. The operational linkages between the insurgent groups of both sides had started to developed contact when the Naga National Council (NNC) from Indian side met with the Kachin Independent Army (KIA).⁶²² The KIA's support to the

⁶¹⁹ Bertil Lintner (2012). Great game east: India, China and the struggle for Asia's most volatile frontier. New Delhi: HarpersCollins Publishers, p. 47.

⁶²⁰ Bibhu Prasad Routray (2006, Sep 25,). Defence & arms: Imaginary Wars on Terror. Retrieved from <http://www.ocnus.net>

⁶²¹ Bibhu Prasad Routray (2006, December 25). India's Manipur: Widening worries. *South Asia Intelligence Review*, 5 (24). Retrieved from http://www.satp.org/satporgtp/sair/Archives/5_24.htm

⁶²² Aosenba (2001). The Naga resistance movement: Prospect of peace and armed conflict. Kohima: Regency Publication, 128.

Naga insurgent group was very crucial because the Kachin territory lies in the Northeast of Myanmar and border with the Yunnan Province of China and through this corridor provided Nagas find their way to China where they got trained for the insurgent activities on Maoist pattern.⁶²³ With the establishment of this contact, the National Socialist Council of Nagalim (NSCN), a breakout body of NNC, also started receiving arms and training, and later by the ULFA and PLA.⁶²⁴ In this way the coalition of insurgent groups of India and Myanmar pose a security threat to both the countries widely in frontier areas. India and Myanmar despite the cooperation to tackle insurgencies always find difficult in the past.

i. Joint Security Measures

India and Myanmar have carried forward certain security measures time to time in order to protect the law and order situation in the frontier region. This pursuit is a result of strong collaboration between the two countries after the rapprochement from long standing negation. Some of the joint measures initiated are: firstly, the joint counter-insurgency operation took place in April, 1995 under the operation name ‘Operation Golden Bird’. This operation was to destroy the ULFA, PLA and NSCN (IM) forces on the Indian side and the CNF rebels on the Myanmar side. It was wisely planned at the level of Chiefs of Staff of the two countries. This offensive dealt a moral blow to the insurgent groups which were operating across the border.⁶²⁵ However, it could not be ended as planned because of the withdrawal of Myanmarese army in reaction to the conferred of India’s prestigious Nehru award for the international understanding to Aung San Suu Kyi.

The second security measure undertook was in 1998 under the banner of ‘Operation Leach’. In contrast to the earlier stand, India organized an operation and arrested 36 with 6 NUPA rebels killed on spot after having charged them allegedly on their camp and island base. During the NDA regime, Indian Army has managed to

⁶²³ David Brewster (2014). *India's Ocean: The Story of India's Bid for Regional Leadership*. London: Routledge, p. 138.

⁶²⁴ B.B. Kumar (2007). *India’s Trade Route Links with its Eastern Neighbours: A Historical Perspective*. *Dialogue*, 9 (1), p. 141.

⁶²⁵ Renaud Egretreau (2003). *Op.cit.* p. 85.

neutralize separatist influence in India. This case also reflects that High-Level Indian Army officials are supportive of India's constructive engagement policy and they played a great role in setting Indian foreign policy agenda towards Myanmar.⁶²⁶

Thirdly, it is a retaliatory operation under the flagship named 'Hot pursuit' in 2015. The Northeast insurgent groups carried out a combine attacked on Indian army and killed 18 Indian jawans in Chandel district of Manipur. The Indian government holds talks with Myanmar to extent for direct or indirect support to carry out a retaliatory operation. Within the next two weeks, the operation was enforced and claimed to have killed approximately hundreds of NSCN (K) cadres and many base camp located in the jungles of international boundary were destroyed. It is also reported that Myanmar army also plays a very important role to the elimination of insurgent groups in the frontier region.

Fourth measure initiated by India and Myanmar was for the construction of border fencing. Initially it was proposed by the Union Ministry of Home Affairs to accelerate the efforts to check insurgency and illegal drug trafficking in the northeast that has porous bordering with Myanmar. In the past, the insurgent have free passage through the porous border and carried out their activities easily intermittently. Indian army personnel guarding the porous border accepted that there is rise in infiltration. Thus the foremost measure is to fence the border to control the free inflow of insurgencies.⁶²⁷ In 2006, the Border Cell Director M.C. Tiwari and Ministry of Home Affairs' Deputy Secretary, Balwant Singh visited the area to investigate the proposed fencing and construction of a parallel road along the border. However, the construction is delayed due to reluctance of Myanmar because of the problems on demarcation of border points at certain areas.⁶²⁸

⁶²⁶ H. Seckinelgin, Billy Wong et. Al. (2011).Global Civil Society 2011: Globality and the Absence of Justice. New York: Palgrave, p. 253.

⁶²⁷ Y M Bammi (2010).India Bangladesh Relations: The Way Ahead. New Delhi: Vij Books, p. 97.

⁶²⁸ The border is divided into three areas: Tuivang-Molcham area between border pillars 64 to 68; Tamu-Moreh area between border pillars 75 to 79; and Choro-Khnou area between border pillars 88 to 95.

Thereafter, several meetings at various levels have been organized on the issue but Myanmar is still reluctant towards the proposal for border fencing.⁶²⁹

The final and most important is controlling narcotic drug trade. This trade has huge ramifications to the national security because the money is being reversed for sponsoring insurgent groups. The northeast is located at one of the largest drug growing regions of the world in the 21st century – The Golden Triangle covering Thailand, Myanmar and Laos – and the states like Manipur, Mizoram, Nagaland and Arunachal Pradesh is directly border with the most vulnerable area. According to Dipankar Banerjee (1996), the Golden Triangle has been converted into pentagonal with the inclusion of China's Yunnan province and India's northeast.⁶³⁰ To substantiate this argument it can correlate Piere Arnaud Chouvy (2002) article that provides details about the routes of trafficking that says opium and heroin is transported from the poppy fields in Myanmar's Northeast by-road through Bhamo, Lashio and Mandalay to Northeast India.⁶³¹ This arms-drugs nexus started since early 1980s when the NSCN (IM) and ULFA forged ties with the KIA.⁶³² The outbreak of the HIV/AIDS across the Indo-Myanmar border is a result of drug addiction. There is urgent need for greater cross-border management in coordination with Myanmar to address this problem.⁶³³ The present state of security dialogues and the actual operability of various joint mechanisms have been remained inadequate. In order to solve the common problems more efforts and cooperation are required from both sides.

4.6. Economic Cooperation of India and Myanmar

After the new military coup d'état in 1988, Myanmar relinquished the socialist pattern of economy and adopted an open door policy to re-integrate itself with the regional and world markets. Under this new policy it allows the private sector to engage

⁶²⁹ Y M Bammi (2010). Op.cit. p. 98. Also see at Haokip, Lunminthang (2005). Moreh-Tamu: A Tale of Two Towns. In Gurudas Das, N. Bijoy Singh & C.J. Thomas (Eds.), *Indo-Myanmar Border Trade: Status, Problems and Potentials*. New Delhi: Akansha Publishing House, p. 263.

⁶³⁰ Dipankar Banerjee (1996). Myanmar and Indian Security Concerns. *Strategic Analysis*, XIX (5), p. 693.

⁶³¹ Pierre-Arnaud Chouvy (2002). New drug trafficking routes in Southeast Asia, *Jane's Intelligence Review*, 14 (7), p. 33.

⁶³² Tara Kartha (1999). *Tools of Terror: Light Weapons and India's Security*. New Delhi: IDSA, p. 267.

⁶³³ Udai Bhanu Singh (2006). Challenges to Border Management in India-Myanmar Relations. *World Focus*, 27 (8), p. 32.

in internal trade with an aim to retain export earnings, and hence started to legitimize and formulate border trade with neighbouring countries.⁶³⁴ Indo-Myanmar economic relations had also started growing in the mid 1990's soon after the India's adaptation of the policy of constructive engagement with Myanmar. Renaud Egreteau (2003) explicitly describes that although India and Myanmar had laid the foundation of free trade relations by signing first trade bilateral agreement in March 27, 1970, however, it remained very meager due to inadequate infrastructure, deficient means of transport and political standoff.⁶³⁵

During the time when India started to engage with junta both parties addressed the problems and taken required initiative to enhance the bilateral trade. As a result, trade between India and Myanmar has increased from USD 87.4 million in 1990-91 to USD 650 million in the 2006-07.⁶³⁶ The export of Myanmar with India constitutes items such as natural gas, garments, rice, beans and pulses, non-ferrous metals, timber, precious and semi precious stones, fishery products etc. On other hand, Myanmar imports from India mainly the capital goods, machinery, chemicals, transportation equipment, raw materials, spare for inter-industry use, edible oil, pharmaceuticals and fertilizers etc. Soon India is ranked as the second most important market for Myanmar exports and the seventh most important source of its imports. The important characteristics of the Indo-Myanmar trade is that the balance of trade has been always favour of Myanmar and India's export to Myanmar is low. According to Indo-Myanmar Chamber of Commerce, lacks of interest among Indians to invest in Myanmar are main factor behind the little growth in the volume of the trade.⁶³⁷ According to Geonka, who is the Chairman of Indo-Myanmar Chamber of Commerce, it has been very hard to convince Indian entrepreneurs on the tremendous trade and investment potential in Myanmar because of the wrong impression from some western media, but he remained optimistic about future business prospects.

⁶³⁴ Toshihiro Kudo (2006). Myanmar's Economic Relations with China: Can China Support the Myanmar Economy?. IDE Discussion Paper No. 66. Jetro Japan: Institute of Developing Economies, p. 29.

⁶³⁵ Renaud Egreteau (2003). Op.cit. p. 126.

⁶³⁶ Ministry of Commerce & Industry (2015).India's foreign trade. Department of Commerce, Govt. of India. Retrieved from <http://commerce.nic.in/MOC/index.asp>

⁶³⁷ Gurudas Das & C.J. Thomas (2005). Economy of Myanmar: Trends and Structures. In Gurudas Das, N. Bijoy Singh & C.J. Thomas (eds.), *Indo-Myanmar Border Trade: Status, Problems and Potentials*. New Delhi: Akansha Publishing House, p. 23.

The Myanmar is more promising for the trade than the Indian side. However, there is bureaucratic delay and unsecured to lives because of the domination by insurgency in the bordering area and to some degree hamper the trade.

In late 1990s India and Myanmar have taken various measures to promote the bilateral trade at different level. The border trade is one most vital area to improve the trade between the two countries. To gear up, the Confederation of Indian Industries and the Union of Myanmar Federation of Chambers of Commerce and Industries in 2004 signed a memorandum of understanding to create a task force to increase border trade, and they set up a USD one billion bilateral trade target by the financial year 2006-07.⁶³⁸ The Indian Chamber of Commerce and Industries highlights that to improve trade it needed to remove obstacles relating to transport, banking, and infrastructure to enhance the bilateral cooperation in the areas of culture, education, public health, small and medium scale enterprises. During the visit of Indian Vice-President Bhairon Singh Shekhawat to Myanmar on 2 November 2003, it was noted that enhancement of awareness among the business communities on both sides and to foster direct trade rather than indirect trade.⁶³⁹ As far as Indo-Myanmar trade relations is concerned there are various possible areas having growth potential such as a pharmaceuticals, energy, agriculture and tourism etc. The visit of former President of India Shri Abdul Kalam also highlights to develop linkages in traditional medicines between the two countries.⁶⁴⁰ In recent years India have realized that enhancement of cooperation needs better transport and communication and must have people to people contact. Thus priority is given on construction of roads, rail and flight to enhance the bilateral trade. Others areas that required detail elaboration are given below:

a. Enhancement of Investment Relations

Foreign investment in Myanmar is permitted with the enactment of a Foreign Investment Law (FIL) since the SLORC took over power in 1988. Under this law, it

⁶³⁸ Sudhir Devare (2006). *India & Southeast Asia: Towards Security Convergence*. Singapore: ISEAS, p. 195.

⁶³⁹ Helen James (2006). *Security and Sustainable Development in Myanmar*. New York: Routledge, p. 110.

⁶⁴⁰ State Visit of President Dr. A.P.J. Abdul Kalam to Myanmar, March 8-10, 2006 (2006, February 15). Retrieved from <http://mea.gov.in/press-releases.htm?dtl/4936+810+2006>.

allowed total foreign ownership of companies in certain areas like export expansion and mining of natural resources, while joint ventures is encouraged in other areas. Followed by the above guideline, a tax exemption regime was also established with other incentives including guarantee against nationalization.⁶⁴¹ After the implementation of this foreign investment law, Myanmar have seen an FDI started to flow in and this inflow has sporadically grew to USD 1352.295 million in 1994-95 and the amount further increased to USD 2814.245 million in 1996-97.⁶⁴² The biggest sectors of foreign investment in Myanmar are manufacturing, oil and gas, mining and hotels and tourism. As per the data the FDI in oil and gas sector is accounted to about one-third of the total FDI incurred in the government coffer. The SPDC on December 17, 2006 gave a surprise press conference declaring that from 1988-89 to 2006, the permitted amount of foreign investment was totaled USD 13.849 billion.⁶⁴³ India is not figured in the list of major investors in Myanmar. As far as foreign investment in Myanmar is concerned, India is ranks at 21st position.⁶⁴⁴ India major investment in Myanmar is on the oil and gas sector.

The Indian investors, apart from oil and gas sectors, can also explore on other sectors that has potentials to earn profit as well as enhance the Indo-Myanmar relations. The Deputy Minister for Industry U Thein Tun during the visit to India in 1998 expressed Myanmar desires to attract investment from India on sectors such as agriculture, fisheries, pearl cultivation, infrastructure, mining and tourism.⁶⁴⁵ Unfortunately, no Indian investors are as enthusiast to invest in Myanmar as they are to the western world. For tapping a good bilateral relation there must have certain level of economic cooperation, it is the only way to have mutual understanding between the two nations. It is fact that India and Myanmar have ample opportunities for investment in commercial enterprises, agriculture, agro-based industries etc. but there must be collaborated exploitation of the

⁶⁴¹ T. Kudo & Fumiharu Mieno (2007). Trade, Foreign investment and Myanmar's economic development during the transition to an open economy. IDE Discussion paper No. 116, p. 3.

⁶⁴² Sein Htay (2005, June). Economic Report on Burma 2004/05. Economics and Research Department: FTUB, p. 21.

⁶⁴³ Sein Htay (2007). Business Economic Review 2005-2006. Bangkok: The Burma-Fund National Coalition Government of the Union of Burma, p. 14.

⁶⁴⁴ Thandar Khine (2008, April). Foreign Direct Investment between Myanmar and ASEAN. IDE Discussion paper No. 149. Wakaba: Institute of Developing Economies, p. 44.

⁶⁴⁵ Myanmar for closer cooperation (1998, November 28). *The Tribune India: New Delhi*. Retrieved from <http://www.tribuneindia.com/1998/98nov28/biz.htm>

resources in order to strengthen economic cooperation. During the visit of then Minister of State for Agriculture Shri Som Pal to Myanmar, the latter seeks investment in the areas relating to agriculture such as production of agricultural machinery, fertilizers, seeds, sugar and edible oils etc. Hence, Shri Sompal and his Myanmar counterpart Maj. Gen. Nyunt Tin signed a MoU on agriculture on April 25, 1998. The purpose was to facilitate bilateral cooperation in the areas of agriculture, science and technology through joint activities and exchanges. Nonetheless, apart from the efforts of agreements of both countries, business organizations are also trying to enhance the level of investment and trade by drawing the attention of Indian Businessmen towards Myanmar.⁶⁴⁶ Indo-Myanmar Chamber of Commerce and Industry have emphasized on organizing exhibition such as made in India Show (2004) and Small and Medium Enterprises Exhibition (SME India, 2007) for increasing awareness among the Indian businessmen on doing investment in Myanmar. However, a majority of Indian investors are still reluctant to make investment in Myanmar due to political nature and lack of knowledge about the existing opportunities in Myanmar. Although Myanmar government is in touch with Indian entrepreneurs and trying to attract investments, until 2014 the Indian investment in Myanmar is very marginal.

b. Trade Connectivity to China via Myanmar

After the liberalization of economies in 1990s the issue of road connectivity with China has come in forefront. There are many Indian academicians, businessmen, investors and the whole Northeastern states want to open a shortcut route to China. The answer to this is reopening the old Silk Road that lead to the Yunnan Province of China via Myanmar. On the part of China, many rail and road ways is constructed in its southern province and three highways connecting to Myanmar have been operational since the 1990s.⁶⁴⁷ It is no longer secret the Chinese have been inviting Myanmar and India to reopen the old Stillwell road that linked China, South and Southeast Asian countries. However, India and Myanmar remained skeptical about the reopening due to security reasons. The historic Stillwell's road that was constructed during the Second

⁶⁴⁶ Myanmar offers land to Indian farms (1998, May 6). Retrieved from <http://www.burmalibrary.org/reg>.

⁶⁴⁷ Hongwei Fan (2007). China's "Look South": China-Myanmar Transport Corridor. *Ritsumeikan International Affairs*, 10, p. 46.

World War from Ledo in Assam is connected to Kunming passes through Jairampur, Nampong and Pangsau pass.⁶⁴⁸ It is a stretch of 1726 km long that has potential to harness economic benefit. However, India has reservations to reopen due to fear of Sinonization in the northeast and more so due to heavy cost for reconstruction.⁶⁴⁹ In the same way Renaud Egreteau (2003) also fears that upgrading of this road could be proved terrible because it is being used by smugglers, traffickers and insurgents. Thus, after the reopening of this road it would be difficult to end the illegal activities.⁶⁵⁰ In contrary to the above opinion, C.V. Ranganathan (2001) argues that there is a similarity on the economic structure of the northeast region with its immediate neighbours like Myanmar, Bangladesh and China. Thus by liberalizing the economies of this region, a vast market opportunity could be opened up.⁶⁵¹ India's northeast could adopt the 'Yunnan model' of regional integration for developing linkages with its neighbours.

After the Kunming conference in 1999, the idea to reopen the Stillwell road is being taken seriously and a debate about the realization of it have started at different level. The northeastern states wanted to reopen this road and all the chief ministers have requested the then Prime Minister Manmohan Singh to reopen it.⁶⁵² As a result Indian government has thus given some positive signals and Jairam Ramesh, former Indian Union Minister of State for Commerce, has admitted that center is taking into consideration. It is further reiterated during the inauguration of the international trade centre at Nampong that the commerce ministry wants to reopen the Stillwell route through Pangsau pass.⁶⁵³ In 2014 the Union Minister for Road and Transport Nitin Gatkari has inaugurated the construction of road in Pangsau Pass.⁶⁵⁴ This is a symbolic gesture of India's becoming more realistic to closer ties with China.

⁶⁴⁸ Jayasree Nath (2011). Reopening of the Stilwell Road: A Print Media Survey. IPCS Art. No. 3449, p. 1.

⁶⁴⁹ P.V. Indiresan (2000, April 1-14). Regional Cooperation-The Kunming Initiative. *Frontline*, 17 (7), p. 6.

⁶⁵⁰ Renaud Egreteau (2003). Op.cit. p.

⁶⁵¹ C.V. Ranganathan (2001).

⁶⁵² Claude Arpi (2016, January 10). Return to the Stilwell Road: Reopening a mythical trade route. MailonlineIndia. Retrieved from <http://www.dailymail.co.uk/indiahome/indianews/article-3393042>

⁶⁵³ Yogendra Singh (2008, February 18). Reopening of the Stilwell Road: At a Standstill. IPCS Article No. 2495. New Delhi: Institute of Peace and Conflict Studies, p. 3.

⁶⁵⁴ Natin Gatkari lays foundation stone of road project in Arunachal Pradesh (2015, April 30). Economic Times, New Delhi.

c. Linking India with Myanmar by Railways

India has also been exploring the possibilities to establish rail links with Myanmar. This rail links involve constructing the Jiribam-Imphal-Moreh line in the Indian state of Manipur and the Tamu-Kalay-Segyi line in Myanmar, as well as rehabilitating Myanmar's existing Segyi-Chaungu-Myohaung line. In this way, Indian government is pursuing the setting up of a rail corridor between India and Myanmar which will provide India access to Southeast Asia and also to China.⁶⁵⁵ A distance of 350 km long needs to be bridged to connect India with Myanmar. Out of this approximately 150 km are on the Indian surface. Some studies have been done in this regard, according to Rail India Technical and Economic Services Ltd. a state run company that conducted the feasibility study of the proposed freight corridor, the Jiribam-Imphal-Moreh rail links would cost USD 649 million, while the Tamu-Kalay-Segyi link in Myanmar would cost USD 296 million. The rail link between India and Myanmar will definitely provide a new window to the economy of India's northeast because it would be a cost effective and less time consuming option in comparison of other modes of transportation. With the India-Myanmar rail links goods can also be transported from Delhi to Hanoi. However, the poor security situation in India's northeast, political situation in Myanmar is great security concern. Apart from security concerns there are also some geographical and technical impediments in the way of proposed rail links. The rail road that is apropos has to pass through the rivers and over thick rugged mountains of Manipur and Myanmar. The difference between the rail gauges of both countries is another major problem to establish a rail link. India has a 1.676 mm gauge while Myanmar uses a 1000 mm gauge.⁶⁵⁶ To realize the word into action the construction has begun and nearing completion from Jiribam to Tupul in Manipur, and the rest part would be slowly implemented in due process.

4.7. India and Myanmar Relations: Energy as a Factor

Myanmar is among the world oldest oil producing countries. Oil is extracted manually at Yenangyaung on the Irrawaddy River since ancient times, and the first

⁶⁵⁵ Deepak Nagpal (2014, November 11). Myanmar-India bridging Southeast Asia. India: Zee News. Retrieved from http://zeenews.india.com/exclusive/myanmar-indias-bridge-to-southeast-asia_1497100.html

⁶⁵⁶ Modelling British railways (2012, December 15). Retrieved from <http://www.brmna.org/modinf.shtml>

exports of crude oil were shipped to Britain as early as 1983.⁶⁵⁷ After the establishment of military rule in 1962 the oil industry was nationalized, and realizing the importance of the energy in modernization and economic development a Ministry of Energy (MOE) is created in 1985.⁶⁵⁸ In 1988 the new military regime took over power in Myanmar since then it liberalize the state controlled economy by allowing FDI in various sectors including energy because the junta see the rapidly increasing demand for commercial energy. During the time, issue of energy security became an important concern for many countries across the globe. This changing scenario led to undertake institutional reforms in the energy sector.⁶⁵⁹ Within a year, Myanmar has reconstituted the Ministry of Energy with one department called Energy Planning, and three state owned companies viz. Myanmar Oil and Gas Enterprise (MOGE), Myanmar Petroleum Enterprise (MPE), and Myanmar Petroleum Products Enterprise (MPPE). Consequently, a Ministry of Electric Power (MEP) was instituted in November 1997 alongside the other existing bodies with an objective to promote and effectively operate the power sector. All the structure bodies are distributed with different functions for better implementation and management of the programme.⁶⁶⁰ However, despite the liberalization of its economy and investment conditions, its energy potential could not be fully exploited and want the foreign investors to exploit from it.

During the time, India energy consumption is also increasing at rapid pace due to the population growth as well as increasing economic development. As a result India starts facing enormous energy challenges. Today, India is the fifth largest oil consumer of the world and is likely to take the third place in the next fourth to five year. Sudarshan (2007) says that more than 70 percent of the country's crude oil requirement is imported and it is likely to increase as high as 90 percent in the next couple of decades. As far as the question of gas is concerned, India has only 0.5 percent share in world's total confirmed gas reserves but the consumption is risen faster than any other fuel in recent

⁶⁵⁷ World Energy Council (2001). Survey of Energy Resources. The 19th edition. Warwack Street: World Energy Council, p. 79.

⁶⁵⁸ Tin Maung Maung Than (2005). Myanmar's Energy Sector-Banking on Natural Gas. Special Publication. Singapore: ISEAS, p.258.

⁶⁵⁹ Ibid, p. 259.

⁶⁶⁰ Ibid, p. 259.

years.⁶⁶¹ In short, India gas production and consumption has become disproportionate, this is widely because of industries such as power generation, fertilizers and petrochemical production shifting towards the natural gas.⁶⁶² The phenomenon is such that demand for natural gas is not only a problem for India but of whole world for it is being taken as the fuel of 21st century. It is expected that demand for gas will be increase at 2.3 percent per year till 2025 when it is constitute 25 percent of the world energy mix and consolidate its position as the number two fuel in the world's energy market.⁶⁶³

India's consumption of natural gas has risen faster than any other fuels in the recent years. As per the data, the natural gas demand is touched at the rate of about 6.5 percent during the last ten years. In the past, India's natural gas consumption has been met entirely for domestic production, but this is shifted in the last decade due to appliance in the core sector of economy. Though India's gas production is also grown substantially after the discovery of large gas reserves in the Krishna-Godavari basin and some other part of the country, given to potential for gas in varied sectors indigenous supply will not be sufficient to meet demand.⁶⁶⁴ If India wants to reduce the demand and supply gap it would have to manage the supply of gas from alternative sources such as coal bed methane fields and through transnational pipelines. In case, if these effects do not materialize then India will face a huge gas deficit. Thus apart from increasing the capacity of domestic production it is imperative for India to ensure the supply of gas from outside sources. There are significant gas reserves in the adjacent countries to India that could be utilized to meet the country gas requirement. These reserves are primarily concentrated in the countries like Iran, Qatar, Kuwait (Middle East), Turkmenistan, Myanmar, Bangladesh, Indonesia, Malaysia and Australia. India is looking at all the possible options and possible modes to import gas. There are two options for India to import gas that is either through pipelines or as liquefied natural gas but it also depend upon the distance – for short distance the LNG is more expensive than the piped gas, and

⁶⁶¹ A. N. Sarkar (2009). *Petro-Economics*. New Delhi: Pentagon Energy Press, p. viii.

⁶⁶² TERI (2004). *Report of the year 2003-04*. Mumbai: TERI, p. 12.

⁶⁶³ Albert Legault (2008). *Oil, gas and other energies – A Premier*. Paris: Technip, p.146.

⁶⁶⁴ Rajiv Sikr (2009). *Challenge and Strategy: Rethinking India's Foreign Policy*. New Delhi: Sage Publication, p. 17.

for longer distance, for more than 2000 km, the pipeline is cheaper comparatively.⁶⁶⁵ However, the pipeline is transnational in nature and is more difficult to materialize because it required work of joint ventures and involves two or more than two countries. In this way the transaction of pipeline projects could become hostage due to political relationship of the involved parties.⁶⁶⁶ India is engaged in negotiation on three pipeline projects for importing gas from its neighborhood: Iran-Pakistan-India Gas pipeline; Turkmenistan-Afghanistan-Pakistan-India pipeline; and Myanmar-Bangladesh-India pipeline. But unfortunately, none of the pipelines option is materialized until now.

With the recovery of relations, Myanmar has emerged as a potential gas supplier to India. The leader from India and Myanmar holds discussion on the enhancement of cooperation on energy sector. This discussion is held at the parlance of bilateral and multilateral cooperations and both the countries are eager to improve and functionalize it. During the negotiation process, the idea of Myanmar-Bangladesh-India Pipeline was first proposed and it was collectively accepted in January 2005 when the Petroleum Minister of India, Myanmar and Bangladesh met in Yangon, and concluded a trilateral joint press statement. During this meeting it was decided to establish a Techno-Commercial Working Committee (TCWC) comprising duly designated representative of the three governments to prepare a draft MoU prescribing the framework of cooperation. The first meeting of the TCWC was held on 25-26 February 2005 and it had finalized draft MoU prepared to be signed by the three countries at ministerial level.⁶⁶⁷ It emphasize that this pipeline was expected to carry not only Myanmar gas to India but also get linked to the gas produced from Tripura in India's northeast. The exploration work was already started by two India's Public sector companies – ONGC (Videsh) and GAIL with equity of 20 and 10 percent respectively – along with Korean Daewoo Corporation with 60 percent and KOGAS with 10 percent at the block situated in the Rakhine offshore basin near

⁶⁶⁵ Rahul Tongia (1999). Natural Gas Imports by South Asia: Pipelines or Pipedreams? Economic and Political Weekly, 34 (18), p. 1058.

⁶⁶⁶ Talmiz Ahmad (2006, April 24). Advantages of transnational gas pipelines. The Hindu, Opinion. Retrieved from <http://www.thehindu.com/todays-paper/tp-opinion/advantages-of-transnational-gas-pipelines/article3151746.ece>

⁶⁶⁷ A. N. Sarkar (2009). Petro-economics. New Delhi: Pentagon Energy Press, p. 66-67.

Sittwe port under Block no. A-1.⁶⁶⁸ The survey of ONGC claims that it is expected the gas reserves of about 7.4 TCF, and GAIL estimated the potential of reserves from 13.4 to 47.3 TCF. However, in the end of the 2005 the Houston based firm Ryder Scott declared that Shwe Gas field in Block A-1 has the potential of reserves between 2.88 TCF and 3.56 TCF of gas.⁶⁶⁹ Finally, the study for various possible means to import or transport of the gas started by means of pipeline via Bangladesh. This proposal of transporting gas from Myanmar to India pipeline via Bangladesh is one from which all the parties stand to gain and promised earlier but after completion of all procedure the Government of Bangladesh stalked by demanding the inclusion of three Indo-Bangladesh bilateral issues as a part of trilateral energy cooperation but India refused the inclusions of bilateral issues to be part of trilateral negotiation. Thus a deadlock was created in a way of negotiations on tri-nation gas pipeline.⁶⁷⁰ As a result India started to work on other options of importing gas from Myanmar bypassing Bangladesh. To study the possibility of alternative route, GAIL appointed a consultant company Suez Tractabel and among the option was to import Myanmar's gas in the form of liquefied natural gas, or a pipeline directly to India's northeast region.⁶⁷¹ In 2006, Myanmar also signed another MoU with India covering the sale of gas to GAIL and construction of a 550 km pipeline from an unspecified field in Myanmar to Northeast India.⁶⁷²

At that juncture, China introduced itself as a new player into the game of Myanmar's energy resources in December 2005 due to the failure of India and Bangladesh to make progress on the trilateral pipeline. Myanmar's MOGE signed a MoU with Petro-China, a state run Chinese company for the supply 6.5 trillion cubic feet (TCF) of gas from the gas field in the Bay of Bengal.⁶⁷³ This decision was really a setback to India not only on terms of energy but on security aspect because the Chinese

⁶⁶⁸ James Gavin (2006, May 1). China and India battle for Myanmar's gas. *Petroleum Economist*. Retrieved <http://www.petroleum-economist.com/Article/2732928/China-and-India-battle-for-Myanmars-gas.html>

⁶⁶⁹ Petromin (2007, January 19). India ONGC makes new gas finds in two basins. <http://www.petromin.safan.com/news/arc0-2007.html>. Also see at Times of India (2005, December 30).

⁶⁷⁰ Ashley J. Tellis, Mercy Kuo & Andrew Marble (2008). *Strategic Asia 2008–09: Challenges and Choices*. Washington: National Bureau of Asian Research, p. 322.

⁶⁷¹ Srinjoy Bose (2007, July). *India-Myanmar-Bangladesh Relations*. Institute of Peace and Conflict Studies, Special Issue, No. 45, p. 1-3.

⁶⁷² Petroleum Press Bureau (2006). *World Gas: South Asia*. *The Petroleum Economist*. Vol. 73, p. 18.

⁶⁷³ James Gavin (2006, May 1). *Op.cit.* p. 2.

would enter in the Bay of Bengal through this engagement. However, India was still hopeful to get some share in Myanmar's gas because the MoU signed between Myanmar and China was not a final agreement.

With the assurance from Myanmar's authority, GAIL continue its preparation of a feasibility report for trilateral pipeline bypassing Bangladesh with the help of Suez Tractable and presented eight possible routes before Myanmar. B.S. Negi, Director of GAIL Business Development, made a presentation on the route preferring northeastern territory. Finally, it had envisaged a 1513 km onland pipeline from Myanmar via the states of Mizoram, Assam, West Bengal and finally to Gaya in Bihar.⁶⁷⁴ Meanwhile, Myanmar had called bids from possible importers of gas, however, the bids for selling gas through a pipeline to China, India or Thailand unsatisfactory. Myanmar ensured India that it would look for export options when the survey of gas reserves in A-3 block is completed but suddenly it refused to export gas to India and instead cleared its intention that it would lay a pipeline to China to sell natural gas found in A-1 and A-3 blocks of its offshore area.⁶⁷⁵ Myanmar's decision was really a setback for the India's energy diplomacy. The introduction of China into Myanmar gas picture was unexpected but should not have been surprising because getting access to Indian Ocean via Myanmar always has remained in the Chinese strategy. The Research and Analysis Wing (RAW), an Indian intelligence agency also raised concerns in this regard. The Ministry of External Affairs has faulted the Petroleum Ministry and GAIL for failing to follow up the Myanmar government's initial offer of gas from the offshore blocks. The then Foreign Secretary Shiv Shankar Menon said the Oil Ministry and GAIL did not make concerted effort and did not act on the letter of intent from Myanmar issued in February 2004.⁶⁷⁶ However, with the new discoveries of gas reserve in Myanmar, India eye to take advantage and not letting it loose again. During the visit of Indian Petroleum Minister Murli Devera to Myanmar, ONGC (Videsh) and MOGE signed three new accords which

⁶⁷⁴ Anoop Singh (2008, September 13). The Economics of Iran-Pakistan-India Natural Gas Pipeline. EP W, p. 60. Retrieved from <http://www.environmentportal.in/files/The%20economics.pdf>

⁶⁷⁵ Renaud Egreteau (2010). India's unquenched Ambitions in Burma. In Lowell Dittmer (ed.), *Burma Or Myanmar?: The Struggle for National Identity*. Singapore: World Scientific Publishing Co., p. 304. Also see at PTI News, 22 March 2007.

⁶⁷⁶ The Times of India, 14 July 2007.

pledged ONGC (Videsh) to invest USD 150 million in the exploration in offshore the Rakhine Coast.

a. Myanmar's Role in India's Energy Security Management System

The Myanmar is very significant in the India's energy security management due to various dimensions. India's to secure her energy vis-à-vis security needs the support and extensive help of Myanmar. As a neighbour the friendly neighbour who cooperate each other needs remains secure from any unimagined threats. Some of the factors which Myanmar is important in India's search for and energy security management are: firstly, geographical proximity is the most important factor that motivated India to knot a close tie with Myanmar energy sector. In contrary, I.P. Khosla (2005) rules out Myanmar as a significant supplier to India unless it discovers much more reserves than it has until now and remain focus its diplomacy towards the Gulf and Central Asia.⁶⁷⁷ In one sense, it is true that on the basis of potential of reserves Myanmar is not so attractive option as compare to Gulf and Central Asia but geographical proximity is an additional advantage that makes Myanmar energy resources significant for India because the Rakhine coastline that has huge reserves of gas is situated just 210 km from India.⁶⁷⁸

Secondly, India is now trying to diversify its energy supply sources. India's concern regarding to diversity its energy supply sources could be understood by the fact that India import 65 percent of its energy sources only from Gulf countries.⁶⁷⁹ India's import dependence on oil has risen from 44 percent in 1991 to over 70 percent in 2001. At present, Saudi Arabia, UAE, Kuwait, Qatar and Behrain putting together provide more than 50 percent India's oil needs.⁶⁸⁰ If the Persian gulf taken as a region by including Iran and Iraq also then this region would amount for about 60 percent of India's imports. For a country importing of 70-80 percent of its hydrocarbon needs with such a high market concentration is not a desirable decision because it enhanced risk by exposing to the temper and rhythm of regional suppliers. Thus Muni (2002), advocates that 'a prudent

⁶⁷⁷ I.P. Khosla (2005). *Energy And Diplomacy*. New Delhi: Konark Publishers, p. 128.

⁶⁷⁸ Qamar Agha (2009). *Indo-Gulf Ties: Post-Cold War Era*. In I.P. Khosla (ed.), *India and the Gulf*. New Delhi: Association of Indian Diplomates, p. 152.

⁶⁷⁹ Prabakar (2005).

⁶⁸⁰ Kristian Coates Ulrichsen (2015). *Insecure Gulf: The End of Certainty and the Transition to the Post-oil Era*. New York: Oxford University Press, p.

energy policy of India must take cognizance of the fact that its supply sources require diversification and expansion'.⁶⁸¹

In this backdrop, India perceives Myanmar as an attractive destination in its march towards energy security. Due to availability of natural gas reserves in Myanmar, India has the option to buy this gas through a pipeline. The proposed pipeline is through the insurgent affected areas of Myanmar and India's northeast. Apart from that there are various civil society groups who are opposing the laying of pipeline from Myanmar because it would be caused to displacement of local people and environment degradation. Initially, India also expressed concerned over the security but later determined to implement the project for tatmadaw assured to manage such opposition.⁶⁸² India's necessity to diversify its energy supply promoted it to engage with tatmadaw and even on the cost of human rights considerations shows an indication of a realist dimension of India's policy towards Myanmar.

4.8. Northeast in Indo-Myanmar Relations: *A Turning Point?*

The Northeast is one of the strategic and complex security regions in India due to its geographical location but the Government of India neglected the region since independence until India underwent a paradigm shift in its foreign policy in 1990s. Largely this region is a home of many ethnic groups with colourful culture, language and history. The long history shows that they live in some form of autonomy, and when India got freedom they do not want to be integrated under the 'Union of India'. Many ethnic groups thus started a demand for freedom as they apprehend that integration with India would ceased their unique culture, land and other resources as it did by the Britishers during colonization.⁶⁸³ As a result, some groups have started a revolutionary movement as old as India's independence. For example, the Naga National Council (NNC) was

⁶⁸¹ Sukh Deo Muni (2002). *China's Strategic Engagement with the 'New ASEAN': An Exploratory Study of China's Post-Cold War Political, Strategic and Economic Relations with Myanmar, Laos, Cambodia and Vietnam*. Singapore: IDSS, Nanyang Technological University, p. 39.

⁶⁸² Sushma Ramachandran (2005, July 7). Myanmar-India gas pipeline: Proposal runs into problems. *The Hindu, New Delhi*.

⁶⁸³ Prakash Singh (2001). *Kohima to Kashmir: On the Terrorist Trail*. New Delhi: Rupa & Co., p. 113.

formed in 1946⁶⁸⁴ to demand an independent Naga country. At the inception, Indian leaders were considering the situation to a law and order problem, but it turns out to be a movement of sovereignty getting foreign support in their mission. The Government of India at best tried to resolve the problem, and bifurcation of Assam on line ethnic community is a measure to appease the warring groups. Under this initiative the state of Nagaland as early as 1960s and the rest i.e., Mizoram, Meghalaya and Arunachal Pradesh is created in 1970s, however, the movement did not receded as expected.⁶⁸⁵ The appeasement policy fails to overcome the movement in this landlocked frontier.

In contrary, the violence movement in the form of insurgency sporadically increased and one group embarks to the formation of another group. This problem is ghastly aggravated in its worst condition in the eighties and early nineties. The insurgent groups get accessed to the illegal small arms trade from other side of the border.⁶⁸⁶ As a result, the development activity, in accordance of Indian government's argument, could not carry forward under the violence atmosphere. But the northeast civil society views this as an act of intentional misgiving and alienation. In this way there was a cascading blame game over the underdevelopment and lack of welfare activities in this landlocked frontier. The fact is that Government of India, after the defeat of 1962 Indo-China war, has neglected the northeast all developmental activities other than military imposition and increasing violation of human rights. Taking advantage of this alienation, many insurgent groups have formed to demand some form of autonomy. The land of 'blue hills and red water' that is known for enduring the principle of unity in diversity is created into a complex security zone. Under this vicious fixing, the northeast is not only lagging on the front of development but encountered and experienced all forms of suffering.

In 1990 the Government of India initiated a new foreign policy under the aegis of Look East Policy, this policy come into effect in resemblances of economic liberalization. Initially, to enunciate economic development and welfare activities in the region is part of

⁶⁸⁴ Charles Chasie (1999). *The Naga Imbroglia: A Personal Perspective*. Kohima: Standard Printers & Publishers, p. 87.

⁶⁸⁵ Geoffrey Tyson (1992). *Forgotten Frontier*. New Delhi: Spectrum Publications, p 45.

⁶⁸⁶ D. Suba Chandran & P.R. Chari eds. (2015). *Armed conflicts in South Asia 2013 – Transitions*. New Delhi: Routledge, p. 80.

India's new agenda, however, it is important to understand that India's interest goes well beyond that and containing the insurgency movement is nonetheless one of the core strategies. When the NDA government came to power in the centre, it understood that years of development deficit and educational underinvestment in the Northeast was part of the problem fueling discontent.⁶⁸⁷ Thus a comprehensive discussion in the form of seminar details the new policies vis-à-vis the Northeast was held and slowly the focus has shifted towards economic development. The New Delhi understands that remedying such long disinvestment was going to be a costly affair but unlike the past years it has taken a decisive decision. Apart from fighting militants in collaboration with Myanmar, it initiated to lead greater trade in the region, and thus the border trade is opened gradually with intent to embark local prosperity. India is also aware that the border areas is dominated and infested by issues of narcotic trade, insurgency and arms smuggling etc., and opening up the border would allow both increased local trade, and regenerate of illegal trade. Knowing this fact well the Government of India implements the 'word' into 'action' with the collaboration of bordering countries, particularly with the Myanmar government. Despite fears that more open borders will bring in more arms, drugs and sexually-transmitted diseases, the Ministry of Commerce of India was in favour of more trade.⁶⁸⁸ This economic factor is at the bottom of New Delhi's change of path. Currently, as part of the mission for economic integration, the Moreh-Tamu BTC, Champhai-Rih BTC and Pangsau pass border haat are functioning smoothly although the other BTCs are also opened and functions intermittently.⁶⁸⁹ Besides, there are many other projects that are taking shape to realize the elongated initiative of New Delhi for socio-economic integration of the northeast with Southeast Asia. According to Van Lal Zawma, the Indian Member of Parliament from Mizoram, the Kaladan river project which aims to make navigable and link the Sittwe port to the Northeast Indian states will enhance the communication and transportation of the whole region. The time to travel between Sittwe

⁶⁸⁷ Archana Upadhyay (2009). *India's fragile borderlands: The dynamics of terrorism in North East India*. London: I.B. Tauris & Co., p. 27.

⁶⁸⁸ B.G. Verghese (1997). *India's North East Resurgent: Ethnicity, Insurgency, Governance, and Development*. New Delhi: Konark Publishers, p. 135.

⁶⁸⁹ Amar Yumnam (2005). Indo-Myanmar trade through moreh: Status and assessment. In Gurudas Das, N. Bijoy Singh & C.J. Thomas (eds.) *Indo-Myanmar Border Trade: Status, Problems and Potentials*. (pp 74-83). New Delhi: Akansha Publishing House, p. 78.

and Calcutta could be cut tremendously by boat. He also describes that unless Myanmar develop, it will be difficult to realize the dream as the infrastructure on both sides of the border is very poor.⁶⁹⁰ But, the New Delhi, to fulfill the initiative, has extended goodwill and constructed a road linking the two sides by a span of 160 kilometer of the Manipur road, it was built under the Region Development Fund linking Moreh to Kalemio right to the Chindwin River. The quality of the road is good and there are about 75 bridges but it still takes a long time to travel via bus. There is a general understanding that the political problems of the Northeast needs to be exploited hand-in-hand while engaging on the developmental works if not it will be difficult to smoothly carry forward as expected. The northeast has a large number of tribal blocks, cannot be understood as one entity, not even as seven states. Nagaland alone has 16 tribes and the other six states have different tribal structure and varying insurgency movements flared up at different times whilst Meghalaya and Mizoram are relatively quiet, the other states are experiencing varying degrees of violence.⁶⁹¹

In the past, New Delhi does not seem to have energy to deal with the region as complex as it is remote. With the visit of Former Prime Minister of India H.D. Deve Gowda to all seven states, and only after that, the first economic package was announced for the region. It has continued thereby by the succeeding governments because of the new setting of foreign policy and multi-pronged vision and thus the Northeast is now home to many top class institutions such as Indian Institute of Management, Indian Institute of Management and an Indian institute of technology etc. Under the special package, the Government of India sanctioned ten times more per capita to the northeast than to Bihar.⁶⁹² With the wise exploitation to resolves all outstanding problems, the northeast is now in the transitional phase with law and order, and insurgency is minimized. There are also increasing interest of New Delhi in encouraging cross border trade in favour of trade by all forms of transport to the Southeast Asia via the Northeast.

⁶⁹⁰ Marie Lall (2006). Indo-Myanmar relations in the era of pipeline diplomacy. *contemporary Southeast Asia*, 28 (3), p. 437.

⁶⁹¹ Kh. Kabi & S.N. Pattnaik eds. (2015). Media, conflict and peace in Northeast India. New Delhi: Vij Publications, p. 88.

⁶⁹² Kumar (2006). India's National Security: Annual Review. New Delhi: Vikash Publishing House, p. 229.

This transformative reform is revived by the Prime Minister Narendra Modi, and now a change has turned the Northeast with more prospects in future.