## **CHAPTER: 5**

#### ROLES OF BIMSTEC IN INDO-MYANMAR RELATIONS

In the mid twentieth century there was a diametrical growth of regional organization across the globe and every country regardless of size and power is affiliated to one or more of such organizations. 693 The core idea toward this transitional change has many; some are of socio-economic in nature while other are embarks with military ambition or vice versa. This wave is regarded by scores of international relations scholars as phenomena of the changing world political and economic order. The United Nations eulogizes the unprecedented development as a result of new world order, every country encounters number of problems and it becomes difficult to neither dealt with by an individual nation nor possible to oversee under the aegis of United Nations. Thus a mechanism is institutionalized to tackle this menace in the form of regional organization and this idea is universally accepted with an effort to wrestle the common problems. The regional organization is also a marked to recognize the importance of free trade and supplant the barriers of transport and communication among the member states. In that context, regionalism is a step toward integrating among nations and a pure reflexive move to form universal organization. In Asia it was never as intense as it occurred in the European world, but with the push and pull factors it accelerated to bulwark in the nineties. The BIMSTEC, therefore, has emerged as a relatively young organization in the arena of new world order. Thus this chapter is focused on the rationale of BIMSTEC as a sub-regional organization, roles and functions, and how it has contributed to the growth of Indo-Myanmar relations. It also briefly illustrate how the BIMSTEC initiatives impact the India's northeast.

#### **5.1.** Reasons on Formation of BIMSTEC

When a regional organization is formed it is engraves with rationales usually by a mixture of both negative and positive factors that thrives to integration. Under that nature the member states set their principle goal to functionalize the organization and optimize their effort to carry forward to a succeeding ends. Likewise the BIMSTEC has the rationales toward its formation and it is pertinent to understand the comprehensive background and objectives, if one has to know, of the organization. Without a doubt, there would be number of factors to the development of BIMSTEC but the few that is reasonably be the causes are: firstly, it is the byproduct of the changing world economic order. In the post of Cold War, the world is trounced with multiple problems everywhere and the South and Southeast Asia is equally affected with this syndrome and left huge

M. Schiff & L.A. Winters (2003). Regional integration and development. New York: Oxford University Press, p. 3. Also see at De, Prabir & Ghosh, Buddhadeb (2004). Deepening Cooperation in the BIMSTEC: A Case for Transport Integration. *BIIS Journal*, 25 (2), p. 105.

vacuum particularly in economic spectrum. To overcome the impact, individual countries has carried out with necessary economic reforms but the tensity was so severe that it no longer possible without dependency on each other.<sup>694</sup> There was much expectation from the existing regional organizations viz. South Asian Association for Regional Cooperation (SAARC) and Association of South East Asian Nations (ASEAN) to resolve the staggering problems. Unfortunately it failed to recuperate the reeling condition notably in advancing in the economy growth because of two main factors – ideological difference among the neighbouring countries, and abundance of resources and lack of markets. The case of SAARC is relatively strike to a former point in which India and Pakistan always marred over political differences, and the second one is more reflective to ASEAN because it has huge resources but lack markets to sales their products.<sup>695</sup> For instance, Thailand has abundance resources but very limited market to outsourcing their products within the ASEAN. Thus the search for an alternative to resolve the staggering problems and ensure their economies back on positive ladder.

'The search to formulate new organization was a result of too many restrictions on trade and commerce between the country and this trade barrier crumble them to have mutual transaction in the past'. 696

The United Nations as well as other international economic multilateral institutions such as WTO, IMF and World Bank also remained far from and to rescue the economic cataclysm of the region. <sup>697</sup> As a result it became compulsion for the sub-region to start an alternative that can extent support and endure to their economy. The formation of BIMSTEC is to extent cooperative market competition so that it can withhold the similar tragedy it has faced earlier.

The other factor is much due to a great power gambling in the Asia-Pacific region in the early nineties. After the Vietnam War the United States have slowly withdrew its

<sup>&</sup>lt;sup>694</sup> Tridip Chakraborti (2008). BIMSTEC: Origin, growth and Process. World Focus, XXIX (1), p. 7.

<sup>&</sup>lt;sup>696</sup> Padmaja Murthy (2008). BIMSTEC and SAARC: Understanding the Linkages. *World Focus*, 29 (1), p. 37.

<sup>&</sup>lt;sup>697</sup> Tridip Chakraborti (2008). Op.cit. p. 8.

presence in Asia-Pacific region because, during the time, there was no much stake to gain their coffer other than losing both military and financial expenditure. Instead the strategy was shifted to the Middle East where they largely depend on oil extraction for the domestic consumption.<sup>698</sup> During the same period, China was picking up their economy rapidly and began to adopt the principle of economic expansionism in the neighbouring South and Southeast Asian countries. By early nineteen nineties the Chinese markets began to dominate across the region and side by side with ASEAN it successfully exploiting the important markets of the region.<sup>699</sup> Seeing this, in contrary to their earlier strategy, the United States unexpectedly come back under the auspicious of globalization and introduces its market in the region. This advent was at the beginning on economy but they later tried to advantage the military, economic and strategic position. From a realist perspective, the re-entrance of US in the Asia-Pacific region is more to counter the growing power of China. Many protagonists describe that the US and China presence in Southeast Asia have expunge the 'Asian Way'<sup>700</sup>. Nonetheless this situation has largely reshaped the economic and political scenario of the sub-region; ASEAN has a large production but lack markets to sales it. A need for market to sales the production became a primary question among the countries and the only solution to this problem is to search new partnership in the form of multilateral organization. Thus the shaping of BIMSTEC is byproduct of globalization and a synthesis to US-China's power competition.

# 5.2. BIMSTEC: Origin and Development

The BIMSTEC is a newest sub-regional organization formed after the outcome of a special ministerial meeting in Bangkok on 6 June, 1997. It is a body that integrates the South and Southeast Asia and to facilitate and promote trade, investment and technical cooperation.<sup>701</sup> This organization is formed to have better socio-economic relations among the member countries by retracting the past historical relationship, which was then

Michael Klare (1997, January/February). East Asia's arm races. The Bulletin of the Atomic Scientists, p. 18.

<sup>&</sup>lt;sup>699</sup> P. Stobdan (1993). China's Forays into Burma-Implication for India. *Strategic Analysis*, XVI (1), p. 25. Also see at Chalmers Johnson (1997, January/February). The Chinese Way. *The Bulletin of the Atomic Scientists*, p. 20.

<sup>&</sup>lt;sup>700</sup> Biswajit Nag & Debdeep De (2007). *Asian Integration Process and BIMSTEC*. In Pupphavesa, Wisarn (ed.). *BIMSTEC-Japan comprehensive Economic cooperation: A step in the future*, (13-36). New Delhi: Bookwell, p. 15.

<sup>&</sup>lt;sup>701</sup> G.V.C. Naidu (2008). BIMSTEC and its Geo-strategic importance. World Focus, XXIX (1), p.3.

destroyed by the colonial masters during the 18th and 19th centuries. It was first discussed during the meeting of Deputy/State Ministers for Foreign Affairs of Bangladesh, India, Sri Lanka and Thailand in Bangkok, identifying itself by the name BIST-EC (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation), with a prime goal to foster socio-economic development. 702 However, later with the increased of membership following the participation of Myanmar on 22 December 1997, and Bhutan and Nepal in 2004, the organization is renamed from a thematic to a more littoral name as the Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) during its first Summit on 31 July 2004. 703 BIMSTEC was initiated aiming to combine the 'Look West' policy of Thailand with the 'Look East' policy of India and <sup>704</sup> so it could be explained that BIMSTEC is a link between the south and Southeast Asia. The BIMSTEC cover 13 priority sectors<sup>705</sup> led by the member countries in a voluntary manner. In this way, it provides an opportunity of integration bringing together 1.3 billion people that is 21 percent of the world population and a combined GDP of USD 750 of South and Southeast Asia. 706 A renounce scholar on international relations, Tridib Chakrobarty describes that the primary goal of BIMSTEC is to act as a vehicle for promoting trade and tourism in the Bay of Bengal region, and it has enhance opportunity for India to strengthen ties with the eastern neighborhood. 707 To substantiate his point, G.V.C. Naidu explains that BIMSTEC is purely towards the promotion of socioeconomic cooperation. 708 Unfortunately the BIMSTEC could not take off immediately and many of the early plans had to be kept on hold because of debilitating effect of the 1997-98 financial crises that hit Thailand and other countries of the Asia-Pacific region.

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<sup>&</sup>lt;sup>702</sup> Kyaw Aye (2003). Energy Cooperation among the BIMSTEC Countries. *BIIS Journal*, 24 (4), p. 458.

<sup>&</sup>lt;sup>703</sup> BIMSTEC (2004). BIMSTEC Summit Declaration. World Focus, 25 (9), pp. 23-24.

<sup>&</sup>lt;sup>704</sup> Cho Cho Thein (2008). *Regional Cooperation in Transport: Myanmar Perspective on BIMSTEC*. Discussion Paper No. 42. Kolkata: Centre for Studies in International Relations and Development, p. 4.

<sup>&</sup>lt;sup>705</sup> The six priority areas were initiated in the first summit in 2004, and the other priority areas were included during the second summit 2008. See at BIMSTEC Declaration 2004 and 2008. Also see at Cho Cho Thein (2008), ibid, pp. 4-5.

<sup>&</sup>lt;sup>706</sup> Samir Kumar Das (2008). BIMSTEC or the big leap forward for India's Northeast?. World Focus, XXIX (1), p. 19.

<sup>&</sup>lt;sup>707</sup> Tridib Chakraborti (2009). India's Look East Policy: Time for Stock-Taking. *World Focus*, XXX (Nov.-Dec.), p. 466.

<sup>&</sup>lt;sup>708</sup> G.V.C. Naidu (2008). Op.cit. p. 4.

It was only after Thailand recovered from that crisis the renewed efforts were made to rejuvenate this organization. <sup>709</sup>

Since the formation of BIMSTEC as an organization, member states came together and held several meetings to convert it from word into action. Initially, the BIMSTEC framed a four-tier structure to implement its policies, objectives, and projects. The resolved structural machineries are: Policy Making Body, Operational Body, Coordinating Body, and Expert Group Meetings. 710 The purposes of these bodies are to conduct programmes, decision-making, and operationalization of the functions. The policy making body consists of BIMSTEC Summit and Ministerial meetings - the summit holds at every two years and is meeting of heads of governments and states. The ministerial body, in turn, has more than one component the pivotal one is to determine the overall policy and adopting recommendations for the summit. The second tier of BIMSTEC is called Operational Body, and it consists of senior official's meeting which further sub-categorize into two planks – permanent secretaries of the Ministry of Foreign Affairs (SOM) and permanent secretaries in the Ministries of trade and economic affairs (STEOM). The third structured body is called coordinating body. It is also commonly known as BIMSTEC Working Group in Bangkok (BWG). Under this body, the member consists of BIMSTEC Director Generals in the Department of Trade and Commerce, Ambassadors of BIMSTEC countries to Thailand as well as representatives of other concerned agencies. The last tier of the four structured body is called the Expert Group Meeting and this body is functions at the individual lead country level.<sup>711</sup> The lead countries of the 13 priority areas and 15 sub-sectors are expected to host expert group meetings on the sector and sub-sectors of responsibility and report to the BWG via respective embassies in Bangkok.

Besides the above steering bodies there are also many functional bodies that specify on the particular subject. Some of those bodies are; Trade Negotiating Committee (BIMSTEC TNC), Chamber of Commerce and Industry (BIMSTEC CCI in 2002),

<sup>&</sup>lt;sup>709</sup> ibid, p. 3.

<sup>710</sup> Abdur Rob Khan (2007). Op.cit. p. 2.

<sup>&</sup>lt;sup>711</sup> Ibid, p. 3.

BIMSTEC Economic Forum, Business Forum, Specialized Task Force for Necessary Coordination, Senior Official Committee, and Special Trade and Economic Officials Meeting etc. At the same time, BIMSTEC uses the alphabetical order for the chairmanship and it has been taken in rotation commencing with Bangladesh (1997–1999), India (2000), Myanmar (2001–2002), Sri Lanka (2002–2003), Thailand (2003–2005), and Bangladesh (2005–2006). Bhutan asked for the skip due unforeseen circumstance so passes over to India (2006–2009). During the 13th Ministerial Meeting held in Nay Pyi Taw, Myanmar on 22 January 2011, it was again unanimously decided to set up BIMSTEC Secretariat in Dhaka, Bangladesh. The Prime Minister of Bangladesh Sheikh Hasina inaugurated the permanent Secretariat with Sumith Nakandala as the first Secretary-General of BIMSTEC.

## **5.3.** Principles of BIMSTEC

The principles of BIMSTEC is initiated at various levels of Ministerial Meeting and finally, confirmed during the first summit held in 2004 in Bangkok, the capital city of Thailand. During this summit the leaders of the member states chalk out different areas of interest and critically discuses in order to create BIMSTEC a platform for rapid economic development, social progress, mutual assistance on common interest, provide assistance to each other, maintain mutual cooperation with the international organizations, and cooperation in any projects of the member states. Subsequently, after rigorous discussion and deliberation, it has identify six priority areas viz., trade and investment, transport, technology, fishery, energy and tourism. Among all the main principle was to connect the member countries through different means of connectivity, particularly by land route, so that the rest form of interaction can become easier and cheaper. Beyond doubt the rough terrains and non-connectivity of road and bridges or close border has been hinge for the member countries to interact with each other. This initiation is a landmark to step further in its mission ahead of other preceding organizations. Remarkably many policy analysts, academia and civil society perceives that the

<sup>712</sup> Tridib Chakraborti (2008). Op.cit. p. 9.

<sup>713</sup> BIMSTEC (2004). BIMSTEC Summit Declaration. World Focus, 25 (9), p. 23.

<sup>&</sup>lt;sup>714</sup> Inauguration of a permanent Secretariat of BIMSTEC in Dhaka (2014, December 16). *Business Standard, New Delhi*, p. 6.

<sup>&</sup>lt;sup>715</sup> BIMSTEC (2004). Op.cit. p. 24.

<sup>&</sup>lt;sup>716</sup> Ibid, p. 24.

functionality of BIMSTEC specifically on matter of open border among the member countries will not simply gain on economic spectrum but it will interlink again the socio-cultural affinity of the region which had been discontinued by the colonial rule.

Later on the priorities areas have been further expanded to thirteen, during the second Summit in 2008, by including agriculture, public health, poverty alleviation, counter-terrorism and trans-national crime, protection of bio-diversities and natural disaster management, culture, people-to-people contact and climate change.<sup>717</sup> Indeed, each area has a respective leading country, with coordinating country responsible for the sub-sectors for better pursuance vis-à-vis to successfully carried forward the determine objectives, because all members does not want this sub-regional organization a mere rubber institution like the SAARC which could not materialize due to various reason. The member countries, indeed, want the BIMSTEC to fully operationalize on those priority areas and extent support to the growth of members. 718 Thus every member chose their priority areas out of the thirteen areas that have choked out during the two succeeding Summits. For instance, India have taken responsibility on four priority areas viz. transport and communication, tourism, counter-terrorism and trans-national crime, and natural disaster management. Likewise other countries also adorned with similar responsibility on other priority areas. The Government of Myanmar is taken responsibility on agriculture and energy priority areas, 719 and energy sector was further divided into two sub-sectors viz. Development of Energy Infrastructure (Natural Gas), and Development of New and Renewable Sources of Energy. Each countries are committed to fulfilled their priority areas in order to achieve the determine goal in time. In succeeding day of the second summit, the Ministerial meeting was held in December 2008, in New Delhi and during this meeting certain policies of BIMSTEC is revived to implement stringent rules for faster and better connection among the members on the

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<sup>&</sup>lt;sup>717</sup> BIMSTEC (2008). Second BIMSTEC Summit Declaration. Retrieved June 7, 2010. URL: http://www.bimstec.org/document XXIII.pdf.

Mohor Chakraborty (2008). Bangladesh's perception of BIMSTEC: An analysis. *World Focus*, XXIX (1), pp. 29-34.

<sup>719</sup> BIMSTEC (2008). Second BIMSTEC Summit Declaration. Retrieved June 7, 2010. URL: http://www.bimstec.org/document\_XXIII.pdf.

priority areas.<sup>720</sup> In course of its progress, the BIMSTEC also established numerous centers to monitor the projects, particularly in the country of concern priority areas. This step is, in fact, to promote BIMSTEC in a far-reaching way like any other regional cooperation. Some of the few institutes which are set up are the Weather and Climate Centre in India; Cultural Industries Observatory in Bhutan; Energy Centre and Trans-Power Energy and Development Project in Sri Lanka; and Poverty Alleviation Centre in Bangladesh etc. 721

#### 5.4. **BIMSTEC-Free Trade Area (FTA)**

Since its inception the envisaged of BIMSTEC is to create trade liberalization so that it can lower the burden of trade barriers among the member countries. If there is a structured framework of free trade, the trade between members would increased and earn fair profit. The idea of set setting trade agreement is a comprehensive formula to build confidence and enhance trade within the framework of BIMSTEC. 722 Realizing the important, during the third Ministerial meeting on July, 2000 in New Delhi, the Economic Forum has put forward an idea to establish a Preferential Trading Arrangement to facilitate trading in the intermediary stage, in fact, before the formulation of Free Trade Agreement. 723 In 21 December 2001, the need of establishing of the BIMSTEC-Free Trade Area (FTA) was again discussed and a Group of Expert was formed and the FTA framework was submitted for discussion by the representative of the member-states.<sup>724</sup> After the lengthy discussion it was endorsed for the First BIMSTEC Summit in July, 2004 to have final decision by the experts of concern states in consultation with their heads of states or governments. The Trade Ministers of Bangladesh, India, Myanmar, Sri Lanka and Thailand took extra effort to realize a Free Trade Area to cover both goods and services within the BIMSTEC Framework.<sup>725</sup> According to the draft of agreement,

http://www.bimstec.org

<sup>&</sup>lt;sup>720</sup> BIMSTEC (2009). Joint Statement of the Eleventh BIMSTEC Ministerial Meeting. http://www.bimstec.org.

<sup>&</sup>lt;sup>721</sup> Abdur Rob Khan (2007). Op.cit. p. 3. Also see at BIMSTEC official website document section URL: http://www.bimstec.org

<sup>&</sup>lt;sup>722</sup> Langpoklakpam Suraj Singh (2008). BIMSTEC Perspective in India-Myanmar Relations and Northeast India Factor. World Focus, XXIX (1), p. 27.

<sup>&</sup>lt;sup>723</sup> Mohor Chakraborty (2008). Op.cit. p. 32.

<sup>&</sup>lt;sup>724</sup> Banik Nilanjan (2008). The BIMSTEC FTA and its relevance. In Pupphavesa, Wisarn (ed.), BIMSTEC-Japan comprehensive economic cooperation: A step in the future, (85-102). New Delhi: Bookwell, p. 90. <sup>725</sup> BIMSTEC (2001). The 4<sup>th</sup> BIMSTEC Ministerial Meeting. Retrieved June 7, 2010. URL:

the FTA is structured to be implemented in two phase: with the least developed member countries - Bangladesh, Myanmar, Nepal and Bhutan - reaping the benefits of grace periods in both phases. 726 In the first phase or fast-track phase, products listed by each country would have their respective Most Favoured Nation (MFN) tariff gradually reduced or eliminated in accordance with specified rates to be mutually agreed by the parties in a certain time frame. Under the first phase, while on the other hand, India, Sri Lanka and Thailand would have to reduce duties on identified items between 1 July, 2006 and 30 June, 2009, and on other hand, the Bangladesh, Myanmar, Bhutan and Nepal would have to reduce duties on specified goods by 30 June 2011 for developing countries and 30 June, 2009 for the least developed members. 727 As part of the second phase, India, Sri Lanka and Thailand would require from 1 July, 2007 and 30 June 2012 to reduce tariffs on selected products for the developing countries, and on the other hand, until 30 June, 2010 to reduce rates for the least developed BIMSTEC members. In the case of Bangladesh, Myanmar, Bhutan and Nepal the time limit for the second phase was stipulated for 1 July, 2017 for developing countries and 30 June 2015 for each other. 728 The agreement was designed to benefit lesser developed countries such as Bangladesh, Myanmar, Bhutan and Nepal.

The core objective of FTA is to transform the region into a free and unfettered trade and investment, and later to combat the next important issues such as international terrorism and trans-national crimes. The Summit Declaration of 31 July, 2004 emphasized the FTA to be effective from January, 2006.<sup>729</sup> Though Bangladesh had earlier agreed upon the framework it latter argues that, as said by Bangladesh's Former Foreign Minister Morshed Khan, with the FTA regional cooperation would be contingent upon the economically developed states particularly for India and Thailand, and to coordinate and allow transit facilities through their territories to and from Bangladesh to use their port, in the run-up to the formation of the FTA, Dhaka threw a spanner in the

726 Mohor Chakraborty (2008). Op.cit. p. 32

<sup>&</sup>lt;sup>727</sup> Ibid, p. 32-33. See also at Bhattacharya, Swapan K. (2009). India's engagement with the regional trading arrangements: The case of Japan-BIMSTEC Free Trade Arrangement (FTA). *World Focus*, XXX (1), p. 18.

<sup>728</sup> Swapan K. Bhattacharya (2009). Op.cit. p. 18.

<sup>&</sup>lt;sup>729</sup> BIMSTEC (2004). Op.cit. p. 23.

deal. There after the FTA appeared to have run into rough weather, though later Bangladesh does not want to be an obstacle and later urged other members to sign the agreement assuring that it would sign it, 730 but the political incandescence has already engulfed the diplomatic expedience within the BIMSTEC. Yogendra Kumar, Additional Secretary in the Ministry of External Affairs (India), elucidates that a Free Trade Agreement (FTA) amongst BIMSTEC region, though delayed, is still in the pipeline and the thirteen priority sectors have been identified for mutual cooperation.<sup>731</sup> Meanwhile, the Foreign Ministers of BIMSTEC, during the Second Summit 2008, prepared the agenda for one-day summit meeting of the grouping to discuss the matter. 732 Subsequently, the 18th TNC meeting was held at Bangkok in June, 2009 to further discuss about the formulation and functionalization of the FTA. Unfortunately the member countries have been apparently inactive to proceed with the negotiation due to lack of secretariat and difference of opinion in finalizing the negative lists under the FTA. Later the TNC, an expert group, comprising of senior trade officials of member countries, asked a new set of FTA products, however, no member country has so far completed internal official procedures in this regard and TNC failed to reach consensus on major issues relating to the FTA. 733 But the discussion is still going on and trade negotiations substantially cover all trade in goods, in the form of reduction and elimination of tariffs, with more flexibility granted to the LDCs.

#### 5.5. Meetings and Summits of BIMSTEC

The success of BIMSTEC depends on its effectual performance and efficient work against the background of its meetings and summits, whereas intense discussions, examinations, investigation are held. In the process, BIMSTEC as a young sub-regional organization also holds frequent meetings where unique responsibilities are tasked upon each member country with the spirit of cooperation, inter-relation and cohesion. In order

<sup>&</sup>lt;sup>730</sup> In eleventh ministerial meeting, the collective members were shown satisfaction on BIMSTEC-FTA negotiation for trade in goods, and latter during second summit 2008, it discussed on immediate implementation of FTA as it was necessary to integrate the sub-region in real term. But unfortunately an issue cropped up due to Bangladesh. See at BIMSTEC (2008). Op.cit. p. 24. For detail see also at Mohor Chakraborty (2008). Op.cit. p. 33.

<sup>731</sup> Mohor Chakraborty (2008). Op.cit. p. 33.

<sup>&</sup>lt;sup>732</sup> BIMSTEC (2008). Op.cit. p. 24.

<sup>&</sup>lt;sup>733</sup> Nilanjan Banik (2008). 87-88.

to comprehend the present and future potentialities of BIMSTEC, the member countries through their joint statements and declarations arrive at certain concrete proposals.

### a. First Ministerial Meeting

It took place in Bangkok on 6 June, 1997 and a declaration was adopted for the establishment of Bangladesh-India-Sri Lanka-Thailand Economic (BISTEC).<sup>734</sup> In this meeting, the ministers of foreign affairs from respective countries participated representing their governments and agreed upon to have an effective utilization of mutual interests, common concerns, complementaries and potential which would pave the way for enhancing cooperation among them. 735 Consequently, the representatives emphasized cooperation in the area of trade, investment, technological exchange and other interrelated spheres in the spirit of equality and partnership, thereby contributing towards peace, progress and prosperity in an increasingly interdependent world. The primary goal was to create an enabling environment for rapid economic development and growth, active collaboration, mutual assistance on matters of common interests, joint endeavour and exploitation of common synergies with the enlightened principles of greater understanding, good neighbourliness and meaningful cooperation based on the principle of sovereign equality, territorial integrity, political independence, non-interference in internal affairs, peaceful co-existence and mutual benefit. 736

## b. Second Ministerial Meeting

The second ministerial meeting was convened in Dhaka on 19 December 1998. In a joint statement, they reaffirmed the aims, purpose and principles contained of the earlier meeting and subsequently agreed to admit Myanmar as a new entrant and renamed BIMSTEC instead of BISTEC. In this meeting, Nepal was given the observer status and moreover, to enhance private sector cooperation, emphasized the need for setting up BIMSTEC Economic and Business Forum separately, in order to work as important

<sup>&</sup>lt;sup>734</sup> BIMSTEC (1997). Joint Statement of the First BIMSTEC Ministerial Meeting. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>735</sup> Tridib Chakraborti (2008). Op.cit. 9.

<sup>&</sup>lt;sup>736</sup> BIMSTEC (1997). Joint Statement of the First BIMSTEC Ministerial Meeting. Retrieved on June 7, 2010. URL: http://www.bimstec.org

vehicle of greater economic cooperation and progress within the sub-region by the representatives of private sector.<sup>737</sup> In this meeting, the ministers identified six sectors of cooperation where each member country would act as the 'Lead Country'. Furthermore, they seek stronger links with development partners and international organizations, including the World Bank, the Asian Development Bank and the UNDP.<sup>738</sup> Through this endeavour, they intended to construct BIMSTEC as a successful medium for making the international economic and trading system more favorable for developing countries.

## c. Third Ministerial Meeting

It was held in New Delhi on 6 July 2000 and at the end of the meeting, joint statement declaration mentioned that global economy was on recovery from financial crisis and the members wanted to provide a momentum to BIMSTEC by enhancing economic, commercial and technical cooperation both at the government and private sector levels. They also discussed the inputs provided by the BIMSTEC Trade and Economic Ministers toward need of cooperation in trade and investment, and welcomed the establishment of Preferential Trading Agreement (PTA) in the intermediary stage. Thus to boost economic activities, they recommended the proposal for setting up a Joint BIMSTEC Chamber of Commerce. It also agreed to strengthen and rationalize the institutional mechanism for evolving necessary guidelines and organizational rules in respect to streamline and coordinate their activities. The declaration not only focused on the 'software' aspect of such cooperation through compilation of rules and regulations, but also commended the work done by various sectors and sub-sectors of cooperation.

## d. Fourth Ministerial Meeting

The fourth ministerial meeting was held in Yangon on 21 December 2001 and the leaders issued a joint statement, which stressed the process of economic, commercial and technical coordination to inject greater dynamism into them at the government and

<sup>737</sup> Tridib Chakraborti (2008). Op.cit. 9.

<sup>&</sup>lt;sup>738</sup> BIMSTEC (2009). The second ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>739</sup> BIMSTEC (2000). The third ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>740</sup> Ibid.

private sector levels.<sup>741</sup> It also welcomed the establishment of a 'Group of Experts' to examine the different approaches for the creation of a BIMSTEC Free Trade Agreement (FTA), and confirmed the need for the business forum to strengthen the linkages. The meeting also discussed the progress made in the six sectors of cooperation, with the respective action plans, to reap maximum benefits from the concept of globalization. In order to project and highlight the identity and activities of BIMSTEC, it agreed to make logo and consolidate its website. Moreover, the joint statement recognized the threat posed by terrorism to the territorial integrity, their economic growth and development, international peace and security, and felt it contingent upon the international community to jointly address the issues and facilitate economic and social progress.<sup>742</sup>

#### e. Fifth Ministerial Meeting

The fifth meeting was held in Colombo on 20 October 2002 with the participation of foreign ministers of respective countries. The foreign ministers of respective countries. The BIMSTEC as a means to promote more intensified sub-regional cooperation. Under that vision it has imparted fresh policy momentum to BIMSTEC agenda by enhancing realistic opportunities for cooperation. Thus apart from recognizing the regular meetings of trade and economic ministers as an integral part of formal institutional mechanism, it made commitment for the foreign ministers' meetings to hold annually in order to coordinate and provide overall policy guidance on all matters. Moreover, the joint statement emphasized the need for strengthening economic cooperation as well as urgency of consultations on current developments with the view to develop closer ties with other international organizations and regional groupings. Apart from these factors, it upheld the importance of Expert Group Meetings and also declared 2004 as 'Visit BIMSTEC Year' and called upon the member states to intensify their cooperation and assistance, combating international

<sup>&</sup>lt;sup>741</sup> BIMSTEC (2001). The fourth ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>742</sup> Ibid, p. 1.

<sup>&</sup>lt;sup>743</sup> BIMSTEC (2002). The fifth ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>744</sup> Tridib Chakraborti (2008). Op.cit. p. 10.

terrorism, maintenance of solidarity and friendship, exchange of information thus seek active support in efforts of the international community in these realms.

## f. Sixth Ministerial Meeting

It was held in Phuket on 8 February 2003 and for the first time Nepal and Bhutan attended as full members and the other members welcomed the signing of the Framework Agreement for the BIMSTEC-FTA and looked forward to early conclusion of the negotiation. The joint statement of this meeting highlighted the renewed commitment to promote socio-economic development among them and renewed the progress in six priority sectors of cooperation. Besides it also set the course for BIMSTEC first summit. During this meeting, it has recognized the central role of the private sector in advancing BIMSTEC trade, investment and economic cooperation, and also endorsed the formation of a 'Technical Support Facility' to serve the BIMSTEC Working Group so that it can coordinate in its activities. Under this meeting, it laid foundation for the establishment of 'BIMSTEC Chamber of Commerce' and 'BIMSTEC Business Portal'. Furthermore, it also expressed the concern about the threat of emerging infectious diseases and agreed upon the need for an effective collective response through information sharing, expertise, technical cooperation, capacity building and other measures.

## g. First BIMSTEC Summit

The first BIMSTEC summit was held in Thailand on 31 July, 2004 and during this summit the BIMSTEC is rechristened as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. The summit declaration laid accent on sectors such as trade and investment, transport and communication, tourism, energy, human resources development, agriculture, fisheries, science and technology and people to people contact. It also agreed to expand cooperation in areas of public health, education, rural community development, small and medium scale enterprise, construction, environment, information and communication technology, biotechnology,

<sup>&</sup>lt;sup>745</sup> Ibid, p.11.

<sup>&</sup>lt;sup>746</sup> BIMSTEC (2002). The fifth ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>747</sup> See at BIMSTEC (2004). BIMSTEC Summit Declaration. World Focus, 25 (9), pp. 23-24.

weather and climate research, and natural disaster mitigation and management. This summit also emphasized on the development of transport and communication infrastructure, hydropower and hydrocarbon projects, including intra-BIMSTEC interconnectivity of electricity and natural gas grids. Further, issues like the BIMSTEC tourism package, introduction of BIMSTEC travel card/visa, coordination of efforts of member countries in combating the menace of international terrorism and transnational crimes, promotion of exchanges of parliamentarians, media persons, students and faculty, sports persons etc were also agreed in this summit. 748 Above that, the Declaration agreed upon the coordination of efforts to address transnational issues that threaten the economic and social progress, including the threats to public health posed by HIV/AIDS, malaria, tuberculosis and polio. Decisions were taken to accord priority to projects that could be clearly conceptualized, adequately funded and effectively implemented, with welldefined goals and tangible results relevant to the needs of the peoples.<sup>749</sup> Therefore, this corpus of institutional framework, including meetings and summits, has ushered in a ray of hope into the region, eventually following in the footsteps of an Asian solidarity. The Indian Prime Minister Manmohan Singh at the inaugural BIMSTEC meeting at Bangkok describes that the BIMSTEC:

"as a collective and effective forum for giving full expression to widely rediscover the coherence of the region based on the commonality of many linkages around the Bay of Bengal." <sup>750</sup>

Besides, the summit also endorsed a plan to start free trade negotiations in September 2004, with the aim of achieving regional free trade by 2017. Generally, the Bangkok summit was a watershed event in the history of Pan-Asian regional and economic cooperation, it was neither very ambitious nor insignificant, as describe in the words of Manmohan Singh as 'a bridge between the ASEAN and SAARC countries'.<sup>751</sup>

<sup>&</sup>lt;sup>748</sup> Tridib Chakraborti (2008). Op.cit. p. 11.

<sup>&</sup>lt;sup>749</sup> BIMSTEC (2004). BIMSTEC Summit Declaration. World Focus, 25 (9): p. 24.

<sup>&</sup>lt;sup>750</sup> Manmohan Singh (2004). Speech during the BIMSTEC Summit. World Focus, 25 (9), p. 21.

<sup>&</sup>lt;sup>751</sup> Ibid, p. 22.

### h. Seventh Ministerial Meeting

The seventh Ministerial Meeting is not held separately unlike the previous meetings. In fact it was club together in the BIMSTEC Summit 2004. During the summit there is different level of meetings, which included the ministerial meeting too. During the meeting it has discussed the impending free trade issue vis-a-vis chokes out other areas that were to be discussed and approved by the heads of the states and governments of member countries. Thus the separate joint declaration is not made during this summit, the September 2004 discussion was part of the extending meeting of the ministerial groups meetings.

## i. Eight Ministerial Meeting

It was held in Dhaka on 19 December 2005 and at the conclusion of the meeting, a Joint Statement was issued in which the purpose and objectives of the BIMSTEC was recalled. Furthermore, the statement decided to take action for the promotion of cooperation in six priority areas, ensure effective follow-up of the outcome of the first summit of July 2004 and to undertake future actions in the main sectors namely: trade and investment, technology, energy, transportation and communication, tourism, fisheries, agriculture, anti-poverty measures, cultural cooperation, combating terrorism and transnational crimes, environment and disaster management, public health and people to people contact as identified by the first summit.<sup>752</sup> Apart from these, it also recognized the need for a permanent secretariat, and an Inter-Governmental Experts Group.

#### j. Ninth Ministerial Meeting

It was held in New Delhi on 9 August 2006. To accelerate economic and social growth in the region, all agreed to enhance cooperation through a joint statement in the sectors of trade and investment, transport and communication, tourism, energy, technology, fisheries, poverty alleviation, culture, agriculture, counter-terrorism and trans-national crimes, environment and disaster management, public health and people to

<sup>752</sup> BIMSTEC (2005). The eight ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

people contacts.<sup>753</sup> In addition to this, it agreed that a monthly newsletter would be published on the official website by the BIMSTEC Working Group, and welcomed Sri Lanka's offer to explore the possibility of developing an intra-BIMSTEC network accessible only to authorized officials.<sup>754</sup> It also reiterated the need to set up a permanent secretariat and appreciated the work done by the First Inter-Governmental Experts Group Meeting and directed that the Expert Group would further deliberate on the issue and submit concrete recommendations to the tenth ministerial meeting.

# k. Tenth Ministerial Meeting

It was held on 29 August, 2008 in New Delhi and as a host country the meeting was chaired by then Indian External Affairs Minister Pranab Mukherjee. During the meeting it approved the Report of the Twelfth Meeting of the Senior Officials, and reiterated its commitment to the founding objectives and principles of BIMSTEC to accelerate economic and social growth. Simultaneously it also reviewed the progress made in the various sectors and recommit to pursue cooperation on all the priority areas. More importantly, it reaffirmed the importance of realizing Free Trade Area for increasing trade and investment, enhancing competitiveness and promoting socioeconomic development of BIMSTEC countries. The meeting declaration reaffirmed that optimal transport linkages are necessary for achieving efficient levels in connectivity amongst member countries to promote movement of goods and people, and accordingly recognized the need for development of key infrastructure, including transportation and communication linkages. Another point of declaration was on the importance of sharing experiences and strengthening cooperation in the fields of grid connectivity, gas pipelines, hydro power, renewable sources of energy, energy efficiency and energy sector reforms, restructuring, regulations and best practices with a view to promoting energy security in the BIMSTEC region.<sup>756</sup> Accordingly it approved the Memorandum of

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<sup>&</sup>lt;sup>753</sup> BIMSTEC (2006). The ninth ministerial meeting of BIMSTEC. Retrieved on June 7, 2010. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>754</sup> Ibid, p. 1. Also see at Tridib Chakraborti (2008). Op.cit. p. 11.

Post Statement of the Tenth BIMSTEC Ministerial Meeting New Delhi. India on 29 August,
2008. Retrieved from official website URL: http://www.bimstec.org
Ibid

Association (MoA) for setting up BIMSTEC Energy Centre in India among many other issues.

## I. Eleventh Ministerial Meeting

It was held in New Delhi on 12 November 2008 in order to finalize preparations for the second BIMSTEC Summit which was planned to be held in New Delhi on 13 November 2008.<sup>757</sup> During this meeting, the Ministers had a discussion on the draft for Second BIMSTEC Summit Declaration and considered to put before the heads of the states and governments to approve during the second summit. Along with it, the ministers also approve the report of BIMSTEC prepared by the senior officials Meeting (SOM). Subsequently the Ministers reviewed BIMSTEC's cooperation activities and projects. During this meeting, the ministers gave positive consent over the new priority areas prepared by the expert committee to enlarge from the previous six priority areas. The other approval made were Memorandum of Association (MoA) regarding BIMSTEC Joint Energy Centre in India; Memorandum of Association (MoA) regarding BIMSTEC Weather and Climate Centre in India; Memorandum of Understanding (MoU) on BIMSTEC Cultural-industries Commission and BIMSTEC Cultural industries-Observatory in Bhutan.<sup>758</sup> In view of moving forward the initiative of BIMSTEC, they appeal all the member states to be prepared for early completion of the task. They reiterated their commitment to make all efforts to work together and help increase substantive cooperation in BIMSTEC vis-à-vis a necessity to establish Permanent Secretariat at appropriate location.

#### m. Second BIMSTEC Summit 2008

The Second BIMSTEC Summit was hosted by India in 2008. This summit commemorates the 10<sup>th</sup> anniversary year of the establishment of BIMSTEC and works provide an opportunity for the leaders of the member-state to asses and review the progress made in the last one decade.<sup>759</sup> The deliberation provides guidance on the future

<sup>&</sup>lt;sup>757</sup> BIMSTEC (2008). Joint Statement of the eleventh BIMSTEC Ministerial Meeting. Retrieved from official website URL: http://www.bimstec.org

<sup>&</sup>lt;sup>758</sup> Ibid.

<sup>&</sup>lt;sup>759</sup> BIMSTEC (2008, November 13). Second BIMSTEC Summit Declaration 2008. Retrieved from official website URL: http://www.bimstec.org

direction of cooperation and assist at shaping the vision for BIMSTEC to enable the region to achieve its full potential. The discussion was also made to set up BIMSTEC Secretariat to functions the initiatives in easier way as it will provide place for all the member-states to bring their agenda in one platform. To that context, the members minutely discussed to gearing up their priority areas to a successful ends for the immediate prosperity, development and more integration. The leaders recommit to work hard in resolving the common problems, particularly the poverty alleviation. At the same time, it also discussed to finalize the BIMSTEC-FTA so that it would bring more integration through trade and investment. In the last many years, the FTA was one area which remains failed due to differences in understanding among states vis-à-vis suspicious over one another to over-ride through the FTA. But, the leaders of BIMSTEC, this time, have recommitted to work out the means to materialize FTA.

## n. Twelfth Ministerial Meeting

This meeting was held in Naypyitaw in Myanmar on 9 December, 2010. The joint statement indicates progressive cooperative action taken on security, crime prevention and drug trafficking, energy, climate and cultural industries. The also reaffirmed the importance of FTA and welcomed the finalization of the text of the agreement on trade in goods and other provisions relating to Rules of Origin, Operational Certificate Procedure and Agreement on Customs Cooperation. The meeting also highlights that 'Plan of Action' on tourism and similarly, energy security has been of value to member states thus agreed to set up an Energy Centre. A similar effort is made to establish a Centre for Technology Transfer/Exchange Facility. Member states are committed to the sustainable use of marine resources through effective conservation and management of resources in the Bay of Bengal through research. Food security is another importance area to alleviate poverty in the member countries thus agreed upon to institutionalize the Centre for Poverty Alleviation. In this context the ministers discussed to resolve concrete activities and projects to be implemented expeditiously in agricultural cooperation.

<sup>&</sup>lt;sup>760</sup> Ibid.

<sup>&</sup>lt;sup>761</sup> Swapan K. Bhattacharya (2009). Op.cit. p. 19.

<sup>&</sup>lt;sup>762</sup> BIMSTEC (2008). Joint Statement of the eleventh BIMSTEC Ministerial Meeting. Retrieved from official website URL: http://www.bimstec.org

<sup>&</sup>lt;sup>763</sup> Ibid.

#### o. Third BIMSTEC Summit 2014

It was held in Nay Pyi Taw on 4 March, 2014 to reaffirms the aims and purpose of BIMSTEC as contained in the 1997 Bangkok Declaration. The President of the Republic of Myanmar U Thein Sein welcomed the leaders of the BIMSTEC member nations and said that BIMSTEC is directed towards bringing a harmonious and cooperative growth among its member states.<sup>764</sup> The theme of the summit was "Partnership of Harmony and Prosperity", and leaders across member states discussed on necessary activities that can strengthen the cooperation and transform towards achieving peace, harmony and prosperity in the sub-region. Under this summit, the leaders collectively agreed for closer cooperation to combat all form of terrorism and transnational crimes; to take initiative towards the adverse impacts of climate change in the BIMSTEC region; and to cooperate and coordinate for organizing activities like workshop and seminars and to set up the BIMSTEC Network of Policy Think Tanks. 765 Later, it also signed Memorandum of Association on the Establishment of the BIMSTEC Permanent Secretariat; the Memorandum of Association on the Establishment of a BIMSTEC Centre for Weather and Climate, and finally the Memorandum of Understanding on the Establishment of the BIMSTEC Cultural Industries Commission (BCIC) and BIMSTEC Cultural Industries Observatory (BCIO). The signing ceremony concluded with the handing of the signed documents to the BIMSTEC Ministers and the Thailand Special Envoy by H.E. U Wunna Maung Lwin, Union Minister for Foreign Affairs of Myanmar. 766

#### 5.6. BIMSTEC: A Bridge for Integration of South and Southeast Asia

The BIMSTEC, as a sub-regional organization, is a brain child of Supachai Panitchpakdi, Deputy Prime Minister and Minister of Commerce of Thailand.<sup>767</sup> After the formal inauguration in 1997, unfortunately, the BIMSTEC could not carried forward its

<sup>&</sup>lt;sup>764</sup> BIMSTEC (2014). The Third Summit of Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation (BIMSTEC) and its related meeting. Dated 1-4 March 2014, Nay Pyi Taw. Dated 1-4 March 2014, Nay Pyi Taw. URL: http://www.bimstec.org

<sup>&</sup>lt;sup>765</sup> Ibid.

<sup>766</sup> Ibid.

<sup>&</sup>lt;sup>767</sup> Leonora Juergens (2014, June 4). Yesterday, Today and Tomorrow – BIMSTEC: An Interview with Amb Ranjit Gupta. IPCS article no. 4494. Retrieved from http://www.ipcs.org/article/india/yesterday-today-and-tomorrow-bimstec-an-interview-with-amb-ranjit-4494.html

mission due to the financial crisis hit in many of the member countries, particularly Thailand. Though it was stalled the materialization in the early period by the 1997-98 financial and economic crises, BIMSTEC has revived and come a long way to promote the idea of sub-regional cooperation comprising a region that has enormous untapped potential. It was important to push ahead the momentum of recovery through close economic cooperation between the member countries by taking advantage of the complementarities that existed. This is a unique initiative, in the sense, because members consist of nations from both the south and Southeast Asia that has strong historical relations over the civilizations. The convergence, though specify only on socioeconomic cooperation, is important because it is a rare step taken for the first time to integrate among the countries of south and Southeast Asia in modern time. 770

On the other hand, BIMSTEC is significant as it brought together the countries of different level of economies. In 2004, Nepal and Bhutan joined as a full-fledged member and thus the name of organization is changed to Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation. BIMSTEC has the potential to increase the trade by taking advantage of geographical location in the region of the Bay of Bengal and the eastern coast of Indian Ocean.<sup>771</sup> Knowing this geophysical importance, the discussions is held with regard to construct a Trans-Asian Highway linking the five countries and also setting up a BIMSTEC Airline connecting the capitals and important cities of the member countries. This initiative will definitely ensure benefits from cooperation as much faster because it will integrate the member countries with seamless border. Since inception the BIMSTEC received a major boost with the signing of wide ranging arrangements on certain critical areas. Understandably, much of the emphasis has been on the promotion of economic cooperation while downplaying the politico-strategic dimensions. Apart from endorsing the Framework Agreement on Free Trade Area, BIMSTEC has signed many important agreements such as Free Trade Areas, counterterrorism, poverty alleviation, connectivity among others. Without a doubt, BIMSTEC

<sup>&</sup>lt;sup>768</sup> G. V. C. Naidu (2008). BIMSTEC and its geo-strategic importance. World Focus, XXIX (1), p. 3.

<sup>770</sup> Swapan K. Bhattacharya (2009). Op.cit. p. 18.

<sup>&</sup>lt;sup>771</sup> Padmaja Murthy (2000). BIMSTEC: Making positive moves. Strategic Analysis, XXIV (4), p. 835.

upholds the spirit of Asian regionalism vis-à-vis international community as it integrate countries from different sub-regions and markets force have been given importance to drive the arrangements and initiatives in different sub-sectors providing due importance to economically disturbing as well as other sensitive issues.<sup>772</sup>

The uniqueness of BIMSTEC as compared to other Asian blocs is in multisectoral approach because it creates another layer of cooperation to ensure quicker integration. The thirteen priority areas chosen under its banner are extremely important sectors of this sub-region. If the priority areas are sincerely carried out to a succeeding end, it would ensure a chance of building up a very cordial relations among each other. The core reason is that BIMSTEC emphasize not merely on improvement of relation at government level or earn economic benefit but touches upon people and their basic issues. 773 In larger spectrum, complementary in sectoral comparative advantage has been identified and proposed to ensure benefits for other member countries. For example, Bangladesh and Myanmar have natural gas reserves, Nepal and Bhutan have advantage in hydrological resources, and India has coal reserves and thermal power capability.<sup>774</sup> Energy gap in the region can be easily addressed through a corroborated regional energy policy by analyzing demand-supply gap, appropriate pricing policy and investment through proper technology. Some way forward has been made through proposing regional energy grid, however, region as whole require FDI to ensure the energy security, and FDI should be invited through a regional window so that efficient use is guaranteed. Apart from energy, the BIMSTEC has already initiated some projects to ensure the subregional integration process.<sup>775</sup> There are several examples that existing country policies are in place and a regional sectoral policy is required to tune them for economic integration. It is also seen the already inflow of intra-regional FDI in some sector without even formal investment agreement. For example, Indian resource seeking FDI has gone to Sri Lanka in tyres sector to exploit Sri Lanka's advantage in rubber production and to

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<sup>772</sup> Biswajit Nag & Debdeep De (2007). Op.cit. p. 15.

<sup>&</sup>lt;sup>773</sup> Ibid, p.16.

<sup>&</sup>lt;sup>774</sup> Padmaja Murthy (2008). BIMSTEC and SAARC: Understanding the Linkages. *World Focus*, XXIX (1), p. 37.

<sup>&</sup>lt;sup>775</sup> B Nag & Debdeep De (2007). *Asian Integration Process and BIMSTEC*. Discussion Paper No. 35. Kolkata: CSIRD.

cater other markets from Sri Lanka. Indian food processing company has invested in Nepal to cater Indian domestic market.<sup>776</sup> Thailand investment is expected to come in India in several SME sectors and developing Indian tourist destinations.

Cooperation in trade sector is much more structured as several good experiences are available with the policy makers. However despite having a trade agreement in place, BIMSTEC is delayed in implementation. The BIMSTEC therefore has provided special emphasis on trade facilitation including cross-border transportation issues as most of the members share common border. The FDI from other Asian countries including Japan may help in overcoming these burdens. During the process of trade cooperation, BIMSTEC is making an attempt to give importance on the horizontal specialization across the region.<sup>777</sup> For instance, Sri Lanka may well emerge as the hub for rubber based industries, and so on. These examples indicate first steps toward deeper integration. However, apart from several physical barriers, soft barriers need to be addressed. In case of trade, the issue related to non-tariff measures, dispute settlement etc requires urgent attention. In case of transport, several standards need to be harmonized. In ICT, regional cyber laws are a necessary condition. For movement of people within the region, issues related to visa-requirement also need to be addressed. BIMSTEC framework offers enough flexibility to look into these areas and a more practical and positive would bridge the gap and integrate the sub-region into one fold.

# 5.7. India and Myanmar in BIMSTEC

India and Myanmar entry in the BIMSTEC is a new momentum for both the country in particular and the South and Southeast Asian countries in general, because the two countries connect the two regions through continental and maritime routes. For the past many decades, India and Myanmar has lost contact due to ideological differences. In the late 20<sup>th</sup> century, both have realized the needs of mutual cooperation but they did not encountered suitable platform for engagement. It was only when BIMSTEC formed the

RIS (2004). Future Directions of BIMST-EC: Towards A Bay of Bengal Economic Community (BoBEC). RIS Policy Briefs No. 12 February 2004, New Delhi. Retrieved from URL: http://www.ris.org.in.
Prabir De & Buddhadeb Ghosh (2003). Deepening Cooperation in the BIMSTEC: A Case for Transport Integration. BIIS Journal, 25 (2), p. 108.

two countries began to interact each other and lift the relations to a newer height. At the same time, it is important to identify the reasons that enthused both to join BIMSTEC and their participatory roles in enhancing the cooperation.

#### a. India and BIMSTEC

India's position at international cooperation is not static but has multifarious engagement, since the independence, and regionalism was not a new phenomenon. India actively participated in the South Asian Association for Regional Cooperation (SAARC) from the time when the organization came into existence in 1985.778 The effort India made to strengthen the organization was well known – but unfortunately SAARC faced insurmountable problems within years due to various notable reasons. 779 As a result the Government of India was striving to find alternative forum that is viable for India to pursue socio-economic cooperation. At the juncture BIMSTEC postulates that interest and thus India started engaging with it. However, the shortcoming of SAARC was merely not the factors for India to shift her engagement with BIMSTEC. As stated above, India's thirst for expanded socio-economic cooperation increased in aftermath of the Cold War and the emerging power of Southeast Asia on trade and commerce was definitely a factor that pushes India towards more and more engagement. The BIMSTEC was officially an enunciation of Thailand, 780 and this cooperation offered good opportunity for India to strengthen the relations with Southeast Asian countries. In pursuit of that India rechartered her long standing policy on Myanmar, and build mutual cooperation both at bilateral and multilateral level between the two countries.

In the past India along with many countries criticized the Myanmar, for converting democratic system into totalitarianism and brutally cracked down the prodemocratic protesters. During that period, the India extended a 'good samaritan' and gave sheltered to hundreds of pro-democratic protesters from Myanmar in India. This act has antagonized Myanmar and relations of both the countries and touched its nadir in 1988

 <sup>&</sup>lt;sup>778</sup> Saroj Pathak (2006). India and SAARC: Challenges and Opportunities. In Nautiyal, Annupurna (ed.),
*Challenges to India's Foreign Policy in the New Era*. New Delhi: Gyan Publishing House, p. 162.
<sup>779</sup> ibid. p. 164.

<sup>&</sup>lt;sup>780</sup> Kazi Imtiaz Hossain (2010). *Focus on Priority areas for faster progress*, BIMSTEC News Letter, (Vol. 42, September), p. 18. Retrieved from URL: http://www.bimstec.org.

and this continued until the two countries realized the intrinsic value of cooperation. Myanmar was in isolation and entering at crucial phase of its history, China was the only nation to have ties with the Myanmarese government that too with interior national interest. 781 Myanmar has become dilemma both looking at the gravity of Chinese influence vis-a-vis isolation from rest of the world. At the time, India came forward again and had rapprochement with Myanmar both to counter-balance the Chinese influence and, reconstruct her socio-economic cooperation with the Southeast Asia. The visit of the then foreign secretary JN Dixit to Myanmar in 1993 was a breakthrough of all the barriers between the two countries. 782 Henceforth, BIMSTEC was seen as another viable way to integrate India with Southeast Asia. This cooperation indeed gives India an advantage to fight the cross-border terrorism, small arms trade, and smuggling of narcotic drugs along the India-Myanmar border, particularly the Government of Myanmar has extensively supported in this effort. In other front, the initiatives of BIMSTEC geared up connect the larger Southeast Asian countries. Thus the earmarked of integrating India with the Southeast Asia through India' North-East and Myanmar began under the auspicious of the BIMSTEC. In other words, India joined this sub-regional organization with a view to strengthen and reinforce the Look East Policy initiated in 1991 and also to re-strengthen the integration of North-East frontiers – political, social and economic paradigm – which was left in abeyance for many years. 783

When India collaborates with the Thailand's Look West Policy, the BIMSTEC as a sub-regional organization was formed. The is, in one sense, the dreams' come true for India because this organization is integrating the two regions of South and Southeast Asia. India also overwhelmed for the fact that India's long interest in participating in the ASEAN is possible. Thus the Government of India from the very inception taking serious concern on the establishment of BIMSTEC a strong sub-regional organization. India on its part has taken up a lead country in four priority areas viz. Counter-Terrorism and

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<sup>&</sup>lt;sup>781</sup> Renaud Egreteau (2008). India's ambitions in Burma: More frustration than success?. *Asian Survey*, XLVIII (6), p. 944.

<sup>&</sup>lt;sup>782</sup> J.N. Dixit (2003). My South Bloc Years Memoirs of a Foreign Secretary. New Delhi: UBSPD, p. 73.

<sup>&</sup>lt;sup>783</sup> C.S. Kuppuswamy (2010). *India's Look East Policy: A Review.* SAAG Paper No. 3662. Delhi: South Asia Analysis Group, p. 9.

<sup>&</sup>lt;sup>784</sup> G.V.C. Naidu (2004). Wither the look east policy: India and Southeast Asia. *Strategic Analysis*, 28 (2), p. 332. Also see at Kazi Imtiaz Hossain (2010). Op.cit, p. 18.

Trans-National Crimes, Tourism, Transport and Communication and finally the border trade. In all the sectors of the priority areas India takes undue responsibility because all these sectors are long concern matters for India. To know details of India's effort in fulfilling the BIMSTEC priority areas, it would be wise to briefly explain on account taken so far: firstly, the counter terrorism and trans-national crime is one of the priority areas of the BIMSTEC, and India is a lead country in tackling this issue. There are reasons why India undertakes this issue - since India's independence until today the terrorism has been a menace to the integrity of 'Union of India' from various terrorist groups that comes from both within and cross-borders. India's North-East is one region that gives birth to dozen of insurgent groups. With the existence of this element India finds no democratic peace. This terrorism is not only a burden but become a direct threat to both the citizens and state status quo. Many insurgent groups of the Northeast have also involve in illegal narcotics and small arms trade generating billion of dollars. The consignment entered India's Northeast from Cambodia, Myanmar and Bangladesh through the Golden Triangle. 785 Anindita Dasgupta (2001) describe that trafficking began from the Rangong islands off the south coast of Thailand-Myanmar border, then shipped to South Asia via Andaman Sea and landed in Cox Bazaar. From there it is carried in smaller caches through different land routes and finally entered North-East. This insurgent groups use drug money to procure arms, arms sale in turn finance drug trafficking and their group. 786 According to narcotic cell officials in Manipur, the Silk and Stilwell routes is also use for the narcotic and arms smuggling. However, there is no mechanism to control the increasing trafficking in the Northeast.<sup>787</sup>

Moreover, these insurgent groups also gain support both monetary and weaponry from the countries which India has no good relations – taking advantage of the porous region they intrude in different parts of India's Northeast and plot destructive activity. It has a great ramification in all round affairs more so on the development activities. Thus

Archana Upadhyay (2009). *India's fragile borderlands: The dynamics of terrorism in North East India*. London: I.B. Tauris & Co, 134. See also at 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. 14.

<sup>&</sup>lt;sup>786</sup> Anindita Dasgupta (2001). Small Arms Proliferation in North-east India: A Case Study of Assam. *Economic and Political Weekly*, No. 7, January 6, p. 62.

<sup>&</sup>lt;sup>787</sup> Subir Bhaumik (2005). Guns, drugs and rebels. *Seminar*, No. 550: Gateway to the East, pp 40-45.

the Government of India initiated an alternative policy to control the proliferation of insurgent groups under the aegis of BIMSTEC. Under the agreement the member states should not shelter any terrorism in their territory vis-à-vis to collectively joint hands in eliminating such anti-nationals.<sup>788</sup> Recently, India is countering against the cross-border terrorists both in Bangladesh and Myanmar in collaboration with the respective governments.

Secondly, the Northeast is the gateway to bridge India with other members of BIMSTEC from Southeast Asia. Thus the position of North-East is very important for India to strengthen relations with the BIMSTEC countries but until today the region is very poor to facilitate the global standard and it remain a major hindrance to either develop tourism or other economic linkages. 789 Knowing this imperative, the Government of India also borne a lead role on the tourism from the twelve priority areas of BIMSTEC with planned to integrate the North-East in India's BIMSTEC initiatives. To boost tourism India has partially relieved for foreign tourists by the year 1995 for most of the states and by 2010 the North-East is declared a 'tourist region'. <sup>790</sup> To further facilitate tourism, it also set mechanism to minimize hurdles on matters like visa, hospitality, and other necessary fields. Hence the number of tourists considerably increased in the North-East though Inner Line Permit (ILP) and Restricted Areas Permit (RAP) is compulsory for both domestic and foreign tourists respectively. 791 In 1996 the strength of tourists are merely 795277 domestic and 801 foreigners. The domestic tourists have considerably increased since 2005 with a total of 35, 18,670 to 5,704,250 in 2009, but unfortunately the foreign tourists remained marginal though little improvement is observed in recent years. In 2005 the total foreign tourist was recorded 3,687, and in 2009 the number is rose to 4,766. The percentage of tourist, both domestic and foreign, have increased in every state of the North-East during the last two financial years with minimum 39 percent

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<sup>&</sup>lt;sup>788</sup> BIMSTEC (2004). Op.cit. p. 24.

<sup>&</sup>lt;sup>789</sup> V. K. Nayar (1995). India's North East-An Overview. U. S. I. Journal, CXXV (522), p. 448.

<sup>&</sup>lt;sup>790</sup> M.P. Bezbaruah (2005, June). Prospects for Tourism. Address at Symposium on Northeast India and the look east policy - Gateway to the East, *Seminar No. 550*, Guwahati.

<sup>&</sup>lt;sup>791</sup> Namrata Goswami (2010). India's Northeast 2020: Four Alternative Futures. Occasional Paper No. 13. New Delhi: IDSA, p. 16.

increased in domestic and minimum 19.6 percent increased in foreign tourists.<sup>792</sup> The North-East has a great potential to emerge as a tourism hub of India, but currently there is need to boost the infrastructure and economic development of the states.

Thirdly, BIMSTEC, during the first summit in 2004, is regarded transport and communication as one of the six priority areas. The commitment was to improve the quality of transport and communication<sup>793</sup> within vis-à-vis connecting all the member countries via all the three routes i.e., road, rail and air. As a responsible member of the organization, India takes up a lead role despite facing lots of limitation. To connect the BIMSTEC countries through land routes the Government of India have taken a lead role to build better transport and communication linkages in the North-East because it is the only corridor that bridges India with other BIMSTEC countries except Bangladesh. Henceforth the construction of road and rail link has started, though the progress is snail slow, since India take up a lead task – from Guwahati, a commercial hub of the North-East, to Moreh (Manipur), Pangsha (Arunachal Pradesh), Dawki (Meghalaya), Karimganj (Assam), Champhai (Mizoram), and down to transit road in Tripura, the road is being constructed in order to connect with Myanmar and other BIMSTEC member-states. At the same time, India also constructing a rail link with broad-gauge to Tupul (Manipur) via Silchar (Assam) with an aim to conjoin with the Myanmar. Chandra Embuldeniya (2010) illustrates that the road and rail links initiatives is to improve connectivity between India and Southeast Asia, which is underway, is to link from Jiribam (Manipur) to Hanoi in Vietnam passing through Myanmar. 794 Although this scheme began primarily began to connect with BIMSTEC, India's larger vision is to possibly connect with the whole Southeast Asia. If all these mega projects are accomplished, India will be benefitted not only in infrastructural development but as well in social development. The

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<sup>793</sup> BIMSTEC (2004). Op.cit. p. 23-24.

<sup>&</sup>lt;sup>792</sup> ICC-PWC Report (2013, January). India's North-East – Diversifying Growth Opportunities. Guwahati.

<sup>&</sup>lt;sup>794</sup> Chandra Embuldeniya (2010). *Regional Integration in South & South East Asia*. Lecture on 27<sup>th</sup> March 2010 at Hyatt Regency, Kolkata: Indian Chamber of Commerce.

Government of India is also on news to reopen the Stilwell road stretching from Ledo in Assam to connect the South China province of Yunnan via Myitkyina in Myanmar. <sup>795</sup>

## b. BIMSTEC and Myanmar:

Myanmar's participation with regional organizations was not new it has a long history of association in numerous regional and multilateral institutions. It was a leading country in the Panchseel of Bandung in 1954, and played an active role in the establishment of Non-Alignment. Nonetheless Myanmar was also involves in the United Nations and has sent one Secretary-General U Thant. Like any other countries, Myanmar has had a very good reputation in the international community in early phase of independence. Many countries have had cordial relations, during the time, both from the regions and outside. Indeed, Myanmar was evangelizing toward securing peace and harmony, and a strong follower of 'non-violence' in the sub-region. It was also propagating the principle of sovereign equality, non-interference and peaceful coexistence. The first Prime Minister U Nu was, in many ways, a very far sighted leader who speaks of building mutual cooperation with neighbours to promote peace and tranquility. Unfortunately, the internal crisis of development and insurgency in Myanmar in late 50s stalled the smooth functioning of the state. Taking advantage of this political and socio-economic crisis, the military General Ne Win coup d'état the popular government and formed totalitarianism in 1962. 796 Since then Myanmar followed a policy of isolationism and thus became unpopular in the face of International community followed by imposition of economic sanction for the gross violation of human rights. Even the neighboring country was agitated with the military regime and pattern of its governance. For example, India on one side and the Southeast Asian countries on the other strongly voice against the regime change in Myanmar. In this phase, the only country that extended support to the military regime was China but the latter was taking advantage of the situation and has extended her national interest through its soft influence.<sup>797</sup> This led the junta suspicious of Chinese taking over Myanmar economically

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<sup>&</sup>lt;sup>795</sup> Stilwell Road May be new gateway to China (2004, January 21). *The Economic Times: Kolkata*. See also at H.N. Das (2004). India-China trade through the stilwell road. *Dialogue*, 6 (1), p. 61.

<sup>&</sup>lt;sup>796</sup> William C. Johnstone (1963). *Burma's foreign policy: A study in neutralism*. Cambridge: Cambridge University Press, p. 156.

<sup>&</sup>lt;sup>797</sup> Allen L. Clark (1999). Myanmar's present development and future options. *Asian Survey*, 39 (5), p. 785.

and militarily. They realize that policy of isolationism is no longer relevant in the context of the changing international and regional security environment hence undertaken massive reforms. In this interface the sub-regional organization under the auspicious of BISTEC gave a viable environment for building a relation with her neighbours. Subsequently, the BIMSTEC also gives a privilege to garner support from both south and Southeast Asian countries to counter-balancing the increasing penetration of China and it enhance its ability in dealing with the increasingly international pressure in the aftermath of 1988 crisis. Thus Myanmar joined BIMSTEC some months after the initial establishment in 1997.

Since then, Myanmar plays actively towards the strengthening and empowering of BIMSTEC to become a body integrating the South and Southeast Asia. From the very beginning Myanmar, being rich in energy and agriculture production, took a lead country on energy and agriculture. After the BIMSTEC chalked out priority areas, the Government of Myanmar has made its first agenda to establish the Committee of Experts as per the guidelines mentioned in the role and functions of the lead country. They invited committee of BIMSTEC comprises of five members, one from each member countries to study the energy sector. The first expert meeting was held in June 2000 in Yangon, 798 and identified two projects areas: Development of Energy Infrastructure (Natural Gas) and Development of New and Renewable Sources of Energy. The meeting also agreed to establish an Energy Information Center in Myanmar and to establish two task forces for implementation of action plan on the two identified projects.<sup>799</sup> In January 2001, Myanmar organized the Second Meeting of Committee of Experts and in this meeting discussion was on the development of New and Renewable Sources of Energy (NRSE), Energy Infrastructure (Natural Gas) and establishment of Energy Information Center in Myanmar.800 It was further agreed upon by the Expert Group with some advice to cooperate in the development of NRSE, provide updated information with regard to Energy Infrastructure Project for Thailand to undertake an assessment study on the status

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<sup>&</sup>lt;sup>798</sup> Kyaw Aye (2003). Energy Cooperation among the BIMSTEC Countries. *BIIS Journal*, 24 (4), p. 457.

<sup>&</sup>lt;sup>799</sup> Union of Myanmar (2000). Report of the BIMSTEC Energy Sector Cooperation Program Committee of Experts/Officials Meeting, Yangon. Retrieved from URL: http://www.bimstec.org

<sup>800</sup> Union of Myanmar (2001). Report of the BIMSTEC Energy Sector Second Meeting of Committee of Experts/Officials Meeting, Yangon.

and potential of natural gas in the region, pursue the possibility of linking the Trans-BIMSTEC Natural Gas pipelines for sharing the resources and for the establishment of Energy Information Center, Myanmar will pursue from Tata Energy Research Institute (TERI) for assistance.<sup>801</sup> During the meeting at Bangkok in 2001, the Trans-BIMSTEC Gas Pipeline was discussed and given two alternative suggestion and empowered Thailand to conduct the study with the information provided by the member countries and the report to be submitted by October 2002.

Subsequently, the Task Force Meeting was organized by TERI on behalf of India for Development of New and Renewable Energy in New Delhi in September 2001. It discussed eight important projects areas viz. Training programme for Renewable Energy Technologies and applications, demonstration of small and medium scale industries using biomass gasifier system, provision of minimum electricity to rural areas through Solar Home System, Technical Assistance and Capacity Building programme among member countries, set up BIMSTEC Energy Business Forum, strengthening Educational Infrastructure through the use of Renewable energy Technologies, opportunity for women in Renewable Energy Sector and, establishment of Research Institution Network. 802 To speed up the pace of implementation Myanmar convened third meeting of BIMSTEC Energy Sector Experts at Yangon in 2002. During the meeting, the two coordinating countries India and Thailand made suggestion on: the status of implementation of the development of Energy Infrastructure (Natural Gas) project in the BIMSTEC region, format for collecting, compilation and consolidation of energy information and, implementation of the Development of New and Renewable Sources of Energy Project.<sup>803</sup>

Myanmar also made a presentation on the status of the Establishment of Energy Information Center and the member countries also discussed in details and finally laid down five action plans for the: Development of Energy Infrastructure (Natural Gas); Development of New and Renewable Energy Resources; Terms of Reference for the

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<sup>801</sup> Kyaw Aye (2003). Op.cit. p. 168.

<sup>802</sup> Ibid, p. 169.

<sup>803</sup> Union of Myanmar (2002). Report of the BIMSTEC Energy Sector Third Meeting of the Committee of Experts/Officials Meeting, Yangon.

Energy Sector Sectoral Committee; Terms of Reference for the Energy Infrastructure Development (Natural Gas) Task Force and; terms of references for the Development of New and Renewable Sources of Energy Task Force. 804 Myanmar, in short, during a short period of BIMSTEC has carried forward a great performance laying the ground work for cooperation of energy sector among the BIMSTEC member countries. Similarly, the Government of Myanmar also initiated mechanism to improve agricultural production in a scientific method by applying modern technologies. They undertook a mile ahead forming an Expert Group to share information to the member-states the methods of agriculture. It was widely acknowledge, particularly by India, for the serious step undertaken by Myanmar on their concern lead area.

## 5.8. Tasks of BIMSTEC in Indo-Myanmar Relations

Indo-Myanmar relation is of utmost importance in the context of its new orientation and area specific approach to have more cordial relations with nearby regional groupings. The BIMSTEC have a very important role to strengthen this effort as it can serve the interest of both Indo-Myanmar relations as well as integrate the South and Southeast Asia divide. It has, no doubt, plays a critical role in the Indo-Myanmar relations. Some experts describe that Indo-Myanmar relation without BIMSTEC would be lagging on old issues because there was no platform where the two countries can rebuild their mistrust. For the past many decades the bilateral ties has been staggering due to ideological differences taking very strong position against each other and in such climate an occasional dialogue is not possible to overcome the barriers. It is with the emergence of BIMSTEC as a sub-regional cooperation that have allows a platform to deal issues including bilateral problems and long term socio-economic agenda. This cooperation creates a diplomatic freedom to openly discuss the common issues and take measures to resolve it. Within the short span of its existence, many progressive actions have been taken and there is some sense of trustworthiness among the leaders especially between India and Myanmar. Consequently, the result of it has provided meaningful dialogue and cordial relations have slowly established.

<sup>&</sup>lt;sup>804</sup> Kyaw Aye (2003). Op.cit. p. 172.

The BIMSTEC has, indeed, initiated a very ambitious plan to generate meaningful cooperation on the laid principles. In light of this, India and Myanmar are performing their responsibility on the lead priority areas. Alongside that BIMSTEC also initiated a framework for Free Trade Agreement (FTA), India and Myanmar is taking undue diligence to materialize the FTA so that relations encompassing all sections will improve in days to come. The relationship of India and Myanmar, in this way, has now taken a new momentum guided by the principle of peaceful co-existence. Since the formation of BIMSTEC, both the countries are unceasingly putting effort to enhance the cooperation through bilateral negotiation and multilateral initiatives with an objective to maintain peace, security and harmony between the two nations. Khin Maung Nyo, Chairman of Myanmar Economic Association, describes that Indo-Myanmar relations have unlimited prospects if an engagement is in right direction and this avenues encompasses diplomatic to military and economic to strategic relations but, keeping in mind, it does not end at bilateralism. 805 He further reiterates that regional organization like BIMSTEC is a cornerstone for the meaningful exploitation of relations. 806 In every Ministerial Meetings of BIMSTEC the representatives of both sides intermittently hold a sideline discussion to enhance the relations. Both sides are committed to expand in diverse spectrum covering military, diplomatic, economic and cultural areas. The Indian Prime Minister Shri Narendra Modi visited Naypyidaw in 2014 and discussed various issues like terrorism, trade including border trade, connectivity, cultural exchanges etc. with the Myanmarese President. 807 In reciprocity Myanmar's President Their Sein along with delegations visited New Delhi in the same year and that is how the relation enters a new phase of mutual cooperation under the aegis of BIMSTEC. 808 There are views among academia, policy analysts and civil society that the recent development of relations is because of some compulsive factors.

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<sup>&</sup>lt;sup>805</sup> This is the view of Khin Maung Nyo, Chairman of Myanmar Economic Association, during personal interview in August, 2014 at Singapore.

<sup>806</sup> Ibid.

<sup>&</sup>lt;sup>807</sup> Prashanth Parameswaran (2014, November 17). Modi Unveils India's 'Act East Policy' to ASEAN in Myanmar. The Diplomat. Retrieved from http://www.thediplomat.com/2014/11/modi-unveils-indias-act-east-policy-to-asean-in-myanmar/

<sup>&</sup>lt;sup>808</sup> Satish Kumar ed. (2014). India's National Security: Annual Review 2013. New Delhi: Routledge, p. 552

Firstly, India and Myanmar is in need of new economic avenue for outsourcing their production. The instant option was to have partnership within the sub-region, particularly immediate neighbours, and the two countries being connected by long continental and maritime is a possible chances to exploit it. Above that India and Myanmar are two largest countries in the sub-region with huge resources. Thus India and Myanmar signed Memorandum of Understanding (MoU) on trade and economic cooperation on January 21, 1994.809 A new idea that came into effect through this partnership is expansion of border trade at the border. Henceforth, the volume of trade has largely increased beyond expectation from both the sides. For instance, the volume of import of India from Myanmar in 1997-98 was 83,253.09 but it has increased to 747,653.51 in 2014-15. Similarly, the export volume of India to Myanmar was 18,326.38 in the financial year 1997-98 but it has annually increased and reached 473,934.51 in 2014-15.810 In accordance with the data, Indo-Myanmar economic cooperation has climbed up manifold, which is a positive symbol of the cooperation. In context of border trade, there are two full-fledged trade centre constructed to improve the trade in 1990s. Unfortunately, the border trade until recently does not form a large share of the total trade volume between Indian and Myanmar, yet it is very significant from the angle of India's interest toward Southeast Asia through the Northeast. India and Myanmar in 2013 have formally agreed to open new border trade centre at Pangsau Pass, East Ukhrul and Longwa and with this there will be five border trade centers including the Moreh-Tamu and Zawkhathar-Rih between the two countries.<sup>811</sup> As a result of this relation, India has become one of the four largest trade partners and largest export market of Myanmar since 2006-07. India has already given preferential tariff to most of the items imported from Myanmar namely wood products, legumes, gems etc. Recently, India and Myanmar is also trying to make the BIMSTEC-FTA materialized.

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<sup>&</sup>lt;sup>809</sup> It is later brought within the larger ambit of BIMSTEC when the border trade is expanded to Zawkathar Champhai-Rih in 1997. See at J.S.R. Khathing (2005). Indo-Myanmar Border trade. In Gurudas Das, N. Bijoy Singh & C.J. Thomas (eds.), Indo-Myanmar border trade: Status, Problems and Potentials. New Delhi: Akansha Publishing House, p. 43.

<sup>&</sup>lt;sup>810</sup>DGCI-GOI (2015). Export and Import data upto January, 2015. Retrieved from http://www.dgciskol.nic.in/

Rajiv Sikri & Marie Lall (2007, August 22). Whither India-Myanmar Relations. South Asia Analysis Group, Paper No. 2341, cited in K. Yhome (2008). Op.cit. p. 7.

Secondly, infrastructure in the form of transport and communication connectivity constitutes one of the priority sectors of BIMSTEC with India as the lead country. In the first meeting of BIMSTEC Expert Group on transport and communications sector held at New Delhi in 2001, the discussion mainly focus on issues concerning transport and communication, cross-border facilitation, multi-modal transport, maritime transport, aviation etc. and many infrastructure ventures have become an integral part for India and Myanmar.812 Under this initiatives India undertook a very constructive effort to materialize its lead priority area. But to move forward, Myanmar being a gateway to either side needs collaboration, hence India and Myanmar put extra effort both at the level of bilateral and BIMSTEC in making the programme successful. As a result the road construction of India-Myanmar-Thailand Trilateral Highway is completed and about to functionalize by mid 2016.813 Other than that, it has taken decision to connect by different means of road linkage between the two countries. Thus the 165 km long Tamu-Kaleyo-Kalewa namely India-Myanmar Friendship Road is constructed in February 2001 and marked a significant facet of India-Myanmar infrastructure cooperation. Another significant move in this direction is the construction of rail link from Jiribam to Mandalay, road leading to Deep Sea Port is under-construction and likely to complete at the earliest.814 All these initiatives undertaken by India and Myanmar are part of the larger programmes of BIMSTEC.

Thirdly, energy is one of the thirteen priority areas that BIMSTEC has set under its programme. This cooperation gives a podium to share the resource among the members of abundance resources with those who face scarcity through cooperative engagement. In this context, India is the sixth largest energy consumer of the world but the domestic production is marginal to serve the needs of consumer so it largely import from oil producing countries. On the other hand, even without further discoveries,

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Mahendra P. Lama (2003). Technology Cooperation among the BIMSTEC Countries: Issues, Challenges and Opportunities. *BIIS Journal*, 24 (3), p. 308.

<sup>813</sup> Swaran Singh (1998). Myanmar: The 'Strategic Hub' of the 21st Century Asia. *U.S.I. Journal*, CXXVIII (532), p. 251.

<sup>&</sup>lt;sup>814</sup> It is personal observation during the fieldtrip to the work site on September, 2015. So far the rail link is concern, the route from Jiribam to Tupul (near Imphal) has completed the major part of work but from Imphal to Moreh would take another few years though the construction would be much faster unlike Jiribam-Tupul area because major segment are plain.

Myanmar has enough gas to last for another 38 years at the current rate of extraction. 815 In 2004-05, natural gas alone form 34.8 percent of the total of Myanmar's export. As a result India is attracted to import the gas from Myanmar. Myanmar is a lead country on energy in BIMSTEC, therefore India seek the permission to import from the Myanmarese government. The ONGC Videsh Ltd and GAIL are engaged in oil and gas extraction works in Rakhine offshore in the Bay of Bengal. 816 Notwithstanding the loss of some important deals earlier to China, the Indian side is still hopeful from Naypyidaw to allow extraction of gas. In this connection an agreement was signed between the two countries.

Fourthly, Indo-Myanmar relation on security cooperation is another cornerstone that is being adopted under the initiatives of BIMSTEC. In the second summit, 2008 the BIMSTEC has added seven new priority areas and one of them is counter-terrorism and transnational crimes. Under this principle India and Myanmar have taken a concerted effort to fight insurgent groups who has base their camps in the border fault line with the indirect support of Chinese People Liberation Army. 817 For past many decades this insurgency had been disturbing peace and security on Indian side, and more worst to Myanmar bringing nearly disintegration of the state. Despite the harsh experienced of the insurgents' guerilla warfare it was not possible to tackle by individual state due to porous region and crossing over other territory. Kyaw Yin Hlaing, Program Director of Myanmar Peace Center, says the difficulty to tackle the insurgent groups in Indo-Myanmar borderland has force the two nations to collaborate in fighting against it. This is a long term strategy and effort to subdue the existence of insurgents has to be continued.<sup>818</sup> Since the rapprochement of relations, India and Myanmar have pursued three major joint operations in the frontier: Operation Leach in 1998 against the NUPA (National Unity Party of Arakan), Operation Hailstorm in 2005 against Chin National Front<sup>819</sup> and Hot Pursuit in 2015 against NSCN (K).<sup>820</sup> Moreover, the security

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<sup>815</sup> Kyaw Aye (2003). Op.cit. p. 161.

<sup>&</sup>lt;sup>816</sup> ONGC (2013). Exploring new horizons: Annual Report 2012-2013. New Delhi: ONGC, p. 42.

Rumel Dahiya & Ashok K. Behuria (2012). India's Neighbourhood: Challenges in the Next Two Decades. New Delhi: Pentagon Press, p. 75.

<sup>&</sup>lt;sup>818</sup> Kyaw Yin Hlaing, Program Director of Myanmar Peace Center, opinion shared during the interview on the issue in 2014 in Singapore.

Archana Upadhyay (2009). *India's fragile borderlands: The dynamics of terrorism in North East India*. London: I.B. Tauris & Co., p. 36.

cooperation is also because of the security dilemma in the sub-region, particularly the Chinese has growing influence in Myanmar vis-à-vis encircling India with ambition to dominate Indian ocean realm, which cause uneasiness not only to India and Myanmar but across the sub-region.<sup>821</sup> Thus, to defence the silence penetration of Chinese hegemony, India and Myanmar mechanize cooperation on security.

### 5.9. The Action-Plans: Plausible Deeds of India and Myanmar

India and Myanmar is the two largest members in BIMSTEC and the commitment made by them in the last two decades is unique and incomparable. Under the aegis of BIMSTEC, the two countries has reached a new level of friendship, from fault line to frontline, and this is because of the realistic approach taken by both side to venture the real taste of cooperation. India and Myanmar have prioritized the initiatives of BIMSTEC and carried out the work in tandem that shows a certain degree of maturity. Skeptic argues that the pace of work is snail slow and the progress imprint is mere symbolic with no accountable for a progressive development. The counter argument is that under the barb of huge ideological difference it is quite difficult to reconcile their mistrust leaving aside the issue of venturing developmental projects. The two countries, instead, join and participate along with other members to fulfill the collective goals of BIMSTEC overseeing the past memories. This revival approach creates a new window to openly discuss as well as formulate common minimum goals from words into actions. Many initiatives of BIMSTEC are still in the pipeline, some of the projects undertaken by India and Myanmar that is on barge of completion are:

# a. India-Myanmar-Thailand Trilateral Highway

This trilateral highway is a one of the projects India, Myanmar and Thailand have undertaken under the auspicious of BIMSTEC initiatives. The primary objective was to

Myanmar hot pursuit signals massive change in India's strategy (2015, June 10). Times of India, New Delhi. Retrieved from http://timesofindia.indiatimes.com/india/Myanmar-hot-pursuit-signals-massive-change-in-Indias-strategy/articleshow/47606735.cms

Srikanth Kondapalli (2009). *India's Northeast and Southeast Asia: Chinese interests and strategies*. IPCS Issue Brief, No. 106, p. 29. Also see at Kolas, Ashild (2007). Burma in the Balance: The Geopolitics of Gas. *Strategic Analysis*, 31 (4), p. 637.

connect the BIMSTEC countries through continental route. Recoming operational of the India-Myanmar Friendship road, India and Myanmar had involved in discussions with Thailand to develop transport linkages through a trilateral highway project from Moreh in India to Mae Sot in Thailand via Bagan in Myanmar. The discussion to this effect had been taken during the India-Myanmar-Thailand Ministerial Meeting on transport linkages held in April, 2002 in Myanmar. This project is one of the initiatives India and Myanmar has charted of and the vision of this construction is not end from connecting the three countries from Moreh to Mae Sot but galvanize more and so promotion of highway from Kachana Buri in Thailand to Dawei deep sea port in Myanmar and shipping links to seaport in India as part and parcel of one integrated package so that there would be promotion of trade, investment and tourism through facilitation of transit of goods and people across the borders; and cooperation in human resources development. Recommendations of the india search of the promotion of transit of goods and people across the borders; and cooperation in human resources development.

Subsequently, in April 2003, the technical task forces regarding this project is completed the field survey and all members agreed on a route alignment at the technical level. Page 1825 In order to update the status, another trilateral ministerial meeting was held in New Delhi on 23<sup>rd</sup> December, 2003 and a Joint Press Statement has been released by the representatives of three countries. Under this meeting, India agreed to offer of a 'Line of Credit' at concessional terms to Myanmar for financing the new construction of road from Chaungma-Yinmabin (30 km), and Lingadaw-Letsegan-Pakokku (48 km). Interestingly the Government of India, with view to strengthen the relations, also agreed to consider similar financing for the upgradation to two-lane standard of the Yinmabin-Pale-Lingadaw road (50 km) as well as considered to internal approval financing of the

<sup>822</sup> Biswajit Nag & Debdeep De (2007). Op.cit. p. 18.

<sup>823</sup> It was taken decision between the Secretary-1 Lt-Gen Khin Nyunt, Minister of External Affairs Mr Shri Jaswant Singh, Minister for Foreign Affairs U Win Aung and Minister of Foreign Affairs of Thailand Dr Surakiart Sathirathai. See at The New Light of Myanmar (Sunday, 7 April, 2002). Joint Press Statement of India-Myanmar-Thailand Ministerial Meeting on Transport Linkage on 6<sup>th</sup> April, 2002 in Myanmar. http://www.burmalibrary.org/NLM/archives/2002-04/msg00006.html

<sup>824</sup> Ibid

<sup>825</sup> Joint Press Statement on India-Myanmar-Thailand Ministerial Meeting on Transport Linkages (2003, December 23). Documents Section, Ministry of External Affairs, Government of India. http://www.mea.gov.in/bilateral-documents.htm?dtl/7689/

upgradation for 132 km long Baga-Meiktila segments. Consequently the Indian government undertakes the preparation of a Detailed Project Report (DPR) for a bridge over the Ayeyarwaddy river and for the causeways near Kyadet. The road alignment for the project is completed within three years. Hut later Myanmar has requested India to consider the new route through Mandalay, thus India accepted the suggestion because it would lessen the burden of construction on a totally new route. The latest proposal of the trilateral highways' route is from Moreh (India) via Tamu, Kalewa, Yagyi, Chaungma, Monywa, Mandalay, Meiktila bypass, Taungoo, Oktwin, Payagyi, Theinzayat, Thaton, Hpaan, Kawkareik, Myawaddy and finally to Mae Sot in Thailand. Henceforth the proposal is accepted India have started the construction and it is on bar of completion. The inauguration of this road is now planned in 2016<sup>828</sup> but before that India and Myanmar is inaugurating a bus service, as part of the trial, between Imphal and Mandalay in December 2015. Service is proposed in the proposed in the proposed in December 2015.

The trilateral road connecting India's northeast to Mandalay, an important commercial city, in Myanmar is promptly regarded a big booster to Indo-Myanmar relations. The first part of the road that is from Moreh to Kalewa via Tamu is part of the friendship road and the condition is within it good and motorable. Ralewa-Yagyi, and Myanmar constructs the Yagyi-Chaungma-Monywa route. Monywa-Mandalay is already developed, and Meiktila bypass-Taungoo-Oktwin-Payagi is part of the Yangon-Mandalay highway and is in good condition. The road that is under construction is between Payagyi-Theinzayat-Thaton. The Government of Myanmar sought loan from Asian Development Bank for the route between Thaton-Mawlamyine-Kawkareik but road within Kawkareik-Myawaddy is completed under Myanmarese government own resources and Myawaddy-Mae-Sot the road is under

<sup>826</sup> It is taken under the serial no. 6 of the agreement. Ibid.

<sup>827</sup> Cho Cho Thein (2008). Op.cit. p. 22.

<sup>828</sup> India-Myanmar-Thailand Joint Task Force Meeting on the Trilateral Highway Project (2012, September 11). Media Centers, Ministry of External Affairs, Government of India. http://www.mea.gov.in/press-releases.htm?dtl/20541

<sup>&</sup>lt;sup>829</sup> Imphal-Mandalay trial bus service flagged off (2015, December 9). *Imphal Free Press, Imphal*. http://www.kanglaonline.com/2015/12/imphalmandalay-trial-bus-service-flagged-off/

Amit Baruah (2001, February 14). India, Myanmar road opened. *The Hindu, online edition*. http://www.thehindu.com/2001/02/14/stories/01140004.htm

construction. 831 Once this trilateral highway is completed, the geographical landscape of the land-locked Northeast of India will be land-linked with the mainland Southeast Asia.

# b. Kaladan Multi-Modal Project

The Kaladan Multi-Modal Transit Transport facility envisages connectivity between Indian ports on the eastern seaboard and Sittwe port in Myanmar on one hand and connection through the riverine transport by road to Mizoram, thereby providing an alternate route for transport of goods to India's northeast. 832 The project also provides hydropower connection to the frontier of India's northeast. Many policy makers attribute that it will directly open a center-stage of easier transportation to the northeast from Mizoram to the rest of the world through maritime route. The project involves development of a trade route between the two countries along the river Kaladan. 833 The river Kaladan is navigable from its confluence point with the Bay of Bengal near Sittwe upto Setpyitpyin (Kaletwa), Myanmar, on its north.<sup>834</sup> Beyond that the river is not navigable owing to swallow water depth and frequent rapids. Therefore, transportation by road is proposed for this stretch. From Sittwe port to Kaletwa, transportation will be by waterway and from Kaletwa to India-Myanmar border transportation will be byroad. This maiden project is signed in 2008 with an estimate budget of Rupees 545.85 crores for the implementation in sea and inland water under the collaboration of implementing authority of Ministry of External Affairs and implementing agency Inland Waterways Authority of India. 835 The land surface road construction is constructed by Public Work Department of Mizoram under the observation of the Mizoram government with

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<sup>&</sup>lt;sup>831</sup> The India–Myanmar–Thailand Trilateral Highway project sponsored by the BIMSTEC including both routes and design standards, and more precisely the loan taken by Myanmar in this regard is given at Regional Transport Infrastructure: Mapping Projects to Bridge South Asia and Southeast Asia (2015, September). ADB Briefs NO. 43. Asian Development Bank, p. 7.

<sup>832</sup> Kaladan Multi-Modal Transit Transport Project (2014, April 25). Ministry of DONER, Government of India. http://www.mdoner.gov.in/content/introduction-1

This engagement come as public and government opposition to Chinese infrastructure projects in Myanmar rises, offering India the opportunity to fill the strategic gap left by China's waning influence in the Southeast Asian country. While China remains Myanmar's largest trade partner and supplies the bulk of the Myanmar Armed Forces' weapons, the Myanmar government seems to be losing interest in Chinese investment in its infrastructure. See at Jacob Goldberg (2014, August 29). Myanmar's Great Power Balancing Act. The Diplomat. http://www.thediplomat.com/2014/08/myanmars-great-power-balancing-act/

<sup>834</sup> Yogendra Singh (2008). Op.cit. p. 63.

<sup>835</sup> Kaladan Multi-Modal Transit Transport Project (2014, April 25). http://www.mdoner.gov.in/content/introduction-1

estimated budget of Rupees 550 crore. The project activities of upgradation of port and waterway and construction of road from Kaletwa to Indo-Myanmar border is expected to be completed by 2011-12 but due to delayed in construction it is still expected to be completed.<sup>836</sup>

India and Myanmar have given final touch to the Kaladan Multi-Modal Project. This ambitious project includes the building of a waterway, road and developing the Sittwe port is a part of the Kaladan multi-modal transport project that envisages facilitating movement of cargo vessels by road and inland water from Mizoram through Kaladan river, all the way to Sittwe town in Rakhine state of Myanmar. The port is about 12 hours from Haldia and 36 hours from Vishakapatnam. 837 The project will provide an alternative route for transporting goods to and from the Northeast. India has been looking for a transit rights from Bangladesh also but successive Bangladesh government have again and again rejected the request. Dhaka fears that giving transit facilities to India would affect its own exports to the northeast regions. 838 Earlier the progress of negotiations on the project is delayed due to the following reasons: India wanted to retain control of Sittwe port due to its huge investment in this project but it was not accepted to Myanmar and the commitment to invest about USD 10 million was failed due to financial constraint. However, all the sticking issues have been resolved with India softened its demand and agreeing to handover the port after its completion. Besides, India also agreed to provide a soft loan of about USD 10 million to Myanmar. 839 Since then the project has been started with effort to complete within the time frame. Though India signed this project on the terms of Myanmar but it would definitely help India to boost the economy of its northeastern part by facilitating the transport of goods via road and river from the

<sup>&</sup>lt;sup>836</sup> Ibid.

<sup>&</sup>lt;sup>837</sup> Kaladan corridor project likely to be completed by 2016: Singh (2014, August 14). *The Sangai Express / Press Trust of India, New Delhi.* http://www.e-pao.net/GP.asp?src=1..150814.aug14

<sup>&</sup>lt;sup>838</sup> Julien Levesque (2008, 6 May). Northeast in India's Look East Policy. Report of the IPCS Seminar held on 6 May, 2008 IPCS No. 2558.

http://www.ipcs.org/article/south-asia/northeast-in-indias-look-east-policy-2558.html

<sup>&</sup>lt;sup>839</sup> Papori Phukan (2008, 27 August). Kaladan Multi-modal Project in Myanmar. IPCS No. 2663. http://www.ipcs.org/article/southeast-asia/kaladan-multi-modal-project-in-myanmar-2663.html.

landlocked northeast states to Sittwe port and from there on to markets in Southeast Asia and beyond.  $^{840}$ 

# c. Indo-Myanmar Friendship Road

Myanmar is an important country on the rim of Bay of Bengal, lying astride India's southeastern trade route. The southeastern coast of Myanmar is close enough to the Andaman and Nicobar islands of India. Therefore, joint venture on infrastructure developments with Myanmar could protect India's security interest in the Bay of Bengal because geographically, the northern border of Myanmar is junction with Bangladesh, China and the sensitive north eastern frontiers of India.<sup>841</sup> After formulating the Look East Policy in the early 1990s, a special relationship with Myanmar has evolved as centerpiece of the policy to establish close physical and economic links with its eastern neighbors. Myanmar is a natural land bridge linking the two regions whereas India is keen to exploit this location by building cross-border road into Myanmar. Indo-Myanmar Friendship Road, a 160 km highway, linking the India's Northeast with Myanmar is significant both from the perspective of economic and security relations.<sup>842</sup> As a result India and Myanmar has agreed upon the construction of friendship road connecting from Moreh on Indian side to Kalewa on the Chindwin river of Myanmar. Therefore, Indo-Myanmar friendship Road is constructed with larger goal to strengthen the BIMSTEC, and this road has brought together littoral countries of the Bay of Bengal and paved way to easily promote regional cooperation on trade, transport and communication, counterterrorism and people-to-people contact.<sup>843</sup> Moreover, the opening of the highway has farreaching political, economic, security and drug suppression repercussions, rather than the simple acknowledgement of friendship. The road would definitely strengthen existing

The construction activities at Sittwe in Myanmar started in December 2010. As on date, the physical progress achieved is 79 percent (approx.) and financial progress is 65 percent (approx.) i.e. Rs. 224 crores has been recorded till date. Original time schedule for completion of this component was till June 2013 which has now been extended till June 2014 due to delay in handing over of land at Sittwe & Paletwa, custom clearances & other approvals by Govt. of Myanmar. See *Kaladan Multi-Modal Transit Transport Project* (2014, April 25). Op.cit. p.1.

Manjeet S. Parderi (2004). *India's Look East Policy: Reaching Southeast Asia via Northeast India*. IDSS Commentaries (60/2004), Singapore.

Barthakur (2013, 4th February). Road to and from Myanmar to India. Presentation at India-Myanmar Strategic Partnership Organized by RIS, New Delhi, RIS Part II, p. 5. http://www.ris.org.in/images/RIS images/pdf/20PPT/Barthakur.pdf

Amit Baruah (2001, February 14). India, Myanmar road opened. *The Hindu, Kalemyo*. http://www.thehindu.com/2001/02/14/stories/01140004.htm

trade and cultural contacts between the two neighbours. The significance of this road is its continuation of the great tradition of social and spiritual linkages between two neighbouring countries.

## d. Zawkhathar-Rih to Kalemyo via Tiddim Road

India and Myanmar also initiated to construct the Zawkhathar-Rih to Kalemyo via tiddim road to have better connectivity between the two countries. Earlier the road connecting Zawkhathar LCS (Mizoram) from Myanmar is more of a Kutcha road from Kalemyo via Tiddim that can plied only in dry season. It was indifferent even on Indian side with stretch of 4-5 kms between Zawkhathar and Rih town and upgradation of road is utmost important to have a seamless connectivity.844 In this effect, during the visit of the Chairman Than Shwe, SPDC of Myanmar to India in July 2010, it was discussed and agreed upon for the upgradation and revamping of the Rih-Tidim road in Myanmar under the financial assistance from India.<sup>845</sup> Thus India has sanctioned an amount of USD 60 millions and with assistance the road is made a single lane road. Subsequently, the new president of Myanmar U Thein Sein paid a state visit to New Delhi on 12 October, 2011 and reconfirms the commitment of friendship road construction laid down by his predecessor. 846 IRCON has prepared the estimate of the 80 km Rih-Tidim road at Rs. 298 crore and subsequently the Ministry of External Affairs has obtained the approval of the Committee of Non-Plan Expenditure (CNE). The construction will be completed within three years of the requisite approvals. India has agreed for implementation of Rih-Tidim Road Development Project in Myanmar with grant assistance to that country with a goal to strengthen Indo-Myanmar relations.<sup>847</sup> In mid 2012 India announced a USD 500

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<sup>844</sup> Kaladan Multi-Modal Transit Transport Project (2014, April 25). op.cit. p.1.

<sup>&</sup>lt;sup>845</sup> Joint Statement during the visit of Chairman, State Peace and Development Council of Myanmar (2010, July 27). Document section, Ministry of External Affairs, Government of India. http://www.mea.gov.in/bilateral-documents.htm?dtl/4283/Joint+Statement+during+the+visit+of+Chairman+State+Peace+and+Development+Council+of+Myanmar

<sup>846</sup> India rolled out the red carpet and given a full state welcome in New Delhi for the official leg of his three-day trip that followed the government's release of about 200 political detainees – the latest in a series of reformist moves. The former general, who arrived in India on October 12 had spent two days touring Buddhist pilgrimage sites. See at Thomas Kean (2011, October 17). President U Thein Sein visits India. Myanmar Times, New Delhi. http://www.mmtimes.com/index.php/national-news/1962-president-u-thein-sein-visits-india.html

<sup>&</sup>lt;sup>847</sup> Joint Statement by India and Myanmar on First Meeting of the India-Myanmar Joint Consultative Commission (2015, July 15). Ministry of External Affairs, Retrieved from http://mea.gov.in/bilateral-documents.htm?dtl/25485.

million line of credit to Myanmar to be utilized for infrastructural development projects in agriculture and irrigation, railways, road construction, including Rih-Tedim road, telecom and rural electrification etc in Myanmar. This is besides the MoU on India-Myanmar Border Area Development fund for which the Indian side has informed Myanmar that the second-year projects of \$5 million may now be utilized. This road would promote trade and travel links between Myanmar and Mizoram and help in optimizing the investment made in the Zawkhathar LCS. The Rih-Tidim road in Myanmar is essential to get value out of the investment already made for developing LCS facilities at Zawkhathar. Delivering the keynote address at the Ministerial Session of Delhi Dialogue VIII, titled 'ASEAN-India Relations: A New Paradigm', the External Affairs Minister Sushma Surwaraj said, "India has been working with ASEAN to enhance physical connectivity via our North East, as well as our eastern seaboard." 848

#### 5.10. BIMSTEC and India's North-East

India's Northeast is the only corridor that bridges India with rest of the BIMSTEC countries through the continental route. In this context, the Northeast forms a very important position for the successful materialization of BIMSTEC. After reaffirming this geographical importance, India exerts to integrate the Northeast politically with mainland India and economically with the BIMSTEC countries. The primary objective is to contain harmonious interaction and free transaction of business among the member countries. <sup>849</sup> Eventually India framed numerous projects, under the aegis of BIMSTEC, to enhance infrastructure and other economic development in different parts of Northeast, and one major initiative undertaken was to establish appropriate mechanism for implementation of infrastructure and capital investment. <sup>850</sup> In the past, the Northeast has been cornered from all forms of development due to various reasons. Many Indian policy makers describes that it was because of geographical location at the periphery, and others called this negligence is due to the domination of insurgent groups, unproductive landlocked,

<sup>&</sup>lt;sup>848</sup> Connectivity game changer for NE: Sushma (2016, February 20). Special Correspondence, *Assam Tribune, Guwahati*. http://www.assamtribune.com/scripts/detailsnew.asp?id=feb2016/at050.

BIMSTEC (1997). Declaration on the Establishment of the Bangladesh-India-Sri Lanka-Thailand Economic Cooperation (BISTEC), Retrieved June 7, 2010. URL: http://mofa.gov.bd/bimstec/dec establis.html.

<sup>850</sup> M.P. Bezbaruah (2007). Indo-Myanmar Border Trade: The Stakes for North East India. *Dialogue*, 9 (1): p. 70.

huge corruption. The counter argument would be that the government responsibility is to find measure to implement the necessary projects despite the existence of such elements. Unfortunately the frontier is kept untouched which faced insurmountable imbalance on all fronts. The people, as a result, felt alienated and criticize the Government of India for the lukewarm response except proactive enforcement of armed forces in the region. 851

Since India became a member of BIMSTEC, it realizes that the success of India lies on the northeast. The Indian policy-makers also have an opinion that at present scenario the people of Northeast would not open up their readiness on the ambitious plan of India. The option to overcome this deadlock lies on the court of government i.e., to prioritize infrastructural development of its own northeast frontier. Accordingly the strategy was initiated and the Government of India created separate ministry for the northeast, which is to replicate the Look East Policy as guidelines to develop the region. The Ministry for Development of Northeast Region (DONER) has come up to look after the welfare of the region. Under the DONER, the centre sanctioned economic packages for quick infrastructural development, the people also reciprocated well to the initiative, and hence the region is observed better transport and communication, and other basic infrastructure also steadily improved since then. Because the domestic government, is indirectly part of the India's partnership with Southeast Asian countries under the aegis of BIMSTEC.

Meanwhile, the BIMSTEC as a sub-regional organization has strengthened its cooperation in the last two decades and India's role become more active with strong national interest to garner socio-economic development in the Northeast out of this cooperation. Consequently, numerous projects are introduced under the initiatives of BIMSTEC in the region. India as a lead country on priority areas of transport and communication, counter terrorism, tourism and border trade, a dramatic improvement is

<sup>&</sup>lt;sup>851</sup> Puyam Rakesh Singh (2015). Crossing the Indo-Myanmar Border: Fear, Cooperation and Mistrust in Act East Policy. In Conference Report of *India-Myanmar Relations: Looking from the Border*, (pp. 10-18). New Delhi: Institute of Social Sciences & Burma Center Delhi, p.11.

<sup>852</sup> DONER (2004). Constitutional Provision: Chapter I-Introduction. Government of India. http://www.mdoner.gov.in/sites/default/files/Chapter-I.pdf

encountered especially in the northeast. 853 In context of transport and communication, the region encountered better quality road and rail linkage with more frequency. For example, the four and six length of road facility is introduced after India's engagement with BIMSTEC. Above all, India has opened connectivity to other neighbouring countries through northeast, advantage of being border with other countries by ninetyeight percent, and this connectivity has earmarked northeast a new centre of linking with outside particularly with Southeast Asian countries. The trilateral Asian highway, Kaladan Multi-modal project road and India-Myanmar Friendship road are few among other roads that would make the northeast integrated with Southeast Asia. Besides, the rail project which is under construction from Jiribam to link Southeast Asian countries is another booster for the northeast. The air connectivity is also on the pipeline to connect the northeast with Bangkok, Naypyidaw and Singapore, and under this initiative Bordoloi Airport Guwahati and Imphal airport has already been conferred an international airport status in 2014.854 Similarly, the Government of India under BIMSTEC initiatives has open up the region a tourist destiny. In order to attract tourism some of the laws that restricted the region earlier due to security concerns have been promulgated in recent years. In the same breadth, the insurgent have been slowly neutralized through soft and hard action.

Unlike before the capital investment is slightly increased in recent years because the public and private enterprise are venturing markets in the region. From food enterprise to heavy technology business it has started flowing in, one mostly seen is the service sector. All this entrance does not suddenly prop in without valid reason, they saw a rapid integration of the region with South and Southeast Asia which would one day become a commercial hub. Since the implementation of those BIMSTEC initiatives, the Northeast is progressively enhancing its socio-economic status as opportunity becomes expanded with the bordering countries. 855 To further strengthen the livelihood of people the Government of India has also enacted Vision Document 2020 in collaboration of

<sup>853</sup> Padmaja Murthy (2000). Op.cit. p. 835.

<sup>&</sup>lt;sup>854</sup> Laldinkima Sailo (2012, November 16). Northeast India-Southeast Asia Connectivity: Barrier to Bridge. ISAS Working Paper No. 162, p. 12.

<sup>855</sup> Samir Kumar Das (2008). BIMSTEC or the Big Leap Forward for India's Northeast?. *World Focus*, XXIX (1), p. 16.

BIMSTEC's objectives to enunciate different developmental programme in the Northeast. Once the initiative of these documents is materialized the past predicament would be wiping away and become indifferent with other parts of India in context of infrastructural development and opportunity. The engagements of BIMSTEC have high potentiality to augment the region in diverse economic areas and would enhance better connectivity with the world in near future. The BIMSTEC initiatives is though not enough, larger expectation of people is that more schemes would unleashed and change the condition of Northeast's economy. Until this year BIMSTEC has extraordinarily working up and set dramatic facelift in some vital areas.

## 5.11. Changing India's Northeast from Pariah Frontier to Integrated Corridor

India has been looking for an alternative approach to resolves the northeast issues through different means, and when India became member of BIMSTEC it gradually pave way to bring down the long dogged issue of the northeast. The main earmarked of this paradigm shift was economic integration with the Southeast Asia across the region. Jairam Ramesh describes that northeast problem is as old as India's independence and it is very difficult to understand the cause of animosity. The Government of India, over the time, applied various methods to understand the problem of northeast. At the beginning, it was perceived as law and order problem and hence there was huge enforcement of police and paramilitary forces to tackle the problem. Instead the police action ricocheted with severe antagonism from the civil society on one hand, and increased militancy on the other. Secondly, political paradigm was initiated with a presumption that giving statehood on the basis of ethnic line would appease the problem, and accordingly the state of Assam was trifurcated to form states like Mizoram, Meghalaya and Arunachal Pradesh, and along with those states Manipur and Tripura was

<sup>856</sup> Thongkholal Haokip (2011). Essays on the Look East Policy and North-East India. Man and Society-A Journal of North East Studies, Vol. VIII, Summer 2011, pp. 161-172. Book Review on Dilip Gogoi (ed.), Beyond Borders: Look East Policy & North East India, (2010; pp xiv + 317, Rs 670). Guwahati: DVS Publishers, p. 163.

<sup>857</sup> Samir Kumar Das (2008). Op.cit. p. 18.

<sup>858</sup> Ibid, 18.

<sup>859</sup> Thongkholal Haokip (2011). Op.cit. p. 165. Also see at Hazarika, Niru (2011). Op.cit. p. 12-13.

also upgraded to status of state. Rio Prior to that the state of Nagaland has already been granted statehood in 1963 but the problem does not ebb to a logical end. Hence a cultural paradigm is applied to recognize and support the cultural activities by recognizing the mosaic of culture embedded in the landlocked frontier. Nonetheless even this method could not resolve the northeast from the ongoing situation. The insurgency instead expanded its network in the whole region and creates security dilemma. Some protagonist describes that even a development paradigm is enforced in 1980s but unfortunately the model collapsed unceasingly because during that time it fails to convince the people and did not properly outreached its programme. As a result, India engagement in past five decades to understand the problem has become literally failed and wane on the effort to understand the problem of northeast. The gap of mistrust became widen and it has resulted to a severe deadlock between the northeast and the centre. This conundrum is called by many as alienation of the northeast due to different race, culture, language, religion and history.

The Government of India along with other South and Southeast Asian countries in 1997 formed BIMSTEC, which for India is under the larger foreign policy of Look East Policy, as a new approach to enhance socio-economic relations with the Southeast Asian countries. Under this initiative, India has aligned the northeast to embarks development in the long neglected region of northeast by politically connecting with the mainland India and economically with Southeast Asia. The BIMSTEC at large is firstly initiated during the regime of then Prime Minister of India Narasimha Rao in response to the called of Thailand's counterpart for sub-regional cooperation. In his maiden speech in New Delhi describes that the roles of sub-regional cooperation that India is entering to links South and Southeast Asia via the frontier and in no way to downplay the rights and aspiration of people from the India's northeast but to accommodate the whole populace within the integral part of India by letting an opportunity to everyone. 862

<sup>860</sup> Sanjib Baruah (1999). India against itself: Assam and the Politics of Nationality. New Delhi: Oxford University Press.

<sup>861</sup> Jairam Ramesh (2005). Op.cit. p. 18.

<sup>&</sup>lt;sup>862</sup> Baladas Ghoshal (2012). India's Look East Policy: From economic integration to strategic stakeholder in the Asia Pacific Region, ISIS Focus No. 9. New Delhi: ISIS International Affairs Forum, p. 2.

It is further said that unlike the previous regime, the exploitation of resources from the region is not to garner for the interest of few who has potential to make use of their selfish gain but it is to collectively raise the socio-economic and political development of northeast. 863 In the midst of criticism on the realization of BIMSTEC from words to deeds, several meetings were held between officials of government and delegates of public representatives to deeply discuss the potentials and challenges when it is implicated in the region. The action plan of BIMSTEC steadily started, when the debate was ongoing, the work on the priority areas and continue to undertake in a formidable way on matter such as construction of wider road and rail linkages, building mega dams, and setting up Border Trade Center in various international borders etc., which indeed brought an interface between the people of the northeast and the Government of India. BIMSTEC, therefore, took a long journey to testify the people of northeast that they benefited through its initiative. Critics argue that BIMSTEC has brought no sustainable development except expansion of rail and road connectivity. To substantiate, there are many who criticize that the initiatives of BIMSTEC is a mere policy that bring no substantial change in the course of Northeast development. The president of Zeliangrong Union G. Patrick, an apex body of Zeliangrong Naga of Assam, Manipur and Nagaland, also describes that investment project has to be made in any parts of the Northeast as the region requires their station so that it will generate employment to the local youth citing the previous decision of India to bypass an energy pipeline from Myanmar. 864 Above all the forefront critics of the India's BIMSTEC development activities were the scholars from this region negating that all the big claims of the Government of India as 'propaganda hive' that has nothing more than a policy without action. Further section of people argues that the BIMSTEC has adversely affects the people and its territory at large. None of the initiatives brought change the livelihood of the people in the region but it only divides the society into two distinct groups of 'haves' and 'haves not'. Thus this implication has not only fail to secure the common people but fails to understand the basic elongated issues. In contrary, the Government of India claims a success of India's BIMSTEC initiatives for the northeast. The northeast, for the

 <sup>&</sup>lt;sup>863</sup> Rajaram Panda (2005). New Orientation in India Look East Foreign Policy. *World Focus*, 26 (6-7), p. 9.
<sup>864</sup> It is the opinion of the former president of the Zeliangrong Union during the interviewed in August, 29, 2013.

first time, would open to a world of opportunity with no border restriction on either side. No doubt, the process of progress is comparatively slow due to procedural delay or vice versa but it cannot discount the transformative steps taken by India under the auspicious of BIMSTEC.

The BIMSTEC is setting of new vision for the northeast, though its policies and programmes are of intergovernmental, almost all the initiatives touches upon the common minimum goals of India. It created an avenue for the northeast by directly or indirectly integrating with larger South and Southeast Asia countries. The northeast is at the barge of following the 'Kunming Model' in days to come. The Kunming model is popular because it is politically integrated with the mainland China and economically with Southeast Asian countries. In similar way, ever since the BIMSTEC has come into effect, it slowly open doors for the northeast to share more freedom, particularly it pave way for economic exchange with the Southeast Asia. This in fact unleashed more opportunity to the professional in different activities and the unemployed youth would find themselves engage in private or public sectors as investment increases. When one looks through the prism of reality, the statistics of employment is not so attractive now but shows positive trend in years to come. The BIMSTEC ultimately becomes a milestone for growth of northeast as well as India. Presently, the Government of India is viewing to make the northeast a peace zone so as to enhance cooperative engagement with the Southeast Asia. The prevalence of secessionist movement gave fear psychosis not just the investors but gives detrimental breath to the local people within. To create friendly environment for investment, the Government of India is keenly on negotiation with different secessionist groups since the change of its moral foreign policy toward realistic one.

India considers that maintaining good relations with the neighbour is equally important for a country to remain peace and security. In this tune India started building cooperation particularly with the Southeast Asian countries and the northeast, due to geographical proximity and racial lineage, is endorsed to play a proactive role toward meaningful cooperative engagement. Subsequently, BIMSTEC is a facilitator to build it though it has socio-economic manifestation for regional cooperation. The BIMSTEC has a quintessential role to resolve the differences between the Northeast and India. Therefore

the regional cooperation in the form of BIMSTEC is asymmetric toward strengthening the relations with neighbours as well as making the Northeast a centre of socio-economic development. In that context, the regional integration is not antithetical but it is a useful building block. The collective endeavor of member states, particularly India and Myanmar, can be more than the sum of individual efforts as well as offer hopes and opportunity to fulfill the imperatives of our times.

On the other hand, BIMSTEC is another aspect that can transform the richness of our human and natural resources through trade and commerce vis-a-vis relations of the member states can poster regional activities such as promoting development, enhancing prosperity and ensuring collective security in all its multifarious dimensions. Thus India seriously takes BIMSTEC in order to translate the inherent strength of geographical contiguity into a community of prosperity and goodwill. As many policy analysts said New Delhi is aware of the interconnectivity of the member countries and so wants to rebuild the bridges of understanding via the India's northeast. This cooperation will not only maintain security but the sharing of prosperity and growth through cooperative action base on dialogue. In this relation, BIMSTEC has not only uplifts the India's participation in the regional cooperation but change the northeast position from pariah state to an integrated corridor.