



India-Myanmar Relations Looking from the Border

Conference Report

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Malem Ningthouja

Welcome Address

Ash Narain Roy

The title of this seminar could as well have been "The Changing Face of India-Myanmar Relations". Let me elaborate.

Most Indians who admire Myanmar are either in their 60s or are stuck in the Burma of 60s. They speak nostalgically of culture, religion and spirituality uniting India and Myanmar. They are often uncritical of India-Burma relations....Those were the days of a very popular Hindi song, Mere piya gaye Rangoon, kiya hai wahan se telephoon, Tumhari Yaad satati hai..."

The old timers in both India and Myanmar think exactly that way. But then that was yesterday. Today is different. Geography, they say, is often the mother of history. India and Myanmar are bound by both history and geography. Fukuyamas of the world and other Western geopolitical sages must be wondering why did they proclaim the premature "end of history" and "end of geography".

The 21st century is witnessing constant tremors of a tectonic shift in global power relations. The centre of the world is shifting east. The power within the geographical landscape is shifting from the Atlantic world to the Asia-Pacific. The Asia-Pacific is itself witnessing a tectonic shift. If the US is rebooting its policy towards Asia, Japan is articulating its policy in terms of the "Democratic Security Diamond" and we are all familiar with China's "Maritime Silk Road". India therefore had to respond to this new reality. Hence the "Act East" policy.

Prime Minister Narendra Modi has focused substantial attention on developing and strengthening relations with South East Asian countries. It has interacted bilaterally and in regional groupings like the ASEAN Regional Forum and the East Asian Summit. This has involved a delicate balancing between an increasingly assertive China on the one hand and its maritime neighbours such as Myanmar, Singapore, Japan, Vietnam, Philippines and Indonesia on the other. India is defining and initiating a clearly more active role for itself in the Indo-Pacific Region.

India-Myanmar ties are very critical. After all, India's second longest border--both land and maritime together-- is with Myanmar.

Today there is new hope and new optimism. But let us not forget the old despair. India-Myanmar

ties suffered in the past from willful negligence. It is such a past that occasionally creates a dampener. It is true; Myanmar provides a corridor to South East Asia. But must India-Myanmar ties be necessarily seen through the prism of security and strategic considerations? Or will not improved economic ties improve security ties?

Absence of proper banking and financial services are a major roadblock. According to the Indian authorities, the Myanmar government has not given the requisite permissions to set up banking facilities here. Myanmar says Indian banks have not shown any serious interest to invest. In fact, recently one Myanmar minister said that Indian companies are so far only "window shopping" in Myanmar.

India's growing engagement with South East Asia in general and Myanmar in particular has raised the stakes for the people of North-East India. The region has become India's trade gateway to the ASEAN countries. The North East is expected to act as the strategic catalyst and a game changer.

We are very happy that we have eminent people from the North-Eastern States have participated in this seminar and contributed papers for this volume. These papers give us the insights to comprehend how the North Eastern region sees the prospects of India-Myanmar relations and our "Act East" policy? Will they become crucial players or will there be another false dawn? After all, as they say, political leaders often try to sell platinum when all they have is steel.

In our discussion on India-Myanmar ties, China definitely comes in. Unlike China, India cannot afford to go by the "blankchequebook diplomacy" because we donot have deep pocket but can we continue with "reluctant partnership?"

Things have started happening. In 2004, India imported 100,000 tonnes of rice from Myanmar to prevent a shortfall in foodstock in Manipur and Mizoram. It was due to the construction work on the railway line connecting the two States. India has offered industrial parks along India-Myanmar-Thailand trilateral highway. Creating a special economic zone is also being talked about.

Since the subtitle of our seminar is "Looking from the Border", let me add just a line and two.

We are living in intensely paradoxical times. While borders are becoming more permeable in some parts of the world, they are being reconstructed in many other parts of the globe. Walls and fences only create a false sense of physical security. Walls make the 'other' invisible. Invisibility breeds ignorance and creates a new dimension of fear-the fear of the other. Borders must not be allowed to become boundaries, they must become the bridge. This is the task before hand.

Finally, India's protestations of love for Myanmar have elicited only a whisper of approval. No Bollywood-style dancing around trees as yet. And forget about spending a night out. We are told by a minister, "it is not our culture." We hope there will be a marriage between the two countries. But whether it will be a marriage without romance or a marriage where jealousy is greater than love remains to be seen.

Keynote Address

Rajiv Bhatia

India's Act East Policy is not a replacement of the Look East Policy but it is the consolidation, extension, expansion and diversification of India's policy to accord a high degree of importance to South East Asia and East Asia. Secondly, as the name and the switch suggest, the focus now has to be on action and on implementation and from that point of view it is a welcome switch because this has been a constant criticism in the past. The very fact that we have a switch from "Look" to "Act" is clear and we need to monitor the further evolution of this policy from that viewpoint. Thirdly, while the earlier components of the policy i.e., economic cooperation between India and South East Asia would continue, the question of strategic cooperation will increase gradually. Fourthly, in terms of geographical spread, Look East Policy focuses considerably on ASEAN and in our context on sub-ASEAN relationship. Now the focus should be to emphasise more on the extra ASEAN side of the canvas which, as we have noticed in the last eighteen months, a great deal of attention being paid to China, Japan, Australia, South Korea and Pacific island states. This is not to diminish or reduce the importance of ASEAN but it is to say that India's world view is expanding and therefore the conception of India's eastern policy is also expanding. India's Act East Policy doesn't have only one pillar but two pillars, one is the North East India and the second pillar is the rest of India. Here we are looking at the complete relationship and therefore whether it is Orissa, Chennai, Mumbai and rest of India, they also need to play their part in India's Act East Policy just as a place of significance is accorded to the North East Region (NER). When it comes to Act East Policy, India has two eastern neighbours, Myanmar and Bangladesh and we should keep Bangladesh at the back of our mind for a broader scope.

The NER is of central importance in India's eastern policy but more has to be done to ensure security and development of the region. But a more realistic approach is required in this aspect. Firstly, it is important to develop a consensus and common strategy within NER. Two, many voices are audible which contradicts each other and that confuses New Delhi. The NER region representatives should also consider the reality of life in New Delhi as there are people with divergent views, broadly, the security camp and the development camp. A greater synergy is needed between NER and the national government.

Indo-Myanmar relations have suffered through willful negligence in the past. But we should not forget the present that goes back to at least a generation. It indicated that the relationship has been moving towards an upward trend and has experienced a positive peak in the last 4 years. It gained peak during the Manmohan Singh Government and has again gathered momentum during the time of Prime Minister Narendra Modi. There is a national consensus now in India on Indo-Myanmar policy but the future relations will depend on the elections. What happens to Myanmar is important to India and the neighbors of Myanmar.

The Kaladan Multi-Modal Transit Transport Project

Lian Bawi Thang, Ting Oo, Alec Blyth Scott

The Kaladan Multi-Modal Transit Transport Project (hereafter Kaladan Project) will see the construction of a combined in land water way and high way transportation system connecting Mizoram State in Northeast India with a Bay of Bengal deep seaport at Site-tway, Arakan State in western Burma.

A deep seaport at Site-tway Town will act as a gateway for the transfer cargo from large containerships to smaller 300-tonne ships set to ply the 160 km in land water way transportation system on the Kaladan River into Paletwa Township, Chin State. The River will be dredged and Cargo will be transferred to trucks and driven on a yet to be built 130km highway carving northward from the inland port under construction at Paletwa Town to the Myeik Wa-Lomasu border and a new Land Customs Station at Zorinpui, Mizoram State, on the southern-most tip of the 1,634 km India-Burma border. The fourth and final phase of the project completes the transport-transit connection in Mizoram State with a two-lane, 100km highway from Lomasu to Lawngtlai Town, creating an overland link between the Bay of Bengal and India's Northeast via Western Myanmar's two poorest states.

The Kaladan Project-classified as Indian development aid to Burma-represents a corner stone of India's "Look East Policy" aimed at expanding Indian economic and political influence in Southeast Asia. However, a severe lack of project transparency and consultation with project affected communities and civil society organizations threaten to remove the potential benefits of the Kaladan project from the productive domain of local communities.

Double the Budget and the Time Frame

Construction operations at the Site-tway port began in 2010 with the date for Kaladan Project completion set for 2014. As we approach 2016 the Paletwa Inland port only now nears completion while work on the highway is yet to begin as the highway route and contractor remain unknown and unnamed.

The Indian Ministry of External Affairs, responsible for financing the project, began with an estimated budget line of US\$ 214 million, with the ownership and management of the infrastructure to be turned-over to the Myanmar government once construction is complete. That budget was revised to US\$ 444 million with the approval of PM Narendra Modi in early October this year. The huge increase in capital and time required for completion have been connected to an underestimation of the highway length, while the actual route and length of the highway remains opaque with information suggesting that the Inland Waterway will be extended

to Kaletwa Town, roughly 60 km north from Paletwa Town along a much tighter and more tortuous stretch of the Kaladan River.

Social and Environmental Impacts

The Kaladan Project has the potential to provide a number of benefits for local people, such as :improved transportation infrastructure; access to new markets for local farmers; lower food prices and improved access to food; employment opportunities on project construction and maintenance; and economic opportunities for local small and medium-sized enterprises.

The Kaladan Project also has the potential to bring a number of negative impacts to local communities, such as: land confiscation and forced eviction; disruption of and/or complete loss of livelihoods; increased presence of Burma Army troops; the use of forced labour during project construction; restrictions on freedom of movement and access to river transportation; illegal taxation and extortion; violations of indigenous peoples' rights due to lack of public participation in development decisions through a process of Free, Prior and Informed Consent; and water pollution and environmental degradation.

Under the latest draft of Myanmar's EIA Procedure, the Project Proponent is required to "arrange for appropriate public consultation" throughout the IEE / EIA process. The EIA should include the results of public consultations and negotiations with the affected populations on the environmental and social issues. Public concerns should also be taken into account in assessing impacts, designing mitigation measures, and selecting monitoring parameters. The Project Owner is also legally and financially responsible for all Adverse Impacts, including those caused by sub-contractors, etc. carrying out work for the project.

The vast majority of local people living along the Kaladan Project route have yet to be informed about the Project either by the Myanmar Ministry for Internal Affairs or the concerned stakeholders, such as Inland waterway and port construction contractors ESSAR.

Local peoples from Site-tway to Kaletwa, know little about the project and perceive key phases of the project such as the Site-tway deep-sea port to be an "Indian", in an atmosphere of top-down development that has failed to support any sense of local ownership.

The location of the Site-tway Deep Sea Port was chosen against the will of the local people. Communities already shouldering the negative environmental impacts of river dredging operations - such as the Thae Hkhun Islanders who were forcibly displaced from their homes due to the erosion of the Thae Hkun shoreline - are yet to receive compensation from project implementers.

Local workers are paid a significantly lower salary than workers from India at the Site-tway deep sea port construction site. An Indian worker gets 700-800 US \$ per month where local workers receive just 100,000 to 175,000 Kyat (78-137 US \$) per month. The highest salary that a local worker enjoys is 240,000 Kyat (188 US \$), as a heavy machine driver. Labor discrimination has driven down the numbers of local laborers from 170 to 50 in the last year.

Indian survey teams are claimed to have consulted local communities in Paletwa Township,

southern Chin State, regarding the route and impacts of the highway project. Focus groups and field work carried out by Chin Human Rights Organization (CHRO) staff with numerous village communities and key community representatives in the project area revealed that local people had not received any information regarding the highway route.

Concluding Remarks

If the Kaladan Project is to be an infrastructure development project that truly benefits local people, a comprehensive, participatory and transparent Environmental and Social Impact Assessment must be conducted for all components of the project. An E/SIA must be completed before construction begins on the Paletwa highway. For the Site-tway deep seaport and the Paletwa inland port which are already under-construction Burma's new EIA Procedure also contains EIA requirements for pre-existing projects.

Local people's living and relying on the Kaladan River are aware that they are unlikely to experience the primary benefits of the Kaladan Project as the main objective is to increase economical connections between the landlocked Indian Northeast and Kolkata, while re-spatializing and officially delimiting the India-Myanmar border area through centralized and militarised forms of power over the flow of both goods and people across the porous borderlines.



Shri Preet Mohan Singh Malik, Former Indian Ambassador to Myanmar, Mr. Ting Oo, Arakan Rivers Network, Lian Bawithang, Chin Human Rights Organization, Yangon, Mr. R.K. Shivachandra Singh, Indo-Myanmar Fraternal Alliance, Manipur.

Crossing the Indo-Myanmar Border: Fear, Cooperation and Mistrust in 'Act East' Policy

Puyam Rakesh Singh

The 'Look East' policy initiated under the leadership of Prime Minister P.V. Narasimha Rao in the early 1990s was elevated to 'Act East' policy under the leadership of Prime Minister Narendra Modi. It was proposed by the External Affairs Minister Sushma Swaraj during her visit to Vietnam in August 2014. It came after the two historic speeches of Chinese President Xi Jinping in 2013 proposing the building of the Silk Road Economic Belt and the 21st Century Maritime Silk Road during his visits to Kazakhstan and Indonesia respectively. These policy pronouncements from India and China are inter-linked and there is a need for addressing some core domestic and external issues. This paper analyses how the national security concerns will continue to block or slow down the overland connectivity projects across the Indo-Myanmar border. For New Delhi, the situation in Northeast is seen to be having implications for India's internal and external security environments. Moreover, the issue of race is a factor that influences both the policy formulation and implementation.

Where the mind is without fear

For the Northeast states to effectively take part in the 'Act East' policy, a sense of security among the people should prevail in their place of birth and homes. It is the very place where the umbilical cord and placenta were buried when they were born. When this place becomes a site of insecurity where the freedom to ask 'why?' is absent, the state becomes a source of threat. In other words, imposition of the Armed Forces Special Powers Act (AFSPA) and militarisation to check insurgency for decades have denied a life of dignity and the freedom to move within the home space where one was born and brought up.

In this situation, individuals face direct or indirect threats from the state because of domestic law-making and enforcement. In fact, insurgency and counter-insurgency measures victimise the people on daily basis. Above all, security forces begin to function with certain degree of impunity. To tell the truth, the Indian state has taken a maximal state posture in the pursuance of its own interests. Restrictions and harassments at the cost of individual and group self-realisation as human beings run counter to the spirit of the 'Act East' policy. In the words of Sanjoy Hazarika, an eminent expert on Northeast and a member of the Justice Jeevan Reddy Committee, AFSPA cannot co-exist with 'Act East' policy.¹

The fear of becoming victims of the violent intentions of both the state and non-state actors is high. The awful power of insecurity reminds constantly when the locals are involved in ordinary activities such as morning walk, a visit to market, attending social functions etc. In such an environment, parents cannot sleep or rest properly when their children are away from home. But it does not mean that the homes are safe zones. The whole population is constantly fed with news about enforced disappearances, summary execution, extra-judicial killings, detention, torture, slapping, mental harassment, kicking, hitting with rifle butts etc.

Consequently, the random risks such as public bombing, kidnapping, extortion, victimisation of innocent by-standers, late night door knocks, combing operations, ghost bombs, torture and rape haunt the people. For many decades the coercive effects of such threats to security have affected their self-realisation as human beings. Some common utterances in Manipur are: Do not go away as it is not safe, or come back before darkness. The prevalence of structural violence cannot be disguised by the policy pronouncement such as the 'Act East'.

Directly or indirectly, the state's external security policies influence the domestic policies in Northeast. Historically speaking, India's policy in relation to China deeply influenced the policy towards Northeast since the British period. The presence of communists in Manipur, Tripura and Myanmar was a vital factor shaping India's post-independence political, security and strategic policies. In addition to strategic importance, Manipur's controversial merger into the Indian Union in 1949 was directly or indirectly related to China factor.

In the words of Barry Buzan (1983), "the state is supposed to provide a measure of protection to its citizens from foreign interference, attack and invasion, but obviously it cannot do so without imposing risks and costs on them".² Though justified in the name of national security, the repressive measures have far-reaching coercive effects. Use of the Indian Army has caused much harm than good.

In such sites of insecurity, individuals and groups self-police their thoughts and restrict their actions. In fact, "a determined life is not one in which humans, in whole or part, can flourish".³ Insecurity limits the space for choice and acting effectively. Frequent harassment, numerous security check posts and irregular frisking along the highway cannot promote border trade. How could such a group of people work confidently and effectively? Moreover, globalising forces provide both opportunities and challenges. Ruthlessness of these forces can be grave threat to those unprepared. Let the people go free from this invisible prison first.

At present, survival is generally the priority of many people in places like Manipur. Dreams and hopes are not totally absent. However, the reality pushes many into the dark zones of sub-human living. Their failure is the inability to pursue cherished goals in such an atmosphere of insecurity and victimisation. This is utterly unacceptable. Most importantly, there is a need for restoring justice and peace in the region so that the minds can be free from fear and heads are held high to take part in the journey of globalisation.

Inclusion and Exclusion

In 2014, the Government of India introduced the annual commemoration of National Unity Day on 31 October. It was the day on which Sardar Patel, one of the founding fathers of India, was

born. As the first Home Minister of Independent India, he wrote a letter to Jawaharlal Nehru in November 1950: China is no longer divided. It is united and strong. ... All along the Himalayas in the north and north-east, we have on our side of the frontier a population ethnologically and culturally not different from Tibetans and Mongoloids. The undefined state of the frontier and the existence on our side of a population with its affinities to the Tibetans or Chinese, have all the elements of potential trouble between China and ourselves ... The people inhabiting these portions have no established loyalty or devotion to India.

Is there a fear of the Mongoloid races becoming a fifth column? When it is so, the state cannot see whatever is happening in the Northeast region as mere domestic security problem. As a result, there is a certain level of exclusion of the Mongoloid peoples in the idea of India although they are physically within the territorial boundary of India. Nevertheless, they are part of the Indian state.

As Barry Buzan puts it:

The permeability of the states to both ideas and peoples associated with other states blurs the boundary between domestic and international security. Where this happens, neat distinctions between citizens and foreigners, state and government, and domestic and international policy, begin to break down, and the meaning of national security becomes even more ambiguous than usual.⁴

Again, referring to the Mongoloid population, Jayantanuja Bandyopadhyaya (2003) observes: "Ethnocentric psychology among these people may pose a serious threat to India's security in war well as in peace".⁵ Due to insurgency and China's presence, New Delhi faces security and strategic challenges along this porous Indo-Myanmar border. There is interplay of internal and external security. No doubt, the permeability of the state to both ideas and peoples associated with other states is strongly felt.

Not all the states have a people sharing the same cultural heritage and racial origin. As a result, there are several nations within a state. Fortunately or unfortunately, India is one such state containing many nations.⁶ A state can create nation with its institutions at disposal as both culture and race are malleable.⁷ As part of the nation-building process, the small mongoloid races fear loss of their cultural and racial distinctiveness. In addition, the Hindu-Buddhist Conclave conveys the message of India's Cultural Act East policy. The Assam-Tripura-Manipur corridor looks vulnerable.

The identities of small communities are being threatened by the large number of illegal immigrants and internal migration. Demographically, the Han Chinese, the Indians of Aryan and Dravidian races and the Bangladeshis pose significant threats. In 2014, the population of India and China were 1.2 billion and 1.3 billion respectively. Sharing this concern of the Northeast Indians, Than Myint-U writes: "there was more a sense of dread that, with China's growing stature and influence, the little nationalities caught between 'India proper' and China would find it harder, not easier, to maintain their separate identities and traditions".⁸

On 10 May 1869, San Francisco and New York was connected by the transcontinental railroad.

But it became a disaster for Native Americans as the transformation in the continent did not benefit everyone.⁹ Because of the hordes of white settlers and opportunists migrating from elsewhere, the Indians were forced onto reservations with only about 2 percent of the total territory left for the Indians as their homelands.

Writing about the imminent fate of the Indians, Donald L. Fixico put it as follows:

The problem emerged with the railroad bringing an increasing number of white settlers and opportunists to the West, once the homeland for both the Plains Indian and the buffalo. Incongruent sets of cultural values and polarised mindsets found the Plains Indians and white settlers at odds. Such differences between Indians and Europeans would not allow them to live together until one defeated the other.¹⁰

Will Imphal Valley become another Powder River Valley? The iron snakes (railway) in the jungles of Northeast India and the proposed Asian Highway and Trans-Asian Railway can become similar examples. In the name of national interests, New Delhi, Beijing and Naypyitaw should not repeat the history of the 'American Dream' built on the skeletal remains of the Lakota, Sioux, Hopi, Cheyenne, Apache, etc.

Civilisational bonds for security?

In the past, Indian civilisation spread across the Southeast Asia and there is a strong sense of shared cultural and historical ties among these peoples. This fact does not fail to shape the foreign policy of India especially in the case of 'Look East' and 'Act East' policy. In his 'Singapore Lecture' of September 1994 which concretised India's 'Look East' policy, Prime Minister Narasimha Rao said: "... countries of the Asia-Pacific will find in India a reliable partner, a vast market, the process of whose development will simultaneously involve the renaissance of a great and noble civilisation which we all share in some measure".¹¹

Again, in a keynote address delivered in Shillong on 16 June 2007, the then Minister of External Affairs, Pranab Mukherjee re-affirmed it. He said: "as the then Prime Minister, the Late P.V. Narasimha Rao had said, the Look East policy was not merely an external economic policy; it was a strategic shift in India's vision of the world and India's place in the evolving global economy. Most of all, it was about reaching out to our civilisational Asian neighbours in the region who, by emerging as regional economic powerhouses, also presented us with a model worthy of emulation".¹²

In 1963, underscoring the geopolitical significance of the Himalayan frontier, Nehru warned that the breaching of the Himalayas will expose the Indian plains and the oceans beyond threatening not only India but also other countries of South and South-East Asia.¹³ Is the ASEAN becoming an integral part of India's security system? In the eastern flank, Myanmar is a key neighbour if the Northeast has to be opened to the outside world. This thinking is a legacy of the British frontier policy where the present Northeast acted as buffer between the French and the Chinese on the one side and the British India on the other.

Changing Geo-politics

China is an important neighbour of the ASEAN states. Moreover, China's economic and strategic interests are expanding in Myanmar and other Southeast Asian countries, but not necessarily at the cost of other countries. For these states too, China continues to be an important neighbour to promote their national interests. However, friendly ties with other major powers such as India, Japan and the US are necessary to balance China's rising stature. While acknowledging India's varied interests in Southeast Asia, the shifting geo-politics of the region needs to be analysed. Most importantly, the ASEAN and other countries in the region do not have interest to live under a single power.¹⁴

In this context, the changing identity of Japan departing from pacifism is a major factor. By passing the contentious security bills into law on 19 September, Japan could now send its troops to fight abroad.¹⁵ Therefore, Japan's new identity in Asia's geo-strategic chessboard will have its implications in ASEAN too. Reiterating the US commitments in Asia, former US Secretary of Defence Robert Gates once said, "We are an Asian power with significant and long-term political, economic and security interests".¹⁶ Apprehension about a US-India partnership against China and India's increasing influence in China's neighbourhood especially in Japan and Vietnam cannot be easily written off. Strategic competition, ideological difference, territorial disputes and economic interests are potent forces at work.

When the former Chinese President Hu Jintao talked about 'Malacca Dilemma', safeguarding the vital sea lanes of transportation emerges as a priority for China's reform. The Malacca Strait will play a key role in shaping the geo-politics. To the Chinese analysts, the US military bases around China are sources of both regional stability and containment policy. Consolidation of military bases along the Chinese periphery has profound influence in Beijing's analysis of its external security environment.¹⁷ In fact, "the tendency to see the US as the main impediment to its stability and rejuvenation" is a cause of anxiety.¹⁸

On 3 September, China celebrated the 70th anniversary of Victory in the World War II displaying a range of missiles and weapons. Not long after this, Chinese President Xi Jinping visited the US to discuss about 'major-country' relationship. The same agenda was put forward in June 2013.¹⁹ One of the six points proposed to the US by China during Xi's visit is about deepening dialogue and cooperation in Asia-Pacific affairs.²⁰ The South China Sea issue, Senkaku/Diaoyu Island dispute, cyber-security, trade and Renminbi devaluation and Japan's new security laws formed a heavy package indeed.

Since the visit of the US Secretary of State, Hillary Clinton, in December 2011, Myanmar has experienced some changes in its external environment. Unlike in the past, Myanmar is a key country where China, India, Japan and the US meet in the 21st Century. Interestingly, Thant Myint-U observes the present situation as: "Burma's anxieties regarding China, the impact of its unfinished civil war, the reasons for China's push southwest from Yunnan to the sea, India's preoccupation with security in the Northeast and its worries over China's presence in Burma".²¹

'Act East' Through The Northeast

To make the Northeast partner and stakeholder in the 'Act East' policy, overland transport system and institutions to allow investment, movement of people and goods across the borders are required. But it cannot replace significance of intra-Northeast transportation system. In other words, the central government should make sincere efforts to maintain the National Highways properly. A stretch of dirt track with the official designation 'National Highway' does not change the realities on the ground.

Without connecting such missing links, talking about transnational connectivity projects would be like imagining connectivity. After the Indo-Myanmar Friendship Road, the trilateral highway project connecting Moreh (India) and Mae Sot (Thailand) via Myanmar is the second most important overland connectivity project. The first will introduce Mandalay while the second project will connect Northeast with major parts of Myanmar and Thailand.

Opening of the Dawei Special Economic Zone and its proximity to the Yangon port enhances the economic value of the trilateral highway. In addition, the direct shipping line between India and Myanmar launched in October 2014 with port rotation Colombo-Chennai-Krishnapatnam-Yangon would further strengthen trade and economic relations with Myanmar and Thailand.²² It was a joint effort of three Ministries- Shipping, External Affairs and Commerce. For Northeast, Chennai and Krishnapatnam ports are far away. Without the eastern seaboard of India, 'Act East' policy is nearly hollow but it is not complete without the Northeast. Therefore, the Cabinet Committee on Security, Ministry of Commerce and Ministry of Road Transport and Highways need to work together to expedite the Kaladan Project and trilateral highway. Are Mizoram and the neighbouring Northeast States properly connected?

The section of the AH-1 route connecting Northeast India to Thailand via Mandalay is considered as the most viable route though certain sections need to be improved.²³ Upgraded by the Asia World Company in 1998, the Lashio-Muse road connecting Mandalay and Kunming is the best overland connectivity between China and Myanmar. On the Chinese side, the Hangzhou-Ruili Expressway and a network of expressways and Highways connect Yunnan to the rest of China and other neighbouring Southeast Asian countries.

The Hanoi-Kunming-Mandalay line of the Asian Highway (AH-14) is an important section of the Asian Highway. However, the Imphal-Mandalay-Meiktila-Taunggyi-Kengtung line has its merits. The newly opened Myanmar-Laos Friendship Bridge linking Kyainglap (Kenglap) in Tachileik district and Xieng Kok river port in Long district across the Mekong River will facilitate transnational tourism and trade.²⁴ A joint effort can turn the Golden Triangle into a Growth Triangle with support from India and China.

The Mekong-Ganga Cooperation Initiative (MCGI) comprising India and five continental Southeast Asian countries was established in November 2000. To enhance connectivity, the Mekong-India Economic Corridor (MIEC) comprising these countries was initiated. Is India formulating policy of acting east without China? Again, some analysts have expressed concerns

about marginalisation of Northeast in favour of India's eastern seaboard.²⁵ It is, however, proposed to be a network of land and sea infrastructure to enhance India-ASEAN connectivity.²⁶

In addition, the Trans-Asian railway project, also known as 'Iron Silk Route' with many missing links in Northeast India, Myanmar, China and Thailand, are slowly but surely moving closer. To give an example, the Lumding-Silchar and Badarpur-Agartala broad gauge conversion are integral part of the change taking across Asia. In addition, the Jiribam-Tupul broad gauge railway project is also under construction. Furthermore, China has extended financial and technical assistance to Myanmar to manufacture diesel trains locally. A team from Insein train factory left for CNR Dalian Locomotive and Rolling Stock Co. in Dalian.²⁷ The Dali-Ruili railway under construction since May 2011 will bring the vast network of China's railway closer to the Myitkyina-Sagaing and Lashio-Mandalay railway lines of Myanmar Railway.

Unlike the Myanmar-China border and Myanmar-Thailand border, trade across the Indo-Myanmar border is negligible.²⁸ The negligible trade and economic activities across the Indo-Myanmar border are to be traced to the half-hearted efforts because of security concerns.²⁹ The ongoing up-gradation of the India-Myanmar Friendship Road, extension of the road and repairing of 71 old bridges may bring some positive changes. The Imphal-Mandalay bus service is yet to be launched.

National Security Reigns

One of the sensitive issues in 'Act East' policy is the security cooperation with neighbouring countries. New Delhi thinks that Mandalay is close to China and the Chinese wind can reach the Northeast from Mandalay itself. Stability and security of the strategic Northeast India is of prime importance. Therefore, in spite of regular engagement, the 'China factor' continues to cast a dark shadow on India's connectivity projects. As New Delhi cannot stop China building connectivity projects, the solution lies in "pro-active participation" in the process.³⁰

Sluggish pace of work and renewed time frames of the projects could mean buying time for some realities on the ground. If so, what are the realities that New Delhi wants to see in the region? The North Eastern Region Vision 2020 states: "Indeed, there is considerable potential for the policy to benefit the region, but would call for a qualitative change in the relationship with the neighbouring countries, particularly the larger countries of Bangladesh, China and Myanmar".³¹

When it comes to India-China relationship, zero-sum logic of excluding or containing or diminishing the other is visible through alternative regional and sub-regional groupings.³² Moreover, India is concerned about China's increasing influence in Nepal, Pakistan, Sri Lanka and Bangladesh. Is China the civilisational 'other'? Was the MGCI a foreign policy design to reclaim the Southeast Asia as a realm of shared civilisation?

India's focus on Myanmar as a key neighbour on the eastern flank is driven by the reality of Myanmar being the country where China meets India.³³ Besides, India's internal and external security intermingled along the Indo-Myanmar border. Myanmar is a strategically important neighbour of China too.³⁴ Furthermore; the Government of India has strengthened security and

defence cooperation with Thailand. The Indo-Thai Joint Working Group on Security Cooperation and the signing of the extradition treaty will enhance cooperation on combating terrorism, organised crime, arms, drug and human trafficking³⁵. In addition, the two sides had strengthened intelligence exchange.³⁶

Conclusion

Insurgency and militarisation have hard hit the life of the people for decades in Northeast. To bring normalcy and instill a sense of security to the people, the state should limit its use of force in domestic affairs. The coordinated approach to development and security should not restrict healthy interaction of the Northeast Indians with the peoples of the neighbouring countries. To become rightful and effective stakeholder, repealing the AFSPA from the region is not only desirable but also necessary. This can help the people to become effective agents of progress and consumers of progress. The 'Act East' policy will find it hard to cross the Indo-Myanmar border overland without having a strong political will and change of the mindset. The widespread skepticism regarding the sincerity of the government is another hurdle. It is nurtured by the lived experiences of the people for decades. Most importantly, without devolution of authority, the Northeast States have no other choice but to wait for the change of mindset or the qualitative change in India's relationship with the neighbours. Deng Xiaoping, the Chinese leader who initiated the reform and opening-up policy said once, "When you open the windows, flies and mosquitoes come in". But restricting promotion of overland connectivity projects, border trade and people-to-people contacts can back-fire damaging the credibility of the government. An informed participation of Northeast people should be mandatory wherever required in this process of opening-up to safeguard their interests. Sustained engagement and sincerity can enhance cooperation and mutual trust while reducing fear and suspicion both internally and externally.

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A Third Space Perspective: Forging an intelligent, emotional space for engagement

Sabyasachi Dutta

The North Eastern region of India shares borders with as many as five countries. Therefore when we discuss Indo Myanmar Relations, "looking from the border", it is important to first define what we mean by a border: Is it a physical boundary separating nations and people? or is it a zone of engagement between two nations, but the same people? We also need to see borders in the North East in the larger context of the region as a whole, rather than just individual states.

In attempting to explain the region, it is important to understand the geographical and historical context. Our geography determines us to a large extent. We are bound together by our common



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geography. All the states of the northeast region along with our neighbors --Myanmar, Nepal, Bhutan and Bangladesh are interdependent because of our geography. We also need to learn from our shared history. India and Myanmar once was part of the same British Colony. Rangoon, Kolkata, Dacca, Shillong, Imphal were strategically important places. The British Colonial rulers recognized the region as central to one cultural and economic entity, comprising "Hindoostan"

and "Farther India", and basing their first capital in Calcutta, the center of this large landmass. The area has experienced so many influences, so many civilizations and with this shared background. It is an "Asian Confluence", of cultures, a diversity hot spot. This needs to be celebrated and built upon and lead the tone of discourse for the future.

As we discuss paradigms of security and development of borders in the North Eastern region, against the backdrop of Indo Myanmar relations, we need to create a public discourse on how do we deal with our differences and build up synergies within the region as whole so that engagement with our neighbours is meaningful and mutually rewarding. It is well known, that security related issues as well as lack of public support have affected the pace of progress. With so many interactions in today's age where we cannot escape the connecting capabilities of technology and travel, issues are bound to come up. Perhaps, the center needs to move to the periphery and the borders need to act as translators, who will look in all directions to create a space for constructive engagement with all stakeholders: an emotional and intelligent space of engagement.

In a region where an entire generation's perceptions have probably been mismanaged and the baggage of partition still haunts the mindset, this space must be "emotionally engaging" rather than political or purely commercial. It must be inspired by the vision of the future where:

- Interdependence is inevitable
- Cooperation is survival
- Collaborations pays, conflict does not
- Underscoring commonalities is an opportunity to build bridges
- Celebrating Diversity is an opportunity to add value
- Respecting differences gives space to move forward
- Democracy wins

Governments can put in political and policy structures. Big Businesses with government together can take a step forward by putting in economic structures. There is however a Third Space beyond such efforts which should be nurtured as an understructure of people driven network of communities across the region who are stakeholders for positive change within and across borders to ensure overall balanced economic growth, to usher in security and stability. Borders as "transition zones" of prosperity must be built on the foundations of this "Third Space".

There are various factors that hinder the building of this 'zone'. Commonalities shared among the people of the region have been seen with contempt. Political boundaries have created economic barriers across naturally contiguous geographies. In order to build up the 'zone' and to make this a living reality several dimensions need to be addressed. Local Politics has to be aligned with Federal Initiatives for Subregional Cooperation. People at large must be educated; peoples'

mindset should be decolonized and channelized towards looking for innovative solutions. An environment should be created where every individual opinion is shaped to synergize with the larger vision of peace and prosperity.

Think Tanks and academia can catalyse the "Third Space" to translate ideas and research into pilot programs that can give valuable feedback. Governments can synergize with the third space for advocacy where honest feedback can be collected from the ground. Governments and businesses must play the larger role of matchmakers.

Stakeholders in many sectors, especially tourism, health and education could build up enormous synergies for growth and prosperity by recognizing the "Third Space", emotionally investing in a shared vision for the future and engaging intelligently, building upon the physical connectivity efforts already underway. This would be the foundation for all other sectors of engagement between India and Myanmar, both bilateral as well as sub-regional levels.

India-Myanmar Relations: Looking from Mizoram Border

C. Lalremruata

Mizoram shares 404 km international border with Myanmar (Burma) and 318 km with Bangladesh. Mizo and Chin communities share similar language, culture and traditions but were divided when India got independence.

The Government of India proposed connection of Road Network between Champhai and Tiddim in Burma and is awaiting cooperation from the Burmese authorities. To connect the proposed road the government under Mizoram State Roads II - Regional Transport Connectivity Project (funded by The World Bank) constructed Champhai to Zokhawthar 27.247 Kms. On the southern side of Mizoram Kaladan Multi Modal Transit Transport Project (KMMTTP) is going on that will connect Lawngtlai to Sittwe Port via Paletwa.

To connect KMMTTP, the Government of India is proposing broad gauge Rail link from Bairabi to Sairang where the construction is going on. The Railways is surveying a possible route from Sairang to Hmawngbuchhuah on Mizoram's southern tip, bordering Myanmar's Rakhine state. Hmawngbuchhuah neighbours Zochachhuah, where the under-construction Kaladan Multi-Modal Transit Transport Project (KMMTTP) enters Myanmar. The KMMTTP, a road-cum-inland-waterway trade route over Kaladan river, will connect Kolkata with the Myanmar's deep-sea port of Sittwe. NFR is likely to complete the survey by this year.

In the meantime with the Indo-Myanmar Border Trade Agreements signed on January 21, 1994 (effective from April, 12, 1995), border Trade in Mizoram with Burma started at Zokhawthar Land Custom Station in 2004, formally inaugurated on 26th March 2015 by Union Minister of State for Commerce and Industry Nirmala Sitharaman. Apart from this, another trade center with Burma is, Viz: Zorinpui Border Trade - Part of KMMTTP (near to Hruitezawl village), Border Trade Centre, Saikhumphai - Vaphai (Myanmar Border), Border Trade Centre, Saisihchhuah - Sangau (Myanmar Border), Border Trade Centre, Thingsai (Myanmar Border), Trade Facilitation Centre will also set up at Lawngtlai.

With the Government of India implementing the Act East Policy, there are some opportunities and challenges to be seen.

People to People Relations: There is an opportunity for closer connection between peoples on both sides of the border. But there are also concerns as to whether the people will be able to connect freely within the policy of the government.

Business and Trade: While trade has been a part of the Indo-Myanmar Border Trade Agreement, the first border trade in Mizoram at Zokhawthar was started in 2004, formally inaugurated after 11 years in 2015. However, there is a lack of infrastructure development like bank facilities, internet connection, post office, etc. There is also a major concern that the border trade may become a hub for smuggling drugs and arms as well as other illegal items.

Health care and medicine: While the government is giving priority to connectivity, they also need to focus on the health and welfare of the people. Peoples living in both side of the border still lack health care facilities.

- i) HIV/AIDS - Champhai District has the highest rate of HIV/AIDS in Mizoram which is bordering Burma on the North Eastern part of Mizoram.
- ii) IMR - Saiha has the highest IMR in Mizoram, while Malaria and TB etc is rampant in Saiha and Lawngtlai District bordering Burma on the southern part of Mizoram.

Human Trafficking: Since South East Asia is a major hub for prostitution and human trafficking, improving connectivity with high unemployment rate in the area can further aggravate the conditions.

UNODC India report in 2014 confirms that Indo-Myanmar Border is one of the high targeted areas for human trafficking in India and that there is high trafficking to mainland India for domestic workers and for prostitution.

Border fencing: The Indo-Myanmar border is a barrier that India is constructing to seal its 1,624 km border with Myanmar with hopes to curtail cross-border crime, including goods, arms and counterfeit Indian currency, smuggling, drug trafficking, and insurgency. But erecting this fence will have a negative outcome as it will divide many ethnic communities whose lands straddle the regions between the two countries. It will displace families and lead to land grabbing.

Besides being forced to live as citizens in different countries, 43 villages, about 3000 households and around 20,000 villagers of the Naga, Mizo, Manipuri and Arunachali tribes living between the borders will be affected by the border fencing work undertaken by the Centre.

Militarisation: Due to infrastructure Development and for the socio-defence purpose around 9 km² of land has been acquired for defence purpose only. This not only takes away the indigenous peoples' land but also militarise the area which is against the UNDRIP. IAF had proposed a plan to set up an air defense radar station at Zopuitlang near Lunglei district in southern Mizoram at a cost of Rs 100 crore covering 300 acres.

Human Rights violations: Many human rights violations including the economic, social and cultural life of Zo Indigenous Peoples.

India's Northeast: Transforming a Troubled Frontier into a Gateway

Ambuj Thakur

India's Northeastern Region (NER) shares its 98 percent of borders with Burma, Bangladesh and China. It has often been looked upon as a springboard for its Look/Act East Policy, aimed at fostering economic and commercial as well as cultural linkages with East and Southeast Asia in the twenty-first century. This paper looks at five major points.

Firstly, China remains the main factor affecting our collective consciousness in policy formulation; although SE Asia seems more appealing to our sensibilities owing to a shared historical and cultural past and being less threatening than China politically and militarily. Fears of a rising China keep alive memories of past conflicts with this behemoth throughout history among the SE Asian nations. For India, of course, the 1962 episode is firmly etched in our memory, and the past sixty years have been emotionally challenging for our people in many ways. Yet, one should not forget that the Chinese and Indian civilisations have had rich cultural contacts over the past two millennia which could be harnessed in forging better ties.

Secondly, when talking of economic corridors involving the NER with East and Southeast Asia, the best example remains the Southern Silk Route, which started off from Sichuan and Yunnan in China and then moving Westwards branched out into four major routes. They were:

- a) Tea and Horse Route: Yunnan-Tibet-India.
- b) Stilwell Route: Yunnan-Upper Burma-Assam Valley-Bangladesh.
- c) BCIM Car Rally Route: Yunnan-Middle Burma-Manipur-Assam-Bangladesh.
- d) Arakan Route: Yunnan-Coastal Burma-Bangladesh.

All four terminated in Bengal, i.e. today's West Bengal and Bangladesh combined. Tea, horses, salt, cowries, cloth, silver etc. had been the major items of merchandise.

Thirdly, the NER forms a part of what the Yale historian, James C. Scott, calls Zomia, which includes all the highland regions (200-4000 metres above sea level) of SE Asia, SW China, NE India and SE Bangladesh. They have formed the periphery to the core centered in the numerous valley-based empires along the major river-systems in East, SE and South Asia. More importantly, this area has rugged terrain where state formation centered around sedentary agriculture proved difficult in an already population deficient region. On top that, there is a multiplicity of tribes dispersed over great distances yet sharing kinship ties. Any intrusion by the imperial power was firmly resisted by these proud people, for whom their independence of spirit, character,

culture and traditions has remained paramount till date. For the imperium, these areas were not only resource-rich but also transit points for engaging with other valley-based states in trade and commerce. Having access to markets was and still remains the moot point. Yet, the psychological distance between the core and the periphery remains acute even today. The debate on National Integration rages on with the lines unclear whether it is integration or assimilation that is driving policy towards these 'rebellious' areas.

Fourthly, within this backdrop one comes across the Bangladesh-China-India-Myanmar Economic Corridor considered as a sort of problem-solving mechanism for developing the periphery by the respective states. China has been actively pushing ahead with this initiative on the lines of the Greater Mekong Sub-region programme, for SE Asia, with the hope of transforming its landlocked Yunnan Province into a transportation and commercial hub involving the markets of East, SE and South Asia under the overall ambit of the Gateway Strategy. Part of this involves the development of the Five-Pillar industries (tobacco, mining, power, bio-industry, tourism) for which transport connectivity is paramount. Development of the North-South GMS Transportation Corridor connecting Kunming (Yunnan) with Bangkok (Thailand) through Laos is an extension of the concept of tongdao (corridor or transit route) and the BCIM Car Rally Route from Kolkata to Kunming can be seen in such light. For example, Ruili (Yunnan) is China's largest land border port with Burma having 90 percent of their trade passing through it. During a recent field visit, I witnessed the world-class infrastructure built by China to project it as the gateway to South Asia. They are building a four-lane expressway to Ruili, which is due for completion by 2016. A railway line is also on the pipeline. Starting from zero in 1991, Yunnan boasts today of nearly 3000 kilometres of expressways, in a terrain which is 94 percent mountainous. Yet, in case of India, much needs to be accomplished on the ground beyond the realm of boardroom seminars and discussions at periodic intervals.

Lastly, for the NER the Modi Factor is of vital importance. The Indian sub-continent has witnessed the people of Gujarat as keen entrepreneurs in the fields of commerce and industry throughout history. Three major leaders from this state shaped India's destiny. Gandhi got us our independence; Patel our unification; and, Jinnah our partition. Without any value judgment, what should be noted here is that they were focused in what they wanted and somewhere their Gujarati spirit of taking risks helped them achieve those goals. Now, our Prime Minister is also from Gujarat. He means business and takes a long term view, subsumed within the rubric of nationalism. In dealing with China, Burma and Bangladesh vis-a-vis the NER, the same spirit can be seen. He is taking one step at a time. China cannot be ignored. Bringing in Chinese investment to the relatively stable western and southern regions of India could prove to be a test case for future reciprocation in the east and northeast. After all, he had visited China five times during his stint as Chief Minister of Gujarat and was taken in by their growth story. The land-swap deal with Bangladesh could help open up the NER to the Bay of Bengal. The Naga Peace Process is in the same league, because settling this issue along with the one in Manipur is the key to opening up the NER towards East and SE Asia under the Act East Policy. Otherwise, this policy will only benefit the coastal states of India.

In conclusion, one should hope for the best and be prepared for the worst. Opening up also involves co-opting the marginal groups in the periphery in the decision-making process. Bringing in big businesses won't help unless there are proper all-weather roads and good rail and air

connectivity. Most importantly, the menace of corruption from the political to the psychological levels have to be harshly dealt with, in order to promote a sense of industriousness and rejection of the British-induced feudalistic mindset of Mai-Baap Sarkar Raj. China has shoved economic development down the throats of its people, including its ethnic minorities. The Chinese state has a linguistic and racial majority bound by authoritarianism which helps the use of tough decisions for policy-making. In the case of India, with its multi-party democracy and lack of linguistic and racial majorities, such impositions can be difficult. However, to draw inspiration from Scott's views, a core blinded with power and rooted in feudalism always poses the danger of acting along similar lines with the periphery. Pragmatism and caution, along with farsight, can only help turn the NER into a strategic bridgehead.

BCIM Corridor, Looking from the Northeast Opportunities and Challenges for Myanmar

Sonu Trivedi

BCIM is a congregation of two rising economies of Asia-India and China, and two potential economies Myanmar and Bangladesh. This initiative provides immense potentialities and is considered as sustainable instrument for regional integration. It is therefore to be ensured that initiatives such as these and the two potential economies do not fall under the sphere of influence of the so called 'Big powers' of the region. In fact, focus should be on the identification of convergences and complementarities with no unilateral dominance in the region. These sensitivities are vital for strengthening the corridor and crucial for reaping benefits for the member countries.

While talking about foreign policy inclination of any country, it is important to study the internal political dynamics shaping its foreign policy orientations. In this context, the following section discusses the emerging political dynamics in Myanmar and its implications for its external peripheries.



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Internal Political Dynamics in Myanmar

◆ Hardliners Vs Soft liners

The reform process in Myanmar is scared by the reformists and hardliners in the army. Amidst the biggest political shake-up since the end of military rule, in a dramatic move Thura Shwe Mann was removed as Chairman of the ruling Union Solidarity and Development Party (USDP). This was the result of Shwe Mann's growing closeness with the democratic leader Aung San Suu Kyi which had antagonized the hardliners in the military and led to further deterioration of his relationship with the power centre in Myanmar. Nevertheless, he continued to be the Speaker of the lower house. It is however noteworthy that Shwe Mann, had been considered as a leading contender for the upcoming Presidency.

This August 2015 purge in Myanmar was a reflection of its fragile experiment with democracy which rests upon the relics of the previous regime. It echoes upon the widening gap between the conservative and reformist forces in the recent past.

◆ **Aung San Suu Kyi and the Military**

The complicated and delicate relationship between the military and Aung San Suu Kyi has been the bedrock of the current reform process in Myanmar. The regime needs her in the Parliament to bolster the authority of its own political system. However, Aung San Suu Kyi needs the military perhaps more than anyone else if she is to advance politically and amend the Constitution, given a quarter of seats are reserved for the military. Therefore, any effort to amend the Constitution cannot disregard the role and support of the military officers present in the Parliament.

◆ **NLD-vis-à-vis Opposition Parties**

Though, NLD was the largest opposition party in the national legislature with 43 seats and 6.4 per cent of the overall seats in the Union Parliament it has taken a complete U turn so far as the results of 2015 elections are concerned. Several ethnic based and minority parties have resolved to embrace NLD in the legislature as its presence boosts overall confidence and their strength in the Parliament given the NLD's landslide victory. From being the largest opposition to the ruling party, NLD's presence in the Parliament along with other opposition parties including USDP is going to shape the future of national reconciliation process including ethnic peace deals, rule of law, political and constitutional reforms in Myanmar.

◆ **Internal Crisis in NLD**

The NLD party suffers from lack of professionalism, centralised structure and leadership vacuum. One of the most challenging exercises at this point of time is to revitalise the party and introduce inner-party democracy which has so long been dominated by the 88 generation and aging political leaders. Subsequent to the rejection of the constitutional amendment procedure by the legislators, all hopes of Aung San Suu Kyi running for the post of Presidency has dashed off. Amidst the limited political role she is expected to play in the next Parliament, she needs to take calculated steps in this democratic re-engineering and re-structuring.

◆ **Ethnic Nationalities vis-à-vis Peace Process**

The issue of ethnic peace has, nevertheless, been a high priority of the government, which entered into a Nationwide Ceasefire Agreement (NCA) with the armed groups. Hailed as a 'historic' document and a 'new page' in history, the NCA signed on 15th October 2015 has been a key reformist agenda of the incumbent regime and an effort to end the longest running civil war in the world. Though only eight out of the fifteen armed groups invited to sign the agreement were a party to NCA, nevertheless, it has paved the road to future peace in Myanmar. A Joint Monitoring Committee has also been formed to implement ceasefires and political negotiations. Though critics are apprehensive about the peace deal because of the ongoing skirmishes with some of the major armed groups and the deep seated mistrust that some of these ethnic groups share towards the military.

◆ **People's Verdict 2015 and Transfer of Power**

November observed the festival of democracy in Myanmar which voted for the first time after a gap of six decades in a free and fair democratic election. It witnessed some 91 odd political parties participating in the democratic process where NLD received overwhelming majority and the ruling party gracefully accepted defeat. The political majority in both the houses favours NLD which paves way for a peaceful transfer of power undoing the wrong of 1990 people's verdict. Recently, Aung San Suu Kyi has also held talks with the incumbent President Thein Sein and the Chief of armed forces Min Aung Hlaing to discuss the transfer of power, since the support of military is going to be crucial for the smooth functioning of the Parliament in Myanmar.

◆ **Roadmap to Democracy**

Given the internal political dynamics in Myanmar, however, one of the challenge which remains is to find an acceptable leader within NLD to take up Presidency on behalf of Aung San Suu Kyi. Furthermore, dealing with the autocratic authority structure and dismantling the remnants of the previous regime is a significant challenge. Last but not the least, ending of the six decade long ethnic conflict and the new Government's responsiveness is going to be a litmus test for the NLD and Aung San Suu Kyi. It is in this post-election scenario, which would shape the future road-map of democracy in Myanmar.

BCIM focuses on key issues:

◆ **Promoting Connectivity**

It aims at reaping untapped benefits of connectivity, through rail-road and waterways. Identifying the common need for regional connectivity and building a development corridor has been the primary idea behind initiating various connectivity projects in this region.

◆ **Harnessing Economic Complementarities**

Formation of a thriving economic belt with focus on cross border transport, energy and telecommunication networks has been the principal focus of BCIM corridor. These economic complementarities are geared towards strengthening cooperation between the BCIM countries for achieving developmental activities.

◆ **Accelerating Trade and Investment**

Given the abysmally low level of bilateral trade between India and Myanmar enhancing multi-modal connectivity and East-West Corridor is going to give a boost to trade in goods and services and investment climate. Trade in goods, services and investment would also result in trade-facilitation measures for flow of goods and services along the Corridor to a significant scale.

◆ **Strengthening Regional and Sub-Regional Cooperation**

The corridor aims at deepening integration through elimination of trade and tariff barriers and greater market access to goods and services. Regional co-operation amongst these geographically

contiguous countries is expected to accentuate trade relations amongst member countries. The initiative has generated optimism in the member countries for regional prosperity by improving cross-border connectivity, boosting trade among member countries, and strengthening regional economic cooperation.

◆ **Facilitating People-to-People Contact:**

BCIM has been explicitly involved in facilitating people-to-people contact through promoting trade, culture, tourism, sports and education among member countries. Amongst the Indian initiatives include ITEC Programmes by Ministry of External Affairs, Cultural Exchanges by Indian Council of Cultural Relations, promotion of tourism between the India's northeast and the bordering countries including Medical tourism. Buddhism, Bollywood and Yoga have long been a part of Indian cultural heritage offering immense possibilities for facilitating people-to-people contact.

BCIM: Critical Gaps

Mutual suspicions due to unsettled boundaries, trans-border crimes, illegal migrations and lack of physical connectivity have been perennial bottlenecks hindering actual cooperation and integration in the region. A significant critical issue is in regard to bridging the trust deficit in the light of the recent cross-border operation by Indian forces and advancing cooperation between the armed forces of the two countries since Myanmar is on the same page with India on effectively guarding the borders. Another gap is in regard to connectivity with the Northeast India which has the potential of forging closer economic and political partnership with Myanmar and beyond. One of the weakest links has been the low intensity at which the border trade has been operating between the two countries. Most of this border trade is negligible and largely illegal and unaccounted for. One more critical subject pertains to the top-down approach of the authorities having minimal consultation with the local stakeholders. Finally, the internal political dynamics and domestic constraints such as sectarian and ethnic violence have also posed a big security problem to the BCIM Corridor.

Bilateral political issues have also dominated these initiatives-Rohingya issue has been a critical challenge in the case of Myanmar. Territorial and water sharing agreements have been predominant in case of India-Bangladesh relations. Political inertia and lackadaisical approach of the Indian government has been a major impediment in strengthening India-Myanmar relations. Economic and technical factors have also been critical and impeded sub-regional cooperation. Long-standing border dispute between the two Asian giants - India and China has also been a cause of anxiety. Border security and violent clashes between armed ethnic rebel groups and Myanmar's military has been a major source of concern between China-Myanmar relations.

Conclusion

Addressing these critical areas would be crucial in strengthening partnership and boosting ties in between the countries of the region. In this regard, transit facilities have to be made simple and flexible and visa regime to be liberalised. Furthermore, Track II level dialogues need to be invigorated. It should boost intra-regional trade and strengthen road, rail, and air links, and

create the conditions necessary to provide reliable energy to cater to the needs of the region's growing economies. Added to this, bridging the gap through bottom-up approach by the active collaboration by all stake-holders in the region would result in enhancing ties and cooperation between the two countries.

Some of the other suggestive measures include:

- ◆ Bridging the critical gaps in physical connectivity.
- ◆ Sanitizing the corridor to overcome non-traditional security threats.
- ◆ Faster implementation of trans-border projects.
- ◆ Creation of a more business friendly environment.
- ◆ Participation by the local stakeholders to meet the rising regional expectations.

Democracy transition in Burma Democratization or Liberalization?

Myat Thu

A quick flashlight historical development of Myanmar would help us understand better about Myanmar. Myanmar got its independence in the year 1948. From 1948 to 1958, Burma adopted a parliamentary form of government. On 2nd March 1962, Ne Win again seized power in a coup d'état. In 1988, there was growing resentment towards military rule that led to widespread pro-democracy demonstrations in 1988 known as the 1988 Uprising. This was followed by another military coup in the year 1988. General elections were held in Myanmar on 27 May 1990, the first multi-party elections since 1960, after which the country had been ruled by a military dictatorship. The 7-steps programme for Myanmar's transition to a democratic state was implemented in 2003. In the year 2007, a series of economic and political protests and demonstrations that took place in Burma came to be known as Saffron Revolution. A constitutional referendum was held in Myanmar on 10 May, 2008 (24 May 2008 in some townships) according to an announcement by the State council in February 2008. Then a general election was held in Myanmar on 7th November 2010, in accordance with the new constitution that was approved in a referendum held in May 2008.

The changes that were taking place in Myanmar led the people to think that Myanmar has stepped in into the liberalization transition phase. The general election of 2010 was very controversial because one of the major parliamentarians was not included in the general election. The end of Myitsone Dam project although hardly got noticed in the international arena, the ordinary people see it as a great change. The end of Myitsone Dam project is seen as one of the steps in the democratization process in the country. Another major event was the release of the political prisoners, including the very famous student. Almost 90% of the political prisoners were released in 2012. And there were economic reforms, lots of reduced restriction over the censorship on the media and they also allowed the protests and demonstrations that are rarely seen in the past. There were lot of protests and demonstrations in the street, so everybody thought that the country was changing. But there are still challenges in the democratization process.

The 2008 constitution, it is not high or low, it is not a legislative supremacy but a military supremacy constitution because it is the military which occupies the highest strata in every strata of the country and although there are many things seen by many people as changes but all are government action and there has been no such real transformation in the entire period of 5

years. No transformation, the constitution is still intact. Strata transformation means the national Security and Defence Council that holds the highest authority according to the constitution. It is above the executive; even the President has to obey the decision of National Security and Defence Council. It composed of 11 members and 6 members are from the military and you might recall the order of the President who is Commander-in-Chief to stop the offensive attacks of military in Kachin state. The military did not obey because the government has no authority over the President and there is a 25% reserved seat for the military in the Parliament and this means that 25% is reserved for the military and we need more than 75% to change the constitution. The supreme military constitutional role is taken up by the military and also has effects on the formation of government as well. The political party which is close to the military needs only another 25% to form the government whereas the NLD has to win over 50% of which is translated into 67% of the country's constituencies. There were no military relations because there is no cooperation or talks between NLD and military side. Although there are civilians in the Government they all are the former generals who formed part of the military. There are challenges in the elections and there are many armed conflicts in the ethnic minority areas and another thing is communal violence. These are the major challenges in the democratization process: The 2008 Constitution-military supremacy constitution Structural transformation of National security and defense council versus the executive and 25% reserved seats for military, civil military relation, Election, Armed conflicts and Communal violence.

There are so many poison pills in the Constitution. This is present in the form of the Union's consistent objectives which speak of (a) non-integration of the Union, (b) non-disintegration of National solidarity, (c) perpetuation of sovereignty, (d) flourishing of a genuine, disciplined multi-party democratic system; (e) enhancing the eternal principles of Justice, Liberty and Equality in the Union and; (f) enabling the Defence Services to be able to participate in the National political leadership role of the State. Provision of the constitution in 354, Every citizen shall be at liberty in the exercise of the following rights, if not contrary to the laws, enacted for Union security,



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prevalence of law and order, community peace and tranquility or public order and morality: (a) to express and publish freely their convictions and opinions; (b) to assemble peacefully without arms and holding procession; (c) to form associations and organizations; (d) to develop their language, literature, culture they cherish, religion they profess, and customs without prejudice to the relations between one national race and another or among national races and to other faiths.

To sum up, after five decades under dictatorship, Myanmar was believed to enter into a democratic transition as Military leaders held a controversial election in 2010. Under president Thein Sein Myanmar saw a liberalization period with the release of the majority of political prisoners and the protests and demonstrations on the street that was rarely seen in the previous regime. Restrictions are reduced in many sectors including political, economic and media. However, there are still many challenges including 2008 constitution, ethnic armed conflicts, incompetence of election commission and communal tensions. Now Myanmar is on the critical juncture and whether it moves forward or not seems pivotal on upcoming general election.

India's Policy Challenges in Myanmar

Udai Bhanu Singh

The recent changes that have been taking place in Myanmar, in India's Northeast, in neighbouring Southeast Asia, and globally have impacted on the India-Myanmar relationship. Myanmar is going through a very significant phase of transition. India, on the other hand, is also undergoing a different kind of transition. This change is evident not only with regard to India's Foreign Policy but also the growing importance of India's Northeast in its Act East Policy. For a long time India supported the process of democratization in Myanmar and this continued till 1992-1993. In their period after 1993, India changed its policy and began to support whichever regime was in power. This switch in policy was significant because the government realized that to be effective India needed to interact with the incumbent regime.

The Look-East Policy that was initiated in 1991 and the liberalization that India introduced around this time had its implication for Myanmar as well. The Look-East policy was opened to South-East Asia and India was looking at Southeast Asia to get more business; it was economic oriented at that time. The Look East Policy now redesignated as 'Act East Policy' under the new regime of Prime Minister Narendra Modi has taken into account the number of developments that are taking place in the region and globally. The Act East Policy is now more focused on the North-Eastern region of India and had extended its reach beyond South-East Asia, beyond ASEAN, to include Pacific Islands. The introduction of quasi-democratic government in Myanmar in 2011 heralded a great change. There is now a great opportunity in Myanmar, as the country is not only changing politically but also economically and socially. There has been a great hope and this hope has been expressed by world leaders that Myanmar will fully democratize even though at the moment Aung San Suu Kyi is denied the right to contest for president because of the limitation imposed in the constitution of the country. Political change has been started in Myanmar. Economic change has been initiated with the new economic laws. If look at the global scenario, there is a pressure on Myanmar with regard to its neighbor China.

During the period when Myanmar was in isolation, China extended its economic, political and military influence over Myanmar. For instance Chinese infrastructural projects and military support in Myanmar is well documented. This monopoly of China over Myanmar has now changed with many countries of the West, United States, European Union and Japan entering the fray. The economy of Myanmar has opened up and the country offers new opportunities to the new entrants. India is cognizant of and understands the developmental requirements of Myanmar and also of North-East India. The primary requirements of these two regions are education and

health care. Sagaing in Myanmar and NER equally require a concerted focus on development activities especially in the medical and educational sector. Once we understand the common needs of these two regions, we will be able to direct our energy much better. India's objective is not only to improve its relationship with South-East Asia but also to change India's approach to North-East India. This is important and if the new government realizes the importance of North-East India, and if the two governments synchronize their policies, then North-East India and Western Myanmar, could see a phase of rapid progress.

India's Northeast region had seen neglect during colonial period. Even after India secured its independence, for one reason or another not much development could occur in the NER. With emphasis on connectivity rekindled and renewed attention to road, railways, air connectivity and waterways, there should be hope for a change. The Northeast India suffered primarily because of two reasons: the neglect by the colonial administration and the post-partition loss of NER's connectivity to the Indian Ocean with the creation of (East) Pakistan. This lost connectivity needs to be restored somehow. What is required today is not just the connectivity but development of industries in the Northeast India and similarly development of industries in western Myanmar. In addition to India's developmental and economic concerns there is also the overwhelming strategic interest that the geopolitically strategically located Myanmar connotes. Being placed at the trijunction of South Asia, East Asia and South Asia Myanmar has a unique place in the region. Myanmar provides India a land border with Southeast Asia. Myanmar's long coastline in the Indian Ocean and proximity to India's own Coco Islands and Andaman Islands besides the proximity to the Malacca Strait makes it critical for India's maritime policy. Given this context, India's insurgency problems in the Northeast cannot be effectively tackled without an understanding Myanmar regime. In essence, for a successful India-Myanmar policy, the requirements of the NER, and the objectives of the Act East Policy may need to be further harmonized.

India-Myanmar Relations and India's Act East Policy Challenges and Perspectives of Securing the Sub region

Biswajit Mohapatra

Due to the shared historical, ethnic, cultural and religious ties, India-Myanmar relations are said to be rooted deep in the psyche of the people across the borders and ages. Further the geographical proximity of the two countries has helped develop and sustain cordial relations and facilitated people-to-people contact, to say the least. India and Myanmar are signatory to the Treaty of Friendship enacted in 1951 and the friendly relations that they share have become more closer by the exchange of high level visits by the top leadership of both the countries. As far as India is concerned, the visit of the Prime Minister Rajiv Gandhi in 1987 which laid the foundations for a stronger relationship between India and Myanmar has been followed by subsequent visits of our Prime Minister, viz., Manmohan Singh and recently by the present Prime Minister Narendra Modi.

As far as the bilateral relationship's geo strategic importance is concerned, India and Myanmar not only share a long land border of over 1600 km in addition to a maritime boundary in the Bay of Bengal, each one's territorial security is deeply bound with the course of their mutual security and defence engagement. Besides Myanmar is a member of ASEAN and also the only ASEAN country which shares a land border with India. As such Myanmar being the bridge between India and ASEAN, has risen in much significance in the context of India's Act East Policy, good neighbourhood policy and also in the background of China's overtures to India's neighbouring countries. India and Myanmar are also signatories to the BIMSTEC Free Trade Agreement. In these changed times, India is constantly engaged in upgrading its trade relations with Myanmar and Thailand within the BIMSTEC region.

The top leadership of both these countries has often pledged to strengthen ties in all areas, including defence and security. However the ongoing and seemingly intractable tragedy of ethnic conflicts within Myanmar and on the Indian side, the recurrence of extremist activities by multiple extremist groups, from across the borders on the Myanmar side have often posed threats to the improvement of bilateral relations and India's deepening of its relations with the ASEAN.

In this context, Myanmar's commitment to deepening defence and security engagement with India, including in the area of maritime security and India's Prime Minister Narendra Modi's reiteration of India's commitment to strengthening bilateral relationship with Myanmar in all

areas, including defence and security, symbolize the realized complementarities and it is claimed that this will enable both these countries to avert any kind of external threat to the regional security but also would restrain the armed insurgents, the non state actors, to complicate the state to state relations by their unrestrained and inhumane acts of terror. When one turns one's eyes into the past, it is seen that for many years, surprisingly India had not stuck to its historical line of cultivating closer ties with Myanmar, simply because it was being ruled by the authoritarian regimes. It is rather in the recent past that India changed course and began to engage the military junta of Myanmar.

During the British colonial rule, Myanmar, then known as Burma, as had been an integrated part of the British Empire, was a province of India. Due to this, there were well established cultural links, flourishing of commercial ties, and involvement of Indian community in the socio-economic development of Myanmar. After India got independence and Burma had become an independent country as well, these factors later on contributed towards a close Indo-Burmese relation but also development of common interests as far as the regional and world affairs were concerned. When Myanmar had to struggle with regional and sub regional insurgencies, due to its multi ethnic and multi-religious character as is India, India is said to have extended considerable support to Myanmar to tackle them and for its unity and integrity as an independent country. The change in course came about however when the military in Myanmar overthrew of the democratic government, which is said to have caused strains in the close ties that the two neighbours had shared till then. India's condemnation, of the suppression of democracy, by the military, resulted in the expulsion of the Burmese Indian community. Further India's continued support to the pro-democracy movement in Myanmar, increased the rift between the two affecting the bilateral relations to a great extent. There were signs of improvement of bilateral relations, the then Prime Minister of India Rajiv Gandhi visited Myanmar in 1987. But soon after the relations again got deteriorated due to the influx of Burmese refugees into India because of severe actions of the military junta towards pro-democracy movements in 1988.

Since 1993, however a perceptible change of course was seen during the successive government led by P.V. Narasimha Rao and Atal Bihari Vajpayee, wherein the government went in for establishing warmer relations between the two nations, as India had opted for increasing India's participation and influence in the Asia, as a part of its new foreign policy objectives, which had been proclaimed as its Look East Policy and also it is said, because of the threat it saw in the growing influence of the People's Republic of China in the region. Thereafter the bilateral relations between Burma, officially the Republic of the Union of Myanmar and the Republic of India have improved considerably, overriding the tension that was associated with the dealings with the military junta in Myanmar and its suppression of democracy within.

Strategic and Economic significance

The development of closer relations between Myanmar and India is said to have very unique significance and perhaps wider strategic importance for Southeast Asia and the outer world. As Myanmar is India's gateway to Southeast Asia and is essentially required to realize India's Look East Policy because of the fact that the country is located to the south of the states in Northeast India, viz., Mizoram, Manipur, Nagaland and Arunachal Pradesh etc. It is after the announcement of Look East Policy, Myanmar rose in importance increasingly for India in the strategic and

economic context. Overturning its earlier focus on and around the South Asian Association for Regional Cooperation (SAARC) countries and China, India decided to upgrade the Kalewa-Yargyi road segment to highway standard as it felt this would help in connecting Moreh in India to Mae Sot in Thailand via Myanmar after Myanmar develops the Yargyi-Monywa portion. India felt such initiatives, in turn would improve India's connectivity and also its relationship with both Myanmar and Thailand. Inter alia, India also undertook other major projects, viz., the resurfacing and upgrading of the 160 km Tamu-Kalewa-Kalemyo road and the Kaladan project with the aim to connect Kolkata Port with Sittwe Port in Myanmar and introduction of a bus service from Imphal to Mandalay, which is scheduled to begin in October. India expected that these kinds of improved connectivity and relationship with both Myanmar and Thailand, would make India an assertive regional player in Asia and also will add more confidence to its ability to lead the region and be an important global player, more particularly when China's growing influence in the region was abound and was posing threat to its major geopolitical interests and regional security at large in view of China's increased activism in the Indian Ocean region. Through such proactive approach, India not only has demonstrated its intention of building up of closer economic ties with Myanmar, it is also very keen for building up a holistic relationship and to assist in institution building in Myanmar through closer cooperation in different multilateral forums such as ASEAN and BIMSTEC.

Though often commentators have pointed out that India's move to forge close relations with Myanmar Burma is probably motivated by a desire to counter China's growing influence as a regional power and to increase its own influence and standing, vis-à-vis China, yet India's feeling of concerns and tensions over China's extensive military involvement in developing ports, naval and intelligence facilities and industries, specifically the upgrading of a naval base in Sittwe, a major seaport located close to the eastern Indian city of Kolkata cannot be rejected and hence it also established the need for a closer cooperation between them. As a result of this, India's engagement with the Myanmar's military junta has helped ease the regime's international isolation and also has lessened Myanmar's dependence on China. Both the countries have now activated channels of cooperation to counteract the insurgent groups operating in the border areas as also the drug trafficking. India and Myanmar, as are leading members of BIMSTEC and the Mekong-Ganga Cooperation, along with Vietnam, Laos, Cambodia and Thailand, their active cooperation is said to be of great help to India for furthering its influence and ties amongst the Southeast Asian countries, particularly with ASEAN.

India is Myanmar's fourth largest trading partner after Thailand, China and Singapore, and second largest export market after Thailand, absorbing 25 percent of its total exports. India has also emerged as the largest market for Myanmar's exports, worth of about US\$ 220 million worth of goods in 2000 whereas India's exports to Burma stood at US\$75.36 million. The bilateral trade is also said to have expanded significantly over the last decades. With the recent opening up of Myanmar economy, India's exports to Myanmar have also grown significantly. The growth in exports increased by about 70% from India to Myanmar is much more than the growth in exports from India to the world (21.83%) during the period, from 2010-11 to 2011-12. In a similar manner the growth rate in imports from Myanmar to India was also reported to be more than that from the outside world during the said period. The Government of India is also determined to increase air, land and sea routes for strengthening trade links with Myanmar. Both India and Myanmar's governments have spoken of the need to enhance cooperation in agriculture, telecommunications,

information technology, steel, oil, natural gas, hydrocarbons and food processing and for accelerated border trade through three designated border points, one each in Manipur, Mizoram and Nagaland in accordance with the bilateral border trade agreement of 1994. Further as of 2013, India has also provided about US\$500 million as loan to Myanmar for its development besides agreeing to cooperate to modernize Myanmar's military.

Cross-border security issues have occasionally had an unsettling effect on the growing relations between both the countries. India has at times been deeply worried about Myanmar's efforts aimed at containing the separatist elements inside Myanmar territory as India continues to be threatened by ethnic separatism and insurgency in northeastern India. After the improvements of bilateral relations, Myanmar on its part, is said to, has been very assertive in controlling its Naga minority from pursuing ideas of a greater Nagaland incorporating Naga groups from both countries and their crossing the border. The rapid improvement in bilateral ties and improvement of socio economic conditions would solve the problem of ethnic separatism and refugee issues both within Northeast India and Myanmar with the successful implementation of the objectives of Look East, now renamed, Act East Policy.

Act East Policy and String of Pearls strategy

It is well known that Beijing is said to be pursuing its "string of pearls" agenda in the Indian Ocean to encircle India. China is further building up its military and commercial outposts in an arc from its mainland across to Sudan, passing through the Strait of Mandeb, the Strait of Malacca, the Strait of Hormuz and Lombok Strait. This maritime "garland" would encompass ports in Bangladesh, Sri Lanka, Pakistan, the Maldives and Somalia. This emerging scenario in India's neighbourhood necessitates that India must also has to develop a clear cut counter-strategy in the form of its own string of pearls, including therein countries like, Myanmar, Bangladesh, Sri Lanka, Iran, the Maldives and Seychelles. It is also perhaps time, to deepen India's security and strategic partnership with Myanmar. Myanmar, with its several deep sea ports, including Yangon and Dawei, can be the first pearl in India's garland, sweeping south into the Indian Ocean before rising up to the port of Chabahar in southern Iran. Along the way are a friendly Bangladesh and Sri Lanka. Both as have significant ports - Chittagong in Bangladesh and Colombo and Hambantota in Sri Lanka, can also be indeed helpful. The Maldives and Seychelles, though, are small but key components in India's string of pearls which when complete would begin in Myanmar in the east, dip south to Sri Lanka and link up with Iran in the west. India's string of pearls strategy, along with the close relations New Delhi has forged with Nepal and Bhutan - both of which share long borders with China - places India in a stronger geopolitical position than it has enjoyed for decades. Pakistan is relatively isolated in the South Asian Association for Regional Cooperation (SAARC). Its belligerent reaction to India's commando strike in Myanmar reflects deep-seated insecurity. If, however, it successfully builds its geopolitical string of pearls, India will inevitably emerge as the third angle in a new US-China-India triangle of power that will define this century.

Prime Minister Shri Narendra Modi's visit to Naypyidaw from November 11-13, 2014 to attend the 12th ASEAN-India Summit and 9th East Asia Summit and his meeting with Myanmar's President U Thein Sein and his discussion on matters of bilateral interest was indicative of India's objectives of re-initiating an outreach towards one of India's most ancient civilisational

neighbours, in a spirit of rediscovering and re-stating this deep understanding of each other in the current geo-political climate. His visit also was aimed at an intense and more active engagement with Myanmar, focused on the need for India to have a larger economic role in the region and to increase her ventures on to the life-line rivers of that country that are so crucial for regional connectivity and to increase in her cultural and educational outreach and partnership.¹

U Win, then Myanmar's education minister and acting foreign minister, had articulated a new direction and laid down a future map for India-Myanmar relations based on civilisational linkages. He insisted that India and Burma together formed the 'arch of Bay of Bengal' and that in history, despite physical barriers; both countries had succeeded in being in constant link. While discussing the cultural links between the two people, Win spoke of how the spread of Buddhist influence from India into Myanmar laid the 'foundation of cultural association between India and Burma.'

With his focus on the need to strengthen ASEAN, the prime minister may have reiterated, in a sense, Win's position articulated over six decades ago -- that Myanmar remains most ideally suited to becoming the South East Asian Carrefour of the future, a dynamic central point that not only facilitates linkages but also actively contributes to the growth and amalgamation of the region. More so when ASEAN is said to be at the crossroads with attempts being made to weaken it, India and Myanmar together can play a crucial role in stemming that decline and to further strengthen the body by mutually chalking out and pushing through connectivity issues that are vital for the entire region and for India's North East. During this visit, Modi's efforts at reaching out to Myanmar and the ASEAN, in the spirit of 'Act East', can be regarded as some kind of pointing towards realignment in the regional matrix.

Smt. Sushma Swaraj, EAM also visited Naypyidaw from August 08-11 for attending the 4th East Asia Summit Foreign Ministers Meeting and the 21st ASEAN Regional Forum Ministerial Meeting and paid an official bilateral visit on August 11, 2014. She had bilateral meeting with Foreign Minister U Wunna Maung Lwin and proposed to establish a Joint Consultative Committee between the two countries and also discussed possible cooperation for enhancing connectivity, increasing trade and commerce, security cooperation.

As a consequence of such developments, Myanmar began to be closely watched by China, Pakistan and the United States, with India's efforts at putting together the geopolitical jigsaw, where Myanmar had become an important piece of the geopolitical jigsaw, known as India's "own string of pearls", a phrase often used to describe China's maritime ambitions in the Indian Ocean and beyond.

Following the successful building up of its geopolitical string of pearls, in the words of commentators, India will inevitably emerge as the third angle in a new US-China-India triangle of power that will define this century. With improvement of relations between India and Myanmar, as is being claimed, Win's 'arch of Bay Bengal' can be said to stretch into a circle that shall include within its contours most of South-East Asia, turning the area it into an interconnected zone of prosperity and growth. Both India and Myanmar hold the potential and should look forward to drawing that new circle in the region and that they are ideally suited and poised to re-configure that 'arch'. Whatever it signifies and symbolizes in itself.

¹ <http://www.livemint.com/Politics/ziHphiQsFHiMkKtydUSRdI/Modi-calls-for-greater-cooperation-between-India-and-Myanmar.html>, accessed on 25th Sept 2015

Ahead of India and Myanmar's first Joint Consultative Commission (JCC) meeting aimed at strengthening ties across the entire expanse of their relationship, Prime Minister Narendra Modi, during a meeting with the visiting Myanmar's foreign minister U. Wunna Maung Lwin, in New Delhi, Modi said that "India attached the highest priority to its relations with Myanmar, and conveyed India's commitment to deepen the bilateral relationship in all areas, including in political, economic and security spheres and people to people contacts." He further "reaffirmed India's position as a reliable partner in Myanmar's development... and highlighted the importance of Myanmar for peace and stability in the region, and for India's connectivity with Southeast Asia." Given the fact that India was one of the few countries that maintained its engagement with the Myanmar when it was under military rule despite its concerns that insurgents launching attacks in the northeastern region were taking shelter in Myanmar, the expected further growth of this bilateral partnership, would not only increase security in the northeastern region but also would usher in peace and stability in the region and unanimity of views on regional and international issues.

Indo-Myanmar Relations: Security, Corporate Trade or People-Centred?

Walter Fernandes

With the beginning of political and economic reforms in Myanmar, India has been looking at their implications for its foreign policy. Two issues have dominated the discussion - security and trade. Security is viewed mainly from the perspective of the presence of some insurgent groups of Northeast India in the border areas and the domination of China, and trade particularly as Myanmar and Northeast India (NEI) providing a corridor to the remaining ASEAN countries. The present author is of the view that these issues are important but that greater importance than now should be given to people-to-people relations and that they should go beyond commerce to the social and cultural arena.

Security as Priority

Two inter-related concerns seem to dominate the security scenario - the presence of Naga and other North Eastern militants on the Myanmar territory and what is perceived as the domination of China. Some Naga tribes live on both sides of the border and hidden among them are a few camps of militant outfits of Assam and Manipur, all of them under the command of the NSCN-K. (Bhattacharyya 2014: 26-28). That gives a security dimension to Indo-Myanmar relations as one saw in the incident of Indian troops supposedly crossing over to Myanmar in hot pursuit of NSCN (K) insurgents lodged in the Sagaing Region in June 2015. Linked to it is the driver of what is perceived as the need to counter China's presence in Myanmar and in other neighbouring countries. "India perceived China's strategic moves into Myanmar as a threat to its security interests in the region" (Ghoshal 2014: 21).

Questions have been asked about this approach to relations with Myanmar. People in Myanmar are not enthusiastic about it because they would not like their country to be just a place where "China Meets India" (Myint-U 2012). They want good neighbourly relations of equals between their two countries. In India too, some question the advisability of giving priority to China in their relations with a third country like Myanmar. Such an approach can result either in an anti-India feeling in Myanmar or resumption of the cold war atmosphere. Those who want a different dimension see "a need to balance, to maintain an equitable and an effective balance of power" (Bhatia 2014: 8). After spending more than two years in Myanmar also the present writer is of the view that resentment is bound to build up among the people of the country if they feel that India is using their country as a locus to compete with China. Because of its domination of its economy

there is some anti-Chinese feeling among the people of Myanmar. China has been forced to abandon some planned projects like the Myitsone dam in Kachin State (Bhattacharyya 2014: 84-85). If they people view their country as a place of competition with China they can easily transfer this feeling to India.

Moreover, the situation in China itself has changed. The country seems to be having excess capacity and as one noticed during the recent visit of the Chinese President to India it seems to be anxious to transfer much of the capacity to India. Security concerns will remain important in India's relations with China but they are being balanced by this need for new economic relations. What it means is that competition between India and China should not enter the country's relations with Myanmar. If competition with China is kept away from this country and relations of equals prevail, Myanmar can become a meeting point and a place of cooperation between India and China. It can thus be a bridge, not a place to which the cold war competition between India and China is transferred.

Commercial Relations

Trade is the second pole on which Indo-Myanmar relations are based. On this count too one sees a danger of viewing the relations as counter to China. One is also tempted to view Myanmar mainly as a link or bridge between India and the ASEAN countries. On the reverse it also becomes a link between the Northeast and the rest of India since transit through Bangladesh is more difficult than through Myanmar (Ghoshal 2014: 20). That has been the dominant thinking in India's Look East Policy (LEP). For example, during a dialogue on the LEP with the then foreign minister Mr. Pranab Mukherjee at Shillong in May 2007 many civil society representatives asked him whether LEP was Delhi-centred or Northeast-centred. On the answer to the question depended their interpretation of LEP. Delhi-centred would mean that the region is treated only as a corridor to ASEAN. The Northeast becoming the centre would involve much more attention paid than in the past to contacts with ASEAN and to infrastructure development in the region. This thinking was elaborated further at a consultation in Delhi of 20 persons from the Northeast convened by the National Advisory Council in October 2012. The background paper of the NAC focused on roads, high quality medical and technical colleges in the cities and the rest of the infrastructure, railways, industries, and commercial hubs. It linked such development to LEP and stated that the infrastructure thus created could result in the development of the region and turn it into a link with the ASEAN countries.

At both the meetings and at the one on the LEP at Shillong in June 2008, civil society participants expressed their discomfort at the possibility of both the Northeast and Myanmar being viewed primarily as corridors the NEI as a link with Myanmar and Myanmar as a corridor to ASEAN. They wanted the individuality of both the NEI and of Myanmar to be respected. In other words, they suggested that the Northeast should not be only a corridor linking Delhi with ASEAN but the centre of LEP (Fernandes 2013). Myanmar in its turn cannot be viewed primarily as a corridor for the ASEAN but as a country with a special status as the next door neighbour. Despite a 1,600 km land border, trade by land has not grown very much. In fact it seems to have declined and much of the trade is through the maritime route and stood at a little over USD 1 billion in 2012 (Ghoshal 2014: 23-24)..

A People-Centred Approach

The main discomfort of civil society participants at the above meetings and in the rest of the interaction was on the role of the people living on two sides of the border. They did agree that roads, the educational and medical infrastructure and the remaining needs were important. But many of them felt that the benefits of an infrastructure of high level institutions based in Guwahati and Shillong would reach only the elite. The same holds good for the road and railway infrastructure. If its primary objective is commercial relations with ASEAN and Myanmar, it is bound to bypass much of the NEI and only turn the region into a corridor linking it with Southeast Asia. In other words, turning the NEI into a corridor cannot make a contribution to the development of the people of the region. They suggested inclusive development whose benefits reach people in the rural areas. While accepting the need for schemes such as roads and educational and medical institutions, they felt that greater focus is required on field level institutions and on making existing ones accessible to the villages and small towns (Fernandes 2013). The benefit of medical colleges, for example, can remain with major cities and may exclude villages and small towns. Studies show that much land alienation in the region today is within the tribe. In the absence of good colleges in their neighbourhood parents send their wards to colleges in Guwahati and Shillong or outside the region. To get money for it they sell some of their land to richer persons in their tribe. Because of the absence of good medical facilities, in an emergency people have no choice but to sell their best plot to a rich member of the tribe at a throwaway price in order to rush to the cities where such facilities are located. According to estimates as much as 50 per cent of the land alienation may be within the tribe (Kekhrieseno 2007).



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Prestigious institutions in big cities are important but if their benefits do not reach the rural areas, they can turn the region only into a corporate sector controlled corridor linking Delhi with ASEAN without the people being involved in the exchange. Without articulating it in so many words, many participants viewed the issue from the perspective of the Supreme Court interpretation of Article 21 of the Constitution on right to life as every citizen's right to a life with dignity. They accorded equal importance to this right and to the infrastructure. Development has to protect this right for example by stopping land alienation. The background paper of NAC spoke of public-private-partnership (PPP) in industries and big educational and medical institutions. Some participants felt that PPP should become real in the village and small towns. It can become a reality if it reaches civil society groups who run village level schools, medical

and other facilities, often through self-help groups (SHG).

This approach can be crucial for the development of the region as well as for the link of the people of NEI with Myanmar. To limit the analysis to relations of NEI with western Myanmar, a recent study of the present author and of his colleagues showed that the situation of educational and medical institutions in the Chin State and Sagaing Region bordering Mizoram, Manipur, Nagaland and Arunachal Pradesh, is not different from that in the rural areas of NEI. Most institutions exist on paper and do not function properly. Access to the few institutions that function is difficult because of the hilly terrain and lack of transport between the villages. Since transport with the rest of Myanmar is difficult particularly from the Konyak and Thangkhul Naga areas of Sagaing Region, they depend on the Indian side for trade, education and health care. Some have found creative ways of doing it. For example, there is a hostel at Tamu on the Myanmar side for children going everyday to a school in Moreh in Manipur. That is fully legal. But a substantial number of Nagas study in Nagaland and Manipur without necessarily being legally registered. Many of them sell some of their land in order to make such an investment in the future of their children. That possibility is rare in the Chin State that has very few springs and land is not fertile. It has lost its fertility further because of deforestation and the consequent environmental degradation. A few families that can afford it send their children to schools in India. Some others are involved in trade with Mizoram and the local people allege that they have taken control of trade in their region of the State. Migration to Southeast Asia and India is the solution of most others. Today Mizoram has an estimated 100,000 Chin migrants doing the lowest paid unskilled work and they are highly exploited (Fernandes et al. 2015).

Thus, a people-to-people LEP exists already but it is not recognised by the official circles that limit themselves to a corporate sector oriented infrastructure that can turn the NEI and Myanmar only into corridors to reach ASEAN. One does not deny that such an infrastructure is required. One even holds that it should go beyond what is planned today. For example, no air and bus links exist between NEI and ASEAN. They should be included in the plan. However, the LEP as well as trade and other relations with Myanmar are bound to fail long as the role of people is not recognised and the infrastructure does not reach the rural areas. Today trading and mutual dependence are strong between the tribes separated by the Indo-Myanmar border. But the official circles do not recognise this reality. The 1997 Indo-Myanmar trade agreement and subsequent additions to it recognise only a few items and do not include items in which the divided tribes trade on a daily basis. The rules of entry permits do not recognise the inter-dependence of the separated tribes on each other and the high dependence of the Myanmar counterparts on India for medical care especially in emergencies. Because of the delay in granting permits, they have to cross the border illegally. The links will remain trade, security and corporate sector oriented as long as this inter-dependence is not recognised and the procedures changed to suit this need.

An Integrated Approach

What it means is that one needs an integrated approach to solve the problems enumerated above. Trade and development have to go hand in hand. One cannot separate the two. Moreover, because of the similarity of people and situations on two sides of the border, development itself requires an integrated approach. The development of communities on two sides of the border i.e. of the people of the Northeast and of western Myanmar, particularly of the Chin State should go hand

in hand. Their relations are not limited to trade but extend to the cultural, social and other areas. For example, inter-marriage is no uncommon among them (Bhattacharyya 2014: 44-48). The relations between the communities need to get priority and from there they can be extended to the commercial sector.

That requires a cooperative approach between the civil society groups and the Governments of India and Myanmar. It is possible to take up one State i.e. Chin for integrated development, look at its transport, agricultural, health, educational, irrigation, energy and trade needs and find viable alternatives for these facilities to reach the rural areas. For example, because of the distance between villages and their hilly terrain, the people of the Chin State are unable to have a common market for trading. Because of lack of springs they are unable to go beyond the first crop (Fernandes et al. 2015: 190-192). It means that improvement of these facilities in the rural areas of NEI and of western Myanmar, particularly Chin State, have to be done as one integrated whole. Civil society groups in NEI that have been instrumental in forming SHGs and co-operatives can be involved in training the people on the other side of the border in these processes because much of the work has to be done on a cooperative basis. The Governments of India and of Myanmar and the civil society groups have to work with these groups and the Churches in these Christian majority areas, to develop new technologies for rain water harvesting, environmental regeneration, locally rooted health care and a village based transport and cooperative system. It has to begin with the rural areas on two sides of the border.

Conclusion

An effort has been made in this brief note to look at the state of relations between India and Myanmar. Friendly relations between these two neighbours can become more meaningful than they are today if it is recognised that the people of the Northeast and of western Myanmar already have strong social, economic and cultural links and strong relations are built on them. Road, rail and marine infrastructure is required but people-to-people relations need to get priority. That can give a new orientation to the relations between India and Myanmar.

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Border Trade, Security and Trans-border Militancy

Rahul Bhonsle

The issue of the Indo-Myanmar border is very important and has become even more important because of the recent incident that happened in the border particular from the border security perspective. But unfortunately India's approach to the NE security issue today globally has become episodic. To build-in an effective border security as far as Indo-Myanmar is concerned; first we must understand the Westphalian state responsibility for security today. Borders as a manifestation of the Westphalian state normative are designed to usher in peace and harmony for people residing within. The places onus on the Government to maintain stability within the geographic confines accepted as such bilaterally between two states. In the context of India-Myanmar, there is a certain amount of apprehension and increase intervention of security. It is the responsibility of the state to prevent activity that disturbs peace in the neighbourhood and it is also the responsibility of the state to ensure security is guaranteed. The security of any state is best achieved by political and diplomatic engagement. It is not by deploying numbers, if deploying number could achieve security than Manipur and India would have been the most secure state in the country.

As far as Northeast is concerned, a modern state border affects every country. It is not only in the Northeast that community is divided. Unfortunately that is the paradigm in which we are living and that we cannot change the border. The Indian state and the Myanmar had a very good understanding and does not seem much problem. But when one looks at from security perspective it becomes a problem. The travesty of borders of the modern Indian nation state lies in splitting of age old ties between communities particularly in the North East thus to a large extent these have become artificial barriers for traditional human interaction. Ipso facto recognition of this reality in a varied form is evident in facilitating limited movement of the hill tribes residing along the Indo-Myanmar border up to 16 km of the International border with permits and without visa.

A strong security management profile in India and a weak in Myanmar combined with terrain and partially free border regime provides a favourable environment for non state actors - political and criminal to use the same to advantage. The strength of the security and the weakness of the security create imbalance, and this is one of the advantage taken by the militant groups. A corresponding weakness in Myanmar is further aggravated by Constitutional debility of central control in Myanmar that has crept in through the 2008 charter by formation of Naga Self-Administered Zone (NSAZ). Myanmar government and NSCN (Khaplang) cease fire agreement on April 8, 2012 provided further leeway to the group for unrestrained activities in the NSAZ. There is a differential development in every state of India. Contrasting development India and Myanmar - Aizawl - Mizoram (96.5) percent literacy is the district with highest literacy in the

country. Manipur has 80 percent (79.85) literacy as per census of 2011. Myanmar endemic lack of basic education, health and other essentials as the area has been underdeveloped. State access to these areas is restricted on both sides; in the case of Myanmar the NASZ lacks effective connectivity.

The priority of the Myanmar government certainly is peace within the country, ethnic complexities in Kachin, Kayin, Wa, Kokang and the Rakhine state leading to a cease fire agreement, Control of activity of insurgent groups in the NASZ remains low priority, Myanmar government repeatedly assured Indian government that no Indian insurgent group or any anti-India forces would be allowed on Myanmar territory, Adoption of dual approach cease fire agreement and, "security action as and when necessary".

There are various agreements between the Indian and Myanmar government on border management: In 2010, Hot Pursuit - Home Ministry joint secretary S Singh and Myanmar Army commander for Chin state, U Nay Win and Mutual legal assistance agreement. In 2012, Memorandum of Understanding on the India-Myanmar Border Area Development and Memorandum of Understanding on establishing of Border Haats across the border between Myanmar and India.

In order to achieve Border Trade, Security and Trans-border Militancy, the following proposal is placed for consideration: People friendly model, avoiding intense militarization, modified AR Model based on COBs operating effectively in the hinterland as well as the Indo Myanmar border, fencing in select areas to block infiltration routes covered by surveillance elements both by day and night, focus on bases of key groups such as the NSCN K and other elements of the UNLFSEA in the hinterland, raising local AR battalions for border guarding.

Evolving a viable border security management for the Indo-Myanmar border has thus become imperative to guarantee not just the State but also people security, peace and harmony in a region fraught with potential for conflagration of conflict.



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India-Myanmar Relations: Border Trade, Security and Trans-Border Militancy

C.S. Kuppuswamy

Introduction

India has a land border of 1643 km with Myanmar and a long maritime boundary in the Andaman Sea and Bay of Bengal. The geographical proximity has facilitated the long standing trade relations across the land and sea routes. Since the signing of India and Myanmar trade agreement in 1970, the bilateral trade has been growing steadily. Today, India is the fourth largest trade partner of Myanmar. India has also signed an agreement with Myanmar on border cooperation in May 2014.

Border Trade

According to the Myanmar Department of Border Trade, the border trade turnover between India and Myanmar has ranged from US\$ 10 to US\$ 22 million, though it is probably higher if the huge unaccounted informal trade is also taken into account.

Major exports into Myanmar: Cotton yarn, auto-parts, soya bean meal and pharmaceuticals
Major Imports from Myanmar: Betel nut, dried ginger, green mung beans, turmeric roots, resin and medicine herbs

India and Myanmar signed a border trade agreement in 1994 and have two operational border trade points at Moreh/Tamu and Rhi/Zowkhatar. A third border trade point is proposed to be opened at Avakhung - Pansat/Samra.

The border trade had a quantum jump during the year 2014-15 touching US \$ 56.89 million as compared to US \$ 15.4 million in 2010-11.

The mechanism of the Joint Trade Committee (JTC) chaired by the respective Commerce Ministers, has been effective in reviewing and setting policy objectives for bilateral trade between the two countries. Set up in 2003, the Joint Trade Committee has met five times so far and has successfully directed the growth of commercial relations between the two countries.

The 5th India-Myanmar Joint Trade Committee meeting was held on February 17, 2015 at

Naypyitaw and was co-chaired by Myanmar Minister of Commerce U Win Myint and Indian Minister of Commerce and Industry Nirmala Sitharaman.

Some important decisions relating to border trade taken by the JTC so far are:

- ◆ Setting up of Border Haats
- ◆ Setting up of a Border Trade Committee (2012)
- ◆ To develop infrastructure at the border trade points
- ◆ Border trade at the existing point to be upgraded to normal trade between the two countries.

Presently there is a tacit arrangement between India and Myanmar for the local population belonging to the same ethnic groups to be allowed free passage within 40 km on both sides of the international border for the purpose of local trade and social visits.

In December 2012 Indian Government announced that it will allow import of Burmese rice through the border trade points on the Myanmar border.

Manipur State is carrying out a feasibility study to set up a trade zone at the border village of Behiang abutting Myanmar's Chin State. Agreement on the establishment of the zone was signed by the two countries in 2012. The project will include a custom office to facilitate exports and imports, a trade zone, the border market and involve the building of a direct road which will shorten the travel distance. Behiang Trade Zone will be funded by the Government of India, while the Manipur Government will construct the road.

Security

India's security concerns are

- ◆ North East insurgents having safe havens in Myanmar
- ◆ Smuggling of Arms
- ◆ Drug Trafficking and related health problems

Some recent high level visits have addressed the security concerns. Myanmar's Army Chief Senior General Min Aung Hlaing was in India in the end of July 2015 and met the PM, Defence Minister and the Chief of Staff. Ajit Doval the National Security Advisor was in Myanmar in June 2015 and had discussions with the President, Chief of Army and Foreign Minister.

Smuggling of Arms

Assam Rifles Guard the border with Myanmar. It is planned to be strengthened by 2 to 3 battalions every year to secure border areas in Nagaland and Manipur states and support counter insurgency operations.

Here are some of the statements of some senior officers of Assam Rifles stationed in Manipur border.

"Arms used by terrorists in different parts of India have come via Myanmar, Porters smuggle arms and drugs across the border. We have identified 30 border villages where arms are cached for smugglers".

"It is difficult to end the menace because of the free movement of people from both sides. Even fencing the entire border cannot stop this."

Besides Manipur, another major route is through Mizoram. Arms from Thailand and Cambodia are first shipped to Myanmar's Arakan forest region on the Bay of Bengal. The arms are repacked there and smuggled into Mizoram.

Army sources indicate "Most of the arms deals are struck in Ruili and from there, the Chinese arms are brought to Bhamo in Myanmar, from where they are routed to different places. United Liberation Front of Assam (ULFA) and other militant outfits also bring their arms and ammunition through this route.

Myanmar is only a transit point for these arms. The main supplier is China. 'Reportedly, the Black House syndicate (a mafia group) based in China's Yunnan province oversees most illegal weapon shipments in South Asia. Apparently, Black House erases Chinese ordnance factory markings from weapons and ships them to Myanmar and Thailand."

A Janes Intelligence Review (JIR) report says that "China had replaced Cambodia and Thailand as the main supplier of weapons to militants in north-eastern India. JIR named the United Wa State Army, an eastern Myanmar based insurgent group, as the link between Chinese arms suppliers and Indian militants".

A recent media report indicates that there is a gun factory at Pangwa, just across the border in Kachin State in Myanmar. The united front of the Indian insurgent groups may also be buying the arms from this factory.

Drug Trafficking and Health Problems

Drugs come from the infamous Golden Triangle-a 35000 sq km of mountainous area lying in Laos, Myanmar and Thailand. At least 20 illegal methamphetamine factories are reported to be located in Sagaing Region bordering Manipur. Most drugs come from Myanmar through Moreh to Mizoram's Champai district and Manipur's Churachandpur district.

In a report released to the U.S. Congress on 21 September 2015, Myanmar was among 22 countries that have failed demonstrably to make any meaningful effort to adhere to their obligations under international counter-narcotics agreements according to the U.S. State Department. Myanmar's illicit opium crop has tripled almost to 150,000 acres (only next to Afghanistan by far the largest in the world).

The International Narcotics Control Bureau (INCB), in a global report, has said that more than 70% of the amphetamines available worldwide are produced in countries around the Golden Triangle, particularly Myanmar.

Subir Bhaumik in his article "Guns, Drugs and Rebels" have identified the threat posed by the increased drug trafficking to India as follows:

(a) Trafficking through the northeast has led to a rise in local consumption. The region's drug addict population is currently estimated at around 1,20,000 by the Indian Council of Medical Research (ICMR). Many addicts use intravenous injections to push drugs and become HIV positive. The number of HIV positive cases in the Northeast has risen to around 20,000 in the last two decades.

(b) Several military and paramilitary officials have been arrested for smuggling heroin or lesser drugs in Northeast India. The drug cartel has sucked in several politicians, bureaucrats and even security force officials to carry on their illicit trade. Unless checked firmly, this trend is dangerous for the morale of Indian security forces.

(c) Ethnic separatists in India's northeast are taking to protection of drug mafias as a quick way to raise funds. Some like the Manipur Peoples Liberation Front continue to fiercely resist the drug traffickers, but other groups, including the NSCN, have taken to the drug trade, as seizures from their camps indicate.

The drug scene is now more on amphetamine-type stimulants (ATS).

A United Nations report of September 2011 indicates that:

"While new ATS labs have sprouted up worldwide, Myanmar has kept its position as the main supplier of methamphetamine in mainland South-East Asia. The majority of Myanmar's illicit drug production was in the eastern part of Shan state, home to several ethnic minority insurgencies including the United Wa State Army and Shan State Army. There are indications that at least 50 different organized criminal groups are involved in activities related to the trafficking of drugs from Myanmar."

A report of Narcotics Control Bureau (NCB) has said that the United National Liberation Front (UNLF) and People's Liberation Army (PLA) are involved in the drug trafficking to help drugs reach Manipur.

Thanks to shared needles, drug abuse spreads HIV. The National AIDS Control Organisation and UN reports have confirmed an alarming spike in HIV positive cases in the northeast and have blamed the traffic of narcotics and synthetic pharmaceuticals from Myanmar.

Trans-border Militancy

The ambush by NSCN (K) on June 4, 2015 on the convoy of an Indian Army in Chandel district in Manipur killing 18 soldiers and injuring 15 and the counter strike by the Indian Army on June 9 on two separate groups of insurgents along the India-Myanmar border have given a new dimension to the trans-border militancy with Myanmar.

The book "Rendezvous with Rebels: Journey to meet India's Most Wanted Man" by Rajeev Bhattacharya gives a detailed description of Indian insurgent camps in Myanmar estimated to be around 60 in number. The camps are located in and around Taga, a village near the Chindwin river north of Singkalin Hkmati in Sagaing Region. The insurgency groups in Myanmar are

National Democratic Front of Bodoland (NDFB), and ULFA from Assam, Kanglei Yawol Kana Lup from Manipur and NSCN (K) from Nagaland.

The disturbing feature is a new alliance of the rebels on the Indo-Burma border known as United Liberation Front of Western South-East Asia (ULFWSA) under the leadership of S. S. Khaplang.

There is a lot of controversy on whether the surgical strikes by the Indian Army on the insurgent groups in Myanmar, were inside Myanmar territory or only on the India-Myanmar border. While Rajyavardhan Rathore claimed exuberantly that they were deep inside Myanmar, V. K. Singh a former general and now a minister of state has said that the Indian military operations have so far been conducted within India and not on Myanmar soil.

Myanmar has paid little attention to this area on its western borders, where the Indian insurgents are located because these groups pose little threat to Myanmar's territorial integrity as compared to the active insurgent group on its borders with China and Thailand.

One of the excuses of the Myanmar armed forces has been that poor access to border areas due to lack of roads has hindered action and has therefore asked India for infrastructure development, which India has agreed to.

To sum up I would like to quote Bertil Lintner

"The Burma Army has neither the resources nor the manpower to become engaged in yet another battlefield in the country. Fighting India's wars is not a priority for the Burma Army; it's not even on its agenda. And if the Burma Army were to agree to joint operations with India, it would be tantamount to admitting what the Burmese government has consistently denied-that rebels from India have bases on the Burmese side of the border-and such an admission is extremely unlikely to happen."

Conclusion

Even though the interaction with Myanmar has been institutionalized at various levels and agreements and treaties have been entered into, India is not assertive and hence the results are not commensurate with the efforts in terms of aid and cooperation from the Indian side.

India will have to engage China on the issue of small arms proliferation in South Asia while putting pressure on Myanmar to curb the passage of arms through its territory.

It is most unlikely for the Myanmar Government to agree for joint operations against the Indian insurgent Groups located there. However, the Indian Government must persist to get around Myanmar to at least cooperate in future operations.

Border Trade, Security and Trans Trade

W. Nabachandra Singh

India and Myanmar signed an agreement on 21 January 1994 and formal trade was opened on 12 April 1995 on barter mechanism in 22 commodities (Exchangeable items). In November 2008, 18 items were added and in November 2012 another 22 items were included. Hence, the total numbers of 62 exchangeable items are included in the border trade.

Present Scenario

Speaking of the Indo-Myanmar bilateral trade, the volume of trade in Manipur and its neighboring states is not stable and it keeps fluctuating according to the situation. The Government of Manipur is not making trade policy, marketing policy, and separate directorate for trade and commerce for the promotion of trade. The number of unemployed educated youth is growing despite the completion of 20 years of trade agreement. In contrast, Nagaland, Mizoram and Arunachal Pradesh have developed on the said facilities.

For the Development of Trade

1. Under the Look East Policy (Now Act East Policy) all the infrastructure such as roads, railways, postal service, telecommunication, banking system including exchange facility with ATM should be developed.
2. The major grievances faced by the traders and tourists are bans, blockades, agitations, chaos and confusion in the Northeastern region which need to be minimized.
3. The existing Quarantine Office should be upgraded with equipment for fishery and animal husbandry development. It should be developed as per international standards for undergoing trade with the ASEAN.
4. All the trade related offices such as DGFT, FIEO, EXIM BANK, APEADA etc., should impart knowledge and extend help to the traders communities in Manipur and other states in the North East.
5. The existing multiple check- posts should be reduced not only in Manipur but also in other states of North East. Highway protection force should be deployed for smooth

running of trade and tourism.

6. The exchange facilities from Rupee to Kyat should be regularized between the two countries like Indo- Nepal, Indo-Bhutan and Indo-Bangladesh.
7. Exchangeable items between the two countries should be increased for the development of trade and earning revenue. The exchangeable items between Myanmar and China are more than 1162 items and Myanmar- Thailand is about 3699.
8. One food testing laboratory should be opened at Moreh and not Imphal for the smooth running of trade.
9. The composite check post now being constructing at Moreh should be completed within a stipulated time and also a high level committee should be established to look after the relevant projects to complete in time for operation.
10. For the development of trade and commerce and to impart knowledge of trade to traders of North East Region, short-term training to the concerned institutions should be given at least once in a year.
11. According to the Hong Kong Ministerial declaration on December 2005, all the Less Developed Countries (LDC'S) should enjoy tariff rate in formal trade. So Myanmar being an LDC country, it should enjoy the benefits given by the declaration as early as possible.

Lastly, for development in North East states with the ASEAN, all the Government Official and NGO's together should build up a conducive trading atmosphere. It should work towards attaining peace, progress, and prosperity and also in solving the burning question of unemployed youth.



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Indo-Myanmar Border Trade: Challenges and Opportunities

Shwe Hein

India and Myanmar are close and friendly neighbors linked, inter alia, by civilizational bonds, geographical proximity, culture, history and religion. India and Myanmar share a long land border of over 1600 km and a maritime boundary in the Bay of Bengal. India and Myanmar signed a Treaty of Friendship in 1951. A number of agreements enhancing bilateral Cooperation have been signed between the two countries. As the two countries continue to develop, diversify their economies, and strengthen trade links, the contribution of higher value products and services to the countries trade mix should increase significantly, particularly if India can successfully open the Myanmar market to its export driven knowledge industries like pharmaceuticals and software. This would not only provide an additional and substantial boost to trade overall but also significantly help address the growing trade imbalance. Longer term growing cross border trade can drive opportunities in a wide range of sectors, including healthcare, technology, business services and high end manufacturing.

According to the Myanmar Department of Border Trade, the border trade turnover between India and Myanmar has ranged from US\$10 million to US\$ 22 million, though it is probably higher if the huge unaccounted informal trade is also taken into account. Major imports from Myanmar include betel nut, dried ginger, green moong beans, black matpe, turmeric roots, resin and medicinal herbs. Major exports into Myanmar include cotton yarn, auto parts, soya bean meal and pharmaceuticals. Myanmar and India cross-border trade will play an important role in supporting livelihoods, especially those of border communities, thereby buttressing prosperity in the region. Furthermore, by strengthening commercial ties, promoting cultural understanding, and deepening community relationships, cross-border trade helps to nurture harmonious relations amongst countries in the region. The unique feature of small-scale cross-border trade lies in geographical proximity which minimizes transportation costs, thereby allowing traders to take advantage of differences in the supply, demand, and prices of various goods and services available on either side of the border. It is worth noting that most cross-border trade activities are not reported in foreign trade statistics. However, surveys conducted on the subject show that cross-border trade is carried out by individuals or small traders and their families. The volumes traded are small both in value and quantity, with agricultural products and consumer goods being the main traded goods. The traders' mode of transport in conducting their business is on foot, using bicycles, taking a minibus or a taxi to and from the other side of the border.

Cross-border trade not only benefits traders' lives through incomes but also strengthens local

production, and fosters service provision. It also benefits the people involved in activities associated with trading. This entails that cross-border trade is a significant driver of employment and income generation for households that would otherwise have lived in poverty, especially in remote areas where employment is scarce.

Furthermore, cross-border trade lowers import prices and widens the range of choice of goods available to consumers, as well as enables exporters to benefit from higher value-addition. Finally, cross border trade has a gender dimension with women being more actively involved. From the foregoing, it is very clear that small-scale cross-border trade plays a very vital role in our economies, particularly in generating income, creating employment and alleviating poverty. However, the small-scale cross-border trade faces a lot of barriers and impediments, including lack of access to financial and payment services such as currency exchange and transmission facilities. Traders from both sides of the border are forced to carry cash and must first convert funds into Indian Rupees from their respective countries and then into the domestic currency of the country they are purchasing goods or services from. By so doing, cross-border traders face many risks including theft, exchange losses and other conversion costs.

The lack of financial and payment services has not only hindered small-scale cross border trade but also led to the establishment and entrenchment of parallel currency markets at the borders. Needless to say, these are associated with vices such as counterfeiting, facilitating illegal trade, as well as enhancing cross-border money laundering activities. Moreover, to us monetary authorities, illegal cross-border local currency circulation creates the potential for complicating the conduct of monetary policy, especially if a significant amount of a country's domestic currency is being used outside its jurisdiction. The volumes of goods and services traded and amount of currency handled by individual traders may seem small. However, they are collectively significant and have implications for the conduct of monetary policy.

I would like to end by emphasizing that border trade is important for growth and poverty reduction in India and Myanmar. The challenge ahead is to make IMBTA more outward oriented, with a view to forging stronger links with ASEAN and thus making a successful and economical transit routes.

Role of Civil Society and Media in India-Myanmar Relations: A Perspective from Manipur

Rajkumar Bobichand

When we discuss the present day India-Myanmar relations, we should not ignore the historical backgrounds and ground realities in the border states of the Northeast particularly Manipur.

For many centuries, India-Burma (Myanmar) relations were underscored by Buddhism which originated in India. When the British Indian Empire annexed Burma, it gave rise to massive overflow of people of Indian origin into Burma. This trend continued even after Burma (Myanmar) was separated from British India in 1937. After Burmese independence, strong and widespread anti-Indian feelings led to expulsion of the Indians from Burma.

India's Northeast is bounded almost on all sides by independent countries, sharing with them more than 4500 km of international boundary including 1600 km with Myanmar. Manipur shares 398 km of international boundary with Myanmar. Geographically, racially and culturally, the Northeast is like an extension of Southeast Asia. The region particularly had long historical ties with Burma and beyond. It was only during the British colonial rule that this region came to be associated with India politically.

Some historical and political events between Manipur and Myanmar cannot be ignored in fostering India-Myanmar relations. Burmese occupation of Manipur during 1819 to 1826 and liberation of Manipur from Burmese power, the Treaty of Yandabo, 1826, Treaty of 1834 signed on 25th January transferring Kabaw Valley from Manipur to Burma on paying a compensation of Rs. 500 every month by Burma (Myanmar) to Manipur failing which Kabaw Valley would be returned to Manipur. However, Indian Prime Minister Jawaharlal Nehru gifted the 7000 square miles of Kabaw Valley to Burma (Myanmar) in 1953 for which peoples of Manipur have still been repenting.

These historical and political events will always be reflected in the perception of the people of Manipur, which will be vital in fostering India-Myanmar relations because Civil Society Organisations act according to the mindset of the people.

All Manipur Students' Union (AMSU) amongst Civil Society Organisations (CSOs) in Manipur plays vital role in expressing and asserting the aspirations of the peoples. Some of the CSOs

which may be mentioned are Indo-Myanmar Friendship Association, Indo-Myanmar Tribal Development Association (IMTDA), Indo-Myanmar Fraternal Alliance and Indo-Myanmar Border Trade Union etc.

Even when the Burmese refugees flew in Manipur during 1988 pro-democracy movement, CSOs of Manipur acted and helped them even before the Government acted. CSOs in border state have key roles to play in wittingly or unwittingly in fostering India-Myanmar relations.

On the other hand, disaffection is widespread among the peoples in the Northeast as a consequence of what they feel to be India's attitude and policies. Insurgency has been the common response of the peoples of the region. India responded by imposing the Armed Forces Special Powers Act (AFSPA) in the region for over half a century. It gives total immunity to Indian armed forces from prosecution even if they kill, torture, rape or damage property on mere suspicion.

India's Look East Policy is intended to promote trade and enhance security vis-a-vis China. The Northeast particularly Manipur is critical for the success of this Policy as it is only through this region that land connectivity from India to Myanmar and beyond can be made. India also needs Myanmar's cooperation to tackle insurgent groups which have bases inside Myanmar.

Whether we want or not Civil Society Organisations function at different planes i.e. economic functions, stabilising functions and democratic functions. Different people may see the functions of CSOs as beneficial or harmful but they are indispensable part of the relations.

Media both traditional and social play key role in shaping the mindset of the people. Some events which were not informed well to the people may be mentioned. One was India's External Affairs Minister, Jaswant Singh's visit to Myanmar in 2001 February and another one is the Indian military offensive after 4 June 2015 militants' attack against Indian Army in Chandel district.

One intriguing aspect of Jaswant Singh's visit to Myanmar for the inauguration of Tamu-Kalemyo-Kalewa road along Myanmar's northwestern border with India on February 13, 2001 was his conscious avoidance of the press, and consequently the public, in Manipur, while he was in Imphal for a day en route to Mandalay for the opening of the Tamu-Kalemyo-Kalewa road constructed by the India's Border Roads Organisation. The press and public of Manipur would certainly have been interested to know more about Myanmar visit, considering the profound impact the road he was to inaugurate would have on Manipur, specifically, and the whole of the Northeast, generally. Although he had his foreign policy experts as well as press liaison officers with him, he still did not think it fit to even issue a press release while in Imphal. It was as if he was on a secret mission in India's national interest.

Another conflicting media reports confusing the world particularly peoples of the Northeast and Manipur was the media hype of Indian military offensive against the militants of the Northeast after the 4 June Paraolen ambush against Indian Army.

Social media is very key in shaping the mindset of the people, which ultimately affect the actions of the Civil Society Organisations and government policy makers.

When the Look East Policy becomes Act East Policy of India, it has necessitated modifications in India's attitude and policies towards the Northeast particularly Manipur. Big infrastructure projects are being taken up, but they are largely determined by considerations of national security rather than the needs of the people. On the other hand, thousands of families are displaced and tens of thousands of 'skilled labourers' are brought in from outside for these projects. These have adversely affected demographic composition in the region and are posing a threat to small ethnic groups.

Future trajectory of the Northeast depends on India's response to long-held aspirations and demands of the peoples for a life with dignity and for respecting human rights and fulfilling their basic human needs. An insensitive and generally negative response with divisive approach may lead to a more vigorous and coordinated resistance in the region. India's attitude and policies towards the Northeast particularly Manipur and India-Myanmar relations are inseparably linked. The Great Game that is said to be playing out in Myanmar will also then extend effectively into the Northeast. This will have wide-ranging effects on India-Myanmar relations. The India-Myanmar relations that do not fulfill the needs of the peoples on the ground cannot be sustainable when it deals only at the level of Naypyidaw and New Delhi. Therefore, Civil Society Organisations and Media have critical roles to play in fostering a better and sustainable India-Myanmar Relations.

Two- Track Relations: Civil Societies to Civil Societies, Government to Government

Khin Maung Win

This paper is deeply informed from the Burmese observation of the Indo-Myanmar relations. Despite sharing a friendly partnership under British colonial era, India and Burma or Myanmar relationship became very cold especially when Burma was under military regime. However civil societies engagement between the two countries emerged following the arrival of hundreds of Burmese students and activists on the Indian border in North East India following bloody military crackdown of nationwide demonstration in September 1988. This opened a new chapter in India-Burma relations, especially at the civil society level.

At the governmental level we have witnessed many changes from the part of India depending on the party in charge of government in New Delhi. While Congress Party led government adhered to universal norms, i.e. supporting democracy movement in Burma, nationalists led governments prefer national interests to democracy in Burma. However, Burma has retained the same policy toward India. More normal relationship between two governments is visible after the Thein Sein government in Myanmar came to power.

Insurgencies on the border of two countries have been in the shadow of India-Myanmar relations. As a new chapter opened in India -Myanmar relations under U Thein Sein, new re-adjustment in CSO to CSO relationship is required to respond aptly to issues surrounding cross-border insurgency.

On the media front- India has been a host of exiled Burmese media namely, Mizzima and Democratic Voice of Burma (DVB). Now these media have moved to Myanmar. I feel that overall media coverage in both countries about issues affecting people of both countries is still insufficient, compared to Burma's eastern neighbor Thailand.

Intra-State Dynamics in China-Myanmar Relations The Case of Yunnan Province

Ramya P.S

Over the years Myanmar as a nation-state has undergone several changes. Some may argue that the 'transformation' is quite superficial with the Military still in control while, others maintain that the political changes are a step forward in instituting a long term change. Whatever the case may be the crucial point remains that Myanmar's polity is witnessing a shift specifically in terms of how the government is interacting with the international community.

This shift becomes prominent when analysing and assessing the ties between China and Myanmar. For a long time especially though the 1980s to early part of 2000 relations between Myanmar and China were described to be extremely friendly so much so that Myanmar was depicted as vassal state of satellite state of China. However, in the recent years since the onset of the transformation process within Myanmar a change has been observed in Myanmar's policy towards its once friendly neighbour, China. The ground for such a change in relations has been analysed in the cancellation of significant Chinese projects within Myanmar which a decade earlier would not have been possible. Coupled with this local resentment against the influx of Chinese entrepreneurs and businessmen has also given thrust to analysis that the dynamics in the relations appear to be changing. To what extent has the transformation process within Myanmar impacted the relations between Beijing and Naypyidaw will be the main focus of the paper.

The paper will seek to understand the inter-state relations between China and Myanmar in context to intra-state dynamics. This will be done using China's Yunnan Province as a case study. Essentially the paper will analyse how China's periphery (Yunnan) has historically interacted with Myanmar's periphery (mostly involving the upper regions including Kachin and Shan states). An attempt will be made to juxtapose the historical ties to the current context and dynamics in the intra-state relations. In doing so the paper is seeking to raise the ontological question of why is it important to feature in intra-state relations while assessing the larger inter-state dynamics within states. Furthermore, the epistemological dimension to this is the how question. The paper seeks to address the how question by accounting for the historical ties between Yunnan and upper Burma¹ region and juxtapose this to the contemporary relations between the two peripheries. In doing so it becomes evident how by featuring intra-state dimension factors such as ethnic conflict arising from ethnic semblance between these two areas becomes clear. Moreover, the ethnic dimension throws light of the center-periphery dynamics within Myanmar and how these dynamics are impacting its relations with China.

Situating China-Myanmar Relations in a conceptual model

There are several complexities and factors impacting China-Myanmar relations. As stated the paper will adopt an intra-state approach to understand and analyse these complexities. A factual analysis of these dynamics in terms of the economic interaction coupled with political visits and nature of military ties provides a good picture of the overall status of relations.

However, to understand the intricacies of these ties at the intra-state level coupled with an understanding of the ethnic conflicts requires a coherent conceptualization of facts and data. Hence, the paper will focus on a conceptual model to analyse the China-Myanmar relations. The model considers the center-periphery dynamics which are crucial to understanding the internal milieu in Myanmar. At the center there exists a 'Burmese identity' dominated by the ethnic Burman people. The Burmese identity is consolidated in the center of the nation-state in terms of the geographical expanse. It is further characterised by the strength of the Tatmadaw i.e. the armed forces and the ruling elite. The ruling elite may in turn be composed of members from the Tatmadaw. While, the periphery is composed of the ethnic minorities such as the Kachin, Shan, Wa etc. In terms of geography as well periphery is composed at the bordering areas from the central heartland of Myanmar.

Superimposed on the center-periphery dynamics are external factors. These factors include Myanmar's relations with neighbouring countries such as Thailand, India and China. It also includes Myanmar's relations with the Europe and the US and the sanctions regime spearheaded by them. However, the paper focuses only on a singular external dimension arising from Chinese influence within Myanmar. The Chinese influence includes the interaction between the central government within Myanmar and China coupled with ethnic Chinese settled within Myanmar over the decades and also the influx of new-age entrepreneurs/ businessmen entering in to Myanmar.

Each of these factors, the center-periphery dynamics and the external factor of Chinese influence must be understood in the context of three over-riding factors. These three crucial factors that impact the center-periphery and external Chinese influence are history, geography and politics. Each of these three aspects will be used as a basis to understand the center-periphery dynamics within Myanmar and China's influence on Naypyidaw. Following is a graphical illustration of the model to clearly outline how each of the factors discussed impact each other.

Keeping this conceptual model in mind the paper will seek to analyse the relations between China and Myanmar specifically taking into account the factors of history, geography and politics.

China-Myanmar Relations: A Chronology

In order to understand the present day relations between Myanmar and China it is important to chart out the relations between the two states through the course of history. The paper will first chart the historical ties starting from the 17th century to 1947 (albeit briefly), then look at the relations from 1948-1962, 1962-1988, the decade of 1990s and lastly from 2000-2014. Each of these periods will be analysed in terms of the major events that took place and not look at specific year in detail. This will provide a good overview of how the historical ties evolved between the two states and throw light on the contemporary relations.

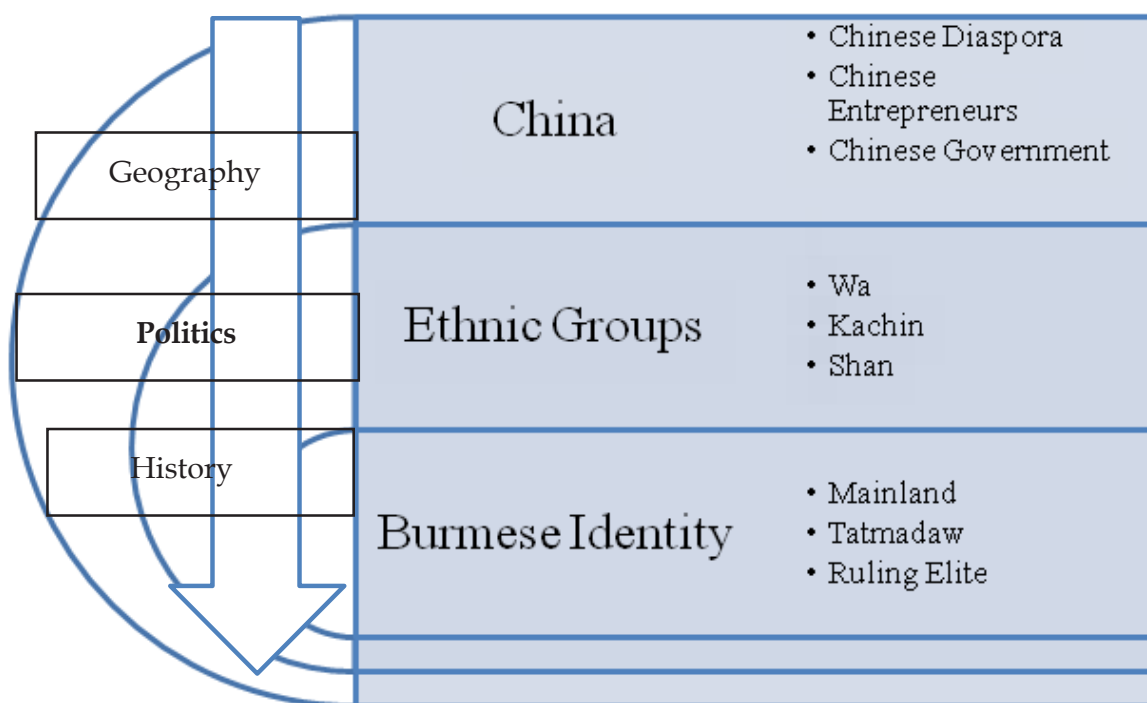


Figure 1

Ancient Ties to Colonial Period (17th century to 1947)

Many of the ethnic groups present within Myanmar trace their origins to their southern neighbour. For instance several ethnic groups such as the Shans and other Hill peoples, such as the Kachins and Chins of Northern Burma are said to be from Southwestern China from the Yunnan province. Significantly, the term to denote Chinese in Myanmar is 'Paukpaw' meaning cousin and the term to refer to other foreigners such as the Indians is 'Kala' or 'Kula' meaning the caste people².

Although cultural, racial and even linguistic affinities exist between China and Myanmar even historically the Myanmar/ Burma remained exclusive to Manchu or Ming rule. Therefore, seen from the prism of history Myanmar was never a vassal or tributary state of China.³ Historical ties between the two nations can be traced to the Shan ruled Myanmar. During the rule of Shan king, Tarok Kan Mingyi, the Chinese attempt to invade Burma was thwarted. The powerful empire of the Mongols and Ming Dynasty were able to establish only partial suzerainty over Upper Burma. Despite the several attempted invasions of Burma through Yunnan, Myanmar cannot be classified as a tributary of the historical Chinese Empire. The relation between the two nations through history has been built around trade as neither side was decisively victorious over the other.⁴ However, due to colonial rule of Burma by the British the relations between the two nations changed.

Myanmar/Burma is seen as the crossroads between the India and China. The unique geographical position of Myanmar was noted from historical periods. Particularly, with the British annexation Myanmar in 1852 became the rallying point through which British forces could gain entry into China and connect China and India. The British faced competition from the French forces in

creating such a route. The idea to connect the two most populous regions of Asia via Myanmar gained salience, but the treacherous mountains posed a roadblock to connecting the regions by rail. Finally the British annexed Myanmar in 1824. Significantly, the British rule enabled the consolidation of the Burmese national identity because the British were seen to favour the hill people of Myanmar who fought for the colonial forces against the Japanese.⁵ The colonial influence also allowed for the demarcation of a border between Myanmar and China which historically had remained porous and ill-defined.

Historically, the Chinese Kings controlled parts of the forests inhabited by the Shans, Kachins and on other occasions the Burmese power controlled Yunnan province now part of China. With the colonial rule in place, China was worried that the British would soon seek control of Yunnan province and other parts of the former's ill-defined southern borders. Hence, the need to clearly define the Sino-Burmese border gained momentum.

The Chinese claimed the town of Bhamo, a Kachin dominated area which gave access to the ports along the Irrawaddy. While, the British sought to make Bhamo a free port area.⁶ The setting of the Delineation Commission was set up in 1886 and in 1894 a treaty was signed to give effect to the previous convention (1886). It is significant to note that as part of the border agreement the British agreed to send decennial missions to China which has been cited by the Chinese to claim Myanmar was historically a vassal or tributary state.⁷ The border dispute became more complex as the British sought to further Burma's frontier for strategic gains while the Chinese tried to expand territory in light of British domination.⁸ Therefore, with British occupation of Myanmar led to initiation of establishing formal boundaries between the two neighbours.

Apart from the British, many other foreign players viewed Myanmar as a strategic launch-pad. Myanmar's military value became manifold with Japanese forces invading China's eastern coastline. Japan sought to use Myanmar as the foundation to mark its entry into India and dominate Asia. While, Myanmar became the central point through which the British could use to curb Japanese expansion. At a later stage, Myanmar became significant for the Americans as well as it provided access into China.⁹ Therefore, throughout its history Myanmar has seen the presence of great powers and been central to establishing domination in Asia due to its location between India and China.

The construction of the Burma Road during this period which connected southwest of China with Burma was highly significant as it was the supply chain for the British and American troops. The Nationalist forces of China under the command of Chiang Kai-Shek began drawing into Myanmar and establish units along the border areas of China and Myanmar. It was under Chiang's orders that the Burma Road was constructed till Hsia Kuan which is half-way into Myanmar.¹⁰ This depicts how Myanmar was being used as a base in the conflict between the Communist and Nationalist forces in China. Myanmar had been drawn into the internal conflict within China and in the later part of the 1940s it had to confront several issues of illegal immigration of Chinese Communists and Nationalist forces into its independent territory. This became a major issue in the relations between China and Myanmar soon after the latter obtained independence.

U Nu's Period (1948- 1962)

Through the course of the Second World War, the nationalist movement within Myanmar gained

momentum with an increasing need for independence. Aung San, the founder of the Burmese Army and regarded as the father of the nation played an important role in bringing about Myanmar's independence. Aung San proved to be a skillful negotiator in bringing about Myanmar's independence. Aung San first approached the Japanese for training to defeat British forces during the peak of war. The Japanese promised Myanmar's freedom if the British were successfully defeated. However, in the wake of Japanese betrayal, Aung San gathered his forces and helped the British in defeating the Japanese forces occupying Myanmar. This subsequently led to the Aung San- Atlee Agreement in January 1947 which called for an independent Myanmar in one year.¹¹

Following Aung Sang's assassination the splinter groups within the Communist Party of Burma, namely White and Red became pronounced. This was significant since the main political force that was striving for independence, namely the Anti-Fascist Peoples Freedom League (AFPFL) formed in 1944 split into several factions. This caused the newly independent nation in 1948 and its Prime Minister U Nu significant problems. The AFPFL was composed of several opposing factions that came together to bring about Myanmar's independence. These factions included the Peoples Volunteer Organisation (PVO) headed by Aung San, Thakin Mya who led the Socialist group and the Communists were headed by Than Tun.¹² The Communist faction of the AFPFL broke away as early as November 1946 when disagreements arose over power sharing and seat allotment.¹³ This indicated how even prior to forming the central government of the newly independent nation ideological barriers of the Cold War were being sown. Further breakups within the AFPFL were seen with the PVO group moving out.

The dominant group within the AFPFL was socialist and U Nu himself was a self-professed socialist.¹⁴ However, this belief in socialism did not translate into support for the USSR. Moreover, in light of the differences emerging within the AFPFL, U Nu sought to oppose the deterministic ideology of Communism. Furthermore, Aung San, whose image the AFPFL called upon for political purposes was seen as a socialist than a democrat thereby furthering U Nu's policies against the factions.¹⁵ Therefore, considering all the splits occurring within the AFPFL, the united Left within Myanmar did not sustain.

The most significant aspect of the conflicts arising between these various factions of the AFPFL is the breakaway of the Communist group. This is because the communists within Myanmar impacted to a great extent the relations between Myanmar and China.

The relations between China and Myanmar during this period are described as 'cautious but friendly'.¹⁶ A main reason for the caution has been attributed to Myanmar's geostrategic position and the history of invasion it has faced from the Manchu and Qing empires. Stemming from this caution, Myanmar perhaps was the first non-communist nation to recognise the People's Republic of China. Being the smaller nation sandwiched between two large powers namely China and India, Myanmar felt threatened. A declassified document by the British Foreign Ministry stated that 'the Burmese overestimated the seriousness of Chinese Communist Party's threat....firmly believed in 1949 that the Chinese would not hesitate to attack Burma'.¹⁷ In order to avoid Chinese hostility and based on its fear of being invaded by China led Myanmar to formulating a neutralist policy. Prime Minister U Nu saw a neutralist and non-aligned policy as necessary for guiding a 'weak' and 'small' nation against the Cold War politics. U Nu described Myanmar as 'a tender gourd among the cactus'.¹⁸ Therefore, a blend of historical experiences and the geographic position

of Myanmar had a direct impact on its foreign policy and specifically its policy towards China.

Another major factor that impacted the bilateral relations was the presence of Kuomintang forces within Myanmar. Following the establishment of the PRC in 1949, the several loyalists of the nationalist forces headed by Chiang Kai-Shek, established bases in the Shan state of Myanmar and received support from Taiwan. Moreover, the Kuomintang forces enjoyed the support of the US. The Central Intelligence Agency (CIA) of the US helped the Nationalist forces use the eastern part of the Shan state to launch a second front attack on the PRC through the Yunnan Province.¹⁹ As the Kuomintang forces in Myanmar launched unsuccessful attacks on PRC, U Nu was forced to act. The then government first tried to put diplomatic pressure on the Kuomintang forces led by Li Mi, but Formosa denied taking responsibility of the activities of these forces.²⁰ Fearing attacks from PRC coupled with internal pressure to act against these forces led U Nu to decline acceptance of the US aid and charged the Formosa delegation of aggression against Myanmar at the United Nations General Assembly in 1953.²¹ The problem posed by the Kuomintang forces became acute when they started expanding their control within Myanmar.²² In light of the attempted attacks by the Kuomintang forces, the Peoples Liberation Army (PLA) crossed into Myanmar in 1952 to crush the forces. The remaining Kuomintang forces fled to neighbouring Laos and Thailand. However, the forces that remained within Myanmar played a central role in the drug trafficking in the region with rise in opium production.²³

The crossing over of the PLA forces into Myanmar further increased the latter's fears of an eminent attack from its bigger neighbour. The Burmese Army through the course of the 1950s viewed China as the only potential enemy.²⁴ This can be attributed to the fact that it was the military that was charged with maintaining the administration of the incursion prone parts of the Shan state. Furthermore, the support extended by the PRC to the insurgent communist party of Burma furthered distrust between the two nations. The PRC was said to provide material support to the communist forces within Burma and recruited Kachin rebel Naw Seng to join the BCP.²⁵ Thus, a direct dependence was created between the communist insurgents and China. China was said to supply arms, equipment and even trained the insurgents. This support was eventually reduced only in the 1970s, given the changing political context within China.²⁶

Despite the mistrust of the military towards China, the civilian government under U Nu was seeking to improve ties with PRC as insurance. The turning point in the bilateral relations during this period was in 1954 when the Premiers of both the nations visited each other. The China-Myanmar relations are said to have entered the 'Pauk Phaw' phase (meaning fraternal or cousins) of friendly relations. This shift in relations from distrust to 'Pauk Phaw' are said to be based on the 'five principles' of peaceful coexistence and the implementation of these principles.²⁷

The implementation of these principles was seen in how Mao assured Myanmar, at the China-Burma communique, that overseas Chinese²⁸ within Myanmar would respect the latter's law and customs and refrain from exporting communism. The shift in the bilateral ties occurred as a result of change in China's approach towards non-communist states wherein it wished to establish a zone of peace consisting of its immediate neighbours including Myanmar.²⁹ This strategy was seen in light of China's counter to American encirclement in Southeast Asia. Also, with U Nu accepting the US aid (later cancelling it) perturbed China. This coupled with fear of Chinese invasion within Myanmar required China to change its approach if it were to create this 'zone of peace'.

The visits of Chou En-Lai to Myanmar in 1954 during which agreements were signed outlining how both nations would follow the five principles of peaceful coexistence. This was followed by a number of visits between the two heads and set the tone for the border dispute. The negotiations on the border dispute began in 1956. A meeting between U Nu and Chou En-Lai in the same year.

Following a meeting between Chairman U Nu and Chou En-Lai in the same year resulted Myanmar giving consideration to the 'reasonable' proposal put forward by the Chinese over the boundary dispute. This proposal included acceptance of 'withdrawal of troops from the '1941 line' in principle.³⁰ Another meeting in 1957, Chou En-Lai met U Nu and outlined that China was willing to accept the boundary line drawn during the colonial period. The northern border (from Diphu Pass to Isuraz Pass) was referred to as the 'customary boundary line' by the Chinese. During this visit, Chou En-Lai also stated that China was ready to accept the 1941 Line (Iselin Line) which it earlier refused. However, China maintained it was willing to negotiate with Myanmar on the issue of Namwan Assigned Tract. In the sector lying from the Isuraz Pass up to the High Conical Peak, it was agreed to be determined along the watershed excluding the three contentious villages of Hpimaw, Kangfang and Gawlum. Later an exchange was made wherein China gave up its claim on Namwan Assigned Tract for the three villages. A preliminary border agreement was signed between the two states in 1960 followed by a final boundary treaty. The official and final transfers of border territories were completed by June 1961. The credit to resolving the boundary dispute was given to the Five Principles of Peaceful Coexistence. It must be noted that China accepted all the boundary treaties it signed (even the contentious boundary lines from the colonial period). This essentially meant that it gave up most of its claims excluding the claim of the three villages. This change in the Chinese position led to resolving the boundary dispute wherein China gained 340 square kilometers and Myanmar received 220 square kilometers.³¹ Therefore, by giving concessions China obtained more territory and also improved relations with Myanmar. The boundary dispute was settled despite the coming of a military care-taker government headed by General Ne Win from 1958 to 1960.

The year 1954 was also significant in improving the bilateral relations because the two nations signed the first bilateral trade agreement in April of the same year. Myanmar was also the first nation to sign a Treaty of Friendship and Mutual Non-Agression with China in 1960. Furthermore, Myanmar was also the first nation to resolve its border dispute with China. Therefore, China saw its relations with Myanmar during this phase as a 'model' for developing relations with other Asian and African nations.³²

Following the shift in relations in 1954, economic trade between the two nations increased thirty times by 1955, depicting how enhancement of political relations impacted the economic relationship.³³

Another factor that placed China and Myanmar relations in a friendly territory was with regard to Myanmar's 'clearing account agreements' fuelled by the latter's need to export rice. The first clearing account agreement (which works as a barter system) was signed with China in the form of a three year trade agreement in April 1954.³⁴ Myanmar entered into several such agreements of exchanging her rice for other commodities with the Sino-Soviet bloc and was warned of the implications of such trade. Regarding the possible motives of such the then Minister of Trade

and Development in 1956 stated "Many of our friends keep on reminding us of the difficulties of such arrangements. Some of them even tell us that there are 'hidden dangers'. We are not unaware of the difficulties and implications involved.³⁵ However, U Nu maintained that such an agreement with China was a generous action and friendly illustration.³⁶ Specific sections of the Burmese society maintained that the nation could have solved its crisis without entering into clearing account agreements and instead could have followed a flexible pricing policy.³⁷ Furthermore, when China sold the rice bartered to Indonesia, under the Burmese price, the fallacies of the clearing accounts system grew.³⁸ Despite such varying views on the issue the acceptance of conducting such trade with China was seen as a measure of goodwill in the larger ambit of bilateral relations between the two nations.

Through the course of this period the bilateral relations between the two nations were cautious with Myanmar's fear of a possible Chinese threat pushing it towards resolving disagreements with its larger neighbour to its north. U Ba Swe who was Prime Minister of Myanmar from 1956 to 1957 stated "it behooves a small country to lessen tension" when asked to comment on the impending Chinese threat regarding the border crossing of Chinese communists into Myanmar.³⁹ This thinking is reflected in the policy of neutralism followed by Myanmar and was advocated in the settlement of the border dispute with China. China for its part changed its policy towards Myanmar in resolving the border dispute and signing of a cooperative treaty to maintain friendly ties in its immediate neighbourhood, particularly in light of the Cold War politics.

Ne Win's Myanmar (1962-1988) and China

In 1962 General Ne Win ceased power from the civilian government of U Nu. He continued to rule Myanmar for a period of 26 years. This period of Myanmar's history is marked by isolationism and was called a 'hermit' nation due to the stringent advocacy of relegating ties with other nations. After the military takeover, the Revolutionary Council (a military junta run by seventeen officers), stated that it would adhere to the policy of neutralism from the U Nu government but added an element of policy seclusion to keep away from external threats that may be involved in the insurgent movements.⁴⁰ The document released in April 1962, by the Revolutionary Council on the "Burmese Way to Socialism" depicted the course of foreign policy Ne Win sought to achieve. This variation of socialism was said to be a combination socialism, humanism and principles from the Buddhist doctrine.⁴¹

The pursuance of such a foreign policy throws light on the type of relations Myanmar shared with its neighbours, especially China. Soon after the military takeover, relations between China and Myanmar can be described as friendly. This is indicated by the visit of President Liu Shaoqi in April 1963.⁴² Moreover, it was the caretaker government headed by Ne Win that negotiated the boundary dispute with the Chinese which was settled successfully later by the civilian government of U Nu. It has also been reported that Ne Win's inspiration to obtain power came during this visit and that later on Ne Win even preferred to call himself 'Chairman' indicating the influence the leadership had from China.⁴³

The relations between the two nations soured with the beginning of the Cultural Revolution in China in 1966. During this period the excesses of the Cultural Revolution led China to actively support communist parties and use Chinese diaspora abroad to mobilise such movements. The

PRC government was accused of using 'public-relations' organisations in Myanmar as front offices to further their cause. In 1964, Ne Win attacked organisations such as the Burma-China Friendship Association, the People's Democratic Youth League, the All Burma Peace Committee, etc. for indulging in politics on the pretext of being social organisations within the state.⁴⁴ This led to deteriorating relations between the two nations in 1967 due to the overt support of the Chinese to the Burmese Communist Party as these insurgents were allowed to address a rally in the presence of Chou Enlai.⁴⁵ Furthermore, Chinese origin students in Myanmar came to classes wearing Mao badges leading to Burmese students clashing with the Chinese students. This led to anti-Chinese protests in and around Rangoon for three days wherein mobs attacked Chinese people and their property.⁴⁶

Apart from the anti-Chinese protests another major rift that occurred in the bilateral ties was because of the Chinese support for the BCP which became intensified due to the Cultural Revolution. In the early part of 1968 an increase in Chinese support for the BCP led to a large force of insurgents (composed of exiled Burmese Communists and even Chinese) crossing over from Yunnan province into Myanmar and seize a large portion of territory in the eastern hills.⁴⁷ This led to confrontation between the Communist forces within Myanmar and the military. In light of the anti-Chinese protests, commercial relations between the two nations also dampened and became non-existent by 1969. The nationalization policies advocated by Ne Win's Government coupled with curbing Chinese propaganda through closure of specific newspapers, deportation of Chinese teachers and surprise attacks on the communist forces in Myanmar. This adversely impacted the Chinese influence built within Myanmar that was developed under U Nu's period.⁴⁸

During this period of deteriorating bilateral ties the Chinese suspended their aid programme to Myanmar which was agreed to under the 1960 Friendship Treaty. The ambassadors from both the states were also withdrawn indicating a complete closure of diplomatic ties. Additionally, China expanded its support to the BCP than for any other communist movement in another nation.⁴⁹ Significantly, within China demonstrations against Ne Wins's Government occurred and the latter's embassy in Peking was attacked.⁵⁰

Under Ne Win Myanmar was following a strict adherence to isolationism which resulted withdrawing from the non-aligned movement in 1978. Therefore, in the beginning of Ne Win's rule, Myanmar saw rapid nationalization of the economy and political space. This was termed as the 'revolutionary' phase of Myanmar's history. This policy most affected the Indian and Chinese communities within Myanmar. Although, the Indians were leaving in large number the same could not be said for the Chinese community of around 300,000 thousand because of the lack of diplomatic ties between Nationalist China and Myanmar.⁵¹ This created another ridge in the bilateral ties especially in light of the anti-China protests.

It was only in the late 1970s, with the lessening impact of the Cultural Revolution that China reduced its overt support to BCP and provoking the Chinese diaspora against the Burmese.⁵² During this period Ne Win rejected the US offer to sell surplus military equipment to Myanmar. Certain reports suggested that this decision by Ne Win was made in order to avoid displeasing China and adhere to the tenets of isolationism. Furthermore, relations between the two states seemed to be improving following Ne Win's visit to China in 1971.⁵³

Bilateral relations between the two governments seemed to have improved through the course of the 1970s when Ne Win helped China to improve its relations with Cambodia. In 1977, Ne Win was the first foreign head to visit Cambodia following the takeover of the Khmer Rouge.⁵⁴ The instrumental role played by Ne Win in Cambodia enabled China to avoid advances made by Vietnam. Moreover, this helped Myanmar as it faced threats along its Laos border coupled with lessening support by the PRC towards the BCP. In 1978, Deng Xiaoping's visit to Myanmar improved relations between the two nations. Following the visit China withdrew substantial funding to the BCP.

In 1980 a Chinese daily newspaper Renmin Ribao carried an article declaring the beginning of a 'golden bond of friendship' between China and Myanmar. However, this friendship was not between equals given the variations in size and power. During this period it was observed that the non-aligned nations showed approval of Soviet decisions while Myanmar sought to improve relations with the US and supported China's stance on several international issues including Soviet intervention of Afghanistan, support the Pol Pot regime's representation at the UN etc.⁵⁵

The period of improvement in the bilateral ties through the 1980s occurred because of the internal policies and changes in China and Myanmar respectively. Due to the implementation of economic reforms in China under Deng Xiaoping in the early 1980s, China changed its policy and began engaging with its neighbourhood in order to promote the process of domestic modernization within. Moreover, the geo-economic dimension of promoting China's development policy, especially of the landlocked Yunnan province strengthened China's need to improve relations with Myanmar. Myanmar was seen as a 'land-bridge' for China to revive its southwest silk-route by providing the southwestern provinces an outlet to the coast through Myanmar. This thinking gained momentum in the mid-1980s in China with ideas of using Myanmar's railroads from Myitkyina and Lashio as conduits for Chinese goods. This idea was espoused in an official writing article in the Beijing review (1985) outlining how China should use Myanmar as a gateway into the Indian Ocean.⁵⁶

Myanmar with a languishing economy as a result of the economic policies advocated by Ne Win was witnessing a high level of resentment coupled with increase in ethnic violence and protests from Buddhists monks against the military regime's policy of regimentation. An internal review on the state of the economy by Ne Win led to the 'period of revision' wherein a relaxation of the socialist programme was seen.⁵⁷ But this did not abate the intense economic turmoil Myanmar was undergoing. Furthermore, the policy of devaluation of currency led to thousands of people losing their saving and increased resentment against the government. The worsening internal situation of Myanmar led to anti-government riots in 1988. Importantly, the leadership of Ne Win was waning during this period. Prior to 1988, Ne Win had resigned as President in 1981 but continued as the Chairman of the Socialist Programme Party, thereby retaining the ultimate authority of the state. Due to the bankruptcy the nation was facing and the almost hermit like existence of Myanmar, the anti-government protests led to Ne Win stepping down from power and a new military junta taking control of the central reigns in 1988.

The coming of the new junta through the formation of the State Law and Order Restoration Council (SLORC) in 1988, relations with China improved as there existed several shared interests between the neighbours. Although, the period under Ne Win saw bitter relations erupt between

the two nation-states with the anti-China protests, the latter half of the 1980s saw a renewed interest on both sides to improve ties.

The Period of 1990s

As stated earlier, the military junta took the reins of power in Myanmar in 1988. Power transition took place between two military regimes- from Ne Win's military rule to the State Law and Order Restoration Council (SLORC).⁵⁸ This transfer of power has been seen as 'coup by consent'.⁵⁹ While, the coup was taking place an uprising was also brewing. Students and many civilians participated in what was called the 8.8.88 people's uprising since it began on August 8, 1988. It began as a student protest but was soon joined by the public at large. The military regime of Ne Win clamped down on the protestors as nearly three thousand people were killed in the protests which went on for nearly two months. In September of the same year the BSPP was deposed, the constitution was abolished and the SLORC was formed as the new ruling military junta.

China-Myanmar relations with the coming of military junta improved for several reasons. The military junta of Myanmar abandoned the isolationist policy advocated during Ne Win's period and began aligning closely with China. Some have also described the growing ties between the two neighbours as a 'Sino-Burmese military entente'.⁶⁰ One of the significant factors was the need for junta to obtain international recognition. The manner in which the SLORC came to power made it difficult for the military regime to engage with the international community. The US and the West stressed on the need for Myanmar to move towards a democratic system, which was unpalatable to the SLORC. Furthermore, the international isolation of Myanmar gained momentum with the SLORC failing to adhere to the 1990 election results and retaining power of the nation-state.⁶¹ In such a scenario, the military regime sought closer ties with China. As China, was facing international pressure itself following the Tiananmen Square incident in 1989, led to both Myanmar and China fostering closer ties.

Another factor that brought the two states closer was the disintegration of the Burmese Communist Party in 1989.⁶² As stated earlier, the funding and support provided by China to the BCP has created obstacles in bilateral ties. However, regime survival led the SPDC to engage in closer relations with China.

The closer relations that ensued between the neighbours were reflected in the economic relations. From 1989 to 1995 the bilateral trade between China and Myanmar doubled from \$314 million USD to \$767 million. Apart from trade China heavily supplied arms, naval vessels, tanks, fighter jets, missiles etc. to Myanmar beginning from this period. Furthermore, in light of international isolation China also provided developmental and technical assistance to Myanmar. However, this assistance was mainly in sectors such as hydropower, mining, oil and gas. Furthermore, the infrastructure development sponsored by China was focused to these sectors in order to extract, develop and transport these resources.⁶³ This benefited the military regime of Myanmar however, proved adverse to the average citizen.

Significantly, the first visit by Senior General Than Shwe in 1996 to China resulted in the a joint communiqué which sought to strengthen and enhance bilateral relations following through from the tradition Paukphaw friendship.⁶⁴ During this period several visits by senior leaders from

the military regime to China took couple and resulted in the signing of a number of trade and loan agreements. For instance in 1999, Lieutenant General Khin Nyut again paid an official visit to sign the Agreement on Economic and Technical Cooperation.

More importantly, during this period the Tatmadaw relied heavily on military support provided by China. Two major military deals were signed in 1994 and 1996 between Myanmar and China. The equipment was mainly meant for counter-insurgency operations to be conducted by the Tatmadaw and included heavy artillery, rocket launchers, guided missiles, etc. Furthermore, the two nations also engaged in military personnel training and provided the Tatmadaw to expand itself from only a counterinsurgency force to powerful defence force capable of conventional operations.⁶⁵ Also, it was estimated that the total arms deliveries between Myanmar and China during the 1990s was between \$1 billion to \$2 billion dollars.⁶⁶ This further emphasised how reliant the smaller nation was on its larger neighbour.

Furthermore, sanctions were imposed on Myanmar by the EU, US, Canada, Japan, New Zealand and Australia. The nature of these sanctions varied from ban on issuing visas, providing arms and ammunition to economic sanctions. Some nations such as the US and Japan denied aid to Myanmar paving way for further dependence on China. Also, the vetoing power of China at the UN Security Council provided Myanmar some breathing space from the sanctions regime being imposed by the US and UK. Therefore, during this period China-Myanmar relations became close on all three dimensions- political, economic and military

However, by the late 1990s Myanmar's military regime wanted to overcome its over-reliance on China. This strategy has been seen as a 'hedging' strategy wherein Myanmar sought options in India, ASEAN states, Russia and Japan. In 1997, Myanmar joined the regional organisational grouping, Association of Southeast Asian Nations (ASEAN). It further sought to diversify its dependence on China⁶⁷ by signing defence deals with Russia such as the purchase MiGs and rocket technology. In 2001 Russia provided Myanmar with 12 MiGs indicating that Myanmar was actively seeking to diversify its dependence on China.⁶⁸ Also, by 2000 India's policy towards Myanmar saw a change with the former seeking to engage with the latter.

Therefore, Myanmar's over-reliance on China in the early part of 1990s was mainly attributed to the regime survival of the SPDC in light of international isolation and sanctions. However, the 'bandwagoning' behaviour of Myanmar saw a change towards the later part of the 1990s and early 2000. This could be attributed to the growing concerns of the international community of Myanmar becoming a vassal state of China coupled with Myanmar's own need to indulge in a diverse foreign policy for strategic gains.

Contemporary Relations (2000s- 2014)

The over-reliance on China coupled with growing internal unrest caused by lack of development, the military junta of Myanmar pursued an 'open-door' economic policy⁶⁹ towards the later part of 1990s. These factors were underpinned by strategic and economic motivations of the military junta of Myanmar. Manifested in the decision to join ASEAN in 1997, the military regime began incrementally changing policies and moving out of the 'isolationist' policy it had so far followed. However, due to the sanctions regime initiated by the West led by the US, Myanmar's military junta still heavily relied on China. This reliance was in the economic and military sphere. This

was witnessed with high number of significant visits in the 1990s. Visits by SLORC's First Secretary, Khin Nyunt in 1989 to Beijing was followed by the visit of Chinese Premier Li Peng to Yangon in 1994 and later in 1996 General Than Shwe made a maiden official visit to China along with prominent military officers.⁷⁰ However, the highest level visit was paid by Jiang Zemin to Myanmar in 2001 but, a balancing game was seen to be played by the junta in Myanmar to dilute its reliance on China through engagement with India, Singapore and Thailand.⁷¹

Significantly, during the period of early 2000s India began to steer away from criticizing the military junta in Myanmar and sought to re-establish its relations with its southeast Asian neighbour. This move has been interpreted from various lenses including India's policy to balance China's presence in Myanmar and strengthen its own Look East Policy.

In 2003 the Depayin incident which resulted in the killing of protestors supporting Aung Sang Suu Kyi led to increased international pressure against the military regime. During this period China became a mediator between the international community and Myanmar and also supported the regime at the United Nations Security Council. China was also seen to pressurize the junta to implement reforms and in '2003 General Khin Nyunt put forward a seven-point roadmap for political transition in Myanmar.⁷² During this period Khin Nyut was purged and this coupled with the Depayin incident has been stated as a reason for closer relations between Beijing and Naypyidaw according to Hnin Yi.⁷³

However, some have argued that Myanmar has engaged in limited alignment with China through the decades availing security benefits, diplomatic protection and rewarded China for this through cooperation in infrastructure development and energy resource projects.⁷⁴ The eventual opening up of Myanmar in 2011 which saw the initiation of the reform process (more economic than political) has also been interpreted as a hedging strategy wherein Myanmar is seeking to place its eggs in different baskets and negate its over-reliance on China.

Many in China see the recent transition in Myanmar as unfavourable given the cancellation of major projects such the Myitsone Dam, stalling of the Sino-Myanmar rail line connecting Kunming and Myanmar's Rakhine state and also the issues plaguing the Letpadaung Copper Mine. However, the transition in Myanmar does not entirely entail unfavourable dividends for China as is generally perceived.⁷⁵ The existing gas pipelines and development of SEZs in Kyaukphyu reinstates China's large presence in Myanmar. Moreover, the development of pipelines signifies a tangible geographic space through which foreign policy and strategy is devised. Since, this is a reality to maintain that the Myanmar-China relations in the present context are stalled would be misleading. Nevertheless, the growing issues since the reform process cannot be ignored.

Understanding China's motivations in developing its policy towards Myanmar throws light on the recent health of bilateral ties. Development of China's Yunnan province is seen as significant motivation for Chinese engagement in Myanmar.⁷⁶ China has invested heavily in securing oil and gas pipelines in Myanmar as an alternate route in securing its energy pathway which heavily relies on energy transport through the Malacca Straits. The recent opening of the China- Myanmar pipeline is a step in this direction.⁷⁷ The Kyaukphyu pipelines which run through Myanmar and reach the hinterlands of Yunnan Province and construction of the port at Kyaukphyu Special Economic Zone (SEZ) are indicative of how China is using infrastructure development within

Myanmar to promote its energy security. Furthermore, Myanmar plays a crucial role in China's one road-one belt policy and also forms a significant partner in the realisation of the 'maritime silk road' touted by Chinese President Xi Jinping.

One can assess how more bumps have witnessed in the bilateral ties in the later part of 2010 as opposed to early 2000 when relations were close. Recent issues in 2015 with the rise of ethnic conflict in the Kokang region has also placed China in a dicey position. Myanmar's persistence on China taking a side against the rebels and China's reluctance to do so has led to tensions in bilateral ties. This internal problem of ethnic conflict in Myanmar has two broad implications for China. 'Firstly, the conflict has led to a spillover of thousands of refugees into Chinese side. The skirmishes have so far caused 130 casualties and tens of thousands of refugees fleeing, some across the border to China and others down South. Over 60,000 Burmese have entered into the border region since the fighting began in February. Other reports indicate that over 30,000 have fled the conflict ridden areas and entered the Chinese side. Certain reports have stated that China has provided accommodation and other health services for more than 14,000 refugees. Although, the exact number of refugees is disputed it cannot be denied that China would try its best to avoid dealing with the increasing humanitarian crisis.⁷⁸ Also, the Sino-Myanmar border is faced with other issues such as illegal logging, smuggling or narcotics etc. These issues have had a larger impact on bilateral ties than the reform process itself. Therefore, the contemporary relations between China and Myanmar may not be as solid as during the 1980s and 1990s (the Pauk-Paw phase) but, it has not deteriorated as well. This reality emerges when the strategic interests of both sides are considered wherein both sides are engaging in pragmatic foreign policies to sustain their respective interests.

Given this backdrop of historical ties and tracing them to the contemporary context has thrown light on how relations between China and Myanmar have been impacted by several factors and cannot be described in monochrome. The dominant narrative appearing in the current setting that Myanmar is making a U-turn on its heavy reliance on China may be exaggerated. Furthermore, the depiction of Myanmar as an almost vassal state of China over the years is also somewhat misplaced. Given the sanctions regime coupled with lack of policy framework within the Myanmar dominated by the Tatmadaw led to the reliance on China more as a necessity and less as a choice. Understanding this aspect is crucial to analysing Myanmar's current transformation and its policy of hedging to overcome complete reliance on China. The transformative phase of the bilateral relations can be traced to the period of the 1990s. This period is crucial as economic linkages between the two states deepened. Yunnan province of China was seen as providing the thrust to developing such ties. The paper will proceed by briefly dealing with historical relations between Yunnan and Myanmar.

Historical Ties and Geography: Yunnan and Myanmar

As stated earlier many of the ancient ties between China and Myanmar occurred from the province of Yunnan. Several ethnic groups such as the Shans, Kachins and Chins of Northern Burma are said to be from Southwestern China from the Yunnan province. Significantly, these hill peoples as part of the periphery residing in upper Burma. This is significant to note as the central Burmese identity has been warring against the hill people. Some of the most powerful rebel armies belong to the Shans and Kachin. The fact that these ethnicities find semblance with Yunnan which in itself is composed of several minority ethnic groups causes several challenges to the inter-state

relations between China and Myanmar.

Historically, the border between Yunnan and Myanmar has been described as 'unruly and dangerous'. The several ethnic tribes also conducted trade with another despite conflicts erupting. On the whole the border was porous. Moreover, Yunnan itself was a self-administered region and only became a part of China under the Mongol empire in 1274. Therefore, the independent kingdom of Yunnan (under the Dali kingdom) established most of the ties with Myanmar.

In the previous section of the paper the historical ties between China and Myanmar mainly feature the Yunnan province that established links with the Shan and Kachin states. For instance regions like Kokang within Myanmar have close historical ties with China especially through Yunnan province. The Kokang region lies in the northeast of Myanmar on the China-Myanmar border. It borders the Yunnan province of China. Majority of the population is ethnic Chinese (Yunnanese) but, also consists of smaller groups of Shan, Ta-ang, Lahu, Lisu, Wa and Hmong.⁷⁹ Therefore, it has been described as an 'ethnic Chinese enclave'⁸⁰ inside Myanmar. Several ethnic groups within Myanmar trace their origin to China such as the Kachins and Chins. Kokang means 'nine gates' ⁸¹ in Shan and was seen as buffer region since ancient times.

Given that most of the historical ties between the two nation states stems from Yunnan province it becomes crucial to analyse the contemporary bilateral ties between the two states through Yunnan. Analysing this requires one to consider geography and history. Geographically, Yunnan province is landlocked and was considered an underdeveloped region. It has a long border with Myanmar of around 4,000 km. The policy by the central government in China which placed the onus of development on the provincial governments led Yunnan to compete with neighbouring provinces such as Guizhou and Sichuan.

Also, based on the geography and the resulting historical ties large portions of upper Myanmar have seen an influx of Chinese diaspora. Ethnic Chinese are about 3 per cent of the total population.⁸² In terms of specific figures overseas Chinese population in Myanmar is estimated to be 1,662,000.⁸³ In Mandalay alone nearly 30 per cent ⁸⁴ of the population is Chinese and Lashio almost 50 per cent ⁸⁵ are Chinese due to which many regard as 'Sinocization' of upper Burma.⁸⁶

During the period of the 1990s when bilateral ties between the two states improved (as explained in the previous section of the paper) Yunnan was seen formulating a policy to improve its own economic condition. In doing so, Yunnan's government focused on 'five pillar industries namely tobacco, power (mainly hydropower), mining, biology and tourism.'⁸⁷ Based on these pillars Yunnan not only developed its own economic infrastructure but, also initiated policies with nations like Myanmar, Vietnam, Thailand, etc.

Therefore, a culmination of geography and historical ties between Yunnan and upper Myanmar coupled with Yunnan's economic thrust policy in the 1990s have resulted in a significant step in improving bilateral ties between China and Myanmar.

Yunnan's Development and Myanmar

The relation between the two nations through history has been built around trade as neither side

was decisively victorious over the other. The geo-economic dimension of promoting China's development policy, especially of the landlocked Yunnan province strengthened China's need to improve relations with Myanmar. Myanmar was seen as a 'land-bridge' for China to revive its southwest silk-route by providing the southwestern provinces an outlet to the coast through Myanmar. Yunnan was designated a bridgehead for the country's integration with the Association of Southeast Asian Nations (ASEAN) and South Asia. Heavy investment in road, rail and energy infrastructure from Yunnan to key ASEAN countries resulted in quadrupling the size of Yunnan's economy between 2000 and 2000. The ASEAN-China Free Trade Area, which came into force on January 1st 2010, is a key element in this strategy. There are five trade posts on the Myanmar side of the border with Yunnan Province: Muse (mile 105), Lweijel, Laiza, Kanpeiktee and Chinshwehaw.⁸⁸

Highways Links (Mandalay-Lashio-Muse Road), Ayeyarwady Transportation Project, Hydro-power projects, Oil and Gas Pipelines are some of the major projects which indicate growing economic ties between China and Myanmar. Specifically, Yunnan's role in ASEAN sub-regional cooperation through the Yunnan-Myanmar Economic and Trade Cooperation Forum, Cross border trade between Yunnan and Myanmar depicts the thrust policy. The first border-trade agreement was signed in August 1988 by Myanmar Export and Import Services (MEIS) and Yunnan Machinery Import Export Corporation to use bank transactions between the Myanmar Foreign Trade Bank and the Kunming Branch of China Bank. MEIS established border-trade offices in Lashio, Muse, Kyugok, Namkhan and Koonlon.⁸⁹

All these indicate how Yunnan through its provincial policy has managed to create strong economic ties with Myanmar. Also, major port projects such as the Kyaukphyu Port was initiated by Yunnan. China has constructed pipelines from Kyaukphyu, running through Myanmar and reaching China's hinterland province of Yunnan. Although, the project was completed in 2014, it could not accommodate the deep oil tankers due to draught and hence, faced delays.⁹⁰ The deep water port is said to annually transport 22 million tons of crude, the equivalent of 8 percent of China's total oil import in 2013. The inauguration of unloading oil from tankers took place on January 30th, 2015. Another project from Yunnan province is the railroad project connecting Kunming to Myanmar's Rakhine state. However, this project which worth US\$20 billion was cancelled.⁹¹ These recent developments indicate the growing distrust between the states despite large amount of investment from the Chinese side through Yunnan province. Apart from the railway project the cancellation on the hydropower project in Myitsone has gained a lot of public attention to depict the roadblocks cropping up in bilateral ties as explained in the contemporary relations between the two states.

Politics: How is China dealing with the Center-Periphery conflict in Myanmar?

Given the acute centre-periphery dynamics plaguing Myanmar since its independence the overall trajectory of the bilateral relations between the two states throws light on how China's policy towards Myanmar. The paper so far as in detail outlined the bilateral ties and then described Yunnan's policy towards Myanmar. Juxtaposing these two aspects indicates a dual approach. At the state to state level the relations are based on economic and strategic aspects. The support rendered by China to Myanmar at the UNSC and pipeline projects indicates a strong strategic dimension. While, at the intra-state level the policy is based more on economic dimensions. This

becomes apparent when central government differed in its policy from Yunnan (which was profit based) towards the Kachin conflict in Myanmar. Here too the discrepancies in the policies of Yunnan and Beijing become evident. While, Beijing tried to signal to the Tatmadaw through military exercises and diplomatic channels, Yunnan was accused of helping key rebel group Myanmar National Democratic Alliance Army (MNDAA) through mercenaries. The ethnic linkages run deep wherein MNDAA leader Pheung not only sought asylum openly in Yunnan but, also asked help of Han Chinese in helping fellow brothers. This discrepancy created an impasse at the meeting hosted in Pangshang and Lawkheelar under Beijing's pressure. Therefore, more than leverage the dual policy is seen to become liability for China.⁹²

However, China can still use its status as an ethno-guarantor to bring the armed groups to the negotiating table and use its power status to pressurise the central government to cooperate. How far China is willing to that remains the question especially in light of the stalled talks and the change in government following the 2015 election. One possibility exists that if China does proceed with mediation it will do so discreetly and use this position to gain leverage for its strategic interests. This may even have a negative impact on the peace process as the trust deficit is acute between the conflicting parties. Another possibility is that China could sidestep its role as mediator and could end up becoming a spoiler if it abuses the leverage and power status it presently enjoys. This possibility gains salience in light of the dual policies emerging from Beijing and Yunnan. Therefore, the position of China as a mediator and ethno-guarantor is highly complex and so far has not had a positive impact on the peace process. This in turn reflects on how inter-state and intra-state relations with their dual motives have complicated the overall ties between the neighbouring states.

Conclusion

By juxtaposing the inter-state ties between China and Myanmar and the intra-state relations between Yunnan province and upper Myanmar reveal similarities and discrepancies. The thread of developing economic relations and formulating thrust policies in this regard remain similar between Beijing and Yunnan in dealing with Myanmar. However, when the strategic component is considered the policies vary. While, Yunnan's strategic component is linked closely to the historical ties with the ethnic Chinese in regions such as Kokang, Beijing's strategic interests are defined by current politico-economic considerations. These considerations have driven the construction of pipelines and supporting Myanmar against Western based resolutions at the UNSC.

The discrepancies at inter/intra state levels is further complicated given the recent elections and transition Myanmar is undergoing. China's growing role to take a unitary stance in the peace negotiations in Myanmar is significant as this is the first step in resolving Myanmar's centre-periphery dilemma. For Myanmar the resolution of the centre-periphery dilemma is crucial. The growing Buddhist nationalism in Myanmar is also providing a platform for the Tatmadaw to justify its military pursuit of the MNDAA and showcase it as an attack on foreigners. This policy re-emphasises the notion that the central Bamar identity is trying to establish its supremacy over the ethnic minorities in the peripheries. This has been one of the reasons for many ethnic armed groups to stay away from negotiations. These aspects are compounded given the discrepancies in the China's mediation. Hence, the peace process in Myanmar in order to be effective requires

the centre and periphery to take the initiative before allowing for mediation by China at an early stage. Moreover, the discrepancies in China's policy as seen in the dual approach from Beijing and Yunnan are further complicating the undergoing peace process. Therefore, a careful analysis on the inter-state ties and intra-state relations between Myanmar-China and Yunnan-Myanmar depicts how core issues such as the centre-periphery dilemma to economic stalling of projects is impacted. In a larger sense, bilateral ties between nations are impacted by the history, geography and politics not only at the state to state level but, also at the provincial level as exemplified by the case of Yunnan.



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China factor in India- Myanmar Relations

A Myanmar Perspective

Zeya Thu

When people in Myanmar talk about their country, they inevitably bring China in their discourse. When they talk about Indo-Myanmar relationship, again China certainly becomes the point of discussion. The Indian and Chinese influence on Myanmar cannot be exaggerated. Myanmar is always talked as a country between India and China. Myanmar is also described as a region: East region of India and South-Western part of China. However, among these three exclusively groups of nations, Myanmar stands out because of its direct access to both India and China. As far as China-Myanmar relationship is concerned, they never had a cordial relationship but experienced ups and down, for instance, China's invasion of Myanmar, their relationship after independence. Again after 1988 because of the isolation of Myanmar there is a closer relationship in China-Myanmar, and we also see how China defended Myanmar in United Nation and other International arena etc.

These incidents certainly explain the ups and down China-Myanmar relationship. After 2011, there was a strong anti-Chinese sentiment among the people of Myanmar. Eg Myitsone Dam-First Casualty, Tin Aung Myint Oo resigned, Lepadaung Copper Mine, Gas Pipeline Protests, Kokang Conflict, PLA- live-fire air-ground training exercises along the border. The Copper Mine protests was very popular among the Myanmar civil society in protest against the Chinese companies and the same applied for the Chinese gas pipeline protests. Chinese are not only organized but powerful as well and they can adapt quickly to changes. These are few of the examples through which China tried to reach out to civil society, politicians, and journalists: Daw Aung San Suu Kyi meets Xi, first Nobel Peace Prize holder a Chinese President meets except Henry Kissinger?, Chinese Embassy Facebook page, Xinhua in Myanmar language, May 8, first minor language publication media platform among Xinhua's publications. Myanmar mobile-application, Myanmar version website, facebook, youtube, twitter and Google+, China.com in Myanmar language on 27 May.

What Myanmar means to India? K.M. Panikkar, renowned strategist and diplomat, remarked 'To defend Burma is to defend India'. What is in Myanmar for India? Examples of what Myanmar has to offer to India would be: Border security, Energy- 3.2 billion barrels of recoverable crude oil and an estimated gas reserve of 2.5 trillion cubic meters, Market- arms and normal goods, Land route to South-East Asia, Cross-Border Trade, Economic progress of North-East Region and to counter Chinese influence.

India and Myanmar relations were established during the British period, as Myanmar was a part of India. The former capital of Burma i.e., Yangon was just like any other Indian city. The

independence fighters were friends. During the pro-democracy uprising movement in Myanmar, 1988 India was a strong supporter of this movement. Since 1993, India reverses its policy in dealing with Myanmar to counter China by implementing Look East Policy, now Act East Policy and the Kaladan Project. These have become the two major investments that have been going on for quite some time. Indian democracy is being looked upon by the Myanmar political system as a model and has therefore become more similar to it than that of China's communist system. With changes being perceived at the socio- economic and political level in the country, Myanmar is now looking forward to a broader and cordial relationship not only with its neighbors like India and China but beyond these two countries.

Intra-Regional and Inter-Regional Dynamics and China Factor

Srikanth Kondapalli

China has made several initiatives in the South East Asian region as a whole. South East Asia has become the largest trading partner for China. Last year it was about 480 billion dollars worth of bilateral trade with ten countries in ASEAN. With the global financial crisis, ASEAN today has become the largest trading partner for China. In the background of sovereignty disputes, China has proposed a political consensus even as they integrate further with the South East Asian region. Number of initiatives includes the Silk Route proposal. One portion of the Silk Route is part of the maritime Silk Route which Xi Jinping addressed in the Indonesian seminar in October 2013. It suggested some three ports to be built in South East Asia with the Chinese as part of the Silk Route fund. The second aspect of the Silk Route continental one is the Bangladesh-China-India-Myanmar (BCIM) multilateral co-operation which is now integrated into the silk route proposals.

The thrust area here is infrastructure and the ASEAN infrastructure investment bank with about 56 countries under majority of the South East Asian countries including Myanmar are part of the initiatives on the infrastructure. We are yet to see what projects are to be commissioned as a part of this project but China is already involved in a number of projects in this region like high-speed railway project, highway projects, port construction and fiber optics. In Laos, Cambodia, and Myanmar, interregional dynamics have changed substantially while the United States trade with the ASEAN is only about 228 billion dollars last year. The Chinese was about 480 billion dollars and this year they intend to expand it to 500 billion dollars. The Japanese trade which is another major partner for South Asian countries is not doing very well but investment wise, US is the major leader with 68 billion dollars as compared to about 28 billion dollars by the Chinese. But it is likely that China will dominate in terms of investment in the ASEAN region.

In terms of intra-regional trade i.e., in between Yunnan province, Myanmar and within Myanmar in the Kachin state, there has been various problems related to ethnic problem. All the Chinese interest in copper mine, dam and railway project, oil and gas project has become controversial at a societal level in terms of protest on environmental issues; land grabbing, human right issues. So in terms of interregional trade China is yet to be dominant but it's in the direction of becoming a dominant player.

There has been process of integration especially after the BCIM proposal in the region between Yunnan and the northern Myanmar and also the coastal region.

Another interesting development in the recent months is the floating of the Chinese Yuan as part of the currency swaps with various countries like Singapore, Taiwan, HongKong and recently with the South East Asian countries. Exchange center has been established in certain centers and it will possibly change the economic dimension because now, instead of depending on the US dollar it will provide much leverage for China in the coming days.

Another major development that would affect the region is the recent happenings within China, i.e., China is entering into what is known as new normal economy, where 10% target growth rates are gone. There is a lack of demand on the part of Chinese for demand in growth rate and demand in commodity imports from different countries that includes Indonesian raw materials, Malaysian competition and also Myanmar timber and rice. Secondly the Shanghai stock exchange and the Shenzhen stock exchange melted on average from 118 to 128% in the last three months which indicates a decline in business confidence and growth rates. Also Renminbi has also been devalued by about 4.6 % on August 11 2015 which means that anybody exporting to China will have their trade volumes restricted in terms of the value of items and secondly, those who are also exporting commodities will have a larger impact on the China market. This will affect the ASEAN China Myanmar relation in the coming years. Although China is becoming a major player in the entire region of ASEAN, however, political issues in Myanmar provides various challenges for it in the region.

India-Burma Relations & the China factor

Towards Regional Security

Babhananda Takhellambam

The social/cultural factors coupled with political, economic and of course security factors are important in determining and understanding India's relations with its states. As far as relations in contemporary time are concerned, the questions of merger and rise of insurgences/ state formation in the North East region and Myanmar independence and military coup etc are of important concerns. Security perception in understanding India with its neighbor can be traced from the animosity and mistrust shared with her neighbour with China, and Myanmar being no exception. The complex relations between Burma and India have improved significantly since 1993, prevailing over tensions related to drug trafficking, the suppression of democracy and the rule of the military junta in Burma. Geographical contiguity, ethnic and cultural heritage, Asian values and religion have shaped the fluctuating relations and above all Burma is India's only land bridge to Southeast Asia. India-Burma relations are rooted in each country's broader foreign policy perspective and specially its assessment of other's motivations and inclinations. India established diplomatic relations after Burma's independence from Great Britain in 1948. India provided considerable support when Burma struggled with regional insurgencies. However, the overthrow of the democratic government by the Military of Burma led to strains in ties. India condemned the suppression of democracy and Burma ordered the expulsion of the Burmese Indian community. China maintained close links with Burma while India supported the pro-democracy movement. There were indirect threats from Myanmar and Bangladesh through drugs, small arms and insurgences, direct threats from China through wars, and occupied territories by China, Sino-Pakistani nexus and China's encirclement. Myanmar was shunned after the military coup of 1962 by India. It is the support of their democratic adversaries that alienated the military rulers of Myanmar.

From a Chinese perspectives of the Indo-Myanmar relation in traditional times China viewed itself as the "unchallenged middle kingdom" and does not preserved threat from India and Myanmar. In the past four contemporaries' civilizations - Chinese Civilization, Indus Valley Civilization, Mesopotamian Civilization and Egyptian civilization, out of the two civilizations i.e. Chinese and Indian civilization, China considered itself as the middle or the centre of the earth and surrounding areas to be barbarians. That is also one of the reasons why they have built the Great Wall of China in the northern empire because they do not want barbarian intrusion into their kingdom that led to their thinking that there could be only one tiger in the mountain. Asia is their playing ground and they do not want India to rise above them. The reality is China

was checked towards its expansion by Russia, Japan and the U.S. and also Beijing looking towards South and South East Asia as its prospective sphere of influence as the main obstacle. E.g., Beijing has followed haxioa; gongda policy in South Asia; uniting with the small (Pakistan, Bangladesh, Myanmar, Nepal and Sri Lanka) to counter the big India.

In the context of regional security, India's move to rekindle close relations with Burma is motivated by a desire to counter China's growing influence as a regional leader and enhance its own influence and standing. Concerns and tensions increased in India over China's extensive military involvement in developing ports, naval and intelligence facilities and industries, specifically the upgrading of a naval base in Sittwe, a major seaport located close to the eastern Indian city of Kolkata. India's engagement of the Burma's military junta has helped ease the regime's international isolation and lessen Burma's reliance on China. Both nations sought to cooperate to counteract drug trafficking and insurgent groups operating in the border areas. India and Burma are leading members of BIMSTEC and the Mekong-Ganga Cooperation, along with Vietnam, Laos, Cambodia and Thailand, helping India develop its influence and ties amongst Southeast Asian nations.

Burma is also an immediate neighbor of vital importance for defence and internal security needs, stability and development in the North Eastern Region (NER), and expansion of India's influence in the Bay of Bengal area and Southeast Asia. Burma is not where only China and India 'meet'; it is also the intersection between South Asia and Southeast Asia. Thus, both countries have a strategic convergence in treating Burma as the 'gateway' between India and ASEAN and beyond, through expansion of connectivity and cooperative links.

India-Burma relations are undergoing a pleasant phase. Burma is edging towards democracy, embarking on the path of reform and re-calibrating its foreign relations, while India is also according importance towards relations with Burma in the light of changing regional scenario. Nevertheless problems in border region continue and the China factor occupies an important factor in the India-Burma relations.

Challenges, Concerns and Recommendations

Axel Harneit-Sievers

I would like to put forward two recommendations; on a macro level, we are looking at Indo-Myanmar relations. We in India tend to have wrong, often exaggerated perceptions about India's role in Myanmar. It is important to have a clear idea about India's role in Myanmar today, and be realistic what India's political, economic and even civil society actors can achieve in this process. It is important to create an atmosphere of political dialogue. It is obvious that India doesn't yet play a very large role in the economic front in Myanmar; still, on the ground level, long-term scale strategies and policies are being pursued. There appears to be a substantial gap between



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the Act East Policy in theory, and its practice. This conference had made it clear to us that India has a strong role to play especially because of its democratic credibility in Myanmar and its history of support to democracy process in Myanmar. Also, there are political lessons to be drawn from India for Myanmar, in dealing with issues like ethnic tribal diversity and issues of decentralization.

Secondly, at a micro level, the fundamental realisation is that India's northeast and the Myanmar's west is where two peripheries of their respective countries meet. Both regions constitute peripheries in both economic and political aspects. During the conference, we have seen the difficulties of border trade development in the region, and we also have seen that decisions about trade are usually taken in the political centres, far away from the border, resulting in unwieldy, difficult operations, and much underground trade. Greater emphasis should be given

for further development in order to get the periphery closer to the center, and to make the peripheries act on their own behalf and to establish much closer links and feedbacks and inputs to each other, and to the centers.

There is much scope and potential to change and develop in the Indian Northeast and in the Myanmar border areas. We should look forward to create better connectivity and linkages between periphery and center, and to find more productive solutions than what we currently see in the border. Security issues will of course continue to play a role, but the "security mindset" should not be allowed to overshadow all other considerations, if both countries are going to intensify economic and people-to-people relationships across their common border.

Rual Lian Thang

An important realization from this conference has been in understanding the significance of people to people relation between India and Myanmar. But on the other hand of the study, what we have discussed so far is mostly based on assumption. A more concrete study on the relationship between the two countries is a prerequisite. Basing on these observations, I want to suggest some recommendations that we can work out in unison. Necessary here is the formation of a platform for India-Myanmar relation study group. Myanmar already has a China investment study group and a Thailand study group comprising of the academia and civil societies. There is a lack of platform to study India Myanmar relationships on a ground reality level. Hailing from a village 20 miles away from the Indo-Myanmar border, I have observed that there is a huge market for Indian goods as it is preferred over Chinese goods. Such potential markets and interactions need to be located and studied which will benefit the people on a larger scale.

Sanjoy Hazarika

The area that we speak of, the western borders of Burma and the eastern borders of India is where the South East Asia and India meet and it is also where South East Asia begins and India ends and vice versa.



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One of the great resources of the area is the human capital in the region. There is a huge capacity of trust in the region and we need to utilize this capacity to the optimum. When we look at the Look East Policy, we need to question if it is a policy that keeps its people out. We can't have an open border that is open to only specific people. There is a need to learn through the best practices like the peace processes. In 20 months the Myanmar government and various ethnic groups have achieved more, not as a conclusion but to a round table meeting where every single ethnic group was represented by its leader with its meeting with the President of the country. It's a great achievement in 20 months that we have in 20 years and India should learn from such examples. It is also important for us to celebrate our difference yet with common interest like music and cultural festivals, media exchanges.

The center is the periphery because it doesn't understand or has a comprehension of the detail issues on the ground. If we see the situation in the northeast or the borders, we cannot have a policy that calls for investment, development in the region along with heavy militarization of the region. As long as we have immunity, impunity, inequality and injustice, Act East Policy cannot be implemented in the region. Meshing of ideas should take place at different levels in the region. There is a need for more collaboration, more dialogue, and more efforts to understand each other across the borders and also within our borders.

India's Act East Policy and Manipur's Dilemma

Malem Ningthouja

Historical Background

To begin with, the India-Myanmar relation, as we know today, is a late comer when compared to the centuries old inter-peoples relations of those that had inhabited the lands that today come under the territorial maps of Myanmar and Manipur. The inter-peoples relations in the past historical epochs, which were mixture of conflicts, cooperation, exchanges and interdependences, had preceded the existing 'international' boundaries. Even in the contemporary period, there is ethnic boundaries overlapping these territorial boundaries. In that sense, Manipur-Myanmar relations had preceded the post Independent India-Myanmar relation. To put it differently, there is no "if" in history, as history is concerned with the events that had occurred in the past. However, if it was not for India's annexation of Manipur in 1949, the former's ongoing Act East Policy would have focussed on Indo-Manipur relation, as that would meant India's easy passage to the South-East Asian countries via Manipur. Ipso facto, as the wheel of history moves on towards the direction commanded by the powerful, India's current attention is on the Indo-Myanmar relations, with lesser 'international' attention to what Manipur as a 'region' may have to think about and expect from this 'international' trade relation. The subsuming of the weaker 'regional' within the framework of the powerful 'national' and 'international' commercial interest has been done through systematic silencing of those 'strategic' population, who are certainly a component of the 'international' but denied adequate attention because of their 'unheard' democratic aspirations. My presentation, therefore, is focussed on highlighting the lesser known facts about Manipur's juxtaposition of hope and fear vis-à-vis the ongoing India's Act East Policy.

Before going deeper into the discussion, to make more sense, I would like to briefly summarise the economic background of Manipur in the larger context of the global neo-liberal economic order. The background summary is important, as the Act East Policy is an offshoot of the larger 'international' commodity exchange, which takes shape within the ambit of an unprecedented role of India's commercial expansionism in the Southeast Asia. In other words, Manipur's response to the Act East Policy, therefore, is structured by the overarching Asia's commercial trend and the need to have some amount of satisfactory share in it. The genesis of the background can be traced in India's annexation of Manipur, for geo-strategic reasons. The annexation could not speed up Manipur's economic growth, as the overall trend of India's capitalist path has been marked by subjection to interest of the international finance institutions on the one hand and on the other hand there has been uneven distribution of growth across the regions. As a result, Manipur, like many other similarly backward regions in India, has been placed at the lowest

bottom hierarchy of the global economic order. All forms of apparent growth in terms of investment in the construction sub sectors (tertiary sectors) are cosmetic in nature; there is neither qualitative nor quantitative growth in the level of surplus commodity production. Manipur had remained underdeveloped, in the sense that it could not compete with the industrially and agriculturally advanced regions of India. The consumption of industrial and agricultural commodities is largely dependent on imports. The import channels and local commodity markets are monopolised by the commercial bourgeoisie from outside; which also have a corresponding impact in terms of labour and skill domination by outsiders. In the meanwhile, with the passage of time, there began a shift in the agenda of the Indian policy makers. This new shift is visible in the extensive nexus between militarisation and 'projects'. Militarisation, which is justified to counter-insurgency, is instrumental in guarding controversial and popularly resented projects (big dams, mining and oil drilling and explorations) that are owned by the capital investors from outside. This tendency creates economic constraints that perpetuates the subjective feeling of underdevelopment, destructions, displacements, deprivation, marginalisation, exploitation and suppression.

Juxtaposition of Hope and Fear

Against the backdrop mentioned above, the ongoing propaganda for and the initiatives towards Act East Policy (earlier known as Look East Policy) have created a complex psychological situation, marked by juxtaposition of hope and fear, at varying levels. There is some amount of illusive hope, which is being articulated by those who construe that an objective boom in the international trade will enable accumulation of private profit and speedy development. Many of them belong to the 'political' or bureaucratic or contractors or background, that is, the richer and influential class in Manipur. They do not believe that Manipur can be developed through investments to improve the social modes of production. Their agenda is focussed more on enhancing the appropriation of value from the capital investments in the tertiary sector, that is, the construction projects. They disseminate the idea that speedy construction of the infrastructures associated with international trade, such as railways, trading stations, offices, hotels, roadways and unrestraint inflow of cheaper commodities will ensure economic boom. They become the 'local' protagonists of free trade, which is being upheld strongly as the only viable course of economic growth. They do not encourage investment in the primary and secondary economic sectors. Some of them began construction of resorts and tourist gardens by destroying reserved forested areas and agricultural lands. They destroyed residential areas to construct star rated hotels and office buildings. They dupe this process as investment in 'tourism industry' and 'infrastructure' growth.

There are others, who perceive that the sudden boom in the international trade, without some level of economic preparedness to compete with imports, will be at the cost of conducive economic sustenance in the long run. They believe that the Act East Policy is not their own creation. It is not a linear economic response as a result of the local capability to directly engage in international free trade. The policy is being perceived as a policy to strengthen free trade regime, which is being superimposed by the profit driven big market forces. They articulate that a long term social benefit from international trade can be accrued, only when there is some level of surplus production for commodity exchange. Without improvement in the modes of production - that is, without achieving certain level of qualitative and quantitative surplus production - Manipur will remain dependent and vulnerable to domination by the market forces and fluctuation in the

supply. Unfavourable balance of payment, as functionally commanded by the free trade regime, will depreciate the gold reserves. As a result, there will be gradual impoverishment, which will in the long run destroy the potential growth of human resources to suit the local needs. In that unfavourable situation, Manipur will merely serve as a transit route of trade. The entire economy will end up with the accumulation of capital by the outsider monopolists. The inflow of migrants and commodities and uneven distribution of trade related infrastructures will perpetuate underdevelopment. There will be structural inequality and exploitations. All these will also add to the pre-existing communal-political tensions.

Some of the concurrent apprehensions are being summarised as follows:

Land and territorial safeguard

There is growing apprehension of systematic expropriation of land by controversial projects and systematic loss of territory. Regarding expropriation of land; large tracts of lands are being grabbed in the most controversial manners for the construction of dams, mines, oil drilling, railways, office infrastructures and military camps. Regarding loss of territory, there persists the nostalgia about the loss of the Kabow valley (above 7,000 square kilometres), which is believed to have been permanently transferred to Myanmar (then Burma) by the then Prime Minister Nehru in 1953. The alleged continuous encroachment by the Myanmar Government on Manipur's territory along the international border is an emotive concern. The alleged silence by the Government of India on this matter is being perceived as India's favourable concession to Myanmar, at the expense of Manipur, to fulfil certain vested trading objectives of the Indian commercial bourgeoisie. Many perceive that the Act East Policy will empower the Indian big market forces and the military to grab more land, extensive expropriation of land by the rich outsiders from the marginalised 'local' landowners and a threat to the territorial safeguard as well. This fear needs to be addressed by the government. Controversial projects, which had extensive displacement and ecological affects, need to be put on halt, until the concerned issues are being adequately addressed. Land grabbing in the name of projects must neither be at the cost of the 'sustainable' growth of the peoples nor should it be carried out by violating the exiting legal norms. Border pillars need to be firmly established along the existing disputed areas on the international border, in order to prevent encroachment and to ensure territorial safeguard.

Population influx

The unregulated migration to Manipur is bitterly felt. The notions of 'insiders' and 'outsiders' are socially rooted; more than three dozens of communities inhabiting Manipur identify themselves with the respectively articulated idea of 'indigenous' vis-à-vis projected 'outsiders.' Among them, other than the numerically larger communities -such as the Meeteis, Meetei Panggals, Thadous and Tangkhuls that constitute the largest communities - the rest are numerically small. While each of these communities uphold their idea of 'indigeneity', at the Manipur level, there persist the fear of domination by the migrant outsiders. The perception is widespread that the outsiders are gradually outnumbering the 'indigenous' peoples. They are controlling the market, buying up land, and dominating the labour pool and skill reserves. The fear of the outsider increases as the expansion of the Act East Policy, particularly the extension of Railways, is likely to create an unprecedented scale of migration. According to the estimate of

the United Committee Manipur, based on the 2001 census, about 32% of the population are migrants. To prevent numerical domination by outsiders, and also to overcome the pressure on land, there has been demand for detection and deportation of 'outsiders'; which at some points of time had culminated into violent agitations in 1980, 1994 and 2015. In order to address the concern, the Government of Manipur had recently passed three bills, which had become controversial within Manipur for various political reasons. Despite the controversy, there is a common feeling that some kind of protective measures are required to ensure that the international trade do not lead to 'population invasion'. At present the bills are in the courtyard of the Government of India, who is fully responsible to address this sensitive issue.

Monopoly trade

There is fear of monopoly in trade by the outsiders. This fear arises from the fact that Manipur trading entrepreneurs, because of their meagre capital resource and inability to ouster the pre-dominating community bonds of the well organised trading guilds of the outsiders, could not compete with the latter. As a result, most of the formers remain dependent on the supply of the latter, who by default become the monopolists. Their fear increases as the opening up of the Trans-Asian Highways would facilitate the entry of giant international business establishments, which will make the competition much more difficult for them. Many questions arise; are the 'indigenous' traders going to be the losers in all fronts -that is, the international, national and home markets? What will be their share in the commodity market? Will they be able to establish profitable hotels, which will obviously be superseded by the higher graded stars level hotels that would be owned by outsiders? Who will promote and protect the local business interests? Will the local enjoy big shares in the upcoming business complexes and malls? What about the local women and other small scale retail trading vendors? Will they be protected? Will they be gradually wiped out because of unregulated migration of prosperous entrepreneurs? What roles will the government play, to ensure that the interests of the 'local' are not subverted in the interest of the outsider monopolists?

Uneven growth

There is structural inequality in Manipur, which is reflected, among others, in terms of uneven distribution of infrastructural growth. The inequality is being explained in terms of an alleged core-periphery dichotomy (or valley-hills dichotomy or urban-rural dichotomy) - that is, measured through quantitative differences in the aggregate accumulation of wealth, opportunities, facilities, and distribution of infrastructures. As mentioned, structural inequality interplay with injustice when controversial projects have forced many into displacement, deprivation and marginalisation. Some sections offered communal interpretation of this overall phenomenon of inequality and injustice. Such interpretations added to the communal mistrust and tensions. In other words, any project, either developmental or destructive, could become a source of communal propaganda and conflict. In this context, the Act East Policy also becomes a matter of communal concern. Many suspected, if it would culminate into further structural inequality along community lines. The fear is; where exactly in Manipur will the infrastructures related to the international trade be constructed and concentrated? Will there be more pressure on some communities because of infrastructural overconcentration, whereas many are being left out because of deliberate neglecting? Will the commercial hub and the allied offices be constructed

at the cost of the food producing land in the Manipur Valley? Will it be confined to some strategically advantageous community pockets such as Southern Chandel or Imphal or Tamenglong or combination of all? Will there be even distribution of infrastructures in the remote areas of Churachandpur, Senapati and Ukhrul as well? Will there be development of well furnish connecting routes to ensure that everyone is connected to the main Asian-Highways? Will the policy directly benefit some communities while the rest will be neglected? The demand for an even distribution of growth needs to be adequately addressed.

Dependency Syndrome

The Act East Policy is not an economic response to Manipur's need for a favourable international commodity exchange. This market driven policy, which promote liberal free trade regime, is being superimposed on a backward economy that is largely dependent on the Central funding (grants) for employment generation and other essential 'economic' schemes. This trend of dependence is logical, as the impact of capitalism in Manipur is marked by perpetuation of a localised pre-industrial modes of wealth accumulation. The elites flourish as a result of accumulation of wealth through misappropriation of public funds and other corrupt means. The majority bulk of the educated class are in the search for 'respectable' white collar jobs either in the government or private service sectors. There is a general neglect of capital incentives to improve the productive forces and the means of production. The economic condition remains pathetically suffering from dependency syndrome, that is, dependence on imports for economic survival. The question is, will the free trade regime anchored by the outside forces improve the economy to the level of abundance and structural equality? It remains unknown to many about what will be commodity compositions of free trade under the Act East Policy. The question is; will there be some amount of promotion and protection of local productions? The fear is; will the unrestraint inflow of new commodities create new demands, which will lead to further depreciation of gold reserves? Will cheaper imports of food crops outdo local productions (such as rice, grains, cereals, and vegetables), thereby, forcing upon many to abandon productions? Will there be diversion of food producing land to create commercial hub or a trade transit route, where the locals play subjective role and become vulnerable to capitalist slump and recession in the international trade? Will the negative fallout of free trade regime lead to poverty and the growth of various forms of social crimes, illicit trades and trafficking, and unrests?

Conclusion

The India's Act East Policy is a schematised reality. The political leaders, administrative technocrats and commercial establishments are eager to implement the policy at the fastest tempo with the chest thumping positive projections. For all these, it becomes a fait accompli that Manipur cannot run away from the over sweeping globalising economic trend in general and, in particular, from the ongoing Asian free trade network. This fait accompli comes off as a result of the common agenda to accumulate 'super profit' by the giant commercial bourgeoisies across countries. In this common agenda, Manipur become the most viable commercial transit route, where India's commodity and military stockades are likely to be firmly established. The people are largely unaware of the white paper of the Act East Policy, in minute details about the pros and cons, if it exists at all. On the other hand the Government of India has not come up with any worthy economic policy, which may ensure a boom in Manipur's commodity production, so that the

latter may not remain mere consumers of imports, supplier of cheap labour, and an uncertain economy. At the same time, the government is yet to materialise in dealing with the politically sensitive issues prevailing in Manipur, so that its own trust deficit is overcome. The demand is that the Act East Policy must also acknowledge the political and economic 'sensitivities' of the conflict ridden Manipur, so that the latter have a due share to overcome underdevelopment and promote structural equality, justice and peace. Some of the apprehensions, mentioned above, need to be seriously studied and adequately addressed. A white paper on the Act East Policy, which must take into consideration Manipur's 'regional' aspirations, must be produced, so that there is transparency and consensus. To ensure fairness in gathering empirical knowledge, an order must be issued by the Government, so that the army and para-military forces do not obstruct independent scholars from entering into the border areas, for survey and research on the matter.



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