

CHAPTER IV

INDIAN INTERESTS IN MYANMAR

“As in the past, so in the future, the people of India will stand shoulder to shoulder with the people of Myanmar, and whether we have to share good or ill fortune, we shall share it together. This is a great and solemn day not only for Myanmar, but for India, and for the whole of Asia.”

Pandit Jawaharlal Nehru

04 January 1948

4.1 General

India and Myanmar share close historical ties, which dates back to third century BC when Emperor Ashoka sent Buddhist emissaries to Myanmar³⁴. Myanmar was part of the British Empire until 1935. Since independence, relations between both the countries have been continuously evolving. It acted as a buffer against China during British rule, Myanmar's leadership moved towards developing a close understanding with its counterparts in India primarily due to the personal relationship between the leaders of both the countries. It facilitated further cooperation and stability to their relationship. In July 1951, both the nations signed a “Treaty of perpetual peace and friendship”³⁵.

However, later with the military regime in power in Myanmar relations between both countries never transcended the state of cordiality in view of India's moralistic stance towards undemocratic regimes. Subsequently, due to crushing of the democracy movement in Myanmar by military junta the relations between the two countries saw further downturn. India's strategic rivals, China and Pakistan, began to engage the military junta and were rewarded with major economic and geopolitical concessions. Realizing the

³⁴ Egretreau, Renaud. (2003). *Wooing the Generals: India's New Burma Policy*. New Delhi: Authors Press.

³⁵ Ibid, pp 31.

drawbacks of pursuing such a policy line when the adversaries were following a policy of constructive engagement with the SLORC regime, India came up with the 'Look East' policy³⁶. It involved putting India's national economic and regional interests first as it started to deal with the Burmese military government. As this provoked Western criticism thus initially the engagement between both the nations remained relatively limited.

Owing to its geostrategic location, Myanmar evolved itself as a site of regional competition. China was quick to embrace the junta as a result of which China gained many economic concessions and access to natural gas through a Burma-China pipeline. It also gained substantive naval presence in Myanmar's ports. Indian concerns about the strength of Chinese influence are shared by the Burmese, and they appear to be encouraging competition between China and India for access to the country's natural resources.

The discovery of huge reserves of natural gas in Burma was a key driver in Indian policy shift³⁷. Since 2000, relations between the two countries have stabilized and civil and military officials have met regularly to take bilateral ties further. Apart from this, there are numerous interests of Indian government which drives the engagement between India and Myanmar.

4.2. **Myanmar's Role in India's Look / Act East Policy.** South- East Asia has historically been a magnet for external powers because of its natural resources and strategic waterways. During the first millennium AD traders from south Indian kingdoms brought Indian culture to many parts of south-East Asia. The impact of the maritime trade, in the fields of religion, government and arts, was achieved without conquest or colonization. Hindu or Buddhist kings ruled the South-East Asian states. The cultural imprint

³⁶ Chaturvedi, Medha (2011). India's Strategic Interests in Myanmar, An Interview with Shyam Saran, IPSC Special report 98. (Online) Available at: <http://www.ipcs.org/special-report/china/indias-strategic-interests-in-myanmar-an-interview-with-shyam-saran-98.html> (Accessed on 01 September 2014).

³⁷ Price, Gareth (2013). India's Policy towards Burma - Chatham House. . (Online) Available at: http://www.chathamhouse.org/sites/files/chathamhouse/public/research/asia/0613pp_indiaburma.pdf. (Accessed on 01 September 2014).

persists even today, despite the subsequent centuries of Islam and western colonialism. Myanmar is geographically the closest and second largest of India's neighbours in Southeast Asia. It acts as a link between India and the SE Asia.³⁸ It is important for India Look East Policy due to which, it finds itself in high priority in India's regional policies. Myanmar shares common borders with Laos and Thailand and is a member of the ASEAN. Friendly relations with Myanmar would be helpful in reinforcing India's Look East Policy and in building up meaningful relationships with southeast and East Asia. With the up gradation of Look East into Act East Policy, it assumes further importance.

India's interaction with the ASEAN countries during the cold war was more noticeable in bi-lateral relations with individual countries than with the Association as an organization. Indian Government probably had no clear thinking on the kind of ties which will best contribute to mutual economic benefit. Thus, due to India's blow-hot-blow cold policy, ASEAN did not welcome India as a friend.

Thus, India-ASEAN relations in the cold war period remained a story of missed opportunities, mistrust, misperceptions and bungling diplomacy. India's formal interaction with the ASEAN began only in 1992. After the initial enthusiasm generated by the economic reforms launched in 1991 and the prospect of a vast Indian markets, the pace of these reforms was quickly deemed too slow for countries then accustomed to double digit economic growth rate. Look East Policy is now cruising along on a higher trajectory due to intertwining economies, interlinking destinies and an arc of prosperity across the region. It has now acquired substantive economic and strategic weight.

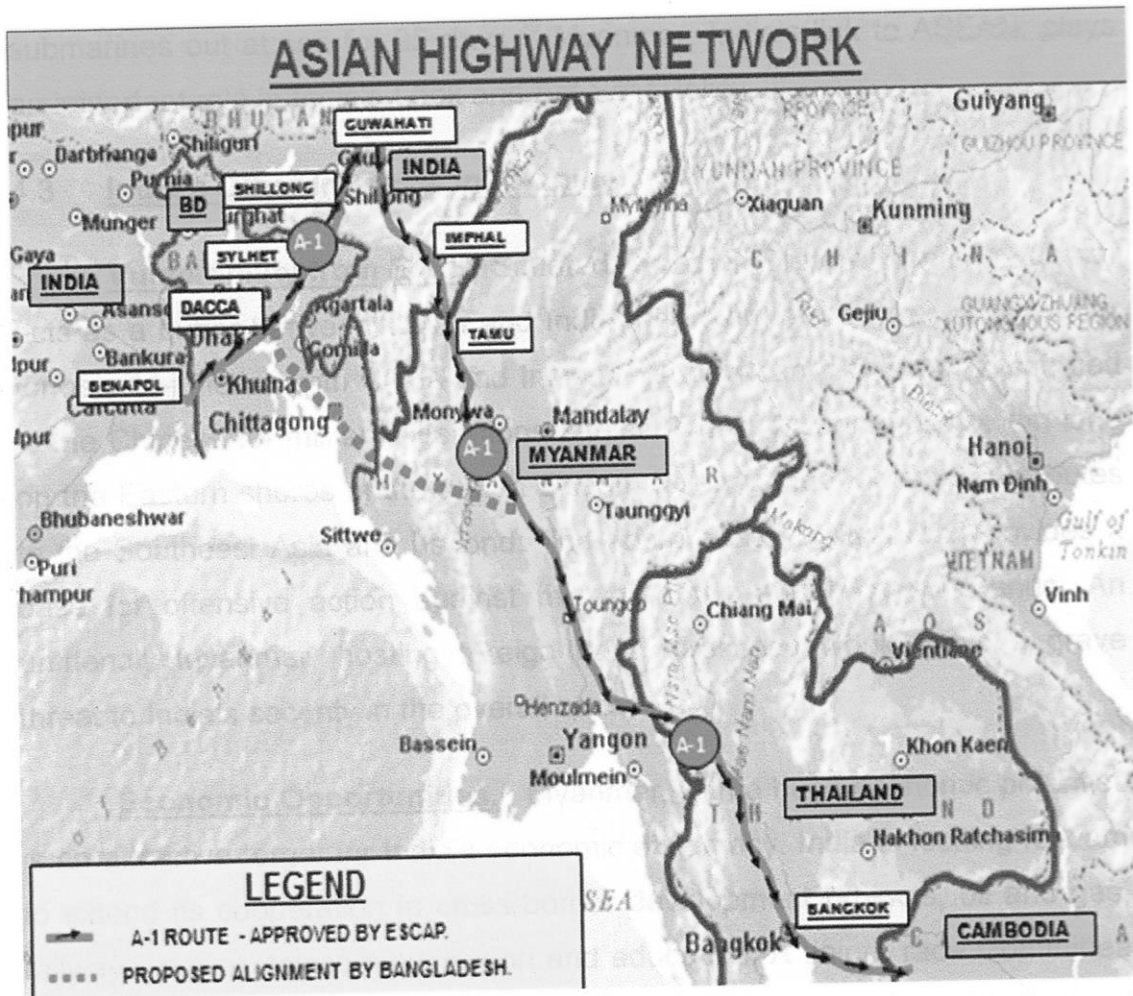
Act East Policy. Under the leadership of Prime Minister Narendra Modi India has made its relations with East Asian neighbours a foreign policy priority. Foreign Minister Sushma Swaraj had proposed a new outlook calling

³⁸ Barua, Amit. (2001). 'Indo-Myanmar ties have taken a historical turn: U Win Aung'. *The Hindu*, 17 Feb 2001. (Online) Available at: http://www.burmalibrary.org/reg.burma/archives/200102/msg_00048.html (accessed on 15 October 2014).

it Act East Policy, during her visit to Myanmar in September 2014. The present Indian government made it ample clear that India would focus on improving the relation for better economic engagement with its eastern neighbours. India finds the ASEAN-India strategic partnership as an anchor for peace, stability and prosperity in the region as also globally. India has also underlined the centrality of ASEAN to other regional fora.

Connectivity With East. Connectivity is the reigning mantra as India deepens its diplomatic, economic and cultural ties with its extended neighbourhood. Myanmar is an essential partner in that. India has vigorously backed fast-tracking a host of connectivity projects that will quicken regional integration and has supported the Master Plan on ASEAN Plus Connectivity (MPAC). India is also looking forward to conclusion of negotiations for an ASEAN-India Transit Transport Agreement by end of 2015. The Tamu-Kalewa-Kalemyo sector of the India-Myanmar-Thailand Trilateral Highway is progressing well and the completion of this project in 2016 is poised to create a new dynamic in India's multi-faceted relations with the region. India has backed the extension of this highway to Laos, Cambodia and Vietnam, its further linkage with ports in ASEAN countries and its integration with models like Special Economic Zones. Enhancing connectivity to Southeast Asia is critical to unlocking the economic energies and enterprise of India's north-eastern states, which border the region.

Spiritual Connectivity. Connectivity is not just geographical and physical; what animate India's engagement with the region are cultural and spiritual connections, grounded in history and a shared civilizational space. Buddhism flowed to Southeast Asian countries from India. Buddhists from all over the region flock for pilgrimage to revered shrines Mahabodhi Temple in Bodh Gaya, the sacred place where Lord Buddha attained enlightenment under the Bodhi tree. The revival of Nalanda University, the ancient seat of learning, has now become a showpiece project of ASEAN and epitomizes age-old cultural and spiritual linkages between India and Southeast Asia region. India has signed pacts with several ASEAN countries to make Nalanda University an international knowledge hub.



Geopolitical Side of Act East Policy. The changing geopolitical environment in the Indian Ocean region brings attention to the role of oceans in shaping a country's strategic and security policy. The launch of India's first indigenous aircraft carrier, Vikrant, on 12 August 2014, and later, a military satellite from French Guiana, on August 30, appears to form an integral part of India's Act East Policy. China views the Indian aircraft carrier and military satellite as a power projection by New Delhi in the region. The strategy under the Act East Policy appears designed to help India manoeuvre into a very favourable position in the Indian Ocean and Asia-Pacific, without being directly involving in any internal conflicts but at the same time meeting challenges that might arise in the region. More importantly, China is concerned about India's moves considering India has a geostrategic advantage in the Indian Ocean owing to its location, which could help India to contest China's interests in the region. China has expended the reach of its navy to Indian Ocean, where it carried out three deployments and kept

submarines out at sea for 95 days.³⁹ Myanmar, India's link to ASEAN, plays an important role in India's Look and Act East Policy.

4.3 **India's Other Interests in Myanmar.**

Vulnerability from East. Situated on the Eastern flank, Myanmar acts as a buffer between China and India. The Northern frontier of Myanmar forms a tri-junction with China and India. This area can provide a launch pad to the Chinese for military operations against India. Myanmar is the rim land on the Eastern shores of the Indian Ocean. It lies astride India's trade routes to the Southeast Asia and beyond. The entire coast of Myanmar provides a base for offensive action against the Andaman and Nicobar Islands. An unfriendly Myanmar, hosting foreign naval presence would pose a grave threat to India's security in the overall sense.

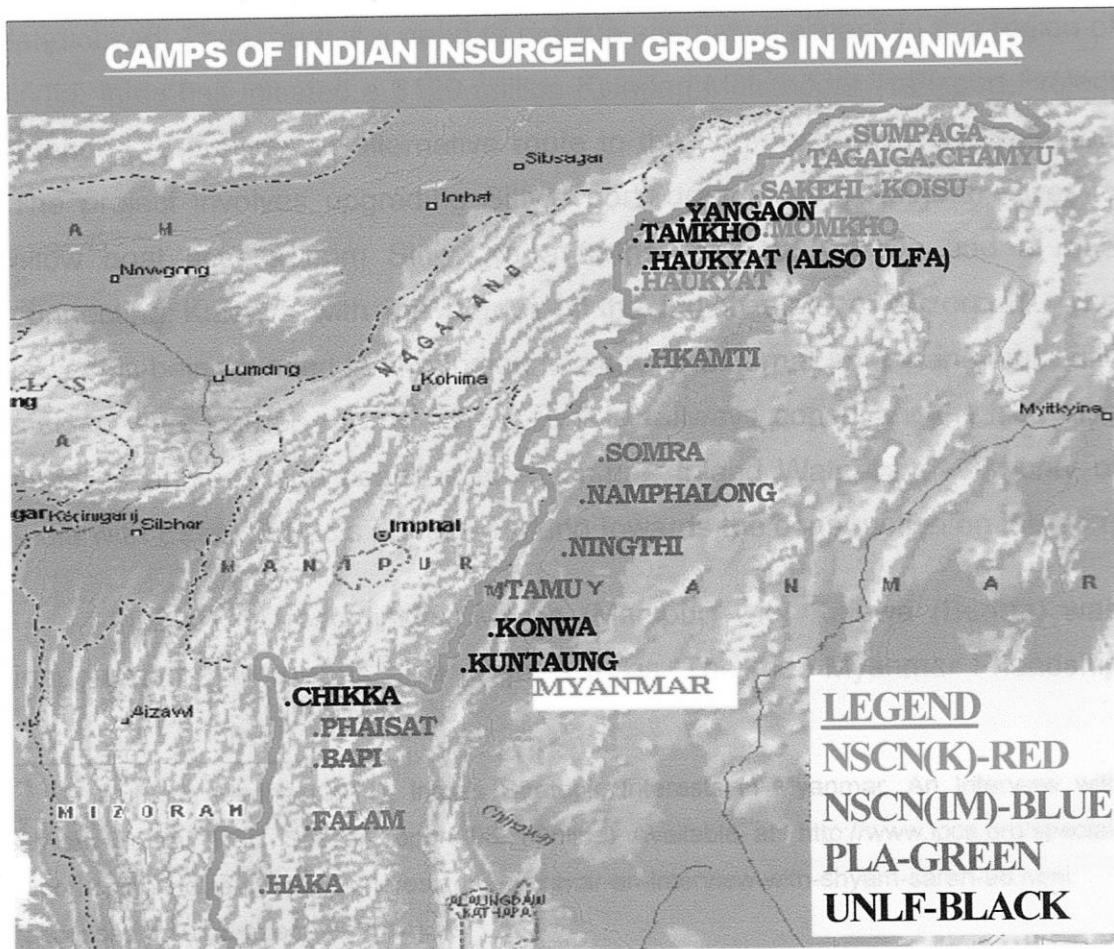
Economic Opportunities. Myanmar, with a huge economic potential, is an attractive target for India's economic diplomacy. India is looking forward to extend its cooperation in cross-border development projects, oil and gas, railways, power, telecommunication and education. A Joint Trade Committee (JTC) was set up in 2003 to review trade and investment. In 2008, Bilateral Investment Promotion Agreement (BIPA) and Double Taxation Avoidance Agreement (DTAA) were signed. In 2012, the two countries set a target for bilateral trade of \$3 billion by 2015. In the last five years trade between the two countries has grown at an average of 18 per cent per annum and India is now Myanmar's fifth largest trade partner. India and Myanmar are both signatories to the India-ASEAN Trade in Goods Agreement⁴⁰ and Myanmar can serve as a bridge between India and the regional organizations. Myanmar also benefits under India's Duty Free Tariff Preference Scheme for least developed countries.

³⁹ Reuters. (2015). 'China has more subs, admits US naval officer'. *The Times of India*, 28 February 2015.

⁴⁰ Phadnis, Ashwini. (2100). 'Myanmar Calling', *The Hindu*. (Online) Available at: www.thehindubusinessline.com/myanmar-calling/article2526159.ece. (Accessed on 22 December 2014).

Hydrocarbon Reserves Myanmar is rich in natural resources. It has a large potential for production of crude oil and natural gas. This is of major value to India. Myanmar is also rich in forest resources, particularly timber. In addition, important minerals are also found in large quantities. Trade potential in these areas is high. Myanmar is in great need of infrastructure development. It is also desirous of reaping benefits in the information technology sector. In all these areas, India and Myanmar can have a mutually beneficial relationship. Myanmar is also an integral member of the BIMSTEC (Bangla Desh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation Scheme) and the Mekong-Ganga Initiative. Greater cooperation with Myanmar would thus form part of India's economic thrust towards the East.

Insurgency. Insurgency conditions exist across the Indo-Myanmar border. The long unfenced border allows militants from the Northeast to use adjoining country as a springboard to carryout guerrilla strikes on Indian soil. At least five major militant groups from India's Northeast have had training



camps in the dense jungles of Sagaing in Northern Myanmar. Myanmarese rebels, primarily the Arakanese and the Chins, have often taken shelter on the Indian side in the past. It was in the interest of both countries to put up a coordinated fight against these insurgent groups. Over the years, coordination between Indian and Myanmarese security forces has grown manifold since Than Shwe visit to India in 2004. In September 2011, the Myanmar Army launched operations against Indian militant groups. Myanmar's government although took strict actions against Indian insurgents in its territory but their continued presence made India skeptical. However limited the results may have been but the fact remains that in the absence of the cooperation from Myanmar in combating insurgency the situation would have been worse. India-Myanmar cooperation is also essential to control narcotics trafficking and to curb the proliferation of small arms in the region.

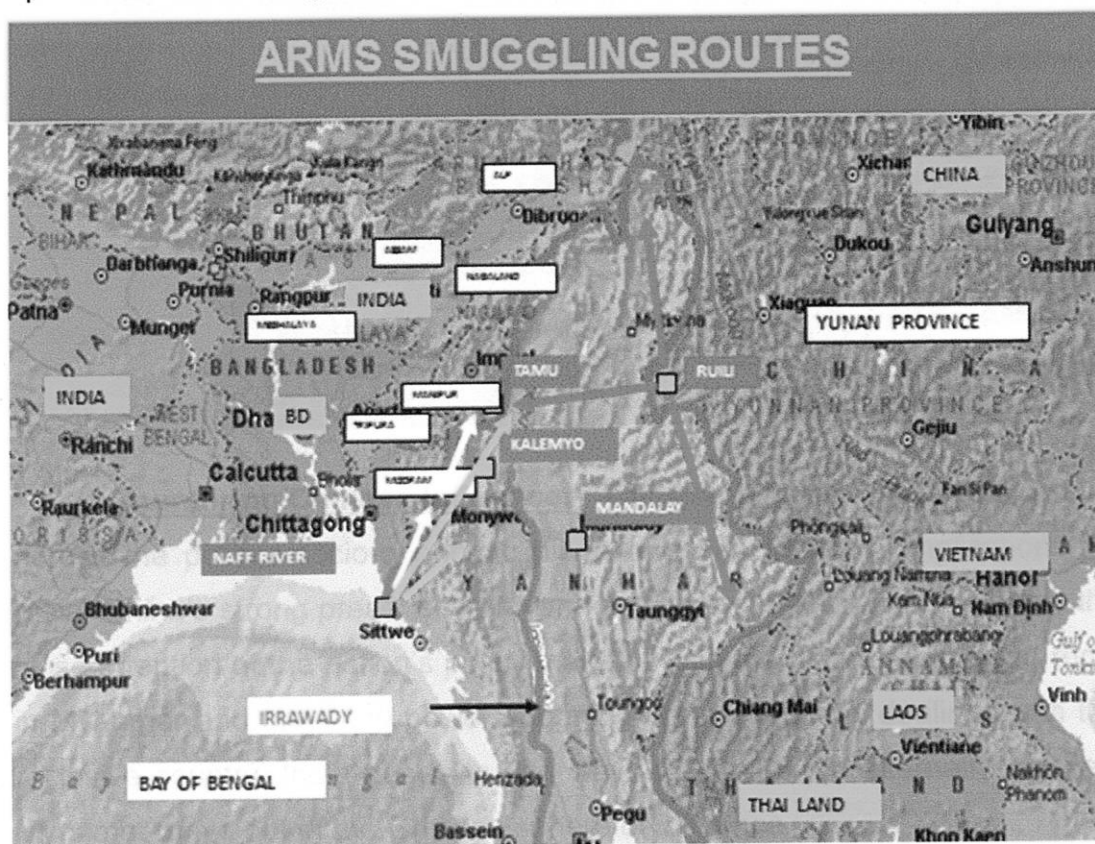
Importance for India's North Eastern States. In April 1937, Burma was separated from the rest of British India and in 1947; East Pakistan was formed due to which the North Eastern part of India suddenly became landlocked. Thus there is a need to provide alternative access to this region of India. India has initiated a \$120 million Kaladan Multimodal Transport Project intended to provide an alternative route to the north-east through Myanmar. The project involves upgrading Sittwe port, dredging the Kaladan River to allow boat access from Sittwe to a further port at Kaletwa and a road connecting Kaletwa with the border of the Indian state of Mizoram⁴¹. The project is being funded by the Indian Ministry of External Affairs and feasibility studies were carried out by RITES. It is a railways consultancy, which also supplies engines and coaches to Myanmar. Inland Waterways Authority of India with Essar Projects Ltd are working towards the construction on the port.

In 2001, a road linking Moreh (Manipur) with Kalewa (Burma) was inaugurated; this road is also referred to as 'The Indo-Myanmar Friendship

⁴¹ Chaturvedi, Medha (2011). India's Strategic Interests in Myanmar, An Interview with Shyam Saran, IPSC Special report 98. (Online) Available at: <http://www.ipcs.org/special-report/china/indias-strategic-interests-in-myanmar-an-interview-with-shyam-saran-98.html> (accessed on 01 September 2014).

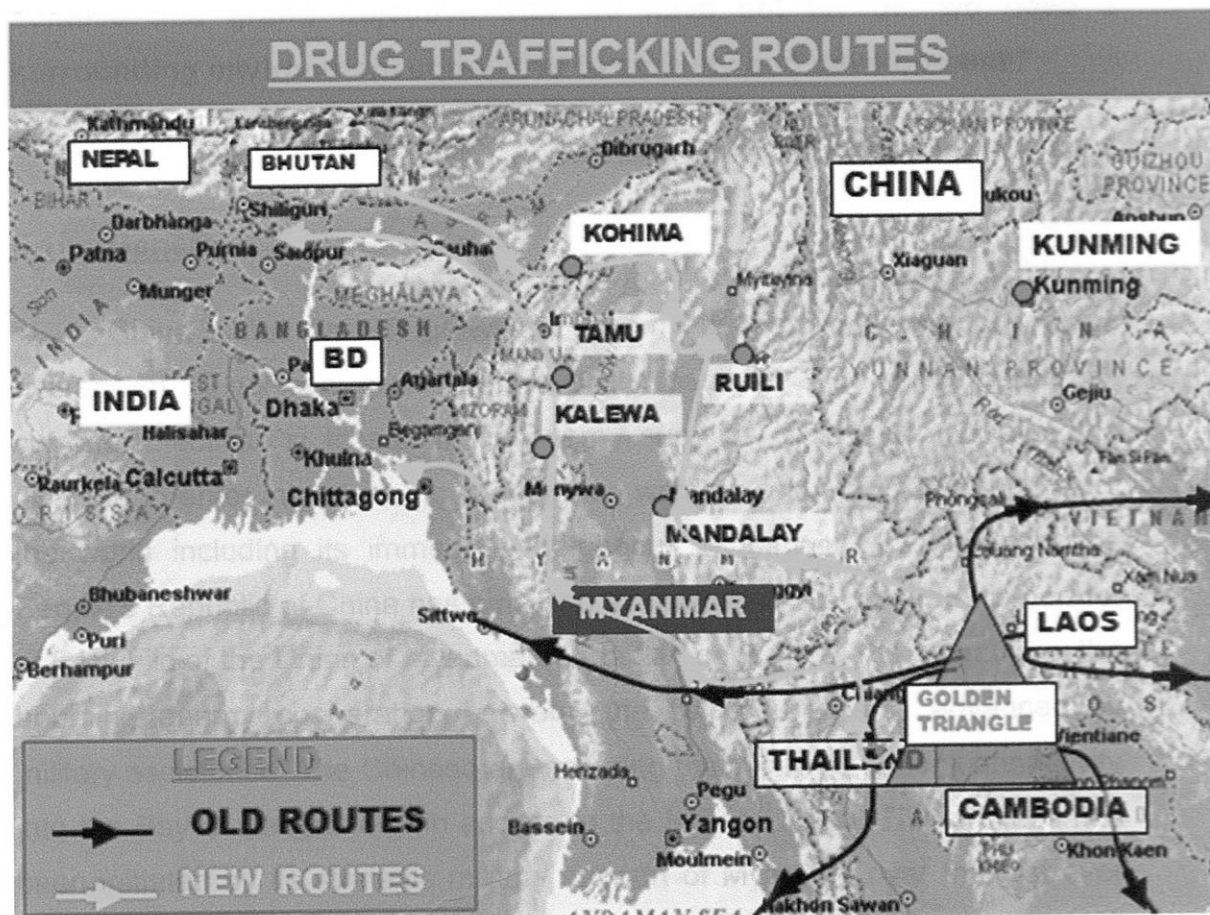
Road'. In 2012, India agreed to repair or upgrade 71 bridges on the road that had fallen into disrepair between Kalewa and Yargi, while Myanmar agreed to upgrade the road from Yargi to Monywa. Other projects underway involve upgrading roads between Tamu, Kalewa and Kalemyo and constructing and upgrading roads between Rhi and Tiddim⁴². India and Myanmar have agreed that by 2016 they will have repaired and upgraded the entire road from Moreh to Mae Sot in Thailand. They have also agreed to launch a bus service between Imphal (in Manipur) and Mandalay.

Smuggling of Arms. A major supply route of illegal arms into North East India commences from Thailand and Indo-China, which are then shipped to Cox's Bazaar in Bangladesh along the sea-route over the Andaman Sea. Thereafter, they are inducted into the North East region over the land route along the Indo-Myanmar border. There is a need for coordinating joint operations with Bangladesh as well as Myanmar, against such activities.



⁴² Price, Gareth (2013). India's Policy towards Burma - Chatham House. (Online) Available at :http://www.chathamhouse.org/sites/files/chathamhouse/public/research/asia/0613pp_india_burma.pdf. (accessed on 01 September 2014).

Drug Trafficking. Myanmar is presently the major source of international drug supply in the world. Myanmar's Shan plateau constitutes the most important source area. Drugs from here find their way into the North East and hinterland India. Strong cooperation with Myanmar is essential to counter this threat.



Countering Chinese Influence. Chinese influence in Myanmar cuts across the politico-socio-economic plane and has strategic implications for India. China's strong presence in Myanmar on our eastern flank deserves the close attention of the nation's policy makers. With the democracy taking roots in Myanmar and the world powers opening up to economic dealings with the reclusive country, India needs to find ways to provide an alternative to help Myanmar move out of the Chinese sphere of influence.