

## CHAPTER VIII

### CONCLUSION

8.1 **General.** India and Myanmar have a historical connection since time of Ashoka. They have enjoyed mutual contact in the realm of trade, commerce, religion, law, political philosophy and culture. As India closed its doors on self-exiled and isolated military junta of Myanmar, China established inroads into Myanmar. Chinese penetration of Myanmar in developmental and infrastructure projects, natural gas and oil resources, economic assistance and provision of military hardware, besides its search for naval facilities in the Bay of Bengal, poses a serious threat to the security of India. President U Thein Sein's visit to China in May 2011 evolved their 'Paukphaw' (siblings) relationship into a 'Comprehensive Strategic Cooperation Partnership'. China is also keen to effectively address the 'Malacca Dilemma' and attain its professed 'Two Ocean Reach' through Myanmar. The increased frequency of high level visits and innumerable MoUs signed recently by the two countries is indicative of China's attempt to prevent rest of the world to engage with Myanmar. Overall, China's strategic foothold in Myanmar is to a large extent, a direct consequence of policy of isolation followed by US and Western Nations. However, the present democratic and economic outlook in Myanmar is conducive for India and the West to constructively engage Myanmar.

8.2 **Geo-Strategic Importance of the Region.** Myanmar is one of the major geographical centres of Asia as it lies at a junction of South, Southeast, and East Asia. The importance of its land and air link was realized during Second World War when the Ledo-Stilwell axis was used extensively by the Allies. It provides India an access to Southeast Asia and act as a bridge between SAARC and ASEAN. It also connects India to China via two old routes i.e Ledo-Stilwell and Imphal-Mandalay-Yunan axis. Four Indian states share borders with Myanmar and improvement in communication network can bring rich dividends to the economy of these states.

The Bay of Bengal constitutes a maritime area of almost 3.3 million square km. Andaman-Nicobar Island chain, with about 750 km length and a

sizeable EEZ, is located near the entrance to the Strait of Malacca, with the southernmost point only about 128 km from the northern tip of Sumatra. This long coastline, in particular the adjoining areas of the Coco Islands located 40 km away from Lands fall Island of India and the Andaman Sea are important to India's strategic consideration.

Myanmar maintains 12,800 kilometres of inland waterways, most of which runs north to south and is navigable by large commercial vessels. It allows sea traffic to navigate more than 1,000 kilometres through Irrawaddy River till Bhamo, which is only 50 kilometres from the Chinese border. China had submitted a proposal to Myanmar entitled, 'Agreement on Highway-Waterway Combined Transportation.' This project was to give access to China into the Bay of Bengal in a major way. It has not been concluded as Myanmar is not only being careful of Indian sensitivities; they are also worried of Chinese intentions.

8.3. **Indian Interests in Myanmar.** In spite of historical linkages, India's relations with Myanmar never transcended the state of cordiality in view of India's moralistic stance towards non-democratic regime in Myanmar. Realizing the drawbacks of pursuing such a policy, when the competitors were following a policy of constructive engagement with the Military Regime, India came up with the pragmatic policy. The discovery of huge reserves of natural gas in Myanmar was a key driver in Indian policy shift. Since 2000, relations between the two countries have stabilized.

Connectivity is the reigning mantra as India deepens its diplomatic, economic and cultural ties with its extended neighbourhood. India's engagements with the region have 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 in Bodh Gaya. 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. We need to exploit it. Myanmar is an essential partner in this as Myanmar is geographically the closest of India's

neighbours in Southeast Asia. It acts as a link between India and Southeast Asia. Enhancing connectivity to Southeast Asia is critical to unlocking the economic energies and enterprise of India's north-eastern states. India has vigorously backed fast-tracking a host of connectivity projects like MPAC, ASEAN-India Transit Transport Agreement, Tamu-Kalewa-Kalemyo sector of the India-Myanmar-Thailand Trilateral Highway and extension of this highway to Laos, Cambodia and Vietnam. India has initiated Kaladan Multimodal Transport Project intended to provide an alternative route to the north-east India through Myanmar. India and Myanmar have agreed to upgrade the entire road from Moreh to Mae Sot in Thailand by 2016. They have also agreed to launch a bus service between Imphal and Mandalay.

Myanmar has a large potential for production of crude oil and natural gas. Myanmar is also rich in forest resources, particularly timber. Myanmar is in great need of infrastructure development and is desirous of reaping benefits in the information technology sector. India and Myanmar can have a mutually beneficial relationship in all these areas. A JTC was set up in 2003 to review trade and investment. In 2008, BIPA and DTAA were signed. Myanmar is also an integral member of the BIMSTEC and the Mekong-Ganga Initiative. Thus, greater cooperation with Myanmar should form part of India's economic thrust towards the 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 China for military operations against India. Moreover, the long unfenced border allows militants from the Northeast India to use adjoining country as a springboard to carry out guerrilla strikes on Indian soil. Myanmarese rebels, primarily the Arakanese and the Chins, have often taken shelter on the Indian side in the past. Over the years, coordination between Indian and Myanmarese security forces has grown manifold. This cooperation is also essential to control narcotics trafficking and to curb the proliferation of small arms in the region. Thus, India's interest in Myanmar needs serious attention as an unfriendly or pro-China Myanmar would pose a grave threat to India's security.

#### **8.4 Sino-Myanmar Cooperation.**

Myanmar emerged as a key Chinese ally on 6 August 1988, when the two countries signed an agreement establishing official trade across the border. China managed to take advantage of the domestic disturbance in Myanmar, as the response of the international community threw the two neighbouring countries, partners at 'sins', into each other's embrace. Severe constraints on human and financial resources, especially technical expertise, led Myanmar to rely on Chinese expertise and imports of machinery and equipment.

Chinese investment in Myanmar is driven by both geopolitical and economic factors. China remains Myanmar's largest source of FDI with cumulative investments in excess of \$ 14 billion. There are a large number of hidden Chinese investments and business ventures, most of which are in the names of their relatives who hold Myanmar citizenship. An important investment area is oil and gas. China plans to build an oil pipeline from Sittwe Port in Myanmar to Kunming to China. Sittwe could also be used as a deep water port. Chinese companies have also invested in power generation plants in Myanmar. China has been heavily involved in Myanmar's industrial infrastructure and in modernizing the road and communication links between Yunnan and Myanmar so as to expand its trade network. China also has plans to build a 1350 km railway linking Kunming to Laos, Myanmar and finally to Bangkok in Thailand.

China has been the major supplier of military hardware to Myanmar since 1988, including tanks, armoured personnel carriers, F-7 jet fighters, MiG-21 and MiG-19 variants, patrol vessels, arms and ammunition and 90 percent of the Myanmar military transportation. China is building four naval bases connecting Coco Island, Haigy Island, Mergui and Thilawa. China has also trained the Myanmar Army and the air force personnel. In August 2010, the Chinese PLAN Navy conducted first joint exercise with the Tatmadaw Navy with the objective of enhancing their military capability in the Bay of Bengal Sea. China has constructed or upgraded Myanmar's airfields at Putao, Paungbyin, Mandalay, Pegu and Yangon.

Chinese interest in Myanmar includes assistance in strategic movement, renewing 'Southern Silk Route' to provide opening of its South-Western provinces by creating a trade corridor towards the Indian Ocean, primarily through the Irrawaddy River. One of the Chinese objectives is to ensure a secure emergency exit and permanent sea access in case of the blockade of the South China Sea or off the Malacca Strait by any foreign power. Since the 1980s, Chinese leaders have supported the theory of being able to counterbalance Indian domination in the Indian Ocean and exercise a stronger influence in South Asia, including providing them with the additional opportunity of interfering in North-East India. Hence, a rapprochement with Myanmar offered an additional advantage to India against the Chinese policy of 'Containment of India' through 'String of Pearls'.

#### 8.5 Implications of Growing Chinese Influence in Myanmar.

The security threats to India, in view of Chinese activities in Myanmar, can be analyzed in terms of a direct threat through Myanmar via the old Stillwell road from Yunan or threat through the Indian Ocean and Bay of Bengal making use of deep sea ports of Myanmar or Bangladesh. It could manifest in control of sea lanes of communications in the Indian Ocean and the Malacca Strait. In an overall sense, there are clear signs that China is gradually trying to convert the Bay of Bengal into the Bay of Beijing. The Chinese strategists see Myanmar occupying the same place in China's calculus of deterring India in South East Asia as does Pakistan in South West. This critical area deserves close attention and Indian initiative to undertake development of port infrastructure in Myanmar is an urgent necessity.

India is caught within the two main fangs of international drug trade. The Golden Crescent is on its West and the Golden Triangle is to its East. The Golden Triangle is now showing tendencies of becoming pentagonal with the inclusion of Yunnan in China and Nagaland-Manipur in India. Myanmar, the primary opium producer of the Triangle, shares porous border with India. Thus, Drugs can cause enormous destabilization in the Northeast India in particular and for rest of India in general. The other threats of backing the insurgents of Northeast Indian states, gun running and AIDS is also a reality.

### 8.6 Way Ahead for India to Secure Its Interest.

While adopting a hostile policy against the Burmese Junta in 1988, the strategic consequences had not been assessed by then Indian Government. Later, India felt that a rapprochement with Myanmar would allow India to have an effective buffer to the East by recreating the strategic depth as was offered earlier by the colonial Burma. Indeed the constructive engagement policy by India has been well received in Yangon, but it has not apparently been willing to concede any political concessions in return. Myanmar must take advantage of its crucial geo-strategic position in the manner it wishes. It must therefore find a position for itself in the regional alliance like ASEAN, BIMST-EC, MGC, etc. This is where Indian government has to play a larger role. India's maritime border with Myanmar is longer than its land border with Myanmar. The proposed sea-route from Sittwe to Kolkata, as part of the Kaladan Multi Modal Transit Transport Project, is an important step in this direction. Thailand has also invited India to have this kind of access through building of the Chennai-Dawei corridor to connect southern India's emerging industrial hubs to the proposed industrial and economic hub at Dawei. We must take up this opportunity.

It is crucial to India's continuing economic development that the SLOCs in the Indian Ocean remain secure. India must play a key role in providing security to all the players in the region through employment of strategic naval assets. The region needs to be convinced that India is a reliable and militarily capable leader for a coordinated regional maritime front against any assertions. Countries in the region should be engaged progressively through exercises in regional waters of the Indian Ocean, like Exercises MILAN in Andaman and Nicobar Islands. The Indian Navy is today an experienced sea force with a three dimensional capability with core competence in building warships and submarine, close networking with departments and with the confidence of operating in distant waters. The Indian Navy can provide wherewithal and leadership. India should accept the offer of development of port infrastructure at Sittwe.

India needs to enhance its border trade with Myanmar. Even Thailand,

the other neighbour of Myanmar, has beaten India to become one of the largest export partners of Myanmar. Ever since a Border Trade Agreement was signed between India and Myanmar in 1994, their bilateral trade has increased, but not to its optimal level. The total bilateral trade with India is US\$ 1.4 billion, out of which border trade accounted for only US\$ 2.9 million. Informal trade flourishes and at Tamu-Moreh sector alone, it was estimated at US\$ 500 million against a paltry US\$ 2.9 million of formal trade. It has to be the endeavour of both the countries to correct this distortion and efforts should be made to open more trading points. The transport linkages between India Myanmar and Thailand, by construction of 1300 km long trilateral highway from Moreh in India to Mae Sot in Thailand through Bagan in Myanmar, needs to be completed in time. It has considerable potential not only in terms of trade and investment cooperation but also as a stepping stone to interconnect India with other countries of Southeast Asia.

Myanmar has already started to cooperate with India by not allowing the Indian insurgents groups to stage violent attacks from the sanctuaries across the border. It is imperative to establish a robust Indo-Myanmar anti-terrorist cooperative mechanism. Myanmar accounts for second largest illegal drug production in the world. India is a transit point for drugs traffickers. Given the nexus between the terrorist networks and drugs traffickers, India and Myanmar have been cooperating to deal with this menace. But more needs to be done in view of the continuing threat of terrorism and insurgency in the Northeast India.

India accorded high priority to the rebuilding of Afghanistan through investment in various development and reconstruction projects, political visits and people-to-people initiatives in healthcare, education and development of skills. This had positively impacted the people of Afghanistan. India has also met with a fair degree of success with its 'Africa Fund'. It could explore the use of such models in its engagement with Myanmar as innovative schemes, focusing on small and community based development projects in fields like agriculture, rural development, solar energy; vocational training etc, have a direct impact on community life.

The track record of India in regard to infrastructure projects undertaken in Myanmar is rather unsatisfactory. These projects need to be completed quickly to create renewed confidence in India amongst the Myanmarese. An independent and effective institution or authority can be created to bring in a program management discipline to ensure timely execution. The Indian community of more than a million strong People of Indian Origin (PIO), in Myanmar, is symbolic of our historical links as nations. Besides that, we have been extending courtesies to Buddhist pilgrims from Myanmar and have also tried to encourage more tourist visits by extending our tourist visa on-arrival scheme to Myanmar nationals. These efforts should be carried forward.

Presumably, India's Look East Policy has been shaped partly by China's rise and the manner in which Beijing is strengthening its position in the South and Southeast Asian regions, both in terms of strategic ties with countries in the region and technological advancements like anti-ship ballistic missiles. Underpinning this cultural transformation and an intricate web of rail, road and maritime links is a soaring vision of an Asian century that is becoming increasingly real with the on-going shift of economic gravity from the north to the south and the west to the east. Besides India moving into Southeast Asia, it should also take serious measures in bringing the countries east of India into India, within the prism of economic, cultural, and societal fields. India should accord high priority to Myanmar and immediately set up a high-level bilateral mechanism to review progress on infrastructure projects and broaden the discussion to include transit and transport agreements between both the countries.

US, EU Countries, Japan and India have entered Myanmar, by easing economic sanctions and offering Myanmar an alternative and non-Chinese means for modernisation and growth. The utter acquisitiveness and greed with which Chinese traders, miners and businesspersons have denuded Myanmar's resources have propelled a nationwide anti-China backlash. The country can make progress in its slow transition to democracy only by keeping China at bay and by involving pro-democratic foreign players to guide its political and economic evolution. India needs to play its part in the game of



realpolitik. Some Myanmarers feel that China is a prime hurdle limiting their country from achieving full democracy. They feel that India can make a difference. They seek Indian constitutional expertise to move towards a federal state structure. Thus Indian diplomacy has to consciously fill the aspirational space that is open in Myanmar, not just through routine economic means but by supporting human capital and strengthening moderate and tolerant social actors there. India need not be anti-China or compete against the West in Myanmar. Indians just have to be proactive in getting accepted as benevolent Asian neighbours of Myanmar, who present a contrast to the hated Chinese model.

Though Myanmar continues to bask in persistent attention from China, there are indications that perhaps it be entirely comfortable playing second fiddle to China. It is looking in other directions to seek a balance in its relations. The time is therefore ripe for India to take advantage of this situation and actively engage in an increased interaction with this erstwhile reclusive nation. It is in India's interest that it seeks to make further amends for its policies towards Myanmar and actively seeks to cultivate it as a partner in regional development. Keeping in view the strategic importance of the region, India needs to invest considerably towards the development of Myanmar.

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.