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## Northeast India-Southeast Asia Connectivity: Barrier to Bridge

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### Abstract

*Despite being the only part of India that provides land connectivity to Southeast Asia, the Northeast Region (NER) has received very little or negligible attention under New Delhi's Look East Policy. In fact, the region was not considered a part of the policy for many years but there has been a change. Today, the Northeast Region is portrayed as an important focal point, and the development of this region is often cited as one of the main objectives of the Look East Policy. Indeed, the impression about the region has transformed from that of a barrier to a bridge between India and Southeast Asia. This paper traces the internal dynamics, the Government of India's attitude towards the region and the external factors that have led to this transformation.*

*"Geography is no longer a buffer. Events taking place across borders, near and far, impact on a much more direct manner on us. In some cases, such developments affect our bilateral relations and regional relations; in other cases, they affect our economic and social fabric..... India is aware of the geo-economic potential of the North-Eastern region as a gateway to East and South-East Asia. I am convinced that by gradually integrating this region through cross-border*

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*market access, the North Eastern states can become the bridge between the Indian economy and what is beyond doubt the fastest growing and dynamic region of the world.”: Pranab Mukherjee as the External Affairs Minister of India<sup>2</sup> in 2007.*

## **Introduction**

On 16 June 2007, the then External Affairs Minister of India announced the changing attitude of the Central Government towards the Northeast Region (NER). He made clear what was already known but never acknowledged officially. That the Northeast Region was a buffer and a frontier for colonial British India and subsequently independent India and its main usefulness to India was to serve as such and remain governed within that paradigm. This was set to change, but this context also gives a glimpse into why the region was not part of the Look East Policy (LEP), despite being the only region in India that provides land connection to Southeast Asia. It is only 15 or more years after the announcement by the Narasimha Rao government that Northeast India has come under the purview of India’s efforts to engage with its eastern neighbours.

Until now, Indian policymakers, heeding the advice of security officials, considered it best not to deviate too much from the way the region was treated by the British colonial administration as it suited the geopolitics of the time. The hilly regions of Burma provided the necessary buffer against China as well as the French, who were then moving up the Mekong River from Saigon.<sup>3</sup> As a frontier region, once it became part of India, it was widely held that the NER’s rugged terrain, impregnability and inaccessibility provided the best form of barrier against China and this suited the security establishment. It was often argued that opening up of the borders with greater physical connectivity would expose the region to increased scale of armed infiltration and greater vulnerability. Besides the external threat, the Northeast states’ extremely limited connectivity within their own borders made any effort to connect the region to other parts of India, Bangladesh or Myanmar economically unviable<sup>4</sup>.

It was also documented that this lack of connectivity within the region was the crucial missing link as to why economic development could not take off, at a time when Assam saw huge investments in the 19<sup>th</sup> and early 20<sup>th</sup> centuries<sup>5</sup>. Economic theorists have also supported this

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<sup>2</sup> Speech by the Minister of External Affairs, Mr Pranab Mukherjee at a Seminar on Look East Policy organised by the Public Diplomacy Division, Ministry of External Affairs, Govt. of India. Shillong 16 June 2007.

<sup>3</sup> Myint-U, Thant (2011). *Where China Meets India: Burma and the New Crossroads of Asia*. New York: Farrar, Straus and Giroux, p 58. See also Scott, James C. (2009) *The Art of Not Being Governed: an Anarchist History of Upland Southeast Asia*, New Haven & London: Yale University Press. P 272.

<sup>4</sup> Shekhar, Vibhanshu (2008). ‘Northeast’s Look East Policy: Securitized the Region through Development’, *South Asia*, 2494, New Delhi: Institute of Peace & Conflict Studies.

<sup>5</sup> Barua, Alokesh (2005). ‘History, Trade and Development’ in Alokesh Barua (ed.), *India’s North-East: Developmental Issues in a Historical Perspective*, New Delhi: Manohar, p. 434

view based on the conjecture that if growth is modelled in a way where it does not affect a segmented pool of the poor and if there are areas not linked to the mainstream or inner cities which are structurally delinked from the main city where growth is occurring, then growth will pass the poor by<sup>6</sup>.

The encouragement of economic activities -- trade, investments, tourism etc -- also requires an understanding of the region in terms of its historical experiences in this regard. While we know that Assam had extensive trade links with Tibet through Bhutan and with Southwest China, there is scanty evidence of trade taking place among the hill tribes of the Northeast, though their cultural and social linkages with other hill tribes of Southwest China and Southeast Asia are documented. By and large, hill tribes limited their economic relations with valley markets (in this case Assam)<sup>7</sup> and were not part of any known mercantile communities. Even today, trading or merchant communities or classes, of the kind that have come to dot many parts of South Asia and Southeast Asia, are difficult to identify and conspicuously absent in Northeast India.

The question of whether the NER will benefit by serving as a bridge between the Indian economy and the Southeast Asian economies, and whether there are any historical trade links between the NER and Southeast Asia that can be built on to enable trade to take place now, are important and key considerations in any effort to use the NER as a bridge between India and Southeast Asia. This paper will however limit itself to investigating how there has been a turnaround in the way India sees the NER - from a barrier to a bridge! This will be assessed through an examination of internal dynamics towards the NER as well as New Delhi's foreign policy imperatives that have brought about the current thinking.

This paper will look at the evolution of India's Look East Policy and how it has come to incorporate the Northeast Region in the policy framework for deepening its relationship with Southeast Asia. Juxtaposed with this, the paper will also assess the internal discourse on how the Central Government has changed its strategy towards its handling of the region. It will also attempt to address the question whether the need to incorporate NER has come about because of larger foreign policy objectives or whether it is part of a genuine effort to search for solutions to end insurgency and usher economic development in the NER.

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<sup>6</sup> Bhagwati, Jagdish and Srinivasan, T. N.(2002). , 'Trade and Poverty in the Poor Countries', *American Economic Review*. 92 (2), p 180-183.

<sup>7</sup> Scott, James C. (2009). *The Art of Not Being Governed: an Anarchist History of Upland Southeast Asia*. New Haven & London: Yale University Press, p. 107.

## External Factors

Even before India renewed its engagement towards its eastern neighbours, in what is loosely identified as the Look East Policy (LEP) sometime in the beginning of the 1990s, Nehru had espoused a vision of a 'closer union' with the East on the basis of 'geographical proximity, similarity of historical experiences, cultural identity, economic interests and common strategic concerns'<sup>8</sup>. This holds particularly true for the Northeast Region and Southeast Asia which form a continuous geographical landscape with similar historical experiences, strong cultural and language affinities which are even at times malleable and overlapping! Even after Independence and the drawing of boundaries over what was once a single continuous economic unit, trade and economic activities continued to thrive across the international borders, albeit 'informally'. This was however not what Nehru referred to nor was it to be seen as a building block on which closer relations between India and Southeast Asian could be built. The focus has rather been on Buddhist and Hindu links as well as maritime trade between the two regions.

The circumstances under which India looked to the East in the 1990s had nothing to do with any intention to position the Northeast region as an integral part of the policy. The looming global context in which India was forced to look eastward was the end of Cold War and the collapse and disintegration of the Soviet Union, India's staunchest ally. Bereft of a strong partner and an ally, "India was forced to explore other options, both regionally and globally, in search of preserving and promoting its economic and strategic interests and there, the eastern neighbours offered a promising area of engagement"<sup>9</sup>. Southeast Asia, along with South Korea, Taiwan and China showed spectacular economic achievements in the previous years, with Japan leading the earlier round of an Asian resurgence and now driving growth in the region through its investments. The consolidation of the region provided an opportunity, both as a source of investments for India as well as market. This was at a time when India was liberalising its economy in the face of severe balance of payment (BoP) crisis, which made the eastward orientation all the more crucial.

There are also other important strategic factors that triggered India's LEP. The end of the Cold War placed the Asia Pacific region on focus for India. Prime Minister Narasimha Rao said 'While one cannot deny the overwhelming military superiority of the United States, one cannot ignore the significant military development of China, Japan and Australia. The stakes in the Asia-Pacific region are indeed high. They involve rights of passage through crucial waterways,

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<sup>8</sup> Muni, S.D. (2011, February) 'India's 'Look East' Policy: The Strategic Dimension', *ISAS Working Paper*, 121 (1). p 5.

<sup>9</sup> Ibid.

security of navigation from piracy, claims over disputed lands, maritime zones and resources and hostilities through history that have been diffused but not dispelled'<sup>10</sup>.

India was particularly concerned about China's increasing influence in Southeast Asia and particularly in Myanmar (Burma). China, along with Pakistan, was fast expanding influence with the post-General Ne Win military leadership. There were reports of Chinese listening posts in Myanmar's Indian Ocean islands to monitor developments in India's missile programme. According to some analysts, strategic competition with China was the 'undeclared element' of LEP, based on the alarming trade value between China and Southeast Asia<sup>11</sup>. India's evolving relationship with Myanmar is particularly important in the context of bringing the Northeast as a consideration in the LEP and will be dealt with in greater detail later. Besides these, there were allegations of India's naval expansion and assertive intentions in the Indian Ocean which prompted the move to develop closer relations with the eastern neighbours to allay suspicion and build a relationship that would be mutually beneficial for India as well as Southeast Asia<sup>12</sup>.

As India's engagement with Southeast Asia increased, the Northeast Region remained unaffected. India's trade with ASEAN has grown from US\$ 2.3 billion in 1991-92 to US\$ 45.34 billion in 2008-09. There had been phenomenal growth in trade between India and China during the same period. At the beginning, India laid emphasis on the older ASEAN members -- Singapore, Malaysia, Thailand and Indonesia. Singapore played a particularly important role in facilitating India's institutional linkages with the regional grouping and also enjoys the closest relations with India in the whole of the region. India became a Sectoral Dialogue Partner of ASEAN in 1992, a full ASEAN Dialogue partner in 1995, and a member of the ASEAN Regional Forum in 1996. Much of the emphasis of the LEP was on economic relations at the time the Rao Government conceived it<sup>13</sup>. Initially, the sectors identified for partnership were trade, investment and tourism but extended to include human resources development, science and technology, transport, infrastructure, health, small- and medium-scale enterprises and people-to-people relations involving cultural and professional exchanges<sup>14</sup>. In 1991-92, India's exports to ASEAN countries amounted to US\$1.27 billion and accounted for 10 per cent of India's total exports. Although the ASEAN's foreign direct investment (FDI) flow into India was a meagre INR 15.5 million or 0.29 per cent of India's total FDI inflows, it rose sharply to INR

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<sup>10</sup> See, Chak Mun (2009). *India's Strategic Interests in Southeast Asia and Singapore*. Singapore: Macmillan for Institute of South Asian Studies (ISAS), p.54.

<sup>11</sup> Batabyal, Anindya (2011 'Balancing China in Asia: A Realist Assessment of India's Look East Strategy', *China Report*. 42 (2), p. 179.

<sup>12</sup> Muni, S. D. (2011, February). 'India's 'Look East' Policy: The Strategic Dimension', *ISAS Working Paper* 121 (1), 10. Also, Santarita, Joefe B. (2011). 'Exploration or Implementation: The Current State of India's 'Look East' Policy', *FPRC Journal*, 8 (Special Issue: India's Look East Policy).

<sup>13</sup> See, Chak Mun, *India's Strategic Interests in Southeast Asia and Singapore*, p. 52.

<sup>14</sup> Muni, S. D. 'India's 'Look East' Policy: The Strategic Dimension', p. 15

1.4 billion the following year, and by 1995, it reached a peak amount of INR 447.3 billion or 14.75 per cent of India's FDI inflow that year<sup>15</sup>.

Vietnam joined ASEAN in 1995, Lao PDR and Myanmar in 1997, and Cambodia on 30 April 1999, making up what is today the 10-member ASEAN. The inclusion of these countries was significant in that it provided a land connection for India to Southeast Asia through Northeast India. It enabled India to build on the "fund of goodwill and close understanding"<sup>16</sup> with these countries and provided an impetus for deeper strategic engagement with them, particularly with regard to mutual interests and China. It also opened an opportunity for India to explore new regional groupings and provided space for manoeuvre. ASEAN's own view is that India's trade with Cambodia, Laos, Myanmar and Vietnam will serve as an "opportunity to help these newer, less-developed members of the organisation catch up and further intra-ASEAN trade and unity"<sup>17</sup>.

In 1997, with Thailand taking the initiative, India became a founding member of a sub-regional grouping called Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation (BIMSTEC) which subsequently changed its name to the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, while retaining its acronym. However, it was only in 2002 that BIMST-EC gained strategic importance "when it coincided with India's change in attitude towards regional trade agreements"<sup>18</sup>. In 2000, India along with Thailand, Cambodia, Laos, Myanmar and Vietnam launched the Mekong-Ganga Cooperation (MGC), with the objective of restoring old religious-cultural ties and to demonstrate close geographical proximity between them through sub-regional co-operation in tourism, culture, infrastructure, and information technology. The priority of infrastructure cooperation included the development of transport links, through road, rail and air, connecting Northeast India with the countries in Southeast Asia, and eventually Northeast Asia.

Physical connectivity between India and Southeast Asia was also pursued through the Trilateral Highway Agreement and the Trans-Asian Railway initiative under the Asian Land Transport Infrastructure Development (ALTID) Project. ALTID, in turn, has been a priority project under the New Delhi Action Plan on Infrastructure Development in Asia and the Pacific (1997-2006)<sup>19</sup>. In 2003, at a summit in Bali, India's Prime Minister A B Vajpayee announced an "open skies" policy, to connect all 10 ASEAN capitals with four metropolises in India through daily flights,

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<sup>15</sup> See, Chak Mun, *India's Strategic Interests in Southeast Asia and Singapore*, p. 53.

<sup>16</sup> Muni, S. D. 'India's 'Look East' Policy: The Strategic Dimension', p. 13.

<sup>17</sup> Chachavalpongpun, Pavin (2011), 'Look East Meets Look West: India-Southeast Asia Evolving Relations', *FPRC Journal* 8 (Special Issue: India's Look East Policy).

<sup>18</sup> See, Chak Mun, *India's Strategic Interests in Southeast Asia and Singapore*, p. 75.

<sup>19</sup> Development of the Asian Highway, UNESCAP. < <http://www.unescap.org/jecf/p06highway.htm>>. Accessed 13 September 2012

without further bilateral discussions. It also offered ASEAN member-nations flights to 18 tourist destinations in India to improve people-to people connectivity<sup>20</sup>.

At an earlier summit, in Phnom Penh in 2002, Mr Vajpayee brought up the idea of linking New Delhi and Hanoi with a railway line, an idea that was first mooted in 1992 by the Transport Department of United Nations Economic and Social Council for Asia Pacific (UNESCAP). At the time, it was reported that serious objections were raised by the Indian Home Ministry. It was feared that it could lead to an increase in the smuggling of drugs and arms to militants in India<sup>21</sup> but clearly there had been a change in attitude since then. The idea behind the development of a rail link is that it will boost trade between India and ASEAN substantially and that Cambodia, Laos, Vietnam and Myanmar — the four newest members of ASEAN, all of whom will be on the rail route — along with Singapore, have been portrayed as being most vocal in pushing India's case for closer ties with ASEAN<sup>22</sup>. Currently, the rail connectivity among Myanmar, Vietnam, Laos and Cambodia is poor. During Prime Minister Manmohan Singh's visit to Myanmar in May 2012, an agreement was signed to set up a joint committee to explore the possibility of developing rail infrastructure from India, through Myanmar, to Hanoi and other destinations in Southeast Asia.<sup>23</sup> On the Indian side, the infrastructure development needed to focus on the border region. A past feasibility study conducted by the Rail India Technical and Economic Services Ltd on the proposed freight corridor, estimated the Jiribam- Imphal-Moreh rail link to cost US\$ 649 million, the Tamu-Kalay-Segyi link in Myanmar US\$ 296 million, and the cost of refurbishing the Segyi-Chungu- Myohaung line was pegged at US\$ 62.5 million<sup>24</sup>.

India's proposed projects invited competition in the form of China's initiative to build railway lines to connect South China to Southeast Asia. Another railway line was initiated to connect Kunming to Singapore. Yet, another rail network was constructed from Myitkyina (in Myanmar) near the Chinese border, to Yangon via Mandalay, bringing remote areas together and opening up Myanmar to Chinese economic expansion. China has built roads from three districts, namely Yinchang, Lungchuan, and Tengchung of Yunnan province to Myanmar towns<sup>25</sup>.

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<sup>20</sup> 'PM Announces 'Open Skies' Arrangement with Asean'(2003, October 9), *The Financial Express*. <<http://www.financialexpress.com/news/pm-announces-open-skies-arrangement-with-asean/95458/0>>, Accessed 13 September 2012.

<sup>21</sup> 'Race with China on Hanoi Train- PM Breathes Life into Plan for Transnational Track' (2012, September 5), *The Telegraph*, < [http://www.telegraphindia.com/1030905/asp/frontpage/story\\_2335157.as](http://www.telegraphindia.com/1030905/asp/frontpage/story_2335157.as)>. Accessed 13 September 2012

<sup>22</sup> *Ibid.*

<sup>23</sup> Media Briefing by Foreign Secretary in Nay Pyi Taw on Prime Minister's Ongoing Myanmar Visit. Ministry of External Affairs, Govt. of India. <<http://www.mea.gov.in/mystart.php?id=190019561>>, Accessed on 13 September 2012

<sup>24</sup> Bhattacharya, Anushree (2008), 'Linking Southeast Asia and India: More Connectivity, Better Ties', *IPCS Special Report* 50.

<sup>25</sup> *Ibid.*

In 2004, drawing from a proposal made by Mr Vajpayee, a car rally was flagged off by Prime Minister Manmohan Singh from Guwahati and it ended in Vientiane, Laos. A news report at the time noted, “In accordance with the policy of focusing on the development of Northeastern states, it was decided to flag off the rally from Guwahati<sup>26</sup>”. Later this year, to commemorate the 20 years of the ASEAN-India association another rally is being planned. This time it will symbolically start from Yogyakarta, Indonesia, on November 25 and will actually get going from Singapore on November 28 and pass through Thailand, Malaysia, Vietnam, Cambodia, Laos and Myanmar and finally enter India from the border of Moreh near Imphal in Manipur, come to Kohima and Dimapur in Nagaland and then reach Guwahati, Assam, on December 16. Some cars will thereafter proceed to Delhi<sup>27</sup>.

In addition to the above, work on the multi-modal project, linking Mizoram in the Northeast through inland waterway and roads to Sittwe, Myanmar began in 2008 and is expected to be completed by 2015<sup>28</sup>. Another agreement signed in 2012, as part of the commitment to the Trilateral Highway Project, will see the development of a road link from Moreh in Manipur to Myanmar that will eventually reach Mae Sot in Thailand. The target date of completion for this is 2016.

## **Northeast India and Myanmar**

India’s focus of attention under the LEP vis a vis the Northeast has been Myanmar because the latter is crucial to the development of infrastructure. This is because all the proposed projects have to pass through Myanmar and India’s policy towards the country is a factor that determines New Delhi’s position on the NER. The changing dynamics of the two countries’ relationship has an effect on the Northeast as well as New Delhi’s objectives in how it should engage Myanmar.

Myanmar’s own domestic and foreign policies have a high potential to directly impact on several significant components of India’s strategic interests. Reported among them include the protection of India’s territorial integrity in the Northeast; the economic growth and development of India’s remote Northeast states; the ending of long-running insurgencies in the Northeast states; India’s strategic interests in the Indian Ocean and the Bay of Bengal as well as the security of the Andaman and Nicobar Islands. In addition to these are India’s energy requirements from

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<sup>26</sup> India-ASEAN Car Rally Begins (2004, November 23), *Rediff News*,. <http://www.rediff.com/sports/2004/nov/23rally.htm>. Accessed 13 September 2012.

<sup>27</sup> ‘ASEAN Car Rally Arrives to India’ (2012, May 17), *Insurance Round Up- ICICI*. <https://www.icicilombard.com/insurance-updates/ASEAN-Car-Rally-Arrives-to-India.html>. Accessed 13 September 2012.

<sup>28</sup> Prime Minister’s address to think-tanks and business community at an event organised by Myanmar Federation of Chambers of Commerce and Industry and the Myanmar Development Resource Institute in Yangon on India and Myanmar: A Partnership for Progress and Regional Development. Ministry of External Affairs, Govt. of India. <http://www.mea.gov.in/mystart.php?id=190019561>, Accessed on 13 September 2012.



Myanmar as it is a rich source of natural gas; a meaningful Look East policy, Myanmar being the only land bridge between India and Southeast Asian countries; and, China's ambitions in South and South East Asia<sup>29</sup>.

And indeed, India's engagement with Myanmar has been propelled by and so far focused on three crucial factors: the lure of economic opportunities - presented particularly by trade and energy imperative -- attempts at countering China's growing influence and the desire to tackle insurgency in the Northeast<sup>30</sup>. While trade across the border is significant, as mentioned, the focus so far has been on other areas. India's imports from Myanmar (US\$ 876.13 million in 2010-2011) are dominated by agricultural and forest-based products including beans, pulses, timber and wood products. On the other hand, India's exports (US\$ 194.75 million) to Myanmar, though small, are diverse, ranging from primary commodities to manufactured products and is dominated by pharmaceutical products besides iron and steel, electrical machinery, mineral oil, rubber and plastics<sup>31</sup>.

India's investments in Myanmar are focused on a few large state-sponsored infrastructure projects. Indian investment in Myanmar is estimated at US\$189 million for five projects which include investments by companies including OVL, GAIL, and Essar Oil Ltd. Jubilant Energy has won the contract for the onshore block PSC-I in 2011. In addition to the above, Indian companies like Punj Lloyd, L&T, Apollo Hospitals, Tata Motors, Essar, NHPC, VNL, Jindal Steel, Nipha Exports etc. are active in Myanmar in various sectors<sup>32</sup>.

Although trade in traditional goods on head-load basis has been the customary practice for a long time, the Border Trade Agreement signed in 1994 gave it a legal framework. The Moreh- Tamu point in the Manipur sector was operationalised in April 1995 and a second border trade point at Champhai - Rhi in the Mizoram sector was opened in 2004. A third border trade point is proposed to be opened at Avakhung-Pansat/Somrai. India also proposed to build a 45 hectare Integrated Customs Station at Moreh. India and Myanmar have agreed to upgrade the status of Border Trade to Normal trade and have expanded the tradable list items from 18 to 40 since 2008. With an estimated border trade of US\$ 12.8 million (2010-11), major items bought by Myanmar traders from the Indian side are cotton yarn, auto parts, soya bean meal and pharmaceuticals, (there are reported smuggling of items like fertilisers and vehicles , especially

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<sup>29</sup> Gupta, Ranjit (2012). 'A Review of Indo-Myanmar Relations' Heinrich Boll Stiftung Foundation, <[http://www.in.boell.org/downloads/Ranjit\\_Gupta\\_Myanmar\\_in\\_Transition\\_\\_For\\_HBF%281%29.pdf](http://www.in.boell.org/downloads/Ranjit_Gupta_Myanmar_in_Transition__For_HBF%281%29.pdf). Accessed 13 September 2012.

<sup>30</sup> Egretreau, Renaud (2008). 'India's Ambitions in Burma: More Frustration Than Success?', *Asian Survey*, 48 (6). p. 939-944

<sup>31</sup> India – Myanmar Economic and Commercial Relations, Embassy of India in Myanmar. [http://www.indiaembassy.net.mm/index.php?option=com\\_content&view=article&id=165%3Aeconomic-a-commercial-relations&catid=10%3Aindia-myanmar&Itemid=62&lang=en\\_](http://www.indiaembassy.net.mm/index.php?option=com_content&view=article&id=165%3Aeconomic-a-commercial-relations&catid=10%3Aindia-myanmar&Itemid=62&lang=en_) Accessed 13 September 2012.

<sup>32</sup> Ibid

two wheelers etc.) ; betel nut, dried ginger, green mung beans, black matpe, turmeric roots, resin and medicinal herbs. 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 informal arrangements are taken into account.

At the institutional level, Confederation of Indian Industry (CII) has developed links with the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). The CII and NASSCOM have established linkages with the Myanmar Computer Federation (MCF) since 2004. North East India Federation of Investment and Trade signed a Memorandum of Understanding with UMFCCI on bilateral trade in July 2009.

While there was a break in India's diplomatic relations with Myanmar in the wake of the crackdown on the pro-democracy movement in 1988, India went on a rapprochement with the military junta in 1993. In the wake of the crackdown, at the time, India openly and officially condemned the acts of the military junta; and China, also reeling under isolation following the Tianenmen Square protests, took the opportunity to mend what was until then a shaky relationship, into a multi-dimensional relationship with Myanmar. India was particularly uneasy with China's Myanmar policy on three fronts, namely that it was serving as the key to circumvent the Malacca dilemma; its assistance in rebuilding roads, bridges and infrastructure throughout Myanmar and that it was making inroads into Myanmar to gain credible access to its natural resources, market and military bases that were close to India<sup>33</sup>. India perceived all of these as threats since it feared that China would, in the process, gain easy access to India's Northeast.

At the time, there were also rumours about the Chinese construction of a surveillance network, ranging from the Burmese islands of Zadetkyi in the Tenasserim Division, Man Aung off the Arakan State to suspected naval bases at Kyakkami near the city of Moulmein, including Monkey Point in Rangoon, Great Coco Island in the Andaman Sea, and the ports of Hainggyi and Kyaukphyu on Ramree Islands<sup>34</sup>. This raised great concerns among Indian officials. Since then, India and Myanmar have worked towards greater cooperation between their Navies and achieved considerable success in mitigating developments that might be seen as being detrimental to India's security interest. This, in turn was welcomed by Myanmar.

In the early 1990s, India's immediate interest in the Northeast was to foster stability and tackle the insurgency movements in the seven states. It had become well known that the Naga, Assamese and Manipuri armed groups had established clandestine networks of jungle training

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<sup>33</sup> Majumdar, Munmun (2011), 'Engaging Myanmar Through India's Look East Policy: How Far Have We Gone?', *FPRC Journal* 8 (Special Issue: India's Look East Policy).

<sup>34</sup> Egretau, Renaud (2008), 'India's Ambitions in Burma: More Frustration Than Success?', *Asian Survey*, p. 951

camps, arms and drug trafficking routes, and an elaborate extortion system in the neighbouring Saigaing Division and Kachin State in Myanmar. After India's rapprochement with the military regime in 1993, the then Indian Foreign Secretary, J. N. Dixit, visited Rangoon and the two countries conducted a joint counter-insurgency operation called Operation Golden Bird in 1995. While the operation considerably weakened the rebel groups, Rangoon withdrew before the operation could come to a conclusion as India selected Aung San Suu Kyi, Myanmar's pro-democracy leader, for the Jawaharlal Nehru Award for International Understanding. As many of the armed groups from the Northeast continue to operate from the remote hills of Western Myanmar, much of India's engagement with Myanmar vis-à-vis Northeast was related to tackling insurgency, even to the extent of blocking the connectivity projects for fear that the insurgents may benefit from them.

In the midst of this, there has always been a huge constituency in favour of Aung San Suu Kyi in the highest echelons of all of India's political parties, and in academia, civil society and media because of her very strong Indian connections. Individuals including former President K R-Narayanan and former Defence Minister George Fernandes were notable in their support of the democracy movement. Border-states including Nagaland, Manipur and Mizoram also hosted a number of pro-democracy activists seeking refuge in India. Many of these refugees in the Northeast have relatives and connections which enable them to blend into society without much difficulty.

Over the years, New Delhi has attempted to incorporate different dimensions of cooperation into the India-Myanmar relations with regard to the Northeast. A change in attitude and efforts was seen when India's Prime Minister Manmohan Singh visited Myanmar earlier in 2012. Significant among the agreements that were made included the signing of the MoU on India-Myanmar Border Area Development, Air Services Agreement between India and Myanmar and the MoU on Establishing Border Haats (markets) across the border between India and Myanmar. These agreements related to roads, health centres, bridges, and agriculture and would boost the related training activities in the area<sup>35</sup>. During this trip, a proposal to start a bus service from Moreh in Manipur to Mandalay was mooted but was not pursued as the road on the Myanmar side was in poor condition.

Some of the projects that India has pursued in Myanmar have, however, not been taken up in consultation and or with the confidence of the people in Northeast who may be directly affected. In 2004, India and Myanmar signed an agreement to construct the Tamanthi Dam Hydro project in the Chindwin River in West Myanmar, east of Nagaland. India had to bear the cost of this

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<sup>35</sup> Graham, John (2012, August 2). Back in the Game: India Strengthens Political and Economic Ties with Myanmar, *M-zine Plus Magazine*, [http://www.mea.gov.in/mystart.php?id=230319872\\_](http://www.mea.gov.in/mystart.php?id=230319872_) Accessed 13 September 2012.

project and 80 per cent of the electricity produced from the Dam is to be used by India and the rest will be used in Monywa Copper Mine, Sagaing Division. After much delay, work commenced in 2011 but is still facing difficulties. Many communities along Nagaland and Manipur have protested against the construction of the dam<sup>36</sup> amidst fear of serious environmental damage, loss of biodiversity and human displacement. On a separate note, it was recently reported that India's Ambassador to Myanmar has suggested withdrawing from the project. This is in a bid to save India's image amid the local perception that Indian companies are incapable of completing projects within scheduled deadlines. The Ambassador's reported reasons for the recommendation include "Myanmar government's inflexibility under Chinese influence and 'sarkari' attitude of state-run hydel utility NHPC"<sup>37</sup>.

Indigenous rights groups as well as students' organisations in the NER also opposed the building of a gas pipeline that was proposed to go from Sittwe in Myanmar to West Bengal<sup>38</sup> as there were concerns of environmental degradation that might affect the livelihood opportunities, practices and lifestyles.

## **Internal Dynamics**

New Delhi was in a dilemma in deciding the trajectory that would best meet its foreign policy objectives regarding Myanmar vis-à-vis Northeast India. This partly resulted in its inability to draw a clear road map for the future of the Northeast Region. The evolution of New Delhi's policy for the Northeast lacked clarity and a deep understanding of the region and it also failed to capture and incorporate the views of the people. New Delhi's policy towards the Northeast has also often been hostage to India's larger foreign policy objectives, particularly the Look East Policy.

At a 2005 symposium titled Gateway to the East: a 'Symposium on Northeast India and the Look East Policy, Jairam Ramesh, an Indian minister, in his presentation titled, 'Northeast India in a New Asia'<sup>39</sup> defined the different paradigms that have "driven India's approach to the

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<sup>36</sup> 'India and its Geopolitics: Tamanthi Dam- A Blessing for India, a Curse for the Nagas', (2012, April 27) *The Naga Journal*, <http://www.nagajournal.com/articles/india-and-its-geopolitics-tamanthi-dam-a-blessing-for-india-a-curse-for-the-nagas/7879>. Accessed 13 September 2012 & 'Kuki Women Protest Against Tamanthi Dam' (2011, December 9), *The Sangai Express*, < <http://www.thesangaiexpress.com/sangai-express-news.php?newsid=1135>. Accessed 13 September 2012.

<sup>37</sup> India 'Suggests Exiting Out of the Tamanthi Hydel Project to Escape from China Pressure' (2011, May 26), *The Economic Times*, < [http://articles.economictimes.indiatimes.com/2011-05-26/news/29586113\\_1\\_hydel-tamanthi-project](http://articles.economictimes.indiatimes.com/2011-05-26/news/29586113_1_hydel-tamanthi-project). Accessed 13 September 2012.

<sup>38</sup> Students' Organization Say No to Gas Pipeline in Northeast, Down to Earth (2006, September 15), <<http://www.downtoearth.org.in/node/8390>. Accessed on 13 September 2012.

<sup>39</sup> Ramesh, Jairam (2005). *Northeast in a New Asia, Seminar*, #550,. <http://www.india-seminar.com/2005/550/550%20jairam%20ramesh.htm>. Accessed 13 September 2012.

Northeast”. He pointed out four dominant paradigms and concretised the idea of ‘political integration with India and economic integration with Southeast Asia’ as the future for Northeast India. The first paradigm -- the Cultural Paradigm, preponderant largely in the 1950s and the ’60s -- was marked by the view that “Northeast cultures were seen as exotic, endangered; which needed to be kept in museums and protected from the big bad wolf called ‘economic development’”. Then sometime in the 1960s, perhaps after the Chinese incursion in 1962, a Security Paradigm dominated as the Northeast began to be seen as a strategically significant region, not only geographically but also in a larger geopolitical sense of India’s role in East Asia and Southeast Asia. “Thinking of the Northeast as a security frontier in a geostrategic sense – began to animate government thinking towards the region”. During this period, insurgency movements had also broken out in different corners of the region. Then, in the early 1970s, a transition to the ‘Politics Paradigm’ was made. The thinking was that the region required political representation; the diverse tribal cultures and diverse sub-nationalities required participation in ‘mainstream’ democratic process and new states began to be formed with the idea that people required a ‘voice’. This, however did not end the problems, it neither solved the insurgency nor ushered greater development in the region.

It was during the 1980s, a shift to the ‘Development Paradigm’ was made. Development, in this case, the building of schools, bridges, internet centres, technical institutes and refineries- was thought to be a panacea. The thinking was that, given development, “they will forget about problems of identity, problems of assertion, problems associated with creating a nation out of essentially tribal communities”. This and the subsequent period were marked by a substantial increase in public expenditure in this region. This paradigm continued though the first part was marked with huge injection of central funds into the region, without a clear direction but with the hope that economic activities will pick up. The second and reigning one has been marked by the idea that trade, particularly with Southeast Asia, could be the driver of economic growth and development.

At a conference in Delhi on India’s Look East Policy in 2007<sup>40</sup>, Prof Alokesh Baruah of Jawaharlal Nehru University, reiterated that it was the 1997 High Level Commission Report to the Prime Minister<sup>41</sup> titled, *Transforming the Northeast* (also known as the Shukla Commission report), that was influential in aligning concerns of development in the Northeast with the Policy, thereby ushering in a new development mantra and a paradigm. Incidentally, 1997 was also the year Myanmar joined ASEAN. The report envisioned development taking place in the Northeast in the context of several concentric circles: first, the local community; second, the autonomous

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<sup>40</sup> Conference on India’s Look East Policy- Challenges for Sub-Regional Cooperation, October 7-9 2007, Indian Council for Research on International Economic Relation (ICRIER) held in Guwahati.

<sup>41</sup> *Transforming the Northeast: Tackling Backlogs in Basic Minimum Services and Infrastructure Needs, High Level Commission Report to the Prime Minister* (1997), India: Planning Commission of India.

councils/states; third, the Northeast Region, in view of the interdependence of the several constituent entities and the overriding reality of a common gateway to the heartland; beyond that, the bigger Ganga-Brahmaputra-Meghna (GBM) resource region; and, finally, the larger world of Southeast Asia and Southwest China. An assertion that ‘Northeast is indeed India's cultural and economic bridgehead to the fast growing economies of Southeast Asia’ was made.

This idea was considerably built upon and by 2008; the Northeast Vision 2020 document, prepared by the Ministry of Development for North Eastern Region (MDoNER) and the North East Council had embedded the development of the region in line with the Look East Policy. This is evident from the opening quote noting that the development of the Northeast region should become an important part and objective of the Look East Policy itself. Dr Jayanta Madhab, who was involved with the preparation of Vision 2020 and numerous other documents on the Northeast, has attested that the Shukla Commission Report provided direction for the preparation of the Vision 2020 document when Prime Minister, Dr Manmohan Singh mooted the need for one<sup>42</sup>. In the period between the release of the two documents mentioned, the Ministry of Development for North-Eastern Region was created, first as a Department in 2001 and then as as a full-fledged Ministry headed by a cabinet level minister in 2004. The Northeast is the only region with a Central Ministry whose job is to advocate the development of the region with other Central Ministries and the Planning Commission. It also serves as the nodal organisation of the Central Government to deal with matters related to the socio-economic development of the eight States (including Sikkim) and is also concerned with the creation of infrastructure for economic development of North-Eastern region<sup>43</sup>.

Besides delineating the importance of grassroots and participatory development as a way of going forward, the vision document also visualises the development of the region in parallel with the Look East Policy. It affirms that India’s Look East Policy holds potential for the region to break out of its landlocked borders and engage in cultural, economic and tourism-related interactions with its international neighbours<sup>44</sup>. For this to happen, the report notes the need for the augmentation of transportation infrastructure to ‘make the Look East Policy meaningful for the region by connecting it with Southeast Asian markets’<sup>45</sup>. In fact it goes as far as to suggest that the Look East Policy should focus on the North Eastern region as ‘Southeast Asia begins from North Eastern India’, playing on the postulation made by the then DoNER Minister, Mani Shankar Aiyer. This will enable the region to ‘regain its place as a centre of flourishing trade with East and Southeast Asia through the land (silk) route to China and Myanmar and through

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<sup>42</sup> Madhab, Jayanta (2009, January-March). ‘The Story of North East Vision 2020’, *Dialogue* (a publication of Astha Bharati), 10 (3), [http://www.asthabharati.org/Dia\\_Jan%2009/madh.htm](http://www.asthabharati.org/Dia_Jan%2009/madh.htm). Accessed 7 September 2012.

<sup>43</sup> Ministry of Development of North-Eastern Region (MDoNER), <http://mdoner.gov.in/>.

<sup>44</sup> Ministry of Development of North-Eastern Region (2008) *North Eastern Region Vision 2020*. p. 129.

<sup>45</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER), p.4.

the sea port from Chittagong and Kolkata'<sup>46</sup>. It suggests that there is much to be gained by removing trade barriers with the neighbouring countries to enable access to seaports and inland waterways<sup>47</sup>. Further, the report is cognisant of the need for a 'qualitative change in the relationship with the neighbouring countries, particularly the larger countries of Bangladesh, China and Myanmar'<sup>48</sup>. All this, it is hoped, will in turn 'improve the quality of people's lives'<sup>49</sup>. While acknowledging that the fortunes of the people of the region are inextricably intertwined with those of their neighbours, the report however notes that so far the NER has gained very little or negligible benefits from the Look East Policy and that despite the recent focus on development for the region in the Look East Policy, the NER remains economically underdeveloped<sup>50</sup>.

Despite some measure of good intentions, the different paradigms have been marked by internal contradictions. The 'Cultural Paradigm' saw the imposition of Assamese language as the official language of undivided Assam<sup>51</sup> that included today's Arunachal Pradesh, Mizoram, Meghalaya and Nagaland, while disregarding the other local languages which caused great discontent. The 'Security Paradigm' came to have an overbearing effect on the region, marked by the preservation of a security mindset and the imposition of the draconian Armed Forces Special Powers Act (AFSPA). The 'Politics Paradigm' saw the creation of dependent states with no real devolution of power to the people at the grassroots<sup>52</sup>.

The 'Development Paradigm' was entangled with remnants of the previous paradigms, creating confusion in the vision and direction that is intended for the region. It has often been argued that the huge influx of money that characterised the first part of the development paradigm led to the creation of new elites and fostered corruption, which in turn has also financed many of the insurgents operating in the region.

The current phase of the 'Development Paradigm' is marked by a desire for increased regional engagement, trade and participatory grassroots development. But the region, 'poised on the cusp of an unprecedented transformation of its historical position as a frontier', is not able to shake off the old practices through which, 'one sees the extension of a garrison mentality, where the Northeast is sought to be micromanaged by policy makers for whom the people and the region is

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<sup>46</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER), p.18.

<sup>47</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER), p. 20.

<sup>48</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER), p. 34.

<sup>49</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER), p. 20.

<sup>50</sup> North Eastern Region Vision 2020 (2008) Ministry of Development of North Eastern Region (MDoNER) p. 34, 260.

<sup>51</sup> In 1960.

<sup>52</sup> McDuie-Ra, Duncan (2009). 'Vision 2020 or Re-vision 1958: The Contradictory Politics of Counter-insurgency in India's Regional Engagement', *Contemporary South Asia*, 17 (3), 313-330.

a veritable military terrain'<sup>53</sup>. Furthermore, 'despite the opening of more border posts and the encouragement of trade, borders are becoming more fortified and policed'<sup>54</sup>.

Even the intention of the Central Government to devolve power and bring in greater participation of the people for whom the vision is being created, as laid down in the Vision 2020 document, was contested. The main criticism came in the form of the contradictory policy of the Centre-state patronage relationship where funds are allocated and disbursed by Central Government agencies in a way that creates 'embedded patronage relations fed by top-down development'<sup>55</sup>. The focus on big development, resource-extractive industries and in particular the focus on hydro power projects itself is seen as 'a mechanism of nation-building; paternal and controlling' where, 'in the Northeast this takes on extra dimensions as control is not just a cultural project but a security project'<sup>56</sup>. Again, any decentralised development that devolves too much power to state and sub-state bodies in the Northeast is seen as too risky a proposition as that may jeopardise counter-insurgency<sup>57</sup>. Even the idea of whom or what constitutes the public is problematic in the Northeast. It is restricted by both civil society itself – dominated by identity politics and ethno-nationalist organisations -- as well as by the government which determines who should participate and on whose behalf<sup>58</sup>.

## Conclusion

The evolution of the Northeast as a consideration in India's Look East Policy and its transformation from a barrier, a frontier, and now to a bridge cannot be traced to a decisive moment nor can it be attributed to a particular change in policy or attitude of the Central Government in New Delhi. It has grown out of a gradual process. It is clear that there are internal dynamics as well as external events that have led to the shift and that the interaction between internal discourse and foreign policy considerations is a continuing process. In the debate around the role of foreign policy, in furthering the national interest of a country, for India, multiple national interests contest for space, and similarly in the case of the Look East Policy there are multiple interests but none of them has so far incorporated the notion of national interest taken from the perspective of the Northeast Region. As the NER assumes some measure of prominence in India's Look East policy, new debates incorporating the aspirations of the people from the region will need to be initiated to define the national interest that takes into account local

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<sup>53</sup> Barbora, S. (2006, September 2), 'Rethinking India's Counter-insurgency Campaign in North-East'. *Economic & Political Weekly*, 3805-3812.

<sup>54</sup> Duncan McDuie-Ra (2009), 'Vision 2020 or re-vision 1958: the contradictory politics of counter-insurgency in India's regional engagement' *Contemporary South Asia*, Vol 17, No 3. 313-330.

<sup>55</sup> Ibid

<sup>56</sup> Ibid

<sup>57</sup> Ibid

<sup>58</sup> Ibid



concerns. As Joseph Nye suggests, ‘a better-informed political debate is the only way forward for our people to determine how broadly or narrowly to define our interests’<sup>59</sup>.

In the process of bringing the NER into the LEP paradigm, the element of reaction is conspicuous, particularly to China’s moves, such as its attitude and policies towards the development of the Yunnan province and its policy towards Myanmar. While all this has seemed to be a slow process, akin to anticipating the chess-board-like strategic manoeuvrings, some of it seems to be a case of groping in the dark. The vagueness of the direction with which New Delhi has handled the Northeast is somewhat congruous to its own expression of the Look East Policy, one that can be defined to take new dimension as it moves ahead.

One can certainly conclude, however, that the period around 1997 and the following decade were significant in the transition of the Northeast region into a bridge. By 2007, the Ministry of External Affairs, through its Public Diplomacy Division, had clearly included aspects of land connectivity and the idea that the Look East Policy is an initiative that is designed to bring in development for the Northeast by facilitating trade with Southeast Asia. On the external front, the expansion of ASEAN, China’s communication and infrastructure inroads into Myanmar and India’s own changing relationship with Myanmar during this period were particularly significant events. On the internal front, the booming Indian economy led to a change in the thinking of policymakers to incorporate ideas of economic development and establishment of trade linkages as a panacea to the problems in the Northeast. This stands out.

As the idea of developing land connectivity between India and Southeast Asia through Northeast India gains momentum, New Delhi will need to make clear its own vision and plans for the region. It will also need to look at aligning the objective of what land connectivity will mean to New Delhi as well as to the people of the region. While much of the official Look East Policy concentrates on the flow of goods and services, interest among the people of the NER regarding greater connectivity is heavily related to the idea of the possibility of a free flow of people -- building on the continuous cultural landscape existing among the border regions<sup>60</sup>.

Finally, to give a meaningful context to the Look East Policy, where real development can take place in Northeast India as a spinoff of trade and economic activities, there needs to be a re-imagination of Northeast India as a bridge and as part of a larger composite region that should eventually include Southwest China (Sichuan), Bhutan and Bangladesh besides Myanmar (and

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<sup>59</sup> Joseph S. Nye, Joseph S. Jr. (2002). *The Paradox of American Power: Why the World’s Only Superpower Can’t Go it Alone*. (Oxford: Oxford University Press).

<sup>60</sup> Das, Samir Kumar (2010), ‘India’s Look East Policy: Imagining a New Geography of India’s Northeast’, *India Quarterly*, 66 (4), 343-358.

eventually the rest of Southeast Asia), with which the region is known to have traditional trade and cultural links<sup>61</sup> before the present-day international boundaries came into existence.

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<sup>61</sup> Ray, Harprasad (2005), 'The Silk Route from North-East India to China and the Bay of Bengal: Some New Lights' in Alokesh Barua ed.), *India's North-East: Development in a Historical Perspective*. New Delhi: Manohar).