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INDIA'S MYANMAR POLICY

A Dilemma between Realism and Idealism

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Myanmar is often perceived to be a buffer state between the two Asian giants of India and China. Its strategic location provides Myanmar with an opportunity to play a significant role in the geopolitics of South and Southeast Asia. In addition, the availability of natural gas in Myanmar gives an economic dimension to its strategic significance. Myanmar shares a 1640 km-long land and maritime boundary with India, making it a crucial element of India's security calculus and ensuring that amicable relations with Myanmar are vital.

AN OVERVIEW OF THE INDIA-MYANMAR RELATIONSHIP

The history of India-Myanmar relations has seen many ups and downs. After the end of British rule, Myanmar opted for a policy of harmonious relations with India and the two countries signed a treaty of friendship in 1951. A definite warmth in Indo-Myanmar ties was particularly apparent during the period of Jawaharlal Nehru and U Nu. The two leaders had a shared understanding on various global and regional issues like Indonesian freedom from the Dutch and the Korean War.

However, in 1962, when Ne Win came to power after a military coup in Myanmar, India-Myanmar relations came under strain due to the anti-Indian policies of the military regime. Ne Win's policy of a "Burmese way to Socialism" hurt the interests of the people of Indian origin in Myanmar and Myanmar's neutral stand in 1962 during the Chinese attack against India was seen as a pro-Chinese act by India. As India's image as a regional counterbalance to China diminished after the 1962 conflict, Myanmar foreign policy calculations also inclined more towards China rather than India. Nevertheless, despite these serious setbacks, India was never completely sidelined, because

Myanmar also wanted to avoid being identified too closely with China.

During the regime of Ne Win, the nature of the India-Myanmar relationship was stagnant but cordial on the whole. A sequence of high level official exchanges continued as Indian Prime Minister Lal Bahadur Shastri visited Myanmar in 1965, the two countries signed a boundary agreement in 1967, and Indira Gandhi paid a visit in 1969. During her visit, Ne Win made assurances that Myanmar would not allow any anti-Indian activities on its territory by any state or organization. Ne Win also visited India in 1980. However, during Indira Gandhi's tenure, India was largely neutral and disinterested in Myanmar, because a "commitment to democratic values" was prioritized ahead of "security concerns" in the Indian foreign policy agenda towards Myanmar. This policy of idealism was also continued by Rajiv Gandhi. When the SLORC assumed power in Myanmar in 1988, India under the leadership of Rajiv Gandhi extended its moral support to the pro-democracy movement and offered refuge to the people of Myanmar who migrated to India to flee military suppression.

A paradigm shift in India's policy towards Myanmar was seen during the 1990s when India decided to court the junta. For example, Indian Foreign Secretary J N Dixit's 1993 visit to Yangon culminated in an agreement to control drug trafficking. This shift in India's policy was propelled by three main factors. First, owing to Myanmar's isolation from the rest of the world, Chinese influence in Myanmar was increasing. India was concerned about this relative gain of China in Myanmar because it potentially paved the way for a possible encirclement of India by China through three pro-Chinese regimes in the

neighbourhood - Pakistan, Bangladesh and Myanmar. Second, in order to counter the emerging non-traditional security threats in northeast India, coordination with Myanmar was essential. Third, India started its "Look East" policy in 1991, intended to increase engagement with ASEAN, and Myanmar was the only ASEAN member which shared a border with India. Thus Myanmar was seen as a gateway to ASEAN by Indian policymakers.

Due to these changing dynamics, India accordingly adopted a new pragmatic policy in relation with Myanmar. Nonetheless, India's decision to honour Aung San Suu Kyi with the Jawaharlal Nehru award indicated that idealism still abounded in India's foreign policy. In fact, the National Front government put human rights considerations and the restoration of democracy at the top of its policy agenda towards Myanmar. However, when the BJP came to power in India, it began to stress "realpolitik" over idealism in relations with Myanmar. The Congress-led government that followed has continued the policy of engaging with the existing military regime. India now seems to have accepted that the restoration of democracy in Myanmar is an internal matter and India has no role in it. A sign of the growing India-Myanmar relationship can be seen in two path-breaking visits between leaders of the two countries. The first was by the Chairman of the SPDC, General Than Shwe to India in 2004 - the first head of state level visit from Myanmar in 24 years. Indian President A P J Abdul Kalam paid a return visit to Myanmar in 2006 - the first by an Indian President to Myanmar and the first head of government level visit to Myanmar after 1987.

INDIA'S SECURITY CONCERNS VIS-À-VIS MYANMAR

Myanmar shares a boundary with most of the northeastern part of India. The Indian states of Assam, Manipur, Mizoram, Nagaland and Arunachal Pradesh all share borders with, or are very close to, Myanmar. This part of India has been facing insurgency-related problems since

the independence of India from the British. Due to their ethnic connections, insurgent groups from the northeast of India not only receive shelter in Myanmar but also operate bases from there. Indian intelligence officials claim that at least half a dozen separatist rebel groups, including the Khaplang faction of the National Socialist Council of Nagaland and ULFA, continue to operate from bases in the Sagiang Division of Myanmar. These insurgent outfits continue to operate successfully because they receive sanctuary in India's neighbour. Although Yangon has assured New Delhi several times that it would not allow its territory to be utilized for anti-Indian activities, these assurance have only proved to be verbal in nature and have not produced real benefits to India. Although Myanmar has cracked down on Naga rebels it has demonstrated reluctance in the case of ULFA and other outfits.

India is looking for a response from Myanmar like the Bhutanese Operation All-Clear in December 2003, and to this end has tried to appease the junta by being ready to supply the junta with military equipment for the upgradation of their army. Myanmar has said that it is not possible for it to crack down on insurgent camps due to their remoteness and has therefore sought assistance from India for improving infrastructure and the upgradation of military facilities. In his recent visit to Myanmar, Indian Defence Minister, Pranab Mukherjee, emphasized the need for military cooperation between India and Myanmar.

Together with Thailand and Laos, Myanmar is also part of the notorious 'Golden Triangle' region of the narcotics trade, and is a source of drug trafficking and HIV/AIDS in Manipur, Mizoram and Nagaland. To counter these non-traditional security threats, better management of the Indo-Myanmar border is required. The two armies are organizing regular meetings in border posts such as Moreh-Tamu in Manipur and have agreed to open four more posts for such meetings.

THE CHINA FACTOR

Joseph Grieco, in his interpretation of neo-realism claims that states are more concerned about a competitor's relative gains rather than its absolute gains. In crafting its foreign policy agenda towards Myanmar, therefore, India also focuses on China's relative gains. It is the China factor that motivates India's Myanmar policy to take the neo-realist path and which compels India to court the junta.

With the Coco Islands on lease from Myanmar, China can access the Indian Ocean and has facilities to not only watch the naval activities on the eastern coast of India but also to spy on India's missile launching program. China's influence in Myanmar can disturb India's maritime strategic calculations as China can access the Arabian Sea via Pakistan's Gwadar port and the Indian Ocean via Myanmar. In addition, China has also signed an agreement to develop the harbour of Hambantota in Sri Lanka. Chinese access to these strategic locations can provide the potential for a maritime encirclement of India by China. China is also assisting Myanmar to develop its naval bases in Sittwe, Hianggyi, Khaukphyu, Mergui and Zadetkyikyan by building radar and refuelling facilities that could help Chinese submarine operations in the Bay of Bengal.

INDO-MYANMAR TRADE RELATIONS

Bilateral trade between India and Myanmar has expanded from US\$12.4 million in 1981-82 to US\$569 million in 2004-05, although it is still short of the target of US\$ 1 billion in 2006, set by the two sides at the first meeting of the Joint Trade Committee (JTC) held in Yangon in 2003. The second meeting of the JTC was held in 2006 in New Delhi and co-chaired by the commerce and industry ministers of both sides. Both ministers emphasized the natural complementarities of the two economies which provided the prospect of cooperation in various areas like IT, tourism, food processing, human resource development and pharmaceuticals. However, increasing bilateral trade is a

challenging target, owing to problems in the trade structure of India and Myanmar. Due to the lack of better linkages between the people and trade organization of both sides, trade diversification, which is vital for increasing bilateral trade, is not possible. So there is a need to make the people of both sides aware about the possibilities and opportunities available in both countries - Indian President Abdul Kalam, for example, offered a new idea of developing linkages in the area of traditional medicines between India and Myanmar. There are various common herbs that are available in Myanmar and India's northeast and the two countries can work together in the direction of standardizing them according to the IPR regime and thus make them acceptable to the world. Indian expertise in biotechnology could be very valuable for such a venture.

In the existing trade structure between India and Myanmar, India imports most of Myanmar's products via indirect routes as in the case of teak via Hong Kong or Singapore, or precious stones via Thailand. So there remains a need to address this problem.

Growth in border trade will also be especially imperative for enhancing India-Myanmar trade relations. With this in mind, the border trade commodities basket should be broadened from the present limited list of 22 commodities. The opening of Pangsau Pass that lies on the crest of the Patkai hills on the India- Myanmar border can also provide a new route to link people living in border areas.

Trade relations with Myanmar also have some strategic implications for India because Myanmar is the only member of ASEAN that shares a border with India and a greater connectivity with Myanmar would provide India the gateway to ASEAN. Trade relations with Myanmar can also accelerate the development process in Northeast India and thus India is interested to invest in various infrastructure projects in Myanmar.

India invested in a trilateral road project joining More in Manipur with Mairot in Thailand, via Bagan in Myanmar. India will also invest US\$100 million to build the Kaladan project which includes a 160km-long waterway from Sithway to Mizoram. The Exim Bank of India has provided a credit of US\$56.358 million for the Yangon-Mandalay trunkline railway project and India is also ready to invest in projects like the upgradation of the Rhi-Tiddim and Rhi-Falaam road sections in Myanmar. India is also providing assistance to the Timanthi hydropower project on Chindwin river. India has nearly doubled its development aid to Myanmar from US\$9.9 million in 2006-07 to US\$17.8 million in the 2007-08 budget.

MYANMAR'S ROLE IN INDIA'S ENERGY SECURITY MANAGEMENT SYSTEM

India is on the path of rapid economic growth and to sustain this growth, sustainability of energy supply is indispensable. India depends heavily upon West Asian oil but because of instability in this region India also aims to diversify its energy supply sources. Although Myanmar has only a limited potential to satisfy India's energy quest in comparison to West Asia, because of its geographical proximity and the availability of natural gas as a cost effective and eco-friendly source of energy, Myanmar is an attractive target for India's energy diplomacy. There is thus an immense possibility for energy cooperation between India and Myanmar, both in the hydropower and the hydrocarbon sector. However, this potential has not been actualized fully so far because of certain political and economic reasons.

Although Oil and Natural Gas Cooperation (ONGC) and Gas Authority of India Limited (GAIL) have a stake of 30 percent in the A-1 block of the Rakhine coast of Myanmar, the possibility of greater energy cooperation between India and Myanmar has diminished due to Bangladesh's reluctance to the proposed MBI pipeline.

GAIL is therefore exploring other routes for a pipeline that would bypass Bangladesh. With the help of a detailed feasibility report prepared by a technical consultancy, Tractabel, GAIL has envisaged the import of gas through a 1573km overland pipeline from Myanmar via the northeastern Indian states of Mizoram and Assam to West Bengal and finally to Gaya in Bihar.

However, the possibility of this idea taking off appears dim in the light of two events - first, the signing of an agreement for gas supply between Petrochina and Myanmar; and second, Myanmar's declaration that it will look for the export option, only in the case of there being a surplus of gas after fulfilling local demands. Myanmar will decide about exports when a survey of its resources is completed in July 2007. GAIL is also looking at the feasibility of exporting gas in the form of LNG. Myanmar Oil and Gas Enterprises called for a bid for selling 3.5 million tons per annum of LNG (121mmcmd) from South Korean-operated blocks A-1 and A-3. GAIL also bid for it but was outdone by Marubeni of Japan and KOGAS of South Korea who emerged as the top bidders for LNG. All these bids currently remain under evaluation. So the idea of importing gas from Myanmar is still far from a reality despite, the complimentary nature of potential future energy scenarios in both countries.

CONCLUSION

Be it traditional, non-traditional, or even energy security, Myanmar is definitely an important component of India's security management system. Engagement with Myanmar is, therefore, logical for India. The problem before India is what should be the nature of engagement with one of the most brutal regimes in the world. India recently decided to supply arms to the junta in order to address its immediate security concerns but it seems unlikely that this would pay off for India in the long run as the junta has previously used the military hardware provided by India for suppressing pro-democracy activists and

ethnic minorities. As a consequence, the perception of civil society in Myanmar has recently turned negative towards India. Consequently, India might face adverse conditions, if and when democracy makes a comeback in Myanmar. The country then would be open neither to China nor to India but to the US, because of the latter's support for a resolution against Myanmar's military junta in the UN Security Council. Myanmar could be the next country in Southeast Asia to come under the security umbrella of the US. This might be a cause for concern for both India and China.

Therefore, in order to engage with a country like Myanmar which is very sensitive and strategically significant, India needs to reach a delicate balance between its immediate requirements and its long-term interests. India should engage Myanmar but in such a manner that the sentiments of the people of Myanmar are not compromised. India should increase cooperation with Myanmar in the area of the economy and trade, especially under the framework of BIMSTEC, MGC

(Mekong-Ganga Cooperation), but military cooperation should be limited. BIMSTEC is definitely an opportunity for Myanmar to boost an economy that has been destroyed by western sanctions. Therefore, in order to court the junta, India should prefer economic engagement with Myanmar, instead of involving itself in the race with China for supplying arms to Myanmar. It is, in any case, not possible for India to reduce Chinese influence with either the Myanmar military or the junta simply by supplying arms because China with its veto power in the UNSC is more important than India for Myanmar.

India has been facing a dilemma between idealism and realism since the establishment of military rule in Myanmar in 1962. However, neither approach on its own can serve India's interests. India should adopt a realist policy but with a blend of idealism. This idealism is not against the national interest of India and would definitely pay off for India in the long run.