# Northeast India and Its Neighbourhood: Perspective on Regional Integration with Southeast Asia

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Abstract: North-East India (NEI) owing to its location plays a very crucial role in various aspects of security, trade, commerce and connectivity across the borders, having huge untapped potential to emerge as a strategic base for foreign and domestic investments. Unfortunately, despite being the only part of India that provides land connectivity to Southeast Asia, it has received very little attention from New Delhi. NEI has been a victim of geographical, insurgency, underdevelopment and political ignorance. To alter this, the Government of India has initiated many efforts for achieving greater economic growth, integration with the rest of India and development for the region. One such initiative undertaken is regional integration with neighbouring countries of Southeast Asia. India's interest in regional integration can be traced back to 1985 in the form of South Asian Association for Regional Cooperation (SAARC) to address the regional concerns such as security, economy, enhancing cultural linkages among the South Asian nations. Post 1990s, the 'Look East Policy' was established, which opened a new chapter in the pursuit of developing closer ties among the states within the region and also giving a much needed attention to North East Region (NER). At the same time, India has also been actively promoting other bilateral and multilateral arrangements with South and Southeast Asian neighbours, like the Bangladesh-China-India-Myanmar (BCIM), Bay of Bengal Initiative for Multi-Sectoral Technological and Economic Cooperation (BIMSTEC), Mekong-Ganga Cooperation (MGC) etc. However, despite promoting many policies, one hears of neglect due to absence of timely delivery of the economic developmental activities in the NER raising questions about the intention of such policies. Thus, this paper attempts to analyse (1) whether these so called developmental policies are merely to counter the rising hegemony of China in the SE Asia and (2) or, these policies are the genuine effort of the GOI to ensure economic development in the NER.

Keywords: Look East/Act East, NER, Development, Trade, Investment, Integration, China.

### I. INTRODUCTION

Regional Integration has been one of the major development in international relations. It has achieved a new meaning and significance in the present global economic order. E.H Carr conceived that 'the concept of sovereignty is likely to become even more blurred in the future than in the present'. Thus, the process of regional integration has been constantly affecting the relations between states in terms of trade, economic cooperation and many trans-border issues. Philppe De Lombaerde and Luk Van Langenhove defines regional integration as a 'worldwide phenomenon of territorial systems that increase the interaction between their components and create new forms of organisation at the national level.

In other words, regional integration is 'an association of states based upon location in a given geographical area, for the safeguarding and promotion of the participating states whose terms are fixed by treaty or other arrangements'.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Padelford, Norman J., "Regional Organisation and the United Nations," *International Organisation*, May 1954, 2003-16.

All regional integration efforts during the Cold War period were based on the Westphalian state system, where the motives were economic prosperity and building of strong military force among the cooperating nations. In recent times, the surge of regionalism can therefore be credited to the growing forces of globalisation. Globalisation has resulted in the growth of world market, which have led to an increased penetration and domination of national economies. This dominance of the world market over local production has led to negative implications on several nation states that have made strong political efforts to halt or to reverse the process of globalisation in order to safeguard territorial control and cultural diversity. One of the best way of achieving such efforts has been through regional cooperation.<sup>2</sup> Thus, Regional cooperation is seen as a response to the forces of globalisation and the states effort to cope with a pervasive domination.

India made attempts towards regional cooperation in the Asian Relations Conference and Conference on Indonesia in 1947 and Bandung Conference 1955 respectively. However, these attempts by India failed mainly due to the ongoing inter-state disputes, tensions and apprehensions among the individual countries. It was only in 1985 that another effort towards regional integration was made by India in the form of the South Asian Association for Regional Cooperation (SAARC). However, SAARC has not made any progress mainly due to the Indo-Pak dispute and the domestic political turmoil throughout the region.

Next it was the Look East Policy of India that sought regional integration with Southeast Asia (SEA) in the 1990s. India's efforts towards regional integration with SEA can be traced back to the 1950s, where relations between them were marked by two basic postulates:<sup>3</sup> (i) Colonialism must be removed and all vestiges of imperialism must be liquidated; and (ii) No big or medium powers be allowed to dominate the sub region so as to fill the power vacuum that had emerged consequent to the withdrawal of the European powers from Southeast Asia<sup>4</sup>.

It must be mentioned that India and Southeast Asia (SEA) have had strong historical ties. For centuries, trade, commerce and human migration have taken place. The Bay of Bengal and the Indian Ocean connected maritime SEA and the Indian subcontinent and were sustained by culture, community and commerce. As a result, a large part of Southeast Asia came under immense Indian influence. The British imperialism further strengthened these bonds by bringing the subcontinent and the territories to its east under its colonial influence.

However, India's relations with the SEA have remained relatively low for decades mainly due to the Cold War politics and India's close relationship with the former Soviet Union. Japan and American influence in political and military also reduced the scope for Indian diplomacy in the region.<sup>5</sup> In fact, India had a nonchalant relation with Japan during the Cold War. At the same time India's inward-looking economic policies of autarky and import substitution until 1991, when economic liberalization began, also contributed to India engaging less with the region. India's interest in these Asian countries as strategic partner, market etc. was very limited.

The end of Cold War and the fall of the Soviet Union, brought sea of changes in India. First it resulted in the political weakening of India's diplomatic positions and second, the economic crisis of 1991, where the Indian foreign exchange reserves had reduced to the point where only three weeks' worth of imports could be financed. These developments forced India to undertake much delayed economic reforms of opening up its economy, moving away from import substitution policies, integrating with the global economy, encouraging foreign direct investment, private enterprise, etc.

This led to India reaching out to its East and South-Eastern neighbours for economic relations, whose economies were already growing impressively. It was this part of Asia that drew enormous international attention during the 1990s as the engine for future global growth and predicted to overtake the West in economic dynamism. Thus, it was obvious for India, with its new economic policy, to sought for partnership with this region.<sup>6</sup>

In addition to the above developments an increased international movement of capital and trade have resulted in India's foreign trade with ASEAN to stand at \$75 billion in the ration of \$35 billion: \$40billion, respectively<sup>7</sup>. The share of

<sup>&</sup>lt;sup>2</sup> Haokip, Thongkholal, India's Look East Policy and the Northeast, New Delhi, SAGE India, 2015, pp. 5

<sup>&</sup>lt;sup>3</sup> Dutt, V.P., "India"s Foreign Policy", Vikas Publishing House, New Delhi, 1984, pp. 346 <sup>4</sup> Id

<sup>&</sup>lt;sup>5</sup> Sibal, Kanwal, India's Look East Again Policy, Two Decades of India's Look East Policy, AN Ram (ed.), *Manohar*, New Delhi, 2012. pp. 190
<sup>6</sup> ibid.

<sup>&</sup>lt;sup>7</sup> Nongkynrih, Deigracia and Bhattarcharjee, Suparna, "Geography as an Opportunity: North-East Connecting India with ASEAN", Man and Society, ICSSR, Journal of North-East Studies, Vol. XIII, Summer 2016. pp.50.

developing countries as India's trading partner has also doubled to about 30 per cent and a quarter of India's foreign trade now comes from its Asian neighbours<sup>8</sup>. However, as India engagement with neighbouring countries increased, the Northeast Region (NER) which is the only region to provide continental route to SEA was neglected. Most of the trade and commerce was sea-borne and not through the land route. Therefore, in hope of maintaining strong relationship with neighbouring countries and bring economic development and prosperity to the NER, India started initiating and participating in several sub regional forum like Look East Policy, Bangladesh-China-India-Myanmar (BCIM), Bay of Bengal Initiative for Multi-Sectoral Technological and Economic Cooperation (BIMSTEC), Mekong-Ganga Cooperation (MGC) etc. It is hoped that these initiative would usher economic development and prosperity to the NER, and issues relating to insurgency, demand for sovereignty etc. could finally be ended.

However, there are other important strategic factors that had triggered India in cultivating closer ties with its neighbouring countries, that is China. China's influence in SEA and particularly in Myanmar have been on a rise. Post General Ne Win's leadership, Myanmar started slowly moving away from its isolation and China was fast expanding its influence. There were several reports of China assisting Myanmar in several major developmental project like- construction of roads, dams, gas and oil pipelines, electricity grid line, as well as building naval bases on the island of Hiangyyi and Coco to monitor the developments in India's missile programme, developing Signal Intelligence (SIGINT) facility in the Great Coco Island to oversee the entry and exit of ships on the Malacca Straits etc. Thus, encouraging many analysts to believe that India's competition and fear for China was the main thrust in developing close relationship with SE Asian countries, particularly Myanmar.<sup>9</sup>

Thus, this paper will investigate whether the NER have been incorporated in various sub regional forums as a genuine effort for transforming the NER from a land barrier to a land bridge between the Indian economy and the Southeast Asian economies, and usher economic development in the region, or whether NER have been incorporated for larger foreign policy objectives.

The paper is divided into the following sections: the introduction is followed by Northeast India and sub regional groupings on regional integration, Northeast India and Myanmar relation in Section II. Section III examines the China effect in India's foreign policy and finally section IV concludes the paper.

#### II. NORTH-EAST INDIA AND SUB REGIONAL GROUPINGS ON REGIONAL INTEGRATION

India connects with the Southeast Asia from three sides - Southern tip in Indian Ocean, Andaman and Nicobar Islands, and from the Northeast India. In fact, North-East India is connected to SEA through geography, economic and strong cultural and ethnic similarities.<sup>10</sup> It shares a 4,500 km international border with China, Bangladesh, Bhutan and Myanmar. The NER is blessed with immense deposits of mineral resources, bio-diversity and water resources, which are yet to be optimally harnessed.

According to historian Lal Dena, "Northeast India is an extension of Southeast Asia in terms of culture and ethnicity. Several tribes of the Northeast have close connections with the communities of Southeast Asia. For instance, the Meiteis of Manipur and the Ahoms of Brahmaputra are known to have close cultural and ethnic connections with the Shans of upper Myanmar and the Thais of Thailand. The Nagas of Manipur and Nagaland have relatives in the Chin Hills and the border areas of Myanmar. The Singpohs of Arunachal Pradesh have their kith and kin in the Kachin state of upper Myanmar. Further, the Khasis and Jaintais of Meghalaya having strong similarities in their languages with the Mon-Khmers of Cambodia, Thailand and eastern Myanmar. Thus, linguistically too, almost all the ethnic communities of the Northeast speak languages belonging to the Tibeto-Chinese family which may further be divided into Tibeto-Burman and Siamese-Chinese sub-families."<sup>11</sup>

<sup>&</sup>lt;sup>8</sup> Batra, Amita, "India's Northeast and Southeast Asia Strengthening an Integrated Economic Space", IPCS Issue Brief, June 2009, No. 107.

<sup>&</sup>lt;sup>9</sup> Batabyal, Anindya, 'Balancing China in Asia: A Realist Assessment of India's Look East Strategy', China Report. 42 (2), 2012., pp. 179.

<sup>&</sup>lt;sup>10</sup> Sharma, Inderajit, Arif Rather, Mohd., Singh, N. Mohandas, "India's Look East Policy and Northeast India: Prospects and Challenges", Man and Society, ICSSR, Journal of North-East Studies, Vol. XIII, Summer 2016. pp.8

<sup>&</sup>lt;sup>11</sup> Dena, Lal, "Schizophrenic Alienation of N.E India: Its Historical Roots", Available at

http://e-pao.net/epSubPageExtractor.asp?src=news\_section.opinions.Schizophrenic\_Alienation\_of\_NE\_India\_Its\_Historical\_Roots. [Accessed on 1 October 2017]

These cultural similarities are expected to resurrect the lost connection with the neighbouring countries in terms of trade, people to people contact, culture etc. and give an additional incentive to the aspirations of integration with SEA. The GOI hopes that by integrating with SEA, the NER would become a strategic hub for economic investment and development. Thus, it has been zealously advocating the economic potentials of the region and started emphasizing the importance of NER for the success of its sub regional initiatives with SEA. However, the success of any initiatives depends largely on the evolving relationship between India and Myanmar. Since all the proposed projects passes through Myanmar and India's policy towards Myanmar will determine the success or failure of the integrating NER with SEA.

India initiated the 'Look East Policy' in 1991 in its first effort to cultivate a strong relationship with ASEAN. While the genesis of the 'Look East Policy' (LEP) can be traced back to the end of cold war and a strategic shift in India's foreign policy in the evolving global economy, it was mainly the outcome of the process of economic liberalization that was initiated in 1991-92. In the beginning India gave greater emphasis to the older ASEAN countries- Singapore, Malaysia, Thailand and Indonesia. It became a Sectoral Dialogue Partner in 1992, a full Dialogue Partner in 1995, Member of ASEAN Regional Forum in 1996 which subsequently matured to summit partnership in 2002.

As India and ASEAN's engagement increased, the Northeast Region (NER) remained unaffected. The NER was in fact not given much importance in the initial years of LEP. The entire NER got very little or no share in terms of trade and commerce for economic development as compared to the sea-navigable regions and eastern coast of India. Since most of the trading was done sea-borne and not through continental route. It was only in recent times that a broadening of the Indian foreign policy has resulted in the NER being made a part and parcel of the LEP. Post 1997 East Asian economic crisis, was particular significant as the ASEAN countries searching for new economic dynamism beyond their traditional sources of growth<sup>12</sup>, led to the NER subsequently gaining prominence under the LEP. With hope that by invigorating India's northeast connection with Southeast Asia through trade would get strengthened<sup>13</sup>.

The LEP sought to bring the NER into the centre of national imaginary. By projecting the North-East as the land bridge to South-East Asia. The prime factors envisaged by the LEP were- politically, it is expected to improve relations with the neighbours particularly of Myanmar and Bangladesh to help India in combating armed insurgency in the region. Economically, the LEP is expected to generate massive investment, trade, services and goods which will contribute to the economic development of the region. In 2014 It was rechristened to Act East Policy by Prime Minister Narendra Modi to serves as a platform for strengthening its relationship with East and South -East Asian economies.

Thus, to fructify LEP, the North-East Industrial Policy (1997) and the North-East Industrial and Investment Promotion Policy 2007 (NEIIP 2007), were unveiled with the hopes to create a favourable investment climate by providing financial incentives to companies/entrepreneurs setting up industries in the region<sup>14</sup>. Border Liaison Office (BLO) were opened in Manipur, Arunachal Pradesh and Mizoram in cooperation with the Myanmar authorities. In 2012 an agreement to open a fourth BLO in Avakung Nagaland was agreed between the two counties. Alongside these initiatives 11 land custom stations in towns bordering Bangladesh and Myanmar were also opened by the Union Ministry of Commerce. Some other major projects undertaken by India are- trans-border road projects like a) Moreh-Tamu-Kalewa Road, b) India-Myanmar-Thailand Trilateral Highway, c) Rih-Tiddim and Rih Falam Road, d) Asian Highway etc., India-Myanmar rail linkage, Kaladan Multi Modal project, Tamanthi Hydroelectricity project, optical fibre network and gas or oil pipeline etc. These projects once completed is envisaged to alleviate the NER from its economic backwardness and promote economic development.

One of the most significant achievement of India through LEP is trade with ASEAN via Free Trade Agreement (FTA) which has grown to US \$80 billion in 2012 and is further projected to reach US \$100 billion by 2015.<sup>15</sup> In 1997, under the initiative of Thailand, India became a founding member of a sub-regional grouping called Bangladesh, India, Sri Lanka and Thailand (BIST-EC) which was later rechristened to BIMSTEC- Bay of Bengal Initiative for Multi Sectoral

<sup>&</sup>lt;sup>12</sup> Sundaram, Jomo Nwame, "Learning the Lessons of the 1997 East Asian Economic Crises", The Wire, 2017. Available at <u>https://thewire.in/155383/1997-asian-crisis-lessons-lost/</u> [Accessed on 15 September 2017.]

<sup>&</sup>lt;sup>13</sup> Batra, Amita, "India's Northeast and Southeast Asia Strengthening an Integrated Economic Space", IPCS Issue Brief, No. 107, June 2009.

<sup>&</sup>lt;sup>14</sup> Hausing, Kham Khan Suan, "Multiculturalism and Intercultural Dialogue in North East (NER) Region of India", Indian Journal of Public Administration, Vol. LXII, No.3, July-September 2016.

<sup>&</sup>lt;sup>15</sup> Chenoy, Anuradha M. "India's Look East Policy", The New Indian Express, December 23, 2012. Available at http://new indianexpress.com/opinionarticle1391634.ece [Accessed on 10 October 2017]

Technical and Economic Cooperation, when Myanmar joined the grouping in 1997. Subsequently Nepal and Bhutan were accorded full membership in 1998. But it was not until 2002 that this grouping gained any strategic importance. The main objective of BIMSTEC is cooperation in the field of technology and economics among its members. In 2010 Free Trade Agreement (FTA) was finalised among its members and this was expected to give new strategic thrust to India's Look East Policy as it is expected to contribute in the development of NER through easier access to ASEAN markets.

In 1999, China floated the 'Kunming initiative', which comprised of Bangladesh, China, India and Myanmar. It was later renamed to BCIM Forum for Regional Cooperation in 2011. One of the key focus of this forum is connectivity and cooperation in terms of trade, tourism, transport. Focus is also given to other fields including social, cultural and academic cooperation. It advocates the integration of geographically isolated but strategically located regions like Northeast India, Yunnan in Southwest China, Bangladesh and Myanmar.

The BCIM is a very unique forum since both China and India, which are considered to be rivals are co-partners under this initiative. It is predicted to generate economic benefits through its market-oriented, trade led economic strategy, with some analysts even imagining it as a business transit between the SAARC, ASEAN and BCIM nations. However, it has been facing many impediments. One such issue is the absence of a strong and efficient transport and communication network in between the member nations. Thus, border trade has not been able to take off as expected.

The Mekong Ganga Cooperation was launched in November 10, 2000, at <u>Vientiane</u>, Laos. It is an initiative of six countries- India, Thailand, Myanmar, Laos, Cambodia and Vietnam for cooperation in the areas of culture, tourism, education and transportation. It has got its name from Mekong and Ganga which are the two largest river body in the region. The grouping hopes to restore old religious-cultural ties and facilitate closer connection between people inhibiting these two major river basin.<sup>16</sup> The priority is infrastructure cooperation and development of transport links-road, rail and air, connecting NE India with the Southeast Asian Countries, and eventually Northeast Asia. India hosted the 8th MGC Senior Officials' Meeting (SOM) in New Delhi on 7 April 2017 and they agreed to collaborate in projects on establishing working groups, human resources training and promotion of tourism.<sup>17</sup>

#### III. NORTHEAST INDIA AND MYANMAR RELATION

The North Eastern India consist of seven states- Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim and constitutes a the only continental passageway, connecting the Indian subcontinent to Southeast Asia and East Asia. In terms of geographical size, Northeast India constitute about 8% of the total India's size. The Siliguri Corridor in West Bengal connects the NER with the main land India by a mere 22 km. The Northeast is a powerhouse of rich resources, which have led to the focus of industrialisation and power generation, and greater focus in the form of a security perspective for the developments of India. Meanwhile, India shares 1643km of land border with Myanmar, which makes Myanmar a crucial factor in any Indian foreign policy towards SEA, since all major projects that India have proposed passes through Myanmar. The bilateral relationship between India and Myanmar have gone through several ups and downs. From 1948-62 the relationship was marked by friendship and international solidarity. The close friendship between Jawaharlal Nehru and U Nu resulted in almost all annual official and private visits in the years 1948–62.<sup>18</sup> However, the years 1962–91 saw an unprecedented level of hostility as India embarked on its open condemnation of the *Tatmadaw*. The 1962 coup in Myanmar, which heralded military rule, brought about a complete disruption in the bilateral relationship. India not only chose to over-publicize its vocal opposition to the military regime of Myanmar but also adopted a strongly critical position, giving full and open support to Myanmarese dissidents since the 1980s.

However, New Delhi soon learned that such an idealistic approach to foreign policy did not advance its strategic interests, nor did it help the democratic struggle in Myanmar, as the repressive nature of the regime only worsened. As the military junta in Yangon grew hostile toward India, China became the regime's closest ally. India's approach to Myanmar's government subsequently shifted toward realism by 1995, as New Delhi accepted that the ruling junta was there for the

<sup>&</sup>lt;sup>16</sup> *About Mekong-Ganga Cooperation (MGC)*, Ministry of External Affairs, Government of India. Available at <u>http://www.mea.gov.in/</u> aseanindia/about-mgc.htm, [Accessed on 25 September 2017].

<sup>&</sup>lt;sup>17</sup> 8<sup>th</sup> Mekong-Ganga Cooperation SOM held in India, The Voice of Vietnam, Available at http://english.vov.vn/politics/8thmekongganga-cooperation-som-held-in-india-347215.vov, [Accessed on 25 September 2017]

<sup>&</sup>lt;sup>18</sup> Egreteau, Renaud, Wooing the Generals. India's New Burma Policy. New Delhi: Authors Press, 2003, pp. 31.

long term. Thereafter, India became one of only eight governments in the world to sell arms to Yangon, underscoring the degree to which the bilateral relationship fluctuated since independence.<sup>19</sup> Thus, India's Myanmar policy metamorphosed into a gradual engagement with the junta, and the stage was set for a new phase in the relationship. This was the beginning of a new Indian strategy clearly aimed at preventing Myanmar from becoming a mere Chinese satellite.<sup>20</sup> Thus, India's decision to engage with Myanmar, after many years of vocal condemnation of the military rulers, has been propelled by three crucial factors: the lure of economic opportunities - trade and energy imperative, efforts in countering China's growing influence and the desire to tackle insurgency in the Northeast.<sup>21</sup>

Border Liaison Office (BLO) were opened in Manipur, Arunachal Pradesh and Mizoram in cooperation with the Myanmar authorities. In 2012 an agreement to open a fourth BLO in Avakung Nagaland was agreed between the two counties. Alongside these initiatives 11 land custom stations in towns bordering Bangladesh and Myanmar were also opened by the Union Ministry of Commerce. While trade across the border is significant, the prime focus so far has been on other areas. Myanmar's export to India are dominated by agricultural and forest-based products including beans, pulses, timber and wood products and its worth US\$ 876.13 million in 2010-2011. On the other hand, India's exports to Myanmar is dominated by pharmaceutical products besides iron and steel, electrical machinery, mineral oil, rubber and plastics and its worth around US\$ 194.75 million. According to the Myanmar Department of Border Trade, the border trade turnover between India and Myanmar has ranged between US\$ 10 million to US\$ 22 million, though it is much higher if informal trade practises has been taken into account.<sup>22</sup> India has been focusing on a few large state-sponsored infrastructure projects in Myanmar. Big Indian companies like OVL, GAIL, and Essar Oil Ltd, Punj Lloyd, L&T, Apollo Hospitals, Tata Motors, Essar, NHPC, VNL, Jindal Steel, Nipha Exports etc. have been active in Myanmar in various sectors. In 2011, Jubilant Energy won the contract for the onshore block PSC-I.<sup>23</sup>

One of major area that India wanted to tap is the oil and gas from Myanmar. A proposal was made for a gas pipeline from Myanmar to India through Bangladesh territory in 1997 by the Dhaka-based private firm Mohona Holdings. This pipeline stretching over 900km was meant to transfer an estimated 5 billion cubic metres of gas from the Shwe field in Southern Myanmar, passing through Bangladesh and finally terminating at West Bengal. However, this pipeline which came to be known as MBI (Myanmar-Bangladesh-India) pipeline could not see the light of the day due to several factors: a) Bangladesh's reluctance to allow the pipeline through its country, b) India's refusal to build pipeline across the NER and c) competition from China. Other than this, India is also carrying out trans-border road projects like a) Moreh-Tamu-Kalewa Road, b) India-Myanmar-Thailand Trilateral Highway, c) Rih-Tiddim and Rih Falam Road, d) Asian Highway etc., India-Myanmar rail linkage, Kaladan Multi Modal project, Tamanthi Hydroelectricity project, optical fibre network and gas or oil pipeline etc. To further enhance and the formalise commerce between the two countries at the institutional level, the Confederation of Indian Industry (CII) has collaborated with the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). The CII and NASSCOM have also established linkages with the Myanmar Computer Federation (MCF) since 2004. A Memorandum of Understanding was also signed between North East India Federation of Investment and Trade and UMFCCI on bilateral trade in July 2009.<sup>24</sup>

#### IV. CHINA FACTOR IN INDIA-MYANMAR RELATIONS.

Myanmar has two rising powers as neighbours, China and India, sharing 2171 kilometres and 1643 kilometres long border respectively. It has a long coastline with good harbours that makes it an important player in the Bay of Bengal. Myanmar's policies towards its neighbouring countries has been mainly its search for security. The main concerns of Myanmar are the need for survival as well as the security of the state. Myanmar desires to maintain a balance of power in the region and avoid the emergence of any regional hegemony in the region. However, due to Myanmar military dictatorship and its poor human rights reputation at the world stage, it was ostracised by the international community, donors and regional powers during the summer of 1988, creating a vacuum that China swiftly grabbed to occupy. This eventually led Myanmar to become dependent on China for investment, trade and other developmental needs.

<sup>&</sup>lt;sup>19</sup> Wagner, Daniel and Cafiero, Giorgio, '*Can India and China Coexist in Myanmar*?' Available at: www.eastwestcentre.org/APB, Number 250, February20,2014. [Accessed on 27 July 2017].

<sup>&</sup>lt;sup>20</sup> Ergreteau, Renaud, Op.cit, pp. 52

<sup>&</sup>lt;sup>21</sup> Egreteau, Renaud (2008). 'India's Ambitions in Burma: More Frustration Than Success?', Asian Survey, 48(6). pp. 939-944

<sup>&</sup>lt;sup>22</sup> Sailo, Laldinkima, "Northeast India-Southeast Asia Connectivity: Barrier to Bridge", ISEAS Working Paper No. 162, 2012.

<sup>&</sup>lt;sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> Sailo, Laldinkima, "Northeast India-Southeast Asia Connectivity: Barrier to Bridge", ISEAS Working Paper No. 162, 2012.

Subsequently, China also redefined its Myanmar strategy and unveiled its geoeconomic and geostrategic interest ambitions in the 1980s<sup>25</sup>. China further took the lead and initiated numerous developmental works in Myanmar by investing heavily in projects like gas and oil pipeline, road and railway construction, damming of rivers, as well as developing military bases around the Coco Islands in the Bay of Bengal.<sup>26</sup> In addition, China also provided US\$ 2 billion worth of arms and ammunition and the services of Chinese trainers in 1989, making it the largest arms supplier. As China's footprints in Myanmar increased, it also started having greater influence in Myanmar internal politics and allowed it to promote or advocate reform, or other significant policy changes.

Such situation alarmed India, which then tried to counter China to prevent Myanmar becoming a 'Chinese satellite state' lying beside its border. India started its rapprochement policy to Myanmar to promote better relations. This took place in the form of the Look East Policy in 1990-91. However, in the early 1990s, the NER did not have any significance under the Look East Policy. India's immediate interest in the NER was to tackle the insurgency movements and foster stability. In fact, New Delhi has always taken a paradigmatic view of the NER and till date none of the paradigm have proved to be a success. The first paradigm that shaped New Delhi's approach to the NER was "cultural paradigm". This entails that the NER needs protection from cultural intrusion from mainland India, as the region is an exotic cultural space. The second paradigm- "the security paradigm" identifies NER as strategically important to the country and consequently there is an enhanced presence of security forces. The third paradigm- "politics/representative paradigm", is based on the assumption that diverse communities and sub-national identities of NER has to be given greater representation in the mainstream political process, and finally, the latest paradigm- "developmental paradigm" which reckons the region as underdeveloped and that it is indeed of overall development.<sup>27</sup> Thus, confirming the lack of clear road map to integrate with SEA through NER.

On the other hand, as China and Myanmar have stronger and deeper relations in all aspects-political, economic, strategic and military as compared to India. It became extremely difficult for India to cultivate good relations with Myanmar. As mentioned earlier, China has been carrying out projects in Myanmar even prior to India's Look East Policy of 1990. Its investments are also massive as compared to India, especially in transportation sector like the construction of the road from Kunming in southern China region to Mandalay in central Myanmar, exploration of natural gas and oil etc. China has also been supplying Myanmar with jet fighters, armoured vehicles, naval vessels and trained army, navy and air force personals, taking its estimated supply of the military transportations to Myanmar around 90% alone.<sup>28</sup> China investment in Myanmar is estimated to be US\$14.251 billion spanning 65 projects as of June 2014. Bilateral trade between the two countries stood at US\$6.619 billion in 2013, which makes it 28.4 percent of the total foreign trade value for Myanmar. During the year 2013-14, border trade between Chin and Myanmar was over US\$3 billion, making it the highest border trade transaction between the two countries.<sup>29</sup> Further, China is constructing oil and gas pipelines and developing the port of Kyauk Pyu, to have an access to the Bay of Bengal and the Andaman Sea, to avoid the chock point at Strait of Malacca. There were also rumours of China establishing signal intelligence (SIGINT) listening facilities on great Coco Island in the Andaman Sea and at several other locations, along Myanmar's coast to monitor Indian military activities. At the same time, it has been known that China has been fiddling into the internal matters of both India and Myanmar by arming the various ethnic groups. This has been a matter of great concern to both India and Myanmar. Thus, India perceives China as a threat to its own economic, political and military interests in Myanmar.

For India, border security, counter-narcotic trafficking, money laundering, and smuggling of arms are important issues and it believes Myanmar can play a crucial role in its strategic design to develop their northeastern region. However much of India's projects and investment are yet to materialize as lack of clear road map for NER couple with political inefficiency, bureaucratic hurdles and immense focus on security perspective had seen much delay in implementation of proposed projects.

<sup>&</sup>lt;sup>25</sup> Renaud Ergreteau, India and China vying for influence in Burma, India Review, Vol.7, 2008. pp. 21

<sup>&</sup>lt;sup>26</sup> M. Darshana Baruah, "The Small Islands Holding the Key to the Indian Ocean", The Diplomat. Available at: http://thediplomat.com/

<sup>2015/02/</sup>the-small-islands-holding-the-key-to-the-indian-ocean, 2015. [Accessed on 3March 2017].

<sup>&</sup>lt;sup>27</sup> Ramesh, Jairam (2005). *Northeast in a New Asia, Seminar*, No. 550. Available at: http://www.india-seminar.com/2005/ 550/550%20jairam%20ramesh.htm. Accessed 13 September 2012. [Accessed on 10 September 2017]

<sup>&</sup>lt;sup>28</sup> Kumar, Ashok, "Chinese Angle in India-Myanmar Relations", IOSR Journal of Humanities and Social Science (IOSR-JHSS) Volume 22, Issue 8, Ver. 16, 2017

<sup>&</sup>lt;sup>29</sup> Business Intelligence from Dezan Shira & Associates, "Myanmar implements new special economic zone to boost trade china", Asia Briefing, 2014. Available at http://www.asiabriefing.com/news/2014/08/myanmar-implements-new-special-economic-zone-boosttrade-china/ [Accessed on 12 Nov 2014]

#### V. CONCLUSION

The evolution of the focus on Northeast in India's foreign policy and its ardent effort to transform the NER from a land barrier to a land bridge have resulted in mixed opinion. New Delhi's attitude towards the NER cannot be attributed to some sudden decisive decision making by the foreign policy mandarins, rather it is result of a gradual process, evolving through the necessities of time. India's aspiration for integrating with Southeast Asian neighbours coincided with the Look West Policy of the ASEAN nations, which boosted the possibility of garnering greater economic relationship with them. It has always been believed that having a good relation with neighbours of the East will enable India to develop better relationship with the Northeast region. This was envisaged by having an improved overall connectivity, the lack of such has posed as developmental hurdles, that had hindered the intended aspirations from becoming a reality.

Also, the way in which the government of India (GOI) handle issues relating to the Northeast, in a security centric approach have created suspicion rather than confidence. A deeper study of the development efforts in NER tell a different story, as majority of these initiatives are yet to see the light of the day.

On the other hand, China has been able to make inroads into Southeast Asian nations especially Myanmar and achieve its intended targets, for instance the construction of roads connecting Mandalay to Kunming, oil and gas pipeline in the Saigain Division to Yunnan Province. For India, security implications tend to often dominate the thinking of policy making rather than practicality of the project, as the road map for the NER appears to be rather ambiguous. One of the best example is the story of the MBI pipeline, where the GOI refused to bring in gas from Myanmar to India through the NER, but rather chose Bangladesh as a transit point. Thus, leading to the gas flowing to China. This is how the objective of policy maker is proving to be an impediment to the development of the NER and subsequent integration with SEA. This inevitably questions the sincerity of the GOI in 'actually' developing the NER.

Along with lack of clear roadmap for NER, political inefficiency, bureaucratic hurdles and immense focus on security perspective etc. are some of the reasons that are attributed to it. But as the idea of connecting India and Southeast Asia through Northeast India gains momentum, efforts should be made to ensure that the proposed development projects are completed on time, cultural and ethnic ties are enhanced to boost tourism, informal trade practices get monitored and other barriers for growth like drugs, narcotics, easy flow of arms etc. are efficiently checked. One may hope with cooperation and administrative efficiency that the NER will receive the much deserved development and transform itself into a strategic hub, eventually turning into a strategic corridor

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