ENGAGEMENT AND DEVELOPMENT

India's Northeast and Neighbouring Countries

Edited by

C. JOSHUA THOMAS

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AKANSHA PUBLISHING HOUSE
NEW DELHI

Preface

With the paradigm shift from state-centricism to inter-dependence and global cooperation, the Indian state has been sensitized about the geo-economic potential of its Northeastern Region (NER) as its gateway to Southeast Asian countries. India's Look East Policy, introduced in the early nineties, is, therefore, aimed at gradual integration of the NER with the thriving market across the borders, and thereby, opening up to the emerging opportunities in the Southeast Asia. The NER, because of its geographic location cradled by five Asian countries – Nepal, Bhutan, Tibetan-China, Myanmar and Bangladesh, has natural geo-economic advantages to become the economic bridgehead of South East Asia. The implications of India's relations with her north and northeastern neighbours for NER are far deeper than any other regions of the country. Hence, the prospect of development of NER lies in the strong, stable and mutually beneficial relationship between India and her north and northeastern neighbours.

Keeping this background in focus ICSSR North Eastern Regional Centre invited diplomats, journalists, academics, administrators, research scholars and social activists to a *National Seminar on Partnership for Development: Holistic Approach to Northeast* to deliberate upon the essence of bilateral relations between India and her northern and northeastern neighbours. The Indian Council of Social Science Research, New Delhi sponsored and funded the two-day seminar that was held at Gangtok, Sikkim on 8 and 9 May 2002. This volume is the outcome of that Seminar. We profusely apologize for bringing out this volume so late due to some unforeseen and unavoidable reasons. However, the message of the seminar is as relevant today as it was four years ago. The views expressed in the papers presented and

in the discussions that followed have been put together in this volume under the rubric: *Engagement and Development - India's Northeast and Neighbouring Countries.*

There are a number of officials, scholars and friends who have directly and indirectly helped in organizing this seminar and also bringing out this volume. We would like to put on record our deep appreciation for all their help, assistance and encouragements. But some of them deserve to be mentioned here.

We are grateful to ICCSR, New Delhi for extending financial support to this Seminar and we appreciate much Professor Andre Beteille, Chairman, Professor T.C.A. Anand, Member-Secretary and Dr. Vinod K. Mehta, Director of the ICSSR, for giving us the privilege to edit this volume and bring out in this present book form and without their timely intervention and encouragement this book would not have seen its light.

Special thanks to Professor Mrinal Miri, former Vice-Chancellor, North Eastern Hill University (NEHU) and Chairman, ICSSR-NERC, Shillong for his key note address in the seminar and also for his encouragement. Professor David Reid Syiemlieh, Department of History, NEHU and former Honorary Director, ICSSR-NERC deserve our thanks for helping in many ways in the organization of the seminar. Professor P. Tandon, Vice-Chancellor, NEHU and Chairman, ICSSR-NERC for his constant attention to the activities of the NERC.

A word of appreciation to all the paper presenters for accepting our invitation to prepare their research paper and also personally making it a point to present their papers in the seminar at Gangtok and they are: Ambassador C.V. Ranganathan, Mr. B.G. Verghese, Dr. P.D. Shenoy, Dr. Walter Fernandes, Professor Sujata Miri, Mr. Sanjay Hazarika, Mr. Subir Bhaumik, Dr. Gurudas Das, Professor Sajal Nag, Dr. Partha S. Ghosh, Professor A.C. Sinha, Dr. Samir Kumar Das, Professor R. Gopalakrishnan, Dr. Konsam Ibo Singh, Dr. Udai Bhanu Singh, Professor L.S. Gassah, Professor Bimal Pramanik and others. We are also grateful to Dr. V. Bhattacharjee of Gangtok and Dr. Sujata Dutta Hazarika of

Indian Institute of Technology, Guwahati for their assistance in the seminar.

Mr. Sanat Chakrabarty, Editor, *Grassroots Options*, Shillong deserve special thanks for sparing his valuable time to do the copy-editing for this volume.

We are fortunate to have a small team of talented young supporting staff in the Centre and their ungrudging help and cooperation, which made the entire work both during the seminar and also during the editing process much easier to accomplish. Their unassuming services deserve to be recorded here: Ms. Christine Blah, Ms. Narisha Kharbuli, Ms. Cerilla Khonglah, Mr. Romauldo Pasi, Mr. T. Aier, Mr. Rupert Momin and late Mrs. Jean M Blah.

Dr. Gurudas Das, formerly, Reader, Department of Economics, NEHU and currently Head, Department of Humanities and Social Sciences, National Institute of Technology, Silchar, who literally shouldered most of the preparatory works of the seminar deserves a big thank. Mr. M.P. Misra, Akansha Publishing House, New Delhi, has been a friend of NERC's publications and we are grateful to him.

Last but not the least both Kalai and Lind deserve special thanks for their love and understanding.

July 2006

C. JOSHUA THOMAS

Prof. A. C. Sinha

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Prof. A. C. Sinha

Introduction

—C JOSHUA THOMAS

Stability of a political system and economic development seem to be positively correlated. In an international system of States, especially in the era of globalization, no particular State can realize these twin goals in isolation. All modern nations, therefore use various international and regional fora to strengthen international support and enhance their 'national interest'.

Foreign policy of a country and its adept political and economic diplomacy are the effective instruments to promote its national interests, protect its sovereignty and territorial integrity and enhance its economic development. Modern States view the conduct of foreign relations as a dynamic exercise, which enables them in building national capability in order to respond optimally to new opportunities and challenges in a fast changing world. While the art of conducting foreign relations has far-reaching implications for national development, it is no less important for the development and security of the bordering regions.

It is important to understand as to how India's Northeast, being surrounded by Bangladesh, Bhutan, China and Myanmar is being affected by India's conduct of relations with these countries. The development interest of Northeastern region, as determined by its geo-strategic location, lies in greater interaction with the markets across the international borders. It may be noted that about 33 per cent of the country's total international border falls in NER involving five out of seven countries having border with India. As NER shares 98 percent of its borders with the neighbouring countries and merely two

per cent with the mainland India, its cross-border dimensions form an important parameter in its development strategy. Moreover, NER shares substantial common resources with areas across its international borders. The historically developed pattern of production and communications are also oriented towards markets across the border. As a result the utilization of natural resources of NER calls for greater cross-country sub-regional development cooperation.

It is also important to examine the role of the national government in promoting this development interest of NER through its conduct of external relations since Independence. It has already been pointed out that the implications of India's relations with her north and northeastern neighbours for NER are far deeper than any other regions of the country. The prospect of development of NER lies in the strong and mutually beneficial relations between India and her north and northeastern neighbours.

Keeping this background in mind the Indian Council for Social Science Research - North Eastern Regional Centre (ICSSR-NERC) organised a two-day National Seminar on 'Partnership for Development: Holistic Approach to North East' at Gangtok, Sikkim on 8th and 9th May 2002. The main objective of this exercise was to deliberate upon the essence of bilateral relations between India and her northern and northeastern neighbours. A study of the nature of engagements, the substance of bilateral relations, structure of reciprocity, and built-in tensions will be of immense help in articulating the policy direction, which will have implications for the development of the frontier region, i.e. NER.

The seminar had five academic sessions and there were 18 research papers presented by distinguished diplomats, journalists, academics, and social activists. Each session had vibrant discussions. We are indeed pleased to present the revised and modified papers with minor editorial touch under the title, *Engagement and Development: India's Northeast and Neighbouring Countries*. We have organised these papers in this volume and divided them into five sections.

Section I entitled **Northeastern Region and the Regional Organisations**, comprises four papers. Dr. Gurudas Das in his paper, *Security, Engagement and Development: Development Interest of India's Northeast and the Art of Conduct of India's Relations with the Neighbouring Countries,* articulated the idea of "development interest of NER" and then went on to analyse as to how India's conduct of relations with the neighbouring countries has delimited the external perimeter as well as inner content of development of the NER. He emphasised that the geo-economic and geo-strategic location of the region is such that cross-border factors are determinants for development of Northeast region. He further outlines three phases of India's relations with her neighbours covering 1947-1962, 1963-1991 and 1992 onwards. The first phase in which the idea of 'Asianism' as an element of India's foreign policy was compatible with the geo-economic potential of NER, but the same could not be utilised due to Nehru's tribal policy, which did not favour any structural change in the economy of Northeast region. Following the 1962 Sino-Indian conflict, the overriding security concerns had negatively influenced the public sector investment in the NER. The second phase, which included the liberation of Bangladesh in 1971, brought promises to Northeast region particularly because the resource structure of the Northeast matched the demand structure of Bangladesh. In spite of the promises, Das feels, in retrospect, India's diplomacy failed to synergise the development interest of NER and the security interest of the country which had led the Indian State to intervene in favour of the liberation movement in Bangladesh. However, Das indicated that from 1992 onwards, with the onset of globalisation, new strategic partnership among neighbouring countries is being forged. It is important to harmonise these developments with the strategic location of the Northeast region.

In the second paper, *Unfinished Business in Northeast,* B.G. Verghese, mentioned that the Partition of India in 1947 caused extreme geo-political isolation for Northeast, making it emotionally, though not quite physically, South Asia's third land-locked area along with Bhutan and Nepal. The post-Independence period also brought other pulls and pressures

into play, which strained the integration of the loosely administered or *excluded* frontier regions. This gave rise to a situation where the people of diverse tribal origins sought to differentiate themselves in order to prevent their identity from being submerged in the vast ocean of Indian humanity. According to him the problem of Northeast can be dealt by first recognising that Northeast is a part of India, which is composed of people from a different racial stock, namely, *Mongoloid India* and culturally part of South East Asia.

This is primarily because this huge land mass somewhat shaped like an elephant's ear is connected to Indian heartland by a 37 km wide Siliguri corridor whereas the external boundary of Northeast runs over 4500 km, contiguous with five countries, viz., Nepal, Bhutan, China, Myanmar and Bangladesh.

He highlighted the necessity of making a distinction between Boundary and Border. He says the words border or frontier and boundary represent very different concepts. While *boundary* would simply refers to the line demarcating the external political jurisdiction of a State, a border or frontier refers to transitional zones or bands of territory that lie on either side of the boundary. Border people share ties of culture and commerce and most often exhibit commonalities of race, people, language, religion, etc. Although India, like any other nation, must be concerned with the determination and inviolability of its sovereign boundaries, however, in its preoccupation with boundary fixation and related issues of border management, the government appears to have lost sight of the importance of developing an appropriate border policy.

Verghese says, the government's indifference towards bilateralism and intellectual failure to differentiate between boundary and border has alienated the Northeast region further, despite positive geo-political changes in the neighbourhood. It is not that nothing happened across or around Northeast borders, but instead of regional cooperation that should have fostered connectivity, trade facilitation and people to people exchange, these borderland witness insurgency, smuggling of drugs narcotics and spreading of HIV/AIDS, and trafficking in women and illicit immigration.

He thus stressed the need for a more holistic approach to device development strategies that are sustainable and socially just, taking into consideration their unique, livelihood and value system.

Sujata Miri, in her paper, *The Paradox of Development,* examined the concept of development, which she feels is popularly equated with economic development. In her opinion, there is a growing realization in the Northeast that radical economic changes cannot be contemplated without corresponding cultural and political reorientation. Thus, according to her, what is needed is not mere economic development but a cultural and political transformation of the society duly assisted by modern technology. Northeast being home to various great cultures with a history of mutual interaction and exchange makes this difficult as a vitality of these cultures lead many to think that they can appropriate the powerful forces of modern economy while retaining their cultural and social specificity.

This monster of cultural identity often threatens the formation of national identity and mass communication has succeeded in generalising a form of collective identity to some extent. This national identity is seen as a necessary component for the process of modernisation. Although Northeast has been carved out on the Indian side with similar guideline in mind, we have not exactly achieved a level of solidarity between different cultural identities dashing our hopes for acquiring what is called modern development. She finally concludes by saying that the forces of change that impel us are also liable to uproot us and can also provide us with resources which can create for us the collusion that this uprooting is not uprooting at all, that now our roots have only found new sources of energy.

The last paper in this section is on *Shortages, Ethnic Conflicts and Economic Development in NE India.* In this paper, Walter Fernandes felt that lack of any sustainable development has increased the sense of alienation in this region, which has then led to political upheaval and insurgency. He writes that although this region experiences political upheaval, we often forget the reasons behind it - the main

reason being the imposition of control that people outside the region exercise over its economy and the effort to impose a single culture on its people, which threatens both their livelihood and identity. Moreover being highly educated and identity conscious, the population find itself more and more being used as a source of raw material extraction for development rather than being equal partners in the national development process.

Thus according to Walter, power plants and multi-purpose projects for the Northeast are set up for power supply to the rest of the country, whereas people in the region face displacement and dispossession. He further argues against the concept of development more popularly adopted in the Northeast, that is, infrastructure development without any sustainable rehabilitation plan. We need to understand that *land* is very closely linked to their traditional identity, and any development effort, which lacks respect for local culture by alienating them from their land, is bound to fail. He suggested that development models in the Northeast should make an effort to convert *land* into a production resource, and communities into cooperatives. Therefore he concluded that only an economic approach is not enough; what is required is a combination of economic and social investments.

In the second section on **Indo-China and Bhutan Relations - Implications for Northeastern Region**, there are three papers. In the first paper, *India's China Policy: Implications for the Security and Development of the Northeast Region,* C.V. Ranganathan, former Ambassador to China and France apprises the group of Sino-Indian relations from the late 1950s to 1976 under the Mao Tse Tung regime where Sino-Indian relations at that time were misperceived. The boundary conflict has been widely documented. Both sides gradually adopted provocative posturing until 1962 when the trauma was witnessed. He describes the present situation to be a *status quo* since both sides have a matured relation and they are engaged in a mutual understanding of each other's position. This has promoted a situation of a non-violent nature. Even though until recently, China has not recognised the merger of Sikkim with India, the positive aspect is that,

administratively, there is no hindrance from China. It is possible to foresee that there is no conventional security threat to India from China. While the Chinese support to Pakistan is a negative feature, bilateral relations are leverage on the issue.

He emphasises certain aspects noteworthy in the context of China. China has successfully pursued external forces to promote development and this development has been used to promote its position in international relations. There is a synergising of both external forces and domestic forces for the purpose of establishing a conducive neighbourhood. Another notable feature is of China's evolving attitude to the ASEAN. China has accorded recognition to every member of the ASEAN, and the latter has enmeshed China in such a network that it cannot provide military support to dissident movements very easily. There is enough evidence to prove that China does not support dissident movements in the Northeast region. China has built land-border connectivity with its borders, thereby using geography to its advantage. Through the Western Regional Development Programme (WRDP), it has concentrated development of specific regions in the country. The question is how we can leverage the Chinese developments to benefit the Northeast region. It is possible, Ranganathan concludes, by enlisting methods of using Sino-Indian relations advantageously – peaceful resolution of territorial disputes, confidence building, intensification of exchanges, cooperation on international forums etc.

A C Sinha, in his paper, *Ethnic Engagement in Bhutan and its Regional Consequences*, covers the ethnic background, the land tenure and feudal social structure of the region. The focus of Sinha's paper is on the ethnic conflict in Bhutan and how to tackle the problem. He identifies three circles of the Bhutanese foreign policy – the Indian circle, the regional circle and the multilateral circle. He observed that the Indian silence on the ethnic conflict in Bhutan is too eloquent to be ignored.

P.S. Ghosh, the author of the last paper in this section, *Bhutan and India: Partners in Progress,* highlighted the fact that Bhutan represents a good example of how Indo-Bhutan

relations can do well for the Northeast. Ghosh said that India plays a significant role in the economic development of Bhutan, such as funding its two Five-Year Plans in the sixties. Other major endeavours in this direction involve the setting up of Penden Cement Project and the Chukha Hydroelectric Project in Bhutan. India provided 60 per cent of the grant for Bhutan major hydroelectric project. Bhutan now not only meets its domestic needs, but also export both cement and power to India.

Ghosh further stated that India has also played a vital role in assisting the foreign trade of Bhutan. He pointed out that Bhutan, in the second half of the seventies began trade with other Third World Countries and India provided transit facilities. Indo-Bhutan trade was further renewed in 1990, and in 1995. The result was that Bhutan's economy registered a commendable growth rate of 6.7 per cent. Besides primary products like coal and dolomite, secondary products were also on the export list.

The third section of this volume focuses on **Indo-Bangladesh Relations - Implications for the Northeastern Region.** There are five contributors. Sanjay Hazarika in his paper, *Bangladesh and the Northeast: Facing Migration, Ending Rhetoric, Embracing a Realistic Strategy for Change,* examines the issue of migration and its impact on the neighbouring Northeastern region, especially from Bangladesh. The speaker drew the attention of the participants to the substantial growth in the Muslim population of Assam through the process of migration. At the same time the growth of the Hindu population in Bangladesh is on the decline. Migration, he reiterates, is a *survival strategy* for the Bangladeshis, but the use of law to solve the migration problems, as is the present practice in India, has not worked. He further points out a realistic workable strategy for change and progress in Assam-Bangladesh relations. Marketing vegetable produce, processed food minerals and providing scope for tourism were some of these strategies. Hazarika also suggested setting up of a National Immigration Commission to take a detailed look at the laws that exist on the issue of immigration. The issue of identity cards to Indian Nationals should be mandatory, he further stressed.

Samir Kumar Das, in his paper, *Ethnicity and Security in Assam: A Plea for Greater Indo-Bangladesh Partnership,* highlights the fact that India and Bangladesh share many a commonality in its culture and language, but these commonalities turn out to be a symbolic threat to the nationhood of both these countries. He grounded his argument on the old English proverb that "familiarity breeds contempt". Das, briefly dealt with two relatively different yet interconnected parts. The first part drew attention to two major threats born out of the commonalities, i.e., immigration and insurgency. The second part shows that bilateralism may not be the panacea for solving the problems of insurgency faced by the two neighbours. It also outlines the framework of a future partnership regime as a step towards resolving these problems and threats.

While elaborating on issues of immigration, Das points out certain alarming trends. Firstly, that immigration is not haphazard and sporadic; in fact, it is very organised. The role of early settlers coming from the same village or district of Bangladesh is important in getting the latecomers settled and economically rehabilitated. In fact, immigration is so organised and planned that it defies any easy detection resulting into an official fall in immigration figures. Secondly, immigrants seem to flock in areas where their brethren are already in substantial number. Thirdly, these immigrant pockets seem to turn fast into hotbeds of fundamentalism and insurgency, because the newly ascended Islamic fundamentalism has acquired an organised and militancy character.

In the paper, *Partnership in Indo-Bangladesh Economic Development: The Case of Jaintia Hills in Meghalaya,* L.S. Gassah traces the trade and commerce activities between the peoples of Jaintia Hills in Meghalaya and Bangladesh. He also pointed out the pre-independence and post-independence trade and economies of both the countries from a historical point of view. He further discussed the border trade agreement between the two countries and argues that what is urgently needed today is the perception on partnership for the overall development of the economy of the areas along the Indo-Bangladesh border.

A.N.S Ahmed, in his paper, *Indo-Bangladesh Relations and its Implication for Northeast India* stresses on the long historical relations shared by India's Northeastern region and eastern Bengal, now Bangladesh. With the end of the Cold War and changing regional and international scenarios, the past experience of regional cooperation between Northeast and Bangladesh has provided clue for a futuristic paradigm for cooperation on a number of issues. Ahmed believes the major problems, such migration, which hampers regional cooperation, can be tackled by active security patrolling and border fencing. However, the issues like minority problems, harbouring rebels from Northeast and cross-border militant activities, remain contentious and require greater political consensus and will to address them.

He hoped that in spite of these unresolved issues, India and Bangladesh could work together on issues of mutual benefits, such as, environmental protection and bilateral trade. In fact, he believes, the bilateral trade between the two neighboures could transform the economy of the entire region. Ahmed emphasised on the need for the promotion of SAPTA as a long-term solution to the entire issue of trade relations.

The last paper in this section by Bimal Pramanik entitled, *Plight of Minorities in Bangladesh with Special Reference to Their Exodus to Northeast India and the Related Issues* highlights the pitiable conditions of the minority communities, which are subjected to unmitigated terror and torture quite frequently in Bangladesh. He expressed concern over the gradual Islamisation of Bangladesh politics, which is fanning the virus of communalism and anti-Hindu sentiments. He cited extensive statistical accounts to show the increasing trend of Hindu migration to India. He also advocated that a national immigration authority should be set up to look into the migration issues. It is mandatory to define and distinguish between a refugee and an illegal migrant and also there is a need to make a distinction between old and new migrants, which in many cases have led to conflict situations.

The fourth section dwells on **Indo-Myanmar Relations - Implications for Northeastern Region** and consisted of three papers. Subir Bhaumik in his presentation on *Burma*

Policy and its Impact on its Northeastern Region, analysed the impact of Indo-Burmese policy on the Northeast and highlighted India's primary concern for Northeast and how the *China* factor actually led to the formulation of Indo-Burma Policy. Apart from the *China* factor, India's interest in Burma has much to do with the security of her own sensitive Northeastern region, her desire to access markets in South East Asia including Burma, her concern to stop the inflow of drugs and weapons from Burma's turbulent frontier region, and to ensure the safety and security of the people of Indian origin who continue to live in Burma.

Bhaumik examined how each of these concerns has influenced India's Burma Policy since 1950s and sought to assess the impact of that policy on India's Northeast. He traced out the entire process of military cooperation between India and Burma's military regime from as far back as 1960s, which suffered a setback only when India grew suspicious of Burma's growing relation with China from early 1980s. Although when the student uprising started in 1986-87, India's support to the pro-democracy movement became evident in the shelter India provided to hundreds of Burmese students who fled the country. However, by late 1990s, again India and Burma had reviewed the military alliance in order to tackle cross-border terrorism and drug trafficking.

Bhaumik argued that the thaw in the Indo-Burmese relations would have three-fold impact. Firstly, growing Indo-Burmese military cooperation could effectively deny the rebel groups to one of the longest and safest base areas. Secondly, better bilateral economic ties between the two countries could provide the necessary boost to industrialisation of Northeast India. Thirdly, growth of bilateral trade could improve local economies of the adjoining region. However he agrees that all this will happen only at the cost of India's support for Burma's pro-democracy movement.

Konsom Ibo Singh, in his paper entitled *Indo-Myanmar Relations since 1988: Its Implications on India's Northeast* observes that although initially, India supported the pro-democracy movement of Burma spearheaded by its students, it remained silent when the western democracies and Japan

condemned the State Law & Order Restoration Council (SLORC) for its undemocratic and repressive measures; India did not join them. He said since 1991, India's policy towards Myanmar has been guided by two imperatives: Firstly, that Myanmar should not form an exclusive area of influence of other great powers and secondly, Myanmar being geo-strategically important to India as it borders China and Bangladesh, Singh feels that, Indo-Myanmar cooperation is necessary to counter drug trafficking, insurgency and insecurity of the Northeast.

Uday Bhanu Singh in his paper entitled *Geo-Economic and Geo-Strategic Importance of Myanmar in India's 'Look East Policy'* highlighted that India's Look East policy made an effort to strengthen India's relations with South East Asia in early 1990s and the evolving relationship with Myanmar has been an integral part of that process. He emphasises not just on the historico-cultural component of this relationship but also on the more pragmatic economic and strategic considerations, which could form the basis for a reliable partnership. He pointed out that India's look east policy coincided with its economic liberalisation program and Myanmar's endeavour to assimilate with the international community. His suggestions are: firstly, greater Indian participation in investment and financial sectors in Myanmar and secondly, opening up of land routes through the Northeast, would provide an alternative to the sea route to reach out to the larger South East Asian region.

In section five on **'Look East Policy', Security Aspects - Implications for Northeastern Region** three papers were presented. P D Shenoy in his paper on the *Importance of Northeastern Region in India's Look East Policy* discussed on the development scenario in the northeast, the various initiatives taken by the Government of India to accelerate development in the northeast; to contain militancy in the northeast and strengthen India's ties with the SAARC nations. In another paper on *India's Eastern Neighbours and Insurgency, Small and Heavy Arms Proliferation and Narcotics in Northeast India*, Sajal Nag describes the Northeastern region as one of South Asia's most disturbed regions due to the prevailing insurgency all over the region and the massive influx

of small arms and narcotics in northeast India. He also identified the routes by which drugs and small arms are smuggled into the region and also the linkages between small arms, narcotics and insurgent groups. In the last paper on *Some Geo-Political Aspects Concerning Internal Security in Northeastern India*, R Gopalakrishan stated that insurgencies, militancy, terrorism, etc. are all symptoms of socio-economic crisis and political uncertainty and he explains the present day conflicts and the internal security problem in the northeast India. Gopalakrishan asks why despite the various development programmes in the Northeast, insurgency continues and even spread further to other parts of the region. Is this due to the location and numerous neighbours that the region has? Or is due to the political, social and economic predicaments, which the region has found itself into? Or is it a geopolitical heritage? These aspects need to be enquired into for an understanding of the region, which is in a state of revolt.

The papers presented in this volume were read in 2002 and now it's 2006. Four long years has passed and during these four years there are three major changes that took place in the Northeast: *one*, China has recognised Sikkim as part of India; *two*, Northeastern Council has Sikkim as the eighth member, and *three*, NEC has undergone a thorough structural changes. These aspects of course we could not include in this volume, however, we would like to take up the same, perhaps, in our next volume on ***India-China Border Trade: A Strategy for Frontier Development.***

In conclusion, it is clear from the presentations collected together in this volume, *Engagement and Development: India's Northeast and Neighbouring Countries*, earnestly attempts to deepen the understanding of the issues that the region is faced with and calls for accelerating the engagement process with the Governments of the neighbouring countries and opening of the borders for trade and people to people contact, which will be beneficial both for India's Northeastern region and its neighbouring countries.

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Security, Engagement and Development: Development Interest of India's Northeast and the Art of Conduct of India's Relations with the Neighbouring Countries

—GURUDAS DAS

Foreign policy of a country intends to promote its national interest, protect its sovereignty and territorial integrity, and ensure security. Modern states view the conduct of foreign relations as a dynamic exercise that enables them in building national capability in order to respond optimally to new opportunities and challenges in a fast changing world. While the art of conducting foreign relations has far-reaching implications for national development, it is no less important for the development and security of the bordering regions.

I am grateful to Omeo Kumar Das Institute of Social Change and Development (OKDISCD) for offering me a position of Visiting Faculty for the year (2000-2001), during which the idea expressed in this paper was developed and material used here were collected. I am also grateful to Amlendu Guha, A.C. Bhagabati, Atul Goswami and A.N.S. Ahmed for commenting on it while presented this idea in the form of a talk at OKDISCD in July 2001.

Although it is of utmost interest to study as to how India's relations with her immediate neighbours affected her pace of development in past 58 years, we do not propose to undertake this ambitious task here. Our objective is far narrower.

We, rather, intend to focus on the implications of India's security concerns in the eastern border for the development of the bordering Northeastern Region (NER). That is, as to how the development prospect of NER has been affected due to security concern arising out of hostile relations between India and neighbouring Pakistan and China. How India's conduct of foreign policy in relation to her neighbours delimited the external perimeters of development for NER. Being surrounded by Bangladesh, Bhutan, China and Myanmar, it is only natural that unlike any other regions, NER will be directly affected by India's conduct of relations with these countries. A state-centric traditional security perception tends to consider the bordering regions as vulnerable to external threats. This perception, in turn, informs the other state-led development actions in the bordering areas. Thus, the conduct of India's foreign policy not only sets the outer perimeter of development for NER, it also largely determines the inner content of development.

The development interest of NER, as determined by its geo-strategic location, lies in greater interaction with the markets across the international borders. The length of the land border between NER and the neighbouring countries is shown in Table 1.

Table 1

Detail of the length of the land border between the Northeastern States and the neighbouring countries

(In km)

1. NER-Myanmar	1,643
2. NER-China	1,000
3. NER-Bhutan	650
4. NER-Bangladesh	1,956
Total	**5,249**

Source: Das & Purkayastha, 2000. Note: Lengths are not precise. Annual Report, 1999-2000, MOD, Government of India.

It may be noted that about 33 percent of country's total international border falls in NER involving five out of seven countries having border with India. As NER shares 98 per cent of her border with the neighbouring countries and merely two per cent with mainland India, cross-border exchange forms an important parameter in its development strategy. Moreover, NER shares substantial common resources with areas across the border. And the historically developed pattern of production and communications are also oriented towards markets across the border. As a result, the utilization of natural resources of NER calls for greater cross-country sub-regional development cooperation.

It is our utmost interest to examine the role of the Indian State in promoting this development interest of NER through her conduct of external relations since Independence. It has already been pointed out that the implications of India's relations with neighbouring China, Bangladesh, and Myanmar for NER are far deeper than any other regions of the country. As the region is surrounded by these countries, and inhabited by the social groups having affinities with their counterparts across the borders, and being isolated from the "mainland of India", having traditional markets across the border, non-cooperation from the neighbouring countries would put the region in a suffocating situation without any hope for it to grow and develop. Thus, the interest of the region and its long-term security lie in strong and mutually beneficial relationship between India and her eastern neighbours. Although, the same also holds good for the national interest, but for NER it is a precondition for her survival. It is from this point of view we shall look at India's conduct of foreign policy in relation to her neighbours.

As the conduct of foreign relations is a dynamic process and keeps on changing in commensurate with the global change, it may be of some conceptual value to divide the temporal space of India's relations with her neighbours into three broad phases. *Phase-I* starts from independence and extends up to 1962, the year in which Sino-Indian border conflict took place. This border conflict not only brought a change in India's foreign policy, but also a significant policy-

shift towards NER having far-reaching effects on its future evolution. *Phase-II* covers the entire time-span starting from 1963 to the end of the cold war in 1991, the year in which erstwhile USSR had collapsed. This phase is characterized by two Indo-Pak wars of 1965 and 1971. The emergence of Bangladesh as an independent country in 1971 has significant bearing on the security and development of NER. *Phase-III* covers the period since 1992 characterized by onset of globalization paradigm where India is increasingly seeking forward engagement with her neighbours.

Phase-I (1947-1962): From Asian Solidarity to Hostility

The concept of "Asiatic-Federation" and the notion of "Asianism," as mooted by Indian National Congress even prior to Independence (Bandopadhyaya, 1991: 80-81) as part of its anti-colonial struggle, and later articulated and operationalized by Jawaharlal Nehru, as the first Prime Minister of India, was fully compatible with security and development concern of India in general and NER in particular. The idea emphasized the need for close cooperation among the post-colonial Asian societies, having common experience of colonial exploitation and suffering, for their future progress. But this perspective of 'Asianism' was destined to crumble with the sharpening of competitive and overlapping interests between India vs Pakistan and China in South Asian region. India, interspersed between West and East Pakistan, has always been perceived as the principal threat to the territorial integrity and national security of Pakistan. In fact, Partition of the country on the basis of the religion, and formation of Pakistan without any territorial contiguity has instilled in it an in-built threat perception from India. However, in 1948, on Kashmir issue, the two neighbours took arms against each other, fell apart, and became archrivals, which rendered the first blow to the "Asian Solidarity" movement.

Nehru tried to advance this movement by befriending China and sidelining Pakistan. The Treaty of 1954 between India and China, and the Bandung Conference of Afro-Asian countries held in 1955, in which Nehru and Chou-En-Lai played the leading roles, seemed to have restored the credibility of the movement to some extent. But the

overlapping interest of both India and China in the Himalayas and their competitive claims for regional power had brought Sino-Indian honeymoon to an abrupt end. The Chinese occupation of Tibet in 1950 made India alert of her northern security. It also panicked the Himalayan kingdoms of Nepal, Bhutan and Sikkim. These Himalayan states had been a part of British India's defense system as the buffer states between India *vis-a-vis* China and Russia. In relation to these kingdoms, British India adopted a forward policy whereby they enjoyed internal autonomy but their external relations were directed by British interest (Lamb, 1960:260). Independent India adopted the same policy for Bhutan and Sikkim. The Treaty of Peace and Friendship signed between India and Bhutan in 1949 and Indo-Sikkim Treaty of 1950 were a mere continuation of the British legacy. In order to restrict the Chinese advance beyond Tibet, both India and Nepal entered into a Treaty in 1950. As part of her forward policy in the Himalayas, India, throughout the Fifties, pushed her administration to catch up the McMohan Line in the north. Like India, China also had security interest in the Himalayan Kingdoms. In fact, China viewed Tibet to be her palm and Nepal, Bhutan, Sikkim, Ladakh and NEFA as its five fingers (Thapliyal, 1999: 193). This conflicting interest in Himalayas appeared to have led to the Sino-Indian border conflict in 1962. India was taken aback by the sudden Chinese attack, and, in absence of any defense preparedness, had to swallow a humiliating defeat. The story is well known and we do not intend to repeat it here. What is important for us is the significance of 1962 border conflict for India in general and NER in particular.

Firstly, there had been divergence of views among the Indian policy makers on the possible security threat to our northern and northeastern borders. Sarder Patel, the first Union Home Minister warned Nehru against the security threat arising out of Chinese annexation of Tibet and urged to review our border policy and security and favoured speedy development of communication/transportation infrastructure. But Nehru's idealist assessment of Indo-China relations and his conviction to settle scores with China through dialogue led him to underestimate the threat perception. This

underestimated security perception coupled with Nehru's policy towards tribal development (Das, 1995: 78-82) had a significant bearing on the slow pace of development in NER during Nehru's regime (1947-64).

Secondly, the 1962 border conflict put the last nail in the coffin of the Asian Solidarity movement. 'Asianism' as an element of India's foreign policy had built in promises for the land-locked and isolated NER. With the unfolding of future, NER could have been more focused to the market networks of neighbouring countries, which would have helped in breaking her isolation. The potential the region derives from her geo-strategic location to act as the gateway not only to South-East Asia but also to Central Asia, remained unexplored.

Thirdly, Government of India's handling of the 1962 crisis and its failure to protect the lives and properties of people had generated tremendous psychological shocks in the minds of the people of the region. India's role in protecting the interest of the region was viewed as inadequate. This deeper feeling of being dumped at the moment of crisis helped anti-India forces within and strengthened their position in disengaging people from Indian state.

Fourthly, India's defeat in 1962 had largely tarnished its image in South Asia and her small neighbours started drifting towards China in their bid either to assert against her or to gain more by siding with the more powerful rival. This had made it difficult for India to immediately advance her interest through the improvement of bilateral relations after the collapse of Asiatic perspective.

Fifthly, in order to fill the 'population vacuum' near Sino-Indian border in Arunachal Pradesh, a massive resettlement program was launched after 1962. A sizeable section of East Pakistan Chakma refugees were rehabilitated in Khagam, Miao, M'pen, Kharsang and Chowkham areas of northeastern Arunachal Pradesh in subsequent years (Das, 1995: 83). This has created the breeding ground for the festering Chakma-Arunachalee conflict.

Sixthly, India's defeat in 1962 encouraged Pakistan to seek a military solution to Kashmir problem. After Nehru-

Liaqat Ali pact of 1950, Pakistan had improved its security position significantly by signing Mutual Defense Assistance Agreement in 1954 with the United States and joining the SEATO (1954) and CENTO (1955). With the establishment of USA-Pakistan-China axis following the 1962 Indo-China border conflict, Pakistan's attempt to forcibly occupy Kashmir had led to Indo-Pak war of 1965. The implications of this war for the security and development of NER were obvious. With growing Indo-Pak animosity, not only the NER's traditional market in East Pakistan remained inaccessible, the political space therein had also been freely used to destabilize the region. Both the Naga and Mizo rebellions that started during 1950s and 1960s respectively were nurtured, sheltered and nourished by Pakistan through its eastern wing. The internal insecurity of the region grew tremendously with China's backing the Naga and Manipuri insurgents. Sandwiched between China and East Pakistan, not only the external security threat to NER had increased manifold, its internal insecurity also became a prime concern. This fast deteriorating security environment had a negative bearing on the development prospect of the region.

Phase-II (1963-1991): Replication of Cold War in South Asia

Beset in a cold war paradigm and besieged by Pakistan-China-USA axis, India had limited diplomatic options to address her security threats. India took a pro-USSR position to thwart any future threat to her security arising out of her rivals and adopted an "inward looking" strategy for national development. It may be noted as a digression that the mixed economy model characterized by public sector dominance in basic industries and infrastructure and private participation in consumer goods and services reveals the state's concern for speedy national development. The realization that "without development there can be no security" loomed large in the minds of the policy makers. What is important to us is to note that the use of scarce resources was strictly guided by the criteria of its maximum spread effects and inter-sectoral growth impulses. The fact that any major investment in NER, due to her geographical location, would result into less spread effects compared to other regions in the mainland, did not

merit any large-scale public sector investment in the region. As a result, the state-sponsored development had largely bypassed the region.

Be that as it may, the outbreak of liberation movement in East Pakistan (1971) provided India with an opportunity to break her "cordoned off" security environment. Throwing the garb of "non-alignment", India entered into a treaty with USSR (1971), used bipolar world contradictions in her favour, intervened in favour of liberation movement in East Pakistan, and played a decisive role in bringing Bangladesh as an independent nation. This event has far-reaching implications for India's security concern in general and security and development of the NER in particular.

Firstly, India relieved off permanently from Pakistani threat to her security in the eastern border. A friendly Bangladesh would also improve internal insecurity conditions in the NER by debarring insurgents to use Bangladesh territory against India.

Secondly, a scope has emerged to re-establish NER's traditional markets and communication networks which had been snapped due to partition. As Bangladesh needed corridors through Indian land to ease out movement of goods and people from one part to another interspersed by Indian territory, India's land-locked Northeast also needed corridor through Bangladesh. There exist mutually beneficial grounds for cooperation in this regard.

Thirdly, Bangladesh economy after long years of colonial exploitation, followed by 24 years of internal colonial exploitation by Pakistan, and then ravaged by the liberation war, was in a bad shape. It was only natural for Bangladesh to look up to India for necessary financial and technological help creating a space for Indian industries and trade in Bangladesh economy. Since the resource structure between Bangladesh and the Northeastern region is of complementary in nature, it was expected that the NER's resource-oriented products would find a vent in Bangladesh leading to a close cooperation particularly between eastern region of Bangladesh and NER.

Fourthly, there arose a hope that the issue of immigration and influx from erstwhile East Pakistan into ethno-sensitive Northeast would be amicably resolved. The north-eastern societies would get away with the burden of war-refugees.

Fifthly, the victory against Pakistan in 1971 would improve India's image in South Asia, which she lost in 1962, to a large extent, and would enable her to advance the national interest in the neighbouring countries through bilateral channels.

Sixthly, with improved external security environment in the north-eastern border, India would be in a better position to address the internal insecurity dimension in NER arising out of ethnic insurgencies, inter-ethnic schisms and underdevelopment.

With the emergence of Bangladesh, India's threat perception in her Northeastern border and her national interest in Bangladesh in terms of trade in general and NER's trading interest in particular had improved to some extent. But this Indo-Bangladesh honeymoon was short lived. Bangladesh followed a pro-Indian foreign policy during 1971-75 period, followed by anti-India position during 1976-1988, and then a strategy of cooperation since 1989. As the image of dominating India was always permeating the consciousness of Bangladesh, the shifts and swings in Indo-Bangla relations might well be explained as Bangladesh's efforts to come out of the Indian influence. Bangladesh's perception of her security threat from India increased significantly following the incorporation of Sikkim into Indian Union in 1975. The interfering attitude of Indian state in internal matters of her small neighbours, the socio-political compulsions at home arising out of Hindu-Muslim relations in South Asia, and the cold war paradigm that had been replicated in South Asia, following Indo-Chinese conflict in 1962 and Indo-Pak war in 1965 - all had a strong bearing behind the drift of Bangladesh towards China-USA axis in the post-Mujib era.

So far the interest of NER is concerned, opening up of overland trade, although in a very limited way, gave some respite. Mineral products and forest products from Meghalaya, Mizoram and Tripura found ready markets in Bangladesh - which otherwise would have not been cost-effective. However,

the potential of border trade between NER and Bangladesh largely remained untapped primarily because of inadequate engagement of both the governments in this regard. As Bangladesh was facing escalating deficit trade balance with India, and seeking its redressal through higher imports (by India), she (Bangladesh) as a result was not much encouraged to utilize the border trade potential in full, which would only further complicate her balance of payment situation. As "border trade" is a strategic-parameter having a great significance for the development of Northeastern economy, Indian government could have accommodated it in a far better way by adjusting its overall bilateral trade interest with Bangladesh. Either the growth generating significance of border trade was underrated, or the economic diplomacy in this case was not informed by geo-political wisdom of the Indian state.

However, the issue of NER's access to her traditional communication channels through Bangladesh, e.g., Tripura's access to Calcutta through Bangladesh, did not materialize. Moreover, the threat of infiltration across the border loomed large throughout with growing political uncertainty in Bangladesh characterized by frequent flood, poverty, over population and utter underdevelopment. Besides this identity threat to indigenous societies, real or perceived, the use of insurgent groups by Bangladesh for bargaining other wider issues with India, particularly during strain bilateral relations, remained as a built-in threat to the internal insecurity of the NER.

While India's relations with Bangladesh has a direct bearing on the security and development interest of the Northeastern States of Tripura, Meghalaya and Assam, the Indo-Myanmar relations has similar implications for Manipur, Nagaland, Mizoram and also partly for Arunachal Pradesh.

India's security interest in Myanmar is evident from her geo-strategic location. Myanmar shares an equally significant border with both India and China. The northern frontiers of Myanmar constitute a tri-junction with Bangladesh, China and the eastern frontiers of India. Myanmar is also an important country lying on the rim of the Bay of Bengal. The

southeastern coast of Myanmar is close to the Nicobar and Andaman islands. Moreover, Myanmar is also the corridor through which India can reach out to "extended neighbourhood" regions of South-East Asia. Hence, the presence of any hostile power in Myanmar is viewed inimical to Indian interest. As far as the interest of NER is concerned, people living in the States of Manipur, Nagaland, Mizoram and Arunachal Pradesh besides having ethno-cultural affinities with the people across the border, had developed traditional trading relations. Their access to markets across the border is much easier than the markets even in Assam plains. As a result, sharing of resources and communication channels including traditional trade routes across the border is an essential precondition for their future development. Moreover, because of commonality in ethnic origin and historically developed cultural ties between the people across the NER-Myanmar border, the possibility of spilling over of social discontents across the international boundary has made the internal security of NER vulnerable.

Thus India's Myanmar policy has direct bearing for the security and development of NER. India's Myanmar policy is largely informed by her threat perception from China. The threat of communism from China brought India and Myanmar closer to each other during the 50s and 60s. In order to accommodate the interest of Myanmar, Nehru had even gone to the extent of giving up the Indian claim on Kabow Valley, with which sentiments of people of Manipur were strongly associated. The 1951 Treaty of Peace and Friendship institutionalized the bilateral relations. Several Treaties followed thereafter in order to strengthen mutual economic, technical, and cultural ties. But with the realization of Myanmar that instead of pro-Indian position, its security interest will be better served in adopting a neutral policy between India and China, and with the signing of Treaty with China in 1960, Indo-Myanmar relations started losing its warmth. During 1962 Sino-India conflict, Myanmar took a neutral position and subsequently tilted towards China.

In post-1962 period, until the breakdown of the cold war paradigm, India's Myanmar policy was largely informed by

her antagonistic relations with China. While China was increasingly engaging herself in constructive cooperation with Myanmar in terms of building roads and other infrastructure, and thereby strengthening her economic and security interest in Myanmar, India maintained studied silence. Increasing supply of the Chinese arms and ammunitions into Myanmar, alleged access of the Chinese naval force to Myanmar ports, the Chinese assistance to Naga and Manipuri insurgents, use of Myanmar territory by the insurgents as bases for conducting subversive activities against India—all added to India's anxiety without any adequate response. Thus, India's disengagement in Myanmar and its failure to evolve any counter strategy not only harmed the Indian business interest in Myanmar, this has alarmingly escalated the internal insecurity in NER and blocked its prospect of development. However, the situation started improving since early 90s to which we shall come back later. Although the Asian Solidarity Movement died a premature death in 1962, the geo-economic compulsions for such regional cooperation became stronger with the unfolding of time leading to the launching of South Asian Association for Regional Cooperation (SAARC) in 1985 with Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka as its members. Pregnant with tremendous scopes for the development of the South Asian region, SAARC has a special promise for enhancing development interest of the NER.

Firstly, the programme of trade liberalization among SAARC members brightens up the possibility of utilization of full potential of "border trade" between NER and Bangladesh.

Secondly, with the growth of cooperation among the member countries, it might have been possible to link up Indian communication system, i.e., roadways, railways and waterways, to that of Bangladesh, which could have broken the geographic isolation of north-east to a large extent providing the necessary vent for the products of NER in Bangladesh markets.

Thirdly, the idea of sub-regional development and the concept of growth zones mooted in SAARC Expert Group

report have tremendous implications for the development of NER. The Expert Group has identified three sub-regions, north-eastern sub region, consisting of parts of Nepal, Bhutan, India and Bangladesh, the southern region consisting of a part of India, Maldives and Sri Lanka, and the north western region consisting of India and Pakistan, for initiating sub-regional development programmers (SAARC Survey 1998-99:72). The NER is covered in SARRC's first growth zone area, i.e., Northeastern sub-region. Since the basic idea of development cooperation at the sub-regional level is to put development in the sub-region on a faster track, SAARC's zonal growth approach has the potential to address the development interest of the NER.

Fourthly, once the sub-regional cooperation takes off in the SAARC's north-eastern sub-region, it is possible to gradually supplement the mainland of India as the principal source of manufactured exports to NER through various joint ventures particularly between NER, Bangladesh and Bhutan. This will lead to the increasing utilization of NER's natural resources on the one hand, and equally enable Bangladesh and Bhutan to improve their trade balance vis-a-vis India (Thapa 1999: 175) on the other.

Fifthly, the proposal for the creation of an Asian Energy Grid mooted at the Trilateral Business Summit in Dhaka in 1998 by the Prime Ministers of Bangladesh, India and Pakistan has a great relevance for the development of NER. In spite of having the highest potential for generating hydro-electric power in the country, which has been estimated at 31857 MW out of 84044 MW available for the country as a whole, i.e., 38 per cent of total, only about one per cent had so far been utilized (CEA, 1997) in NER. With Asian Energy Grid in operation, demand would not pose any further barrier in utilizing this huge untapped power potential. The revolutionizing role of power in economic development of the region hardly needs any clarification.

However, the promise embedded in SAARC for NER does not appear to turn into reality in foreseeable future. Bilateral relations among the member countries, time and again, over shadowed the collective interest of the group. SAARC

deliberations were disrupted in 1985 and 1990, because of tensions between India and Sri Lanka on the Tamil ethnic problem, again during disputes between Nepal and Bhutan on the question of the Nepalese whose citizenship rights in Bhutan were questioned by the Bhutanese government, again following the destruction of the Babri mosque in 1992 and the resultant agitations in Bangladesh and Pakistan against India and now the military coup in Pakistan in 1999 led to India's reluctance to participate in SAARC meetings in which the military regime of Pakistan is also a member (Dixit: 2001).

In its 16 year lifespan, the only worthwhile achievement of SAARC in the realm of economic cooperation has been the creation of Preferential Trading Arrangement among its members (SAPTA). If the gains from trade liberalization were any indication, this regional grouping had generated much frustration than hopes. The share of intra-SAARC exports in total SAARC exports has risen from 3.16 per cent in 1990 to 4.25 per cent in 1996. And the share of intra-SAARC imports has increased from 1.91 per cent to 4.06 per cent during the same period (SAARC Survey, 1998-99: 51). Achievements are, no doubt, abysmal. Needless to say that unless the two big powers, India and Pakistan, who play the dominant role in SAARC affairs, shrug off their myopic state-centric positions in favour of regional cooperation, it is hard for SAARC to take off. This realization, perhaps, has led the member countries to look beyond SAARC for partnership in their development strides. India's engagement in other alternative regional development forums and her adoption of "look east" policy, which will be taken up next, become more meaningful while viewed from this perspective.

Phase-III (1992 onwards): Globalization and the Era of Forward Engagement

With the collapse of Soviet Union in 1991, the cold-war paradigm came to an end. Bi-polar world became unipolar with United States of America at the helm of global affairs. The launching of the globalization programme by the USA and its allies has completely changed the spectrum of cold-war strategic partnerships. The international system, greatly relieved of bipolar tensions, has generated a tremendous scope

for the states to forge new partnership in order to strengthen their security environment and enhance national interest. Responding to these new challenges Indian state is being formulating new approaches towards the conduct of her foreign policy. Some of these new policy shifts particularly in relation to neighbouring countries and regions having direct bearing on the security and development of the NER are of our particular concern.

India's China Policy started changing from isolation to engagement following the visit of the then Prime Minister Rajiv Gandhi to China in 1988 and reciprocal visit by Chinese Premier Li Peng in 1991, after a gap of 31 years of such state visits. The successive visits by the President and the Prime Minister of India to China in 1992 and 1993 respectively and the reciprocal visit by the Chinese President in 1996 had considerably released the tensions in Sino-India relations. The "Agreement on the Maintenance of Peace and Tranquility along the Line of Actual Control (LAC) in the India-China Border Areas", signed on September 7, 1993, during the visit of India's Prime Minister to China, has laid down the framework for maintenance of peace and tranquility along the LAC between India and China. Under the agreement, the two sides agreed to resolve the boundary question through peaceful and friendly consultations. Both the countries committed not to use force against other by any means. Pending an ultimate boundary settlement, both agreed to "strictly respect and observe" the LAC between the two sides and not to overstep it by any activity. Where there are differences on the alignment of the LAC, the experts from both countries would "jointly check and determine" where the LAC lies. Both the countries agreed to undertake a series of Confidence Building Measures (CBMS), including the reduction of military forces deployed along the India-China border in conformity with .the principle of "mutual and equal security" (Annual Report, MOD; 1993-94:4). Besides this, the "Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas", signed in November, 1996, during the visit of Chinese President Jiang Zemin to India, *inter alia* stipulates that neither side shall use its military capability against the

other side, and includes provisions for negotiating the reduction of limitation of forces from mutually agreed geographical zones along the LAC, the prior notification of military exercises, and service to service contacts (Annual Report, MOD,1996-97:5-6).

These two agreements followed by the visit of the India's President Mr. K. R. Narayanan to China in 2000 and the visit of the Chinese leader Mr.Li Peng to India in January, 2001, have significantly scaled down the elements of mistrust in Sino-Indian relations that had aggravated further following the Pokhran II explosion in May 1998. Notwithstanding the Chinese involvement in Pakistan's nuclear weapon and missile programmes that remains as a major concern for India, the role of China in Indo-Pak war on Kargil in 1999 seems to be an indicator of shifts in China's India policy as well.

Be that as it may, the compulsions arising out of the forces of globalization, challenges faced by the nations in evolving a new global order, and forging new strategic partnership seem to have largely informed the remaking of foreign policy of both India and China towards each other since 1990s. Although no durable structure of cooperation between them has yet evolved, China's realization of the fact that the "common ground" between India and China "far outweighs" the differences between them, and the need "to elevate Sino-Indian relations to a new height in the 21st century" for "peace and development in Asia and the world at large" seem to enhance the possibility of establishing a constructive partnership of cooperation" between these two Asian neighbours in foreseeable future (Li Peng, 2001).

Like India's China policy, the Indo-Myanmar relations also started improving since early 1990s. Removal of idealistic elements and injection of more sense of pragmatism in formulating India's policy towards Myanmar have led Indian policy makers to realize that India's support to pro-democracy movement led by Aung San Su Kyi against the military regime would in no way enhance India's security and national interest in Myanmar. As there was no sign of relinquishing power to the Suu Kyi led National League for Democracy, which emerged victorious following 1990 election, by the Myanmar

military regime, India had little choice other than to come to terms with the ruling junta. Informed by China's intensive engagement in Myanmar, growing insecurity in Northeastern region arising out of various insurgent activities, and the strategic importance of Myanmar in India's "Look East policy," India had adopted a more pragmatic Myanmar policy setting aside its interest in democracy in Myanmar, one of the major irritating factors that strained Indo-Myanmar relations for so long.

The visit of Vice Foreign Minister of Myanmar, Mr. U. Baswe, to India in 1992 helped both the countries to clear their misconception about each other. Both entered into agreements for the development of areas along the international border and for working together against the forces of destabilization, militancy and insurgency. A border trade agreement was signed in 1994 allowing trade to flow through selected customs posts along Moreh (Manipur)-Tamu (Myanmar) and Champhai (Mizorarn)-Hri (Myanmar), sectors. Although only the Moreh-Tamu sector has been officially opened for trade pending the infrastructural development in the other sector, this Agreement, no doubt, has profound importance for the NER. As part of India's further engagement in Myanmar, the Indian government has already constructed the Tamu-Kalemayo road. This road is expected to be a part of the ambitious Asian Highway Project conceived to link up Singapore with New Delhi via Kualalampur, Ho Chi Minh City, Phnom Penh, Bangkok, Vientiane, Chiang Mai, Yangson, Mandalay, Tamu, Dhaka and Calcutta (Dhar:2000). This Asian Highway, once comes into reality, will remove the communication bottleneck of the land-locked states of Manipur, Mizoram and Nagaland to a large extent and will pave the way for their integration with the South-East Asian region. Besides economic opportunities, improved Indo-Myanmar relations also have direct bearing on the security environment of NER. Increasing cooperation between the security forces of India and Myanmar in dealing with cross-border insurgent activities has compelled many of the Northeast insurgent groups to shift their bases from Myanmar. The visit by General Maung Aye, Vice President of the Myanmar Government to India in November 2000, has opened up the scope for India's

multi-faceted and comprehensive engagement in Myanmar, which will enable India to address her concerns about security and development in the NER in a far better way.

The Indo-Bangladesh relations also started improving since early 1990s. The 'Gujral Doctrine' and return of democracy in Bangladesh largely facilitated normalization of bilateral relations. India's forward engagement started with the visit of External Affairs Minister Mr. I.K.Gujral to Bangladesh in 1990. Within a short span of time a number of irritants like the issue of providing Tin Bigha Corridor to Bangladesh, sharing of the Ganga water and repatriation of the Chakma refugees to Bangladesh, were effectively resolved. India provided the Tin Bigha Corridor to Bangladesh in 1992. The accord on sharing of the Ganga water was signed in 1997. And the problem of Chakma refugees was solved with their repatriation from camps in Tripura to Bangladesh in 1998. This repatriation of Chakma refugees has, no doubt, a great significance for ethno-sensitive psyche of the people of Northeast. This achievement in India's Bangladesh policy would appear to have reduced inter-ethnic schism arising particularly out of Mizo-Chakma conflict in Mizoram and Arunachalee-Chakma conflict in Arunachal Pradesh in more than one ways by scaling down the threat of further Chakma ingression in Mizo and Arunachalee territories respectively.

Look East Policy

Besides improving relations with the neighbouring countries, since early 1990s India has adopted "look east" policy as part of her response to post cold-war global situation. The aim of this policy is to forge forward-looking engagement with South East Asian Countries, ASEAN as a group as well as with the members of the group. This policy aims at recuperating India's loss of market in erstwhile USSR by gaining from the growing South East Asian economies. India was accorded the status of "Full Dialogue Partner" of the ASEAN Forum (ARF) in 1996. India sees the ARF, the only security dialogue forum in the Asia-Pacific region, as a desirable initiative for fashioning a new pluralistic and cooperative security order in tune with the diversity of the region and in consonance with the transition away from a

world characterized by blocs built around military alliances (Annual Report, MOD, 1999-2000: 7). The ASEAN-India Joint Cooperation Committee Meeting held in New Delhi in April, 1998 provided important mechanisms for implementing various decisions. The visit of President K.R. Narayanan to Singapore in 2000 and of Prime Minister A.B.Vajpayee to Vietnam and Indonesia in early 2001 and reciprocal visits by the leaders of ASEAN countries are gradually adding content and structure to India's Look East Policy. There has been an appreciable rise in India's two-way trade with the South East Asian Countries. While the share of Indian exports to South East Asian Countries has increased from 11.44 per cent during 1990-91 to 18.12 per cent during 1999-2000, the share of India's imports from these countries has gone up from 13.46 per cent to 19.40 per cent during that time (The Economic Times: 22:01.01).

Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation (BIMST-EC)

What is important from the NER's point of view is India's growing engagement in different sub-regional level development initiatives involving the neighbouring Asian and South-East Asian countries. The launching of BIMST-EC in 1997 involving Bangladesh, India, Myanmar, Sri Lanka and Thailand, has a profound development and security implications for the NER. BIMST-EC is the first grouping of its kind in which two ASEAN members have come together with three countries from South Asia to form an association for economic cooperation. The forum aims at utilizing the untapped resource potential in the sub-region for mutual benefits. It has already identified the priority areas such as communications, infrastructure, energy, trade and investment, tourism and fisheries for cooperation, with each country assuming a specific responsibility for coordination. Important projects, which are currently under consideration by the forum include: the Asian Highway Link (which has already been mentioned earlier), Asian Railway Network and a Natural Gas Pipeline Grid (Annual Report, MEA, 1998-99: iv). All these projects have tremendous implications in removing the communication isolation as well as utilizing the untapped

resources of NER. While the NER will have access to the proposed Asian Highway through the Imphal-Tamu feeder road, as indicated earlier, the railway system of India and Myanmar will be linked at Dibrugarh railhead. This will enable the NER to have access to the Asian Railway Network.

Bangladesh, Bhutan, India and Nepal Growth Quadrangle (BBIN-GQ)

Besides BIMST-EC, another cross-country sub-regional initiative having wider ramifications for NER is the Growth Quadrangle involving Bangladesh, Bhutan, India and Nepal (BBIN-GQ). Although this initiative is still in embryonic form, working modalities for cooperation have already been finalized in the second meeting of foreign secretaries of the four countries at Kathmandu held on 17 July 1998. The BBIN-GQ is to follow a project-led approach to cooperation in the core economic sectors of multi-modal transportation and communication, energy, trade and investment, tourism, utilization of natural resources and environment. These projects will be supportive of and complementary to national plans of the countries in the Growth Quadrangle. The projects will make best use of neighbourhood synergies and the resources and expertise within the sub-region will be given priority in their implementation. A prioritized, practical, action oriented, time-bound and incremental approach will be followed in selection, development and implementation of projects having immediate impact as well as large infrastructure projects with long gestation (Annual Report, MEA, 1998-99: 19).

Nepal, besides looking after the overall sub-regional cooperation efforts, will also coordinate projects in the areas of tourism and multi-modal transportation and communication. Bangladesh will coordinate the projects involving energy and utilization of natural resources. Bhutan and India will coordinate projects involving environment and, trade and investment promotion respectively (Annual Report, MEA, 1998-99:19). Once the BBIN-GQ takes off, it will provide yet another space where development interest of NER can be accommodated.

The Mekong-Ganga Initiative (MGI)

Another cross-country sub-regional cooperation programme having long-term implications for the development interest of NER is the Mekong-Ganga initiative (MGI). This Initiative traces its origin in "Mekong Basin Project" involving Myanmar, Cambodia, China, Laos, Thailand, and Vietnam. Later, this project has been widened to accommodate India. The inaugural Ministerial Meeting on MGI took place in Vientiane at the initiative of India and five South East Asian countries in November 2000. The Vientiane Declaration upholds the common desire of the member countries to develop relations and better understanding among themselves for enhancing friendship, solidarity and cooperation. Tourism has been identified as an immediate priority area having significant potential for development in the sub-region (Baruah: 2001). For tourism development, studies are to be conducted into joint marketing, facilitating travel in the region and expanding multi-modal communications and transportation links. Although this initiative is still under process, its future unfolding will have significant impact on the NER, which is India's gateway to Mekong Basin Region.

Kunming Initiative

Besides these institutionalized cross-country sub-regional development initiatives, opinion across the countries is getting crystallized for the formation of another growth quadrangle involving China, India, Myanmar and Bangladesh - which has found an expression in the "Kunming Initiative" articulated in an international conference at Kunming, the capital of Yunnan Province of China, in August 1999. The basic objective of this initiative is to promote cross-country sub-regional development cooperation among contiguous regions of eastern/north-eastern region of India, southwest China, northern Myanmar and Bangladesh.

Conclusion

Thus, the opportunities arising out of post-cold war global scenario and India's positive response to these, have created a favourable external condition for the development of the NER through cross-country development initiatives. The geo-

strategic location of the region necessitates an integrated cross-country sub-regional cooperation for development. This can only be achieved by placing the NER in a larger South Asian as well as South East Asian canvass. For so long this perspective was not in the consciousness of the Indian State. As a result, India's conduct of foreign policy towards her neighbours was not much informed of the development interest of the NER prior to 1990s. Moreover, the underestimation of external security threat to north-eastern border prior to 1962 and overestimation of the same at least during 1962-1971 appears to have negatively influenced the central public sector investment decisions in this region. The development interest of the NER had, thus, become a hostage to state-centric mindset. Due to the failure of economic diplomacy of the Indian State, even after 1971, to promote development of the NER through forward engagement with Bangladesh and Myanmar had further added more life to the disabilities of the region. Even the SAARC framework, which could have been utilized to remove some of the predicaments of the NER, has largely remained inoperative primarily due to Indo-Pakistan rivalry. The external perimeter of development as defined by India's relations with the neighbouring countries is, thus, not in harmony with the geo-strategic location of the NER. The resultant underdevelopment partially caused by this disharmony entangled with other ethnic aspirations has substantially added to internal insecurity environment of the region

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