## **ISAS Brief**

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## **India-Myanmar Relations – A Fine Balance**

On a recent four-day visit to India, Daw Aung San Suu Kyi attended the eighth BIMSTEC Summit (The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) and the first BRICS (grouping of Brazil Russia India South Africa)-BIMSTEC Outreach Summit, both of which took place in the Indian State of Goa. In addition she was accorded a State visit as State Counsellor, a post she assumed on 30 March 2016 following the landslide victory of her party, the National League for Democracy (NLD), in November 2015. Aung San Suu Kyi's trip highlighted the geo-strategic importance of this relationship, connecting India to its near neighbourhood and beyond, to Southeast Asia. In their joint statement, Prime Minister Narendra Modi and State Counsellor Aung Sang Suu Kyi pronounced a shared interest in Myanmar's democratisation, economic and social development and strongly condemned the common scourge of terrorism.

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Sandwiched between China and India, Myanmar has to pursue a delicate balancing act. In August 2016, Myanmar's de facto leader Aung San Suu Kyi chose China as the destination for her first official trip to a major power. This followed a visit she had already made to Beijing in June 2015, then as opposition leader, which was widely interpreted as attempting to repair relations that had been faltering since the installation of a nominally civilian government in

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2011. Both visits aimed at overcoming the past when China had supported the military junta responsible for detaining her for more than fifteen years (both in prison and under house arrest). To calibrate Aung San Suu Kyi's overtures to China, President U Htin Kyaw was sent to India on his first overseas trip in August 2016, also to prepare the ground for the State Counsellor's recent visit to India.

In addition to long land boundaries with both India and China, Myanmar boasts a 1,930 km coastline along the Bay of Bengal and the Andaman Sea. As a result both India and China have been vying for connectivity projects and deepening economic relations. Thus for example China would like to build a rail and road network linking the province of Yunnan with the Bay of Bengal through Myanmar. Meanwhile India has already been working on the Kaladan Multimodal Transit Transport Project to connect Kolkata port to Sittwe port in Myanmar. An inland waterway would link Sittwe to Paletwa on the river Kaladan and Myanmar's westernmost town and from there a road to the border would reach Lawngtlai district in the Indian state of Mizoram. Progress has been slow but most recently India Ports Global Private Limited, a joint venture between Kandla Port Trust and Jawaharlal Nehru Port Trust, has joined forces with the Inland Waterways Authority of India to take the project forward.

India and China are also both involved in a connectivity project with Myanmar, through the BCIM (Bangladesh, China, India and Myanmar) Economic Corridor (EC) seeking to link Kolkata with Kunming, capital of Yunnan and passing through Mandalay in Myanmar and Dhaka in Bangladesh. These ambitious plans reflect in part the geo-strategic ambitions of both major players, India and China. The former hopes to give its landlocked north-eastern states access to the sea, via Kolkata port, and the latter seeks to reduce reliance on the Straits of Malacca as a trade route. Both the governments of Bangladesh and Myanmar have explicitly supported the BCIM initiative, which is technically part and parcel of China's larger Belt and Road projects and vision. In some parts the BCIM–EC infrastructure already exists and needs upgrading to develop all-weather facilities. However, other sections of the route require heavy investments and are complicated by sensitivities in areas that are insurgency-prone (for instance in the northernmost Kachin state of Myanmar) or where developing connectivity is seen as a strategic risk, for example in terms of enabling Chinese access to India's Northeast.

One of the three MOUs signed on Aung San Suu Kyi's recent visit to India included cooperation in the power sector, a key area where India and Myanmar have taken some very preliminary steps. China has already acquired a strong presence and influence in Myanmar's

power sector, although the current NLD government is keen to better leverage its position and resources. For example, it is estimated that Myanmar's hydroelectric sector has a potential of 100 GW, of which currently only 3 GW has been developed. Hydropower is the government's hope for clean energy and for addressing its severe electricity shortfall. This is crucial to sustain the country's economic revival and to deliver the transformative change promised by the NLD and Aung San Suu Kyi in the election campaign. Dams and hydro projects had become a sensitive issue with public opinion and government members unhappy over the degree of Chinese involvement and investments. As a result, projects approved by previous governments have been put under review.

Aside from the economy, Aung San Suu Kyi clearly stated that the government's number one priority will be peace talks between the country's military and armed ethnic groups and to bring about national peace and reconciliation following decades of ethnic conflict. India has expressed its support for the 21<sup>st</sup> century Panglong peace process, named after Aung San Suu Kyi's father's efforts to reach an accord with ethnic minorities for a federal state. It has appreciated Myanmar's cooperation and control over insurgent groups that have been active both in India and Myanmar, such as the National Socialist Council of Nagaland – Khaplan, which proclaims the creation of a separatist state; launched attacks on civilians and security forces and was labelled a terrorist organisation by the Indian government on 6 November 2015. India therefore clearly shares an interest in border security and stability and stands to gain from Myanmar's peace process.

However, the peace process has been internationally criticised for its criteria of inclusion and the procedures which have been used to exclude potential parties. India too has been blamed for not being more vocal on the issue of attacks on, and representation of, the Rohingya Muslims in Myanmar, a number of whom live in India as refugees. In fact the recent joint statement is significant for recognising the bilateral importance of the peace process, with India hoping that, 'as a diverse and pluralistic society Myanmar will be able to find equitable solutions peacefully through consultations among all stakeholders".

## Conclusion

Although it was her first official visit to India, Aung San Suu Kyi was welcomed by Narendra Modi to her 'second home', alluding to the time spent in New Delhi as a student in the 1960s, when her mother was ambassador. For her part, Nobel Laureate Suu Kyi conveyed Myanmar's admiration for India as "the greatest democracy in the world".

Democracy is rarely invoked by the Indian state as the basis for diplomacy and integration with other countries. However, India is tapping a common heritage of diversity and plurality in the case of Myanmar-India relations and identifying issues where shared values are projected. Thus the recent terror attacks in Uri (India) and Rakhine State (Myanmar) were mentioned together in their statement and the Prime Minister and State Counsellor chose to define and condemn terrorism emotively as a 'violation of human rights' and the destruction of 'innocent lives'. Democratisation and development are both key to Myanmar's transition from military to civilian government. Achieving a fine balance between them is going to be the country's central domestic challenge as it is going to be, for India in the honing of its foreign policy towards Myanmar.

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