

# INDIA FOUNDATION JOURNAL

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- India and the Indian Ocean Region :  
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**Editor's Note**

*Dear Readers,*

*Even as this issue of the Journal goes to print, every person at India Foundation is on over-drive organising the first-ever Indian Ocean Conference, set for September 1<sup>st</sup>/2<sup>nd</sup>. This is being done with three international partners, S Rajaratnam School of International Studies, Singapore (RSIS), Bangladesh Institute of International and Strategic Studies, Dhaka (BISS) and Institute of Policy Studies, Colombo (IPS). This Conference which has attracted delegates from 20 countries and over 50 speakers is intended to help Indian Ocean stakeholders initiate the development of platforms that would facilitate co-operative behaviour and minimise risks of misunderstanding and conflict. Though the tensions of bi-polar world are over and the unipolar moment is behind us, the future is unclear. Apprehensions about unilateral attempts to re-order regional arrangements are unsettling and showing no signs of abating. The conference could not have come at a better time.*

*This issue of the India Foundation Journal brings to readers three articles on different aspects of the Indian Ocean region, including India's interests and role. Obviously three articles cannot do justice to the wide canvas that the Indian Ocean provides but would, hopefully, act as a 'teaser', and provoke our reader's curiosity enough; as Sanjeev Sanyal has so convincingly demonstrated in his book (The Ocean of Churn), India's fortunes, and influence, has been so affected by the Indian Ocean yet in recent past, this has receded from national memory. Arguably, the Pallava dynasty had its origin across the seas, a sign of how dense were cultural and commercial networks in this region before they were disrupted by colonialism. This book should be a must-read for all strategic thinkers in India, and the region.*

*Recently, India Foundation hosted a delegation from Myanmar as part of an on-going dialogue. Besides carrying a report on the conference ("India-Myanmar – Frontiers of New Relationship"), we are also carrying the key note address of Gautam Mukhopadhyay, India's former ambassador to Myanmar. This address is extremely comprehensive and forward looking, listing specific areas where India and its commercial entities should be engaged in to deliver optimal outcomes for both countries.*



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## India Must Seriously Take up Its Role in Indian Ocean Region

\*Sunil Raman

In the two years since assuming office Prime Minister Narendra Modi has made a decisive difference in positioning India and in addressing its security concerns. His initiative in the Indian Ocean Region is one such prominent break from the past. The disjointed and hesitant steps of the past is giving way to a more structured approach where Modi works towards translating India's natural geographical advantage and close cultural ties with many countries in the region to position itself as the central force in the region.

Modi has promised to bolster India's presence in the Indian Ocean Region and enhance co-operation with countries like US, Japan and Australia.

The US-India Joint Strategic Vision for Asia Pacific and Indian Ocean Region and the signing of US-India Defense Framework have signaled the determination of the two nations to join hands in maritime security. Malabar joint naval exercises started as a bilateral arrangement between US and Indian navies in 1992 where Japan used to be an invitee has now transformed into a Trilateral Forum where the three navies would conduct joint exercises alternating between Indian Ocean and the Pacific Ocean. The latest exercise was conducted off northern Philippines, close to South China Sea where China aggressively contests

territorial claims of some South East Asian countries like Philippines and Vietnam.

It was Modi's visit to Indian Ocean nations of Mauritius and Seychelles in 2015 that brought global attention to change in strategy by New Delhi when he shared, in the words of strategic affairs expert C Raja Mohan, "India's master plan for Indian Ocean Region".

Charting out India's cultural footprint across Asia and Africa, Modi said India must also assume "our responsibility to shape its future" and declared Indian Ocean Region to be at the "top of our policy priorities".

He then spelt out the five-point vision for IOR:

1. India will do everything to safeguard our mainland and islands and defend our interests. To ensure a safe, secure and stable Indian Ocean Region that delivers us all to the shores of prosperity.
2. To deepen our economic and security cooperation with our friends in the region especially our maritime neighbours and island states. We will also continue to build their maritime security capacities and their economic strength.
3. Collective action and cooperation will best advance peace and security in our maritime region. It will also prepare us

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*\*Author is a former BBC journalist, now heads Public Affairs in India for Hill & Knowlton Strategies. His post-graduate thesis at the Fletcher School of Law & Diplomacy was on 'Building a Collaborative Security Architecture in the Indian Ocean Region'*



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better to respond to emergencies.

4. We also seek a more integrated and cooperative future in the region that enhances the prospects for sustainable development for all.
5. Those who live in this region have the primary responsibility for peace, stability and prosperity in the Indian Ocean.

Initiatives that seek to revive cultural links and help build sustainable economies among littoral states, Project Mausam and SAGAR, were launched with clear strategic vision.

The Modi government had been pushing cultural and military diplomacy as a tool for deepening strategic partnerships in the Indian Ocean region. These include joint exercises, hydrographic surveys, equipment transfer, joint training, and access to military academies in India among others.

From visiting Pacific islands to Indian Ocean littorals, and a recent trip to East African countries prime minister Modi has made a determined bid to reconnect with countries, some of which have been part of India's cultural sphere of influence and look upon India to take the lead.

Promised projects that remained caught in bureaucratic files in New Delhi were dusted out and the Modi government has committed to help Seychelles develop infrastructure on Assumption Island, and to speed up development of Agalega Island in Mauritius.

Trips to Mozambique, South Africa, Tanzania and Kenya in June 2016 were to widen maritime security partnership.

For years, India has been slow or indifferent

in its response to many countries in Asia and Africa who eagerly looked up to New Delhi to use its growing economic muscle and historic links with them in order to assist in neutralizing China's growing footprint in the region. That lethargy has given way to greater determination so as to lead from the front in securing waters while helping strengthen economies of IOR nations.

Few months ago the new version of Indian Maritime Doctrine was released to coincide with the International Fleet Review 2016. This document has enlarged India's areas of maritime interest to south-east and westwards of the Indian Ocean. It states that with growing economic and military strength of the country, the national security imperatives and political interests stretch "beyond the Indian Ocean Region."

Change in track was emphasized by the then Naval Chief Admiral, RK Dhowan in the strategy document when he observed that "there seems little doubt today that the 21st century will be the 'Century of the Seas' for India and that the seas will remain a key enabler in her global resurgence".

### **Importance of Indian Ocean**

Unlike the Pacific and Atlantic Oceans, the Indian Ocean is not just open waters but is bound by land on the East, West and North. Instead enclosed within a land mass on all sides, it has kept people and civilizations that came up on the contiguous land masses, in perpetual contact. India, by its sheer geographical location and size, lent its name to these waters that saw Indian kings of the ancient world transfer considerable ideological and religious influence to countries in South East Asia.

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These waters were never owned by any kingdom or country. No country, including India, in spite of its dominating presence, ever claimed ownership of these waters. The Indian Ocean has been “a great highway... a wide common”, in the words of the great naval historian, Alfred Thayer Mahan in ‘The Influence of Sea Power upon History’.

The Indian Ocean connects three continents - Asia, Africa, Australia and the Antarctica. It is home to one-third of the world’s population, also being the largest market for consumer goods, with two-thirds of proven oil reserves, one-third of world’s natural gas, 90 per cent of world’s diamonds, 60 per cent of world’s uranium and 40 per cent of world’s gold reserves. Its waters constitute the lifeline with one-half of world’s crude oil container shipment and one-third of bulk cargo passing through.

It is also home to world oil transit chokepoints. Bound by land on three sides maritime access for tankers and cargo vessels transporting oil and other cargo from one part of the world to the other is through narrow gateways or narrow sea lanes. Free and unhindered passage through these sea routes is essential for global energy flows. Closure of these narrow gateways or choke points can disrupt the flow of oil and gas leading to a devastating impact on global economy and security. Unlike other oceans 80 per cent of total trade in Indian Ocean is extra-regional and only 20 per cent trade between littoral states.

These waters connect four major land bodies- Africa, Asia, Australia and Antarctica. Thirty-five countries, including six island nations, are Indian

Ocean Rim states or littoral states and “40 per cent of the world’s seaborne crude oil supplies and 50 per cent of the world’s merchant fleet” depend upon the security of these waters. Crude oil from the Persian Gulf destined for South Asia, South East Asia and the Far East passes through its waters. Apart from “principal oil shipping lanes” the “main navigational choke points of world commerce” – the Straits of Babel Mandeb, Hormuz and Malacca – are located in the Indian Ocean. There are others like the Suez Canal, Cape of Good Hope, Sunda Strait, Lombok Strait, Ombai and Wetar Straits.

### **Critical Choke Points**

1. **Babel Mandab**-Between the Horn of Africa and the Middle East, a strategic link between Mediterranean Sea and Indian Ocean. Located between Yemen, Djibouti and Eritrea, it is 18 miles wide at its narrowest point and makes tanker traffic difficult.

2. **Strait of Hormuz**-World’s most important oil chokepoint in the Persian Gulf through which more than 85 per cent of crude oil exports to markets of Japan, India, China and South Korea. With Iran to its north, the Strait of Hormuz is 21 miles at the narrowest part.

3. **Straits of Malacca**-Links the Indian Ocean to the Pacific Ocean and provides the shortest sea route between Middle East and the growing Asian markets. Located between Indonesia, Malaysia and Singapore, it links the Indian Ocean to South China Sea and Pacific Ocean. It is 1.7 miles at its narrowest point and remains a crucial chokepoint. But, its importance emerges from over 60,000 ships

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that transit the Straits annually carrying a quarter of world trade.

The Indian Ocean Region is also home to some of the most unstable countries like Somalia and Yemen, radical Islamic outfits, terror groups and small island nations that are threatened by climate change.

The growing military presence of various stakeholders poses a grave threat to the region's stability, as any untoward incident has the potential to create a major disruption in cargo traffic and movement of energy supplies

### **World Map sidelines Indian Ocean Region**

Geography, however, has been at the mercy

of global politics with a “bias against the Indian Ocean” established from the time of the European domination of the world, through the Cold War years, and until recently. The world map made by Gerardus Mercator four centuries ago and in use even today reinforces the prejudice against this region with the western hemisphere located at the center of the map and the Indian Ocean split on the edges of the map. Such a map has kept attention focused on the western hemisphere.

### **Indian Ocean: Rim or Region?**

Though home to one-third of world population the focus in India until recently stayed on the Atlantic Ocean where the US and former Soviet



Photo Courtesy: [www.world-atlas.com](http://www.world-atlas.com), copyright of zeducorp

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Union struggled for supremacy. It is the emergence of China as the second biggest world economy with a major thrust on widening its political-economic influence that has been primarily responsible for attention moving to the IOR and its issues.

Experts, however, remain divided on what to call the region that is highly diverse in every possible way. India occupies the dominant position in the Ocean due to its geographical location but, scores of big and small nations have their coasts watered by the Indian Ocean and the seas around. Some call it the Indian Ocean Rim while others prefer to term it as the Indian Ocean Region.

The difference in use of term can add or delete several nations from the list.

The number of countries considered to be part of the Indian Ocean “Rim” varies from a low of 29 to a high of 35. The figure of 35 is more appropriate and includes all the 29 littoral states as also the six island nations of the Indian Ocean.

Similarly the number of countries that are part of the Indian Ocean “Region” vary from a minimum of 35 (all rim states) to an intermediate figure of 47 (including 12 land-locked countries dependent on the Ocean), and a maximum of 52 states (by further including the Five Central Asian Republics)

**There are 12 landlocked countries:** Afghanistan, Bhutan, Burundi, Ethiopia, Lesotho, Malawi, Nepal, Rwanda, Swaziland, Uganda, Zambia and Zimbabwe.

**There are 29 Littoral states:** Australia, Bahrain, Bangladesh, Djibouti, Egypt, Eritrea, India, Indonesia, Iran, Iraq, Israel, Jordan, Kenya, Kuwait, Malaysia, Mozambique, Myanmar, Oman,

Pakistan, Qatar, Saudi Arabia, Singapore, Somalia, South Africa, Sudan, Tanzania, Thailand, UAE and Yemen. If the Red Sea is not considered part of the Indian Ocean then, the number of littoral states will be reduced to 23.

**Six Island Nations are:** Comoros, Madagascar, Maldives, Mauritius, Seychelles and Sri Lanka.

### **Post-Cold War**

End of the Cold War led to IOR moving out of the focus of big powers until the turn of this century, when ambitious China’s growing economic power and hunger for natural resources saw the communist government turn its attention to gaining a foothold and influence in countries across the seas. China’s perceived threat to dominate the region and its aggressive stance in South China Sea made security analysts and experts sit up and take note. If China had violently stirred the waters of IOR, the rise of militant Islamic terror groups had turned this region volatile and pregnant for major transformation.

### **China Plan to Become Dominant Power**

It is the growing economic and strategic influence of China that has now brought back attention to this region. China’s humungous hunger for world resources has unleashed its economic and political power that needs an immense military machine to pursue its objectives.

The Indian Ocean is essential to keep China’s growth engines well-oiled and running with 82 per cent of energy requirement imported through its waters, 30 per cent of its sea trade worth \$300

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billion passing through and it also serves as trade route to Africa and Indian Ocean littorals. Almost all imports and trade pass through Malacca Straits and any disruption at this choke point can have enormous consequences for Chinese economy and by extension, its politics.

Backed by major investments in countries of Asia, Africa and Middle East, China has stirred the waters of the Indian Ocean. The sea bases and ports it has built in these waters can be used as observation posts and military bases when required. Thus the Indian Ocean is now home to an increasing naval presence, with (nuclear) submarines of China, the US, Russia, India, Pakistan and Israel patrolling them.

Growing militarization of the ocean region with new threats posed by non-state actors and non-state issues combined with rising China's political ambitions threatens the future stability and peace of the Indian Ocean region. Any serious security upheavals will pose drastic threats to global oil supplies and the economic well being of people living in the region and far across the globe.

In the last few years China's 'String of Pearls' policy viewed by many security experts as encirclement of India has seen building of ports that could be used as military launch pads at Gwadar in Pakistan, Hambantota in Sri Lanka, Sittwe in Myanmar and development of Chittagong port in Bangladesh. A strategically located port at Sonadia in Bangladesh to be built by China was scrapped earlier this year by Modi government's subtle diplomacy with Japanese assistance. Sonadia port would have helped bring China close to Andaman Islands.

President Xi Jinping's 'One Belt, One Road' initiative particularly, the Maritime Silk Road component proposes to connect China to Europe and Africa through land and sea. The idea is to build infrastructure, ports, highways and container terminals in littoral countries that extend from east of China to East Africa that would become outposts for Beijing along the ancient trading routes.

China has successfully wooed most countries in the Indian Ocean to readily participate in the Maritime Silk Road plan though India has still not accepted the invitation to join in.

The speed at which China has extended its footprint across IOR from String of Pearls policy to Maritime Silk Road is evident from the recent announcement that China was setting up a permanent naval base in former French colony of Djibouti. Located between the Gulf of Aden and the Indian Ocean, Djibouti signed a defence and security agreement that will ensure supply of military equipment and training of their troops.

Coming up of China's first naval base in the Indian Ocean, over 1865 miles west of Mumbai, gives People's Liberation Army (Navy) the added muscle to locate and use naval assets across the seas.

Expanding its maritime ambitions the State Oceanic Administration of China plans to build scientific research vessels and submersibles to collect geological data and explore sea bed for minerals. Armed with permits from the International Seabed Authority, China has secured mining rights for polymetallic nodules, for polymetallic sulfide deposits in southwestern Indian Ocean and to develop iron ore deposits.

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China's indigenously-built 22-ton manned deep-sea submersible, Jiaolong, can potentially monitor maritime and naval activities in the Indian Ocean. Though the number of trained personnel for use of such submersibles is currently small the ambitious plan to deepen and strengthen China's naval presence across IOR has caused grave concern among security experts in India.

The People's Republic of China is undoubtedly focused on the Pacific region but it would be naive to ignore statements of its new leadership, on what they see as China's role in the IOR and their perception of the future. Statements by its leadership, academics in official think tanks and other influential Chinese scholars firmly signal Beijing's thinking.

In June 2013, the Blue Book of the Chinese Academy of Social Sciences was released with chapters on India's 'Look East Policy' and the 'US-India axis of relation in Indian Ocean Region'.

The US-India-Japan tie-up has evoked concern in China and the Blue Book called for an end to a policy of moderation and urged the political leadership to adopt a more pro-active role in the Indian Ocean Region.

It states that "in this region the interests and influence of India, China and the United States are beginning to overlap and intersect. It is here that the 21st century's global power dynamics will be revealed. Two key players in this region are India and China- India moving east and west while China to the South"

India has tried to politically circumvent the Chinese "encirclement" by forging ties with China's neighbors like Vietnam, Laos, Cambodia, South

Korea and Japan. China insists that there is no reason to fear China. Meanwhile President Xi Jinping has announced his plan to rebalance ties with India and Pakistan by 'going West' while India 'looks East' towards South East Asia to build partnerships. With China having emerged as India's top trade partner in spite of a niggling dispute over the northern land borders, that saw the two involved in a military conflict in 1962, India and China will interact more in the coming years in the Indian and Pacific Oceans.

Chinese efforts to cool, rising fears among countries like India are not supported by its growing military assertions. In early 2014, the Chinese Navy held its first ever major exercise in the Lombook Strait.

In the coming years the IOR is bound to witness increased Chinese military presence making it essential for India to take an active and aggressive interest in managing the emerging geopolitical scenario.

## **Opportunity for India**

A pioneer of India's maritime power theory, KM Panikkar, had stated that the "peninsular character of the country and the essential dependence of its trade on maritime traffic, give the sea a preponderant influence on its destiny. The economic life of India will be completely at the mercy of the power which controls the sea."

After years, there seems to be a decisive shift in understanding, approach and strategy to what should be India's role in IOR and a realization that the time is ripe for the country to play its role as a dominant player in the region when China

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meticulously goes about widening its presence and deepening its engagement with IOR littoral states.

### **Focus on Building, Strengthening Assets**

This brings into importance the position of Andaman and Nicobar Islands that sits just 80 miles from the western entrance of the Straits of Malacca in the Bay of Bengal. India has yet to consolidate its naval presence in Andaman and Nicobar Islands. A unified tri-services command and a naval air base has been set up but it will need lot more resources and clarity of vision. The Straits of Malacca is seen as offering strategic advantage to the country.

There are signs of this changing with Modi who after coming to power in 2014 has cleared a decade-old proposal to set up a radar station on an island, a few miles from Coco Islands. Myanmar leased these Islands to China for setting up a listening post.

India took 10 years to decide on building a radar station on Narcondam Islands close to Coco Islands. The decisiveness shown in clearance of this radar station signaled the new government's approach to security in the Indian Ocean Region.

Any policy to play a bigger role in the Indian Ocean must have A&N as its centerpiece. A plan to develop port infrastructure and connectivity between islands was announced last year with Rs 10,000 crore allocation. The Modi government has decided to build on A&N's strengths but the proposal in order to formulate a perspective plan

on development of essential infrastructure would need a clear political objective to tackle the slow decision-making process and indifference of bureaucracy.

Under Modi's India is today increasingly seen as country that is not shy of taking up the role as an exporter of security in the region and beyond. Change in thinking and approach to IOR was articulated by foreign secretary S Jaishankar at last year's IISS Fullerton lecture in Singapore when he said that much thought had been given to an integrated Indian Ocean Policy and India believes that "those who are resident in this region have the primary responsibility for peace, stability and prosperity in the Indian Ocean,".

The US sees India play a larger role in helping build capacity and capability of littoral countries while building its naval infrastructure. Japan which has committed to build a deep sea port in Andaman Islands, has publicly asked India to take up the leadership of IOR. Admiral Tomohisa Takei, Japan's Maritime Self-Defense Force Chief on a visit to India for the fleet review earlier this year said India will "have to take responsibility for peace and security in IOR, from East Africa to South China Sea".

The Modi government has a historic responsibility and it must work in a calibrated manner to plan, build and strengthen India's maritime infrastructure and technology to play its role as the natural resident leader in the Indian Ocean Region.



## India and the Indian Ocean Region : The New Geo-Economics

\*Dr. Sanjaya Baru

In his rare classic *India and the Indian Ocean: An Essay on the Influence of Sea Power on Indian History*, historian K.M. Pannikar reminded us, “Milleniums before Columbus sailed the Atlantic and Magellan crossed the Pacific, the Indian Ocean had become an active thoroughfare of commercial and cultural traffic.”<sup>1</sup> Thanks in part to its geography, given the annual and seasonal flow of winds, the sociology of the enterprising traders of Gujarat and the Coromandel coast, and the enterprise of Arab traders the Indian Ocean was one of the early theatres of maritime trade and cultural intercourse.

With the rise of Asian economies, their growing dependence on Asian energy, with the emergence of Africa as the new continent of economic growth and the eastward turn of both Africa and West Asia, as they sell more of their resources to Asia rather than the West, the centre of gravity of global commerce has shifted from the Atlantic to what is now described as the ‘Indo-Pacific’. Consequently, the Indian Ocean has again become the crossroads of global commerce.

Placed as it is on the roof of the ocean, India has lent its name to the ocean by its historical role in shaping the flow of commerce and culture. India’s civilizational footprint is all too visible even

now across and around the Indian Ocean. Little wonder then that European cartographers gave names such as ‘Atlantic’ and ‘Pacific’ to the two other oceans but chose to name the waters touching the landmass of Africa, on the east, the Indian sub-continent on the north and Indo-China and Australasia, in the west, as the ‘Indian Ocean’.

### History

In his masterly study of civilisation and capitalism through the 15<sup>th</sup> to the 18<sup>th</sup> centuries historian Fernand Braudel draws attention to the dominant presence of India in the Indian Ocean region.<sup>2</sup> Braudel refers to the region spanning the Arabian Sea, the Bay of Bengal, the Straits of Malacca and the South China Sea – what is now referred to as the Indo-Pacific- as the “greatest of all the world economies” of the pre-industrial, pre-capitalist era.<sup>3</sup>

The Far East, says Braudel, comprised of “three gigantic world-economies”: “Islam, overlooking the Indian Ocean from the Red Sea and the Persian Gulf, and controlling the endless chain of deserts stretching across Asia from Arabia to China; India, whose influence extended throughout the Indian Ocean, both east and west of Cape Comorin; and China, at once a great

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*\*The author is a Distinguished Fellow at the United Services Institutions of India and International Institute of Strategic Studies, India.*



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territorial power – striking deep into the heart of Asia – and a maritime force, controlling the seas and countries bordering the Pacific. And so it had been for many hundreds of years.”<sup>4</sup>

“The relationship between these huge areas,” says Braudel, “was the result of a series of pendulum movements of greater or lesser strength, either side of the centrally positioned Indian subcontinent. The swing might benefit first the East and then the West, redistributing functions, power and political or economic advance. Through all these vicissitudes however, India maintained her central position: her merchants in Gujarat and on the Malabar and Coromandel coasts prevailed for centuries against their many competitors – the Arab traders of the Red Sea, the Persian merchants of the Gulf, or the Chinese merchants familiar with the Indonesian seas to which their junks were now regular visitors.”<sup>5</sup>

Pannikar notes, from ancient Indian texts as well as records of Asian travellers, including Chinese travellers, of centuries of Indian dominance of the Indian Ocean. From fifth century B.C. to sixth century A.D., says Pannikar, “this naval supremacy rested with the continental powers in India.”<sup>6</sup> The Sri Vijaya Empire, based in Sumatra, dominated the eastern seaboard of the Indian Ocean well into the 10<sup>th</sup> century. “The period of Hindu supremacy in the Ocean was one of complete freedom of trade and navigation.” Records Pannikar.<sup>7</sup>

With the decline of Hindu kingdoms in India and South-east Asia, Arab rulers and merchants gained dominance over the Indian Ocean. They

were then replaced by the Europeans. Through the era of colonialism the Indian Ocean became a theatre of geo-economic and geopolitical contestation between European powers. It is thanks to their dominance over the Indian Ocean that the British built and sustained a global empire.<sup>8</sup>

## Economics

One consequence of the harmful impact of British colonialism on India’s economic development was to turn India inward, and shun trade with the outside world. In 1950, India’s share of world merchandise trade was 2.0 per cent, compared to 1.3 per cent for China. By 1990, India’s share was down to 0.5 per cent, while China had inched up to 1.8 per cent. By 2010, the relevant numbers were 1.4 and 10.4, respectively!

The neglect of foreign trade, thanks to the export-pessimism of Jawaharlal Nehru’s economic planners and policy makers, contributed to this economic disengagement with the world as well as to a strategic neglect of maritime trade and security. After India’s reintegration with the world economy in 1991, the share of trade in India’s national income began rising. External trade in goods and services accounted for 16.2 per cent of India’s national income in 1950, and remained around this level till 1990. By 2010 the number was up at over 50.0 per cent, making India more trade-dependent than many OECD economies, including the United States.

This shift in India’s dependence on external trade was accompanied by an equally significant shift in the direction of trade. While Western Europe

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**Table 1: India's External Trade Openness (Percentage Shares of GDP)**

	1950	1980	1990	2007	2013
Exports (Goods)	6.5	4.9	5.8	14.2	17.1
Exports (Services)	1.9	1.3	1.4	7.7	8.1
Exports (Goods & Services)	8.4	6.2	7.2	21.9	25.2
Imports (Goods)	6.5	9.5	8.8	22.0	24.8
Imports (Services)	1.3	0.2	1.1	4.5	4.2
Imports (Goods & Services)	7.8	9.7	9.9	26.5	29.0
<b>Trade in Goods &amp; Services</b>	<b>16.2</b>	<b>15.9</b>	<b>17.0</b>	<b>48.4</b>	<b>54.2</b>

*Source:* Vijay Joshi, *India's Long Road: The Search for Prosperity*, Penguin Allen Lane, India, 2016.  
Table 12.1. Page 263

**Table 2: India: Direction of Merchandise Exports (Percentage Share)**

Region	2003-04	2013-14
Americas	24.6	17.8
Europe	25.7	19.6
Asia	42.2	50.1
Africa	5.9	9.7
Rest of the World	0.8	2.8

*Source:* Ministry of Commerce, Government of India

and North America were India's dominant trade partners in the 1950s and through to the 1990s, there was a directional shift after 1990. Partly as a consequence of the rise of East and South-east Asian economies in the intervening period and partly as a consequence of India's own 'Look East' policy, the share of East Asian and South-east Asian economies in India's merchandise exports increased sharply. This was matched by an equally impressive rise in the share of West Asian economies – the member countries of the Gulf Cooperation Council (GCC) in particular – in India's import and export trade. To add to this, India's trade with Africa, especially Southern African and East

African economies as also her trade with Australian and New Zealand grew at a faster pace than her trade with the trans-Atlantic economies.

All of this has meant that more than sixty per cent of India's external trade is now with countries that are directly linked to the Indian Ocean and the Indo-Pacific region. But, of course, even the trade with Europe and the Americas traverses the Indian Ocean.

The increase in the share of trade in national income is a reflection of the growing importance of export-oriented industries and services. Most of them, both goods and services, are increasingly located in peninsular India – including the coastal

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states of Gujarat, Maharashtra, Karnataka, Kerala, Tamil Nadu and Andhra Pradesh. The emergence of, for example, a competitive automobile and related industries in Tamil Nadu and Maharashtra has made port development a priority in these states. The growth of a petroleum refining and petro-products industry in Gujarat has had a similar impact on the development of Gujarat's port infrastructure.

### **The New Maritime Economy**

The most important reason for India's external trade dependence almost entirely on the Indian Ocean is the fact that its land links with Eurasia have been disrupted by the access denial imposed by Pakistan. Through history, a large part of India's trade with the Eurasian landmass – right up to Europe – was by land and passed through what are now Pakistan and Afghanistan. Historian Scott C Levi has recorded the role played by "Hindu traders", for centuries in financing and facilitating the trade between India and Central Asia and beyond, all the way to Europe.<sup>9</sup>

If land-based trade to India's west has been disrupted by Pakistan, that to India's east has been limited by inadequate infrastructure. India is now seeking to bridge this gap by investing in road and rail connectivity with Bangladesh and Myanmar, and securing land access to the markets of South-East Asia. Indeed, even to the west, the new India-Iran port, rail and road development projects are intended to offer India land connectivity to Eurasia through Iran. Inter-regional connectivity with her wider neighbourhood has become the cornerstone of regional cooperation for India.

Indian Foreign Secretary S Jaishankar put it

pithily in his address to the Raisina Dialogue in New Delhi in March 2016 when he said, "The Indian Ocean, once regarded as a maritime frontier, is today increasingly seen as a connectivity pathway.....These waters must not only get better connected but remain free from non-traditional and traditional threats that could impede the seamless movement of goods, people and ideas."<sup>10</sup>

Even as the land-based connectivity infrastructure gets established, the waters around the Indian peninsula will remain her main link to the markets of the world. Pannikar was prescient to observe in 1945: "The commercial interests of India ... her vast markets and her great natural resources, can be reached through the Indian Ocean and her recent industrial growth, with consequent expansion of trade, emphasises the necessity of safe sea communications."<sup>11</sup>

Over a decade ago India launched the 'Sagaramala' programme of improved ports and port connectivity to ease the flow of goods and develop globally competitive infrastructure in Indian ports. New port development in almost all coastal states has increased the importance of the maritime economy for the development of these states.

To quote Foreign Secretary Jaishankar again, "Our maritime agenda envisages port development that would harness the capabilities of the private sector. It is also important that the nodes of outward connectivity are linked better to the hinterland. The integrated development of ports and the hinterland, the objective of our SAGARMALA project, would surely have profound consequences over time."<sup>12</sup>

More recently, India has resumed ship building,

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after several decades of neglect. In the 1940s India had a globally competitive shipbuilding industry that thrived due to war demand. However, thanks to its inward-oriented industrialisation strategy India neglected its shipbuilding industry and late-comers like South Korea not only overtook India but emerged as globally competitive shipbuilding economies. Today India is teaming up with South Korea to rejuvenate its shipbuilding capabilities.<sup>13</sup>

## Energy

Energy security is an important aspect of India's maritime economy and strategy and a key determinant of its Indian Ocean strategy. Of all the trade links that India has with the Indian Ocean region none is more important than the trade in oil and gas. India's economic rise has increased its dependence on imported energy. Not only is the import of crude oil increasingly important for the Indian economy, but also the export of refined petroleum and petroleum products. While India seeks to become more self-reliant in energy, by developing nuclear and renewable energy, it will continue to be a major consumer of imported hydrocarbons and exporter of petroleum products.

Here again, given Pakistan's negative role in promoting land-based pipelines that can give India access to West and Central Asian gas and oil, India has no option but to depend on the Indian Ocean to access its energy needs. Apart from West and Central Asia, India is also sourcing and investing in oil and gas exploration in South-east Asia and East Africa. All this imparts a strategic dimension to India's trade dependence on the Indian Ocean.

The importance of the Indian Ocean to global

energy security cannot be over-emphasised. More than two-thirds of all oil that is traded is carried over sea by oil tankers, while less than a third is carried through pipelines. Most of the oil carried by ships passes through the Indian Ocean. The Straits of Hormuz and Malacca are key chokepoints. These lie on either side of India.

## People

It is not merely merchandise trade and investment flows that make the Indian Ocean region important for India. Over centuries people of Indian origin have set sail over the ocean to inhabit lands all around it. Some of these settlements, like Mauritius, have great strategic and economic value for India. Others, like the Gulf states, offer employment opportunities for millions of Indians and help India earn billions of dollars every year. Over six million persons of Indian origin living in the Gulf region repatriate home annually over US\$ 50 billion.

While India has developed the capability to airlift hundreds of thousands of people from the West Asian and North African region during times of conflict and distress, it has also demonstrated capability to quickly bring them out by sea and offer sea-based security to these communities. Indian ships were able to rescue thousands stranded in Libya during the conflict there. During the tsunami in December 2004 Indian ships were able to provide rescue and relief to stranded people around the Indian Ocean region.

People of Indian origin living in South-east Asia and Africa also extend India's cultural footprint. Over the past two decades India has actively

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pursued a policy of reaching out to the Indian diaspora. The dominant Indian communities in the Indian Ocean region are of Gujarati, Tamil, Telugu, Bihari and Bengali origin. Many continue to retain their original cultural identity even when they have fully integrated into local communities and may well be immigrants going back five generations and more.

### **Maritime Security**

Thanks to India's pre-occupation with land-based threats from Pakistan and China and the uncertain nature of her land borders in the immediate post-Independence period, Indian national defence strategy was focused on military and air power to the relative neglect of naval capability. This neglect of maritime security was compounded by India's choice of an inward-oriented economic development strategy, with a consequent decline in India's share of world trade. Pannikar's warning in 1945, that "An exclusively land policy of defence for India will in future be nothing short of blindness..... The freedom of India will hardly be worth a day's purchase, if Indian interests in the Indian Ocean are not to be defended from India," went unheeded for a long time.<sup>14</sup>

During the Cold War, Indian strategic policy remained focused primarily on ensuring that the Indian Ocean did not become one more theatre of superpower rivalry. This was the main objective of India's stated goal of ensuring that the Indian Ocean would be "a zone of peace." However, with the end of the Cold War and with the rise of China, maritime security in the Indian Ocean has acquired a new relevance for India.<sup>15</sup> The threats of terrorism, sea piracy, failed states, religious

radicalism and civil wars afflict several countries around the Indian Ocean region.

India's security and economic stability has been directly targeted from the ocean. Apart from the high profile incident of sea-based terrorist attack on Mumbai's financial district in November 2008, there have been incidents of piracy and illegal movement of lethal equipment with serious implications for India's national security and the safety of the Indian Ocean sea lanes of communications.

To add to these new security concerns, the increasing global and regional integration of the Indian economy and the increase in the share of seaborne foreign trade in India's national income also brought issues relating to maritime security into national security focus. Consequently, India has had to increase its budget for the navy and has set up a new naval command in the Andaman & Nicobar Islands.

### **Indian Ocean and the Global Economy**

The geo-economic importance of the Indian Ocean derives from the growing importance of Asia in the world economy. More than 60 per cent of all oil and petroleum product exports are shipped through the Indian Ocean waters and over 70 per cent of global container traffic is carried through the waters of this ocean. The share of trans-Atlantic trade in world trade has been declining, that of the trans-Pacific remains static while the share of Indian Ocean trade is growing.<sup>16</sup>

Hence, ensuring freedom of access and movement into and out of the Indian Ocean, through its various entry and exit points – what are called

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‘chokepoints’ – is essential not just for the stability and security of India and Asia, but also for the stability and sustainability of global trade and economic growth.

To be sure, the Indian Ocean is not just the crossroads of the world and the centre of gravity of the global economy but it is also a rich depository of marine resources, including minerals, oil and gas, fisheries and marine life. As the region’s biggest country, placed strategically at a vantage point overlooking the ocean, India has a special role in ensuring the security and stability of the Indian Ocean region.

India’s participation in organisations such as the Indian Ocean Rim Association (IORA) and a range of maritime exercises and initiatives, is pursued within a cooperative framework. Pannikar defined India’s long-term policy towards the Indian Ocean thus: “It cannot be less than the development of a balanced regional navy capable of (a) operating as a task force within its own area; and (b) cooperating with the high seas fleets of friendly nations in the strategy of a global naval warfare.”<sup>17</sup>

Pannikar drew attention to the strategic importance of the straits of Hormuz and Malacca as well as the Gulf of Aden in ensuring India’s defences, since these are the entry points into the Arabian Sea and the Bay of Bengal. India has taken a step further in ensuring its strategic presence deeper south, with a base in Mauritius, and has entered into a range of defence relationships with several Indian Ocean rim nations.

These relationships are important both from a

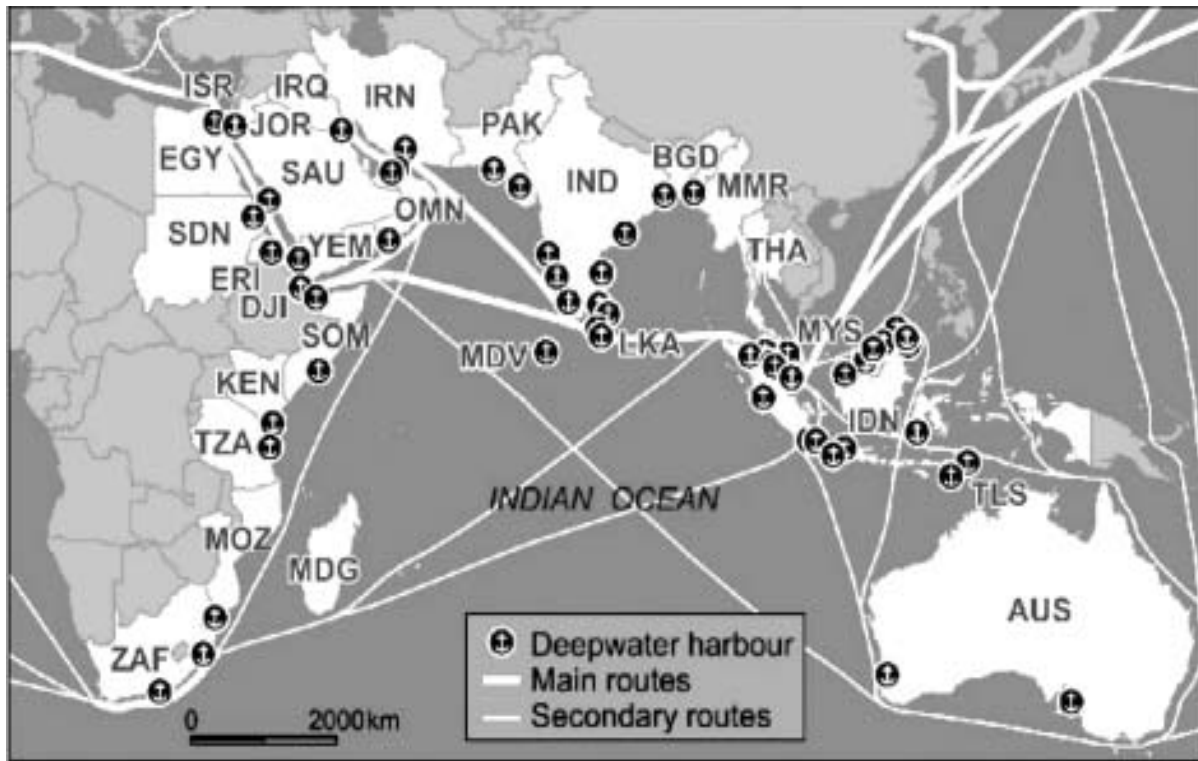
defence perspective and a trade and economic perspective. However, the Indian Ocean is more than a thoroughfare or a depository of natural resources. It is today home to a large number of highly successful economies. Hence, India has sought to build mutually beneficial bilateral strategic economic relations with a large number of them including Singapore, Australia, Iran, Oman, United Arab Emirates, Mozambique, Mauritius and South Africa. Pannikar viewed Singapore and Socotra merely as naval bases protecting India. That was in 1945.

Today, Singapore and Dubai have become major financial centres with a rising stake in India’s economic prosperity. Mauritius too is an important economic partner for India. The government of Prime Minister Narendra Modi has taken several important steps in building a long-term strategic partnership with Mauritius, Singapore and the UAE. There are no better examples of the synergy between an economic and a defence partnership than these relationships. By linking together cooperation in the fields of defence, security, economy and finance the *Joint Statement on a Strategic Partnership between India and Singapore* issued in Singapore by Prime Ministers Narendra Modi and Lee Hsien Loong in November 2015 both countries have underscored the relevance of this synergy to their bilateral relationship. Both countries are bound to play an important role in the security and prosperity of the Indian Ocean region.



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**Map 1: Trade Routes and Major Ports in Indian Ocean Region**



Source: Brahma Chellaney, *World's Geopolitical Centre of Gravity Shifts to Indian Ocean*.  
Accessed at: <https://chellaney.net/2015/07/01/worlds-geopolitical-center-of-gravity-shifts-to-indian-ocean/>

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## **Security Outlook of Indian Ocean India's Geostrategic Interests in the IOR**

**\*Siddharth Singh**

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**T**he Indian Ocean Region is a very diverse region with great potential & prospect. It also holds substantial significance because of the global and intra-regional trade which passes through it and for the value of its aquatic resources. The security of the Indian Ocean region is important for all those nations which face its waters and also for all those nations which depend on the global maritime trading system using Indian Ocean as a passage.

The Indian Ocean represents an increasingly significant avenue for global trade. Rising prosperity in Asia, growing dependence and linkage between producers and consumers on natural resources across Asia and Africa and the existence of globalized supply chains and distribution networks bind the region ever more closely with the Indian Ocean. At the same time, emerging problems like piracy, terrorism and global environmental pressures on coastal and marine resources pose significant governance challenges for maritime policy-makers around the Indian Ocean Region (IOR).

Strategically, the crucial choke points across the Indian Ocean play both roles: as facilitator by reducing travel distance and putting constraint. The

seven key chokepoints in the IOR are the Lombok Strait, the Sunda Strait, the Malacca Straits, the Strait of Hormuz, the Suez Canal, Mozambique Channel, and the Bab el Mandeb.

The Indian Ocean Region displays incredible multiplicity as well as divergences in the littoral countries' politics, culture values, economic models, and environmental concerns. Despite the noteworthy geographical span the growing population of the Indian Ocean region, it has long suffered comparative negligence in the geopolitics of world affairs. During most of the 20th century, the region's role and prominence were generally eclipsed and considered subsidiary to the global super power rivalries. While the Indian Ocean Region has now risen to the forefront and features more prominently in world geopolitics including the strategic interests and commercial controls of extra-regional powers such as the US, EU nations, Japan, and China, the littoral states of Indian Ocean are also increasingly influencing regional and global geopolitics.

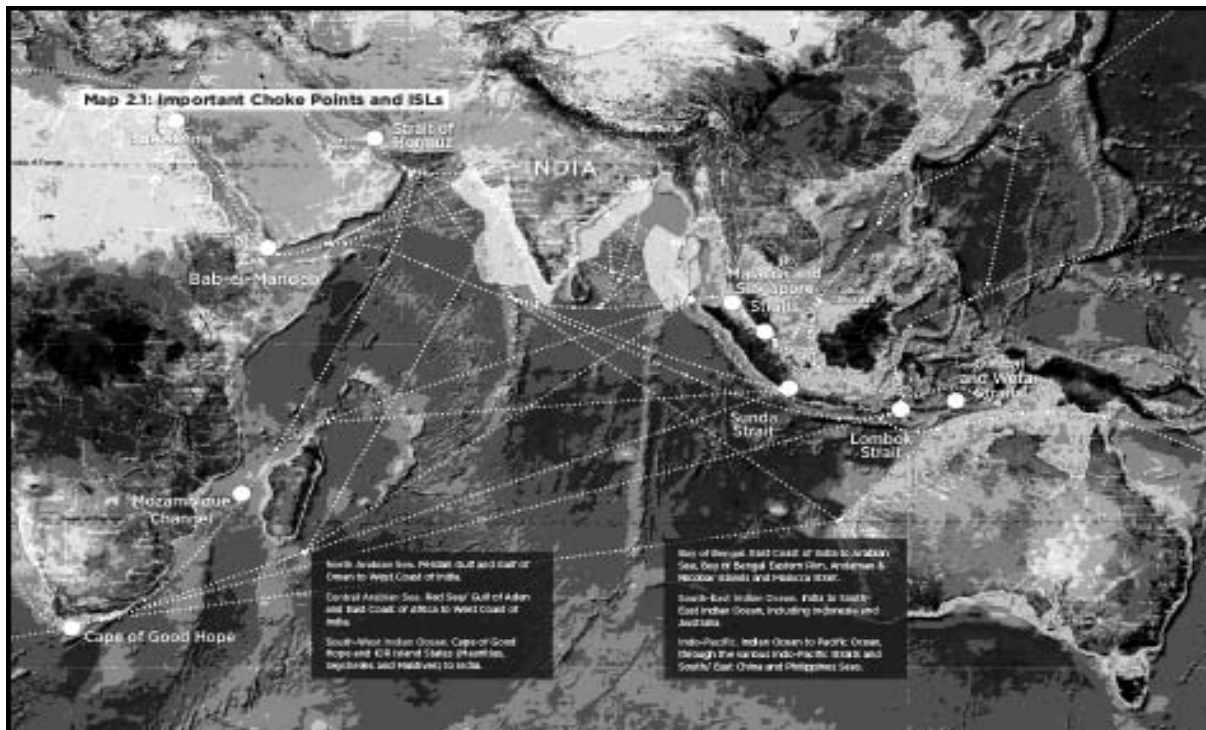
### **The Indian Ocean Security Outlook**

The security outlook for the IOR is increasingly important for global stability and prosperity because

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it encompasses a vital and expanding intersection of geostrategic rivalries, economic ambitions, resource competition, environmental management, development challenges and demographic change. A broad architecture of security cooperation among Indian Ocean and non-regional states needs to be responsive to the growing complexities in the region along with the rising geostrategic importance of IOR. In doing so, it needs to accommodate legacies from the region's past and respond creatively to its contemporary and future challenges.

The complex realities of the security outlook in the Indian Ocean have fundamentally important implications for its security architecture. The region is simply too vast in its geography, too diverse in

the economic needs and priorities of its constituent states, and too disparate in its strategic outlooks to accommodate a 'one-size-fits-all' approach IOR's security outlook demands responses that are practical, adaptive and multi-layered. It needs to reflect the realities of major power cooperation and competition, alliance frameworks, sub-regional groupings and more plurilateral arrangements. Strategic competition, particularly among major powers such as the US, China and India is inevitable, but such competition needs to be balanced by strategic cooperation in order to minimise misunderstanding and misinformation.

In addition to major power relations, aspects of Indian Ocean security are also critically affected by alliance and strategic partnerships involving

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regional and non-regional states. Some of those partnerships are longstanding and established; others are emerging and evolving. Some are bilateral; others are more multi lateral. But all such partnerships constitute only a dimension of regional security architecture, and not the sum total of it.

On a range of issues - such as economic development, piracy, terrorism and illicit trafficking - more plurilateral mechanisms which involves major and minor powers, can offer the most productive way forward. Such coalitions of interest can embrace strategic partners as well as competitors; and they can be formal or informal. Sub-regional structures in the IOR also play niche roles in support of regional development and security.

The more productive way forward for the Indian Ocean's security architecture is a genuinely multi-layered one that addresses State security and human security challenges, and that is designed to promote strategic cooperation as well as manage the realities of strategic competition.

A productive security architecture in the Indian Ocean is always going to have layers of bilateral and plurilateral interaction characterising it. The challenge is to make that mosaic as complementary, practical and intersecting as possible in order to advance the objectives of strategic stability and economic development that regional states share.

Analysing the Role of Indian Ocean Rim Association (IORA) & Indian Ocean Naval Symposium (IONS):

The Indian Ocean Rim - Association for

Regional Cooperation (IOR-ARC) was formally launched at its first ministerial meeting in Mauritius in March 1997; and was renamed IORA at the council of ministers meeting in Perth in November 2013. IORA currently has 21 member States, seven dialogue partners and two observers. Its objectives are to promote sustainable growth and balanced development in the region and of its member states and to create common ground for regional economic cooperation. It strives towards building and expanding understanding and mutually beneficial cooperation among the countries in the Indian Ocean region.

IORA contributes to trade and investment facilitation among 21 Indian Ocean littoral countries, with important input from seven dialogue partners - China, France, Egypt, Japan, the United Kingdom, Germany and the United States. IONS, with Indian Ocean littoral states as members and with engagement by extra-regional states as well, effectively promotes maritime cooperation and productive information flows among relevant navies particularly in relation to doctrines, procedures, capabilities, organisational and logistical systems, maritime safety and operational processes. These two Indian Ocean multilateral processes are highly desirable but are structured to achieve quite specific purposes. Neither constitutes a region-wide deliberative forum covering the broad range of Indian Ocean security and development issues.

IORA priorities are more practically focused on maritime safety, freedom of the high seas, disaster response and risk management, economic growth through regional trade facilitation and

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customs simplification, sustainable use of Indian Ocean resources, more effective fisheries arrangements and oceanic research as well as enhanced people-to-people links through tourism, education and business. IORA objectives still remain broad and aspirational. Over time, they would only achieve their potential if they are calibrated more specifically to benchmarks, timelines and practically focused work. If IORA has to achieve more tangible outcomes in coming future then it would be best for it to keep its focus restricted to just the four “super priority” areas namely maritime safety and security; trade and investment facilitation; fisheries management; and, disaster risk management.

The Indian Navy was initiated IONS in 2008 to promote cooperation between navies, coastguards and marine police in the IOR. It was inspired by and modelled on the Western Pacific Naval Symposium (WPNS) created by the Royal Australian Navy in 1988 in order to provide a regional mechanism for navies and maritime forces to meet periodically to discuss and interact on matters of common interest and to pursue cooperative engagement and initiatives. The key objectives are to bring together regional navies and maritime forces to synergise their collective resources, and to maintain good order at sea in the Indian Ocean.

IONS is a voluntary initiative with membership limited to the Indian Ocean littoral states. Following the progress of IONS since its inception shows that the ‘Chairmanship’ matters. While there are a multitude of common interests, particularly in the

maritime domain, not involving extra-regional countries that have important interests and stakes in the region may prove to be a major stumbling block.

In relation to IONS, its future evolution as a forum for enhancing professional naval exchanges, capacity building and interoperability will be critical for the effectiveness of the region’s security architecture. IONS should include freedom of navigation (including freedom from piracy), facilitation of maritime trade, safety of life at sea, environmental protection, information sharing, and humanitarian assistance and disaster relief arrangements. IONS is a vital facilitator of navy-to-navy understanding and professional cooperation. But neither it encompasses the political dimensions of regional security cooperation nor or the wider dimensions of national security as perceived by regional states.

The security architecture of the Indian Ocean region would be further strengthened if arrangements such as IORA and IONS were complemented by other multilateral initiatives. This will be important if the Indian Ocean region is to develop a practical, adaptable and multi-layered security architecture.














### **India’s Geostrategic Interests in The Indian Ocean**

K.M. Panikkar, pioneer Indian strategic thinker, argued more than 60 years ago that ‘*Since India’s future was dependent on the Indian Ocean, then the Indian Ocean must therefore remain truly Indian*’. Even earlier, in the 16th

century, Portuguese Governor of Goa Alfonso Albuquerque was of the opinion that '*Control of key choke points extending from the Horn of Africa to the Cape of Good Hope and the Malacca Strait was essential to prevent an inimical power from making an entry in the Indian Ocean*'.

Yet post-independence, and until the end of the Cold War, India reduced its influence to within

the sub-continent. However, after 1991, India took a different approach and embraced a new open-minded policy. This policy included enlarging India's political, diplomatic and economic spheres, and forging defence contacts in the Indian Ocean region and beyond. For the first time, India's 'Look East' policy focused on Southeast Asia to shore up India's ability to compete geopolitically with other powers like China.

 The Indian Navy conducts institutionalised exercises with foreign navies as follows:-	
 The United States Navy in Exercise <i>Malabar</i> , since 1992	 The Royal Navy (UK) in Exercise <i>Konkan</i> , since 2004
 The Royal Oman Navy, in Exercise <i>Thammar-al-Tayyib</i> , since 1993, later renamed as Exercise <i>Naseem-al-Bahr</i> in 2007	 The Sri Lanka Navy in SLINEX, since 2005
 The Republic of Singapore Navy, since 1994, in <i>IN-RSN</i> ASW Training Exercise <i>Sea Lion</i> , later renamed as Singapore India Maritime Bilateral Exercise (SIMBEX)	 The Brazil and South African navies in IBSAMAR, since 2008
 The French Navy in Exercise <i>Varuna</i> , since 2001	 The Japanese Maritime Self Defence Force in JIMEX, since 2012
 The Russian Navy in Exercise <i>INDRA</i> , since 2003	 The Royal Australian Navy in AUSINDEX, since 2015
 The Indian Coast Guard has been conducting an annual Exercise <i>Dosti</i> with the Maldives National Defence Force since 1991. It has been upgraded to a trilateral exercise with addition of the Sri Lanka Coast Guard since 2012	
 The Indonesian Navy, since 2015	

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India is a maritime nation, not just by historical tradition but also because its geophysical configuration and geo-political circumstances makes it dependent on seas. India's national security must treat the maritime space as an important dimension of its rising power status and a key component of its economic growth and energy security. For India, achieving closer diplomatic and economic relations with the Indian Ocean littoral states and other major powers has assumed added importance because a number of security analysts have asserted that energy security needs to be India's primary strategic concern for the next 25 years, and IOR region can be tapped in this regard. India also needs to pursue more aggressively the deeper economic ties with other Indian Ocean littoral states so as to develop leverages that would make them less inclined to facilitate Chinese access. India develop cooperative security relationships with the larger littoral states of Southern Africa, Indonesia and Australia.

India and China are both dependent on Sea Lines of Communications (SLOCs) through the Indian Ocean for secure energy routes and free movement of trade. The potential geostrategic encirclement of India, through a combination of ports in the Indian Ocean ('String of Pearls') and China's de facto alliance with Pakistan, creates a security dilemma for India. To secure itself against this possibility, India must ensure that choke points in the Indian Ocean region remain open and free.

India's geostrategic interests have been very well articulated by Prime Minister Shri Narendra Modi himself. He said, "*Indian Ocean, occupy a vital place in India's national security and economic prosperity. The Indian Ocean Region is one of my foremost policy priorities. Our approach is evident in our vision of "SAGAR", which means "Ocean" and stands for – Security and Growth for All in the Region. We would continue to actively pursue and promote our geo-political, strategic and economic interests on the seas, in particular the Indian Ocean*".

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# India-Myanmar Relations: Frontiers of a New Relationship<sup>1</sup>

\*Gautam Mukhopadhyaya

India-Myanmar relations are poised to take-off, cross existing frontiers and attain new dimensions. We are on the threshold of a new Myanmar; Prime Minister Modi's economic policies and energetic diplomacy promise to place the Indian economy into a qualitatively high growth path and India itself in the forefront of the international community; and with structural changes under way in the Arab world, Europe, not to forget challenges in the US and China, the world itself is in the throes of uncertainty and (possible) metamorphosis.

Together, these developments throw, as the cliché goes, both challenges and opportunities as some countries and regions face shocks and prospects of relative decline and others, emerge. How could India and Myanmar avoid the pitfalls of the first and capitalise on the possibilities of the second? Could India and Myanmar forge a strategic economic partnership in which we could be a major partner in new Myanmar's democratic transition and sustainable economic development, and Myanmar could provide India an economic base to expand its presence in the nascent ASEAN Economic Community and the Greater Mekong sub-region up to the South China Sea and the South Pacific? Could India and Myanmar together with the other members of BIMSTEC, build a truly

prosperous Bay of Bengal Community linking South and South East Asia?

While it is tempting to touch on the whole spectrum of the agenda of this Conference, I would concentrate in some detail on one strategic initiative that according to me deserves special attention: our economic relationship, in particular the **role that Indian investment in Myanmar could play** in promoting India-Myanmar relations, contributing to Myanmar's economic development after nearly 50 years of self-imposed and forced isolation, and expanding India's economic presence and political profile in South East Asia. This emphasis would mean the relative negligence of political, security, cultural and people to people initiatives.

It is commonplace at present to talk about India's 'Look' and 'Act East' policy, and the North East of India as a gateway for it, but so far, discussions and initiatives in this regard have taken place largely in terms of trade and connectivity. The idea of Indian investment, especially private sector investment in Myanmar, has not really entered into India's vocabulary as a separate category that requires a conscious policy, strategy and attention at the political and industry level.

Indeed, the rhetoric of 'Act East', 'gateway', 'trade and connectivity', etc. has tended to be

<sup>1</sup>*It is the text of the key-note address delivered on 5th July, 2016 at the Bilateral Conference on "India-Myanmar - Frontiers of New Relationship" hosted by India Foundation at New Delhi.*

*\*The author is a former IFS official and a former Ambassador to Myanmar and Afghanistan*



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framed in terms of an outlet for and development of the North East, and access to the markets of the ASEAN and South East Asia, with Myanmar implicitly as a 'transit' country. Though a bit of a simplification, this tends to overlook the potential of the Myanmar economy, or of its value to us for our economy, or of Indian investment in Myanmar as a 'base' and or 'spring board' for India towards the South China Sea and South Pacific. This is not a one-sided proposition and would benefit both sides.

This means that in the process a huge opportunity is missed that others are already cashing in on. In fact, Japan has already done that with Thailand in a previous generation and reaping the rewards in terms of market entry into south East Asia, and is now doing that in Myanmar. Similarly, Thailand has been aggressively promoting its products in Myanmar and pushing westwards through land and, via the planned SEZ in Dawei, the sea.

China's investments have been mostly extractive, but even they are moving towards more strategic investments in oil and gas pipelines, a deep sea port, and a Special Economic Zone Kyaukphyu, and if they could help it, road and rail connectivity from Yunnan to Kyaukphyu, both as an outlet for Yunnan and access to the Bay of Bengal as part of its OBOR strategy. This obviously has strategic implications for India, which too have not been adequately realised.

Admittedly, all three have had a head start over us. But why has India, which has had the deepest cultural links of all three through history, and the

closest administrative, trade, connectivity, migration and people-to-people ties for 150 years through British rule and 15 years of the post-independence until the 1960s, not realised the value of Myanmar as an investment destination?

How is it that despite the fact that India and Myanmar are cultural and geographical neighbours that share 1,600 kms of land boundary and a comparable maritime boundary in the Bay of Bengal and Andaman Sea, both countries do not think of themselves as neighbours psychologically in the same way as we think of Bangladesh or Nepal, or Pakistan, Bhutan, Sri Lanka, Maldives, Afghanistan, or even Singapore, Thailand, Mauritius or Malaysia, further away?

Similarly, in 50 years, Myanmar, a country that once tilted culturally towards India, has turned its face definitively towards the east; and now also looks to the West, 'overlooking' India as it were. We are neighbours, but practically strangers. Despite a huge Indian origin diaspora in Myanmar, Myanmar's once large post-1960s population of Indian returnees, and a Myanmar exile population in India during the period of military rule, we hardly know each other. We hardly know our diaspora in Myanmar either. All that most Indians know about Myanmar is the saga of Daw Aung San Suu Kyi.

Is severance from British yoke and 50 years of reclusive and sanctioned military rule enough to cause such mental amnesia on both sides?

Further, why we do not as yet think of Myanmar as a land of economic opportunities, which is undoubtedly is? This is even more puzzling if we look around us.

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It is obvious that Myanmar is our most well-endowed neighbour. With an area of 653,000 sq kms, it is second in size only to Pakistan (and about the same size as Afghanistan), but with a population density of only 82 per sq km, [higher than only Bhutan (20) and Afghanistan (48) in South Asia], and less populated than Bangladesh or Pakistan, by a factor of more than three.

It is strategically located between the huge markets and geo-politically important centres of India, China and the ASEAN. It has perhaps those most valuable of natural resources, plenty of land, water and sun. It has fertile agricultural land and potential, and rich forests. It has oil & gas, precious stones like rubies and jade, precious metals like gold, and copper and lesser metals in abundance.

It is poor but not as poor as most of populous South Asia (with a GDP per capita of US\$ 1,228). It is a country with high social capital and degree of equality, and a relatively educated, culturally disciplined, and easily trainable work force. It is still a low cost economy. It has almost everything an investor could want and need.

Not that this was unknown to us. In our ancient history Myanmar was the original 'swarnabhumi' or golden land, 'Brahmadesh', the land of Brahma. Just 100 years back, it was seen as a land of opportunity for hundreds of thousands of migrants from practically all parts of India. In his highly readable book, 'the River of Lost Footsteps', Thant Myint U notes that at one time between the wars, Myanmar received, under British rule, as many or more migrants than New York or the United States,

almost entirely from India! Downtown Rangoon was practically an Indian city (and still bears the character of one).

Until Gen. Ne Win's military coup in the 1960s, it was the Bangkok of today, a crucial transit point in the air routes to the east and west (and even to the Andaman Islands). Rangoon University was arguably the foremost university in South East Asia. Myanmar was in the forefront of the region, not part of the CLMV (Cambodia, Lao PDR, Myanmar, Vietnam), the least developed countries of the ASEAN. It produced civil servants of the class of U Thant.

It is my considered view that with the reforms unleashed by President U Thein Sein's government, the voice and power of the people especially its talented youth liberated by the remarkable November 2015 elections which has brought the NLD to government, and its current growth rate of around 8% (albeit from a low base), Myanmar could easily become the new tiger economy on the block in 5-10 years, not just any tiger economy, but a large tiger economy whose roar could be heard well beyond the region. All the more reason why India should take it seriously.

It is true that there are also challenges: of peace, reconciliation, a not yet fully democratic constitution, a lack of, or poorly developed civil institutions; issues of land ownership, records, titles and forced or disputed acquisitions; need for a modern and enabling legal and regulatory environment; political stability and risk; and political, environmental and social opposition to

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some projects and investments. Not all is well between the elected government and the military. The constitution is disputed. The new government lacks administrative experience, and is still trying to craft its policies for peace and development.

But these are all being addressed. Most of the all, the leadership is rational and enlightened; highly educated expatriates are returning, the young generation keen to catch up with the world, and the public increasingly involved in decision-making. Issues are being debated. It is a thoughtful process.

It is fortunate in that between India and Myanmar, there are really no contentious political issues, and the few areas that require attention are not intractable and could be addressed reasonably. India also enjoys cordial, if not necessarily close relations with virtually all political forces in Myanmar. India should actively support and play a constructive role in Myanmar's democratic transition, peace process, and sustainable economic growth and development.

Not that the Government of India has been inactive. In fact, successive governments have followed a very thoughtful policy on Myanmar since independence but particularly since the challenge posed by Gen. Ne Win's coup. They have, in different phases covered political, security, trade, connectivity and development initiatives, but not the idea of Indian investment in Myanmar.

India's initiatives in the areas of **connectivity and development** are particularly impressive. Not many know or are aware, that the total value of the Government of India's development commitment to Myanmar totals nearly US\$ 2 bn,

US\$ 1.2 bn on connectivity, capacity-building, social infrastructure and border area development projects, and another nearly US\$ 750 million on soft lines of credit for physical infrastructure such as power transmission lines, roads, irrigation, telecommunications, industry and rail transport according to priorities set by the Government of Myanmar for projects that it often cannot find financing for elsewhere.

This compares favourably with the most generous donors. To the best of my knowledge, no other country is fully funding and executing physical connectivity projects of the scale of the Kaladan project and the Tamu-Kalay-Kalewa-Yargyi roads and bridges that are part of the trilateral highway; nor mentoring high value, state of the art, capacity building projects like the Myanmar Institute of Information Technology (MII) and the Advanced Centre for Agricultural Research and Extension (ACARE) as India is, not even major donors like Japan, the European Union or even China which as a direct interest in connectivity. Not many even in Myanmar seem fully aware of this.

But while the Indian government is doing a lot in the area of development, our development partnership needs some tweaking and diversification. Most of our projects are **infrastructure** oriented, capital intensive, and once completed, be hands off. The **human dimension** has been limited. This is one reason why its public impact has been low compared to many western, Japanese and Korean projects.

We need to broaden the engagement to target

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first, the **grassroots**, through initiatives in agricultural extension, livestock, fisheries, decentralised, non-conventional energy, rural agro-based and other industries, garments and light manufacturing etc. where the large mass of Myanmar are concentrated and form the base of the economy; the **intermediate strata** through school, college, vocational and English language education that forms the catchment area for stronger social and cultural relations, through arrangements for the education of Myanmar students in Myanmar and India; and the business and intellectual **elite** through higher education, academic, university, professional and civil society linkages in the sciences, management, IT, accounting, law, development and all the other disciplines necessary for a modern economy.

We also need to decrease our dependence on large government executed or government-to-government projects, and diversify our development partnership to include proven NGOs, cooperatives, SMEs, and even United Nations development organisations on a case to case basis. We have so far been wary of involving these two categories that other, mainly western countries use to great effect, but both these categories have much greater capacity to get to the grassroots than government organisations and entities.

**More importantly**, we have been lagging behind the rest of Asia (and even Europe and the US) in the commercial economic arena. As you drive in from the spanking new airport into a booming Yangon, amidst the numerous Japanese,

Chinese, Thai, Singaporean, Korean, Taiwanese, European, Gulf and even Vietnamese brands advertised, there is not a single Indian brand (except to a very small extent, Tatas) to be seen.

In trade, we have slipped from third place in 2011 to 5th place now with a bilateral trade of approx. US\$ 2 bn, not because our trade has gone down, but because others, notably Singapore (\$5 bn) and Japan (2.3 bn) have overtaken us. This is not at all commensurate with our proximity, historical ties, and size of our economy and market, and compares very unfavourably with Myanmar's principal land and economic neighbours, China and Thailand. China's official trade stands at over US\$ 10 bn; Thailand's at about US\$ 6 bn; but if we include the high volumes of unofficial trade, would be considerably higher. We have not been able to achieve our trade target of US\$ 3 bn for 2015 set in 2011. Yet others, like Korea and Malaysia, are catching up.

Tellingly, with much of the trade being Myanmar exports of primary agricultural and forest products, and Indian exports, except pharmaceuticals, mainly engineering goods, Indian brands and consumer goods which give visibility, are generally absent.

But those figures are not as negative as they look if we consider that we were Myanmar's third largest trade partner until 2011 through 40 years of a political and economic hiatus in our relationship caused by nationalisation, suppression of democracy, isolation and sanctions, when, for various reasons, China and Thailand became much

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more plugged in to the Myanmar economy. The core of that trade has been Myanmar exports of beans and pulses and timber.

The importance of this trade for both sides can be appreciated if we realise that while exports from 1.8 MT of rice, easily Myanmar's most important food crop, in 2014-15 (the highest in 50 years, 50% of which is sold to China), earned Myanmar US\$ 644 million, exports of beans & pulses (approx. of 1.54 million metric tons), 75-80% to India, accounts for over US\$ 1 bn in export earnings for Myanmar. India is also Myanmar's third largest export market overall, and Myanmar, India's second largest source of beans and pulses, a politically sensitive commodity. The beans and pulses export of over 1 million tonnes to India is therefore the single largest export item of Myanmar to any country.

The fundamentals of this trade relationship are therefore strong, and grown steadily through thick and thin regardless of the political weather. It therefore represents the base line in our trade relationship. In fact, given the political and economic openings of the last few years, the complementarity of our two economies, India's current rate of growth, and the untapped potential of Indian exports and Indian investments in Myanmar, India-Myanmar trade should grow faster than those of Myanmar's other neighbours whose trade is more saturated.

Indian industrial goods, pharmaceutical products and IT services have started entering the Myanmar market and enjoy a good reputation for

quality, but given the head start that our competitors have, cost and price considerations, and the logistical handicaps we will continue to face, it is unlikely that we will be able to catch up with either of them or compete with several other players, through trade alone.

In my view the only way this can be done is if we build on the comparative advantages of Myanmar already outlined, and the market access to the AEC, India, ASEAN FTA partners and the EU that Myanmar can provide to actually also produce and manufacture in Myanmar for these markets. Taking China as an example, given Chinese pricing, we cannot compete with China in Myanmar by exports from India alone. But we can (compete with them) even beyond Myanmar (in the ASEAN and even China itself), if we combine lower factor costs of production in the CMLV countries with Indian technology and management and build a brand image in the region around **quality, cost and reliability** that India is already beginning to enjoy. I believe that India could also compete with Japan on the cost-quality index on many products if these were produced locally.

In so doing, our companies would also raise domestic industrial and service capabilities, create new employment opportunities, and add value to local products (that Myanmar is seeking from foreign investors), and create a symbiotic and productive (rather than extractive) economic relationship between India and Myanmar that would benefit both.

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So far however, private sector Indian investment in Myanmar has been disappointing. Today, in contrast to the Government's development investment commitment of nearly US\$ 2 bn, India ranks only 9th in FDI, amounting to approx. US\$ 730 million, with public sector oil and gas PSUs accounting for over US\$ 500 million and the private sector accounting for only about US\$ 200 million.

By way of comparison, approved Chinese investments stand at over US\$ 18 bn or over 28% of all FDI (a major part of it in extractive industries such as mining and hydro-power); Singapore, US\$ 13 bn (20.5%), Thailand, US\$ 10 bn (16.5%), Hong Kong, US\$ 7.35 bn (11.5%), Korea, US\$ 3.5 bn (5.5%), and Malaysia, nearly 2 bn (3%). 2 European countries stand in the top 10, UK with over US\$ 4 bn (6.4%), and The Netherlands, nearly US\$ 1 bn (1.5%). Vietnam and late comer, Japan stand at 10th and 11th.

There are several reasons for this: Myanmar's self-imposed isolation and externally imposed sanctions; our mental amnesia towards each other as neighbours, lack of connectivity, especially air connectivity that is crucial as our trade becomes more service oriented; lack of banking channels; and perhaps also a risk averse Indian industry. These are gradually being addressed, but will need some gestation time.

But the most important reasons are two others. First, as has already been pointed out, Myanmar falls in a cognitive and information blind spot for Indian industry. How many Indian investors think of Myanmar as a neighbour, and a resource rich

neighbour at that? Or appreciate the strategic economic value of Myanmar for our 'Act East' policy? Or the importance of Mandalay as distribution centre for goods from the north, south, east or west? Or have even heard of the SEZ's in Myanmar, Thilawa, Dawei, or Kyaukpadaung?

And second, that we have rarely thought of Indian investment abroad as an arm of our foreign policy or as an instrument of political and economic influence. All our efforts have revolved around building domestic industrial capacity, with foreign investment and integration global value chains as the relatively elements. Though there are growing exceptions, Indian industrialists too have thought more in terms of the domestic market than global markets, and when they have, the reasons have sometimes been questionable.

Perhaps, in our ambivalence towards Indian investment abroad there is a fear that this would mean an outflow of badly needed investment and jobs that could be had in India. This would be somewhat short-sighted because 'Make in India' does not have to be at the expense of 'Made by India abroad'. There are comparative advantages in investing abroad in many cases, and opportunity costs of not doing so.

To give an example, Indian garment manufacturers investing in Myanmar's SEZs, could get additional access to the European market (and hopefully in future, the US also) that they cannot get from India. Conversely, global chains and companies from Korea, Taiwan, Thailand, Japan and others will cash in on the opportunity, as they

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are already doing, and we will be the losers.

At the very least, our neighbourhood could be integrated into our 'Make in India' campaign through PM's 'neighbourhood first' policy as indeed it seems to have been envisaged in the North-East India-Myanmar industrial corridor that is part of 'Make in India'.

With a view to working out the different areas of Myanmar's economy that Indian investment could flow into, I would propose a fresh strategy for India than prevailing trends and orthodoxy.

Out of a total, cumulative approved foreign investment of US\$ 67 bn in Myanmar until May 2016, over 66%, or two-thirds, are destined for the oil & gas and power sectors, sectors that require heavy investments and that are not particularly employment intensive. About 4.5% goes into mining (that is extractive), 5% into real estate and construction (that is mostly in the luxury segment for the wealthy and expatriates), and only 10.3% into manufacturing, 8% into transport and communication, and about 4% into hotels and tourism that are employment generating. *Only a little over 1% is going into livestock, fisheries and agriculture where nearly 70% of Myanmar's population is engaged in.*

As we can see, the pattern of foreign investment in Myanmar is in the most capital intensive and revenue generating rather than employment generating sectors, and is bypassing the vast majority of the people. Additionally, notwithstanding the rhetoric of sustainability, inclusivity and equitability advocated by major

international development and financial institutions and foreign investors on grounds of need, scale and viability, large, capital intensive projects tend also to be the ones that are the most socially, economically and environmentally disruptive, forcing people from the countryside into cities, from inner cities to shanty towns on the outskirts and suburbs, and with the greatest environmental impacts.

Of course, large projects are also required, but as a matter of development and investment strategy, I would advocate a very different approach for India. Having undertaken major connectivity projects which will serve Myanmar's development and our trade interests, we should now focus our development and investment efforts towards the base of the economic pyramid where the largest numbers of Myanmar are engaged in their livelihoods, sectors like agriculture, livestock, fisheries, agriculture and food processing, and light industries including garments, and the infrastructure support for them like small irrigation projects, renewable energy for the countryside and rural industries, vocational training, education, etc.

These are precisely those areas where the least investment is now heading, and where *small investments, spread wide*, would benefit the largest number of people directly, be least disruptive, and bring about equitable development from the base of the economy upward. This would also be a good political investment at the level of the people.

One of the fundamental problems for

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investment at this level and sectors is that while it is not difficult to find financing for large projects and investments, mobilising finance for small scale investments and for SMEs is not easy. We have done this in India quite successfully, but need some viable strategies for handholding and finance for such investments abroad.

Recognising Myanmar's basic strength as an agricultural country, the top leadership of the NLD has a vision of developing Myanmar as a 21st century organic agricultural power. The Party is being criticised for not coming out with a clear economic policy as yet, but given their base among the people and public interests that are at variance from international development orthodoxy, they are thinking hard about these things.

With our investment in the ACARE and Rice Biopark, and a healthy line of credit that can be used for agriculture, we have the opportunity of taking the lead and partnering Myanmar in this effort. By doing so, we would be aligning our investment with Myanmar's priorities as indeed, as a good neighbour, we should.

This is also very much in our interest. As the largest agricultural surplus country in our vicinity already bound to India through its trade in pulses, Myanmar is already important for us for our food security. This could be developed and formalised into a **strategic food security relationship** for both countries.

For some time now, we have been trying to promote the idea of a stable arrangement for procurement and supply of beans and pulses with

Myanmar that could serve the interest of Myanmar farmers for an assured market and predictable, remunerative prices as well as availability of pulses and price stability in India. Recently, Minister of State for Commerce & Industry Nirmala Sitharaman has had intensive discussions with the Myanmar Minister of Commerce on the subject. So far, it has not yet fructified not because Myanmar is not willing to consider it, but because it does not have a procurement and canalising agency. Discussions are on.

An agreement on beans and pulses can be the building block of a much larger food security relationship. These could include increasing production through extension of Indian agricultural scientific, technical (including adaptation measures to climate change), market access services, procurement and import of not only beans and pulses, but also rice and edible oilseeds (which too Myanmar produces for export and which we import on a large scale), and mutual food assistance in case of floods, cyclones and other natural disasters which typically affect both of us. Such an agreement would be novel and worthy of signature at the level of Prime Minister and the top leadership of Myanmar.

I would like to particularly mention the **strategic significance of rice trade** with Myanmar. Presently, we do not import rice from Myanmar. Proposals for import of small quantities of rice from Myanmar for political and strategic reasons have been made by our Ambassadors in Myanmar from time to time, but run up against



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resistance from our public food distribution agencies on economic and other grounds. It was made once again two years back to supply rice to Manipur and Mizoram while the Lumgding-Silchar railway line was being upgraded to broad gauge. It could not fructify.

Currently, Myanmar supplies nearly 1 MT of rice to China (900,000 in 2014-15, and expected to increase). But the trade which is crucial for Myanmar farmers and traders, is subject to quality and arbitrary barriers and arm-twisting by authorities and importers on the China side. Even modest, 10,000-20,000 tonnes of rice imports for the North East (which is close to Shwebo, one of finest rice growing areas of Myanmar) where Myanmar rice varieties are appreciated, would be a great political gesture to Myanmar farmers, establish our image as a good and friendly neighbour, and promote the kind of North East-Myanmar trade ties that would benefit both sides, without making much of a difference to us.

Of course, agriculture and related industries are not the only areas of investment interest to Myanmar and foreign investors. Recently, in the third week of May (2016), the Embassy of India hosted a major business conclave at CIM's initiative on the theme of 'How Indian Business can contribute to Myanmar's development' that was attended by three key economic ministers of trade, construction and industry and one Chief Minister besides leading businesses from India and Myanmar.

The event was an eye-opener for our industry and highly welcomed by the Myanmar as a signal

that India was serious about Myanmar. It was structured around agriculture, livestock and fisheries; light industry; training, education, health and IT; connectivity & tourism; energy and power; investment hubs and corridors; and rounding it all up, financing investments. I would particularly like to highlight garment manufacturing and consumer goods, air connectivity, capacity-building, health and IT, tourism, and renewable energy as areas for trade and investment that would bring us particularly good dividends in terms of business, branding, and image of India.

Having addressed the question of **why and what areas**, sectors and level **to invest** in, I will next turn to **where to invest**. This too is of strategic significance as investing in Myanmar can enable us to expand our economic footprint across the Greater Mekong Sub-region all the way to Vietnam and to the South China Sea.

If we look at a connectivity map of Myanmar and the GMS or the ASEAN Master Plan on Connectivity you will see the whole region seeking to be interconnected by a network of north-south and east-west road, rail, maritime and riverine routes. As I have said earlier, India itself is making huge investments in surface connectivity from Sittwe via Ponnagyun industrial zone, Paletwa and Myeikwa to Mizoram through the Kaladaan waterway and valley; and about 200 miles from Moreh-Tamu-Kalay-Kaleywa to Yargyi along the trilateral highway to Thailand via Monywa, Mandalay, Meiktila, Bago, Hpa-an, Kawkareik and Myawaddy.

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Each of these places along these routes can be investment centres depending on their local strengths. Sittwe port can and should also be connected to the beans and pulse growing hinterland of Magway through (a place called) Ann, and southwards to the Ayeyawady delta. Sittwe is the obvious base for trade and investment in Myanmar and Rakhine state from Kolkata (as it used to be under the British).

The diagonal, north-west-south-east Trilateral Highway from Moreh to Myawaddy also intersects with the highway from Mandalay to Ruili in China (AH 14), and the northern East-West highway (AH 2) from Meiktila to Laos and northern Thailand through Shan state. While there is quite a lot of excitement about the Trilateral Highway (and the central and coastal east-west highways though Thailand and Cambodia), we should look at the potential of this route as a trade route and investment corridor leading towards the northern GMS, to Laos and onward to Vietnam via Dien Bien Phu to Hanoi.

This is unexplored territory in general especially from Laos to Vietnam, but it goes through incredibly rich agricultural lands in Shan territory, and though conflict affected to the north and south, it has tremendous potential for investment in the agriculture sector, and another strategic link to Vietnam.

The second set of zones to invest in are the three **Special Economic Zones** that are in various stages of development at Thilawa near Yangon, Dawei on the eastern shore of the Andaman Sea near Thailand, and Kyaukphyu, on

the Bay on Bengal coast, just south of Sittwe, and some 25 plus industrial zones coming up in various parts of the country along major trunk routes.

There is some uncertainty about the status of some of these SEZ's and industrial zones under the NLD, but if given the green light, each of these SEZ's and industrial zones offer specific advantages. Thilawa, being built with Japanese partnership, is the most advanced and the best connected for international trade, but until May, not a single Indian investor had invested in the zone.

The SEZ for Kyaukphyu and deep sea port, hurriedly awarded by the outgoing government in January to a Chinese-led consortium headed by CITIC, is ideally suited for us as an investment destination in the Bay of Bengal for Indian and international markets. It can be developed for fisheries, agriculture and food processing, other light industries, and downstream oil and gas industries from the nearby oil & gas blocks.

Though at an early stage, Kyaukphyu is of strategic significance for us as it is part of China's OBOR, and with oil and gas pipeline terminals, an SEZ, a deep sea port, and ambitions to connect it to Yunnan province, there is little doubt that the Chinese will need to securitize the investment within Myanmar and in the Bay of Bengal.

There is, at this stage, very little knowledge, let alone understanding and appreciation of the Chinese plans and implications of this project in strategic or commercial quarters for us. There is some opposition to the project in Kyaukphyu and Rakhine state in general on Rakhine nationalist

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grounds as well as environmental and anti-Chinese feelings, and we have been approached by several Myanmar businessmen, even those working closely with the Chinese, for India to be part of the SEZ, and not to let the Chinese monopolise the project. The Chinese too realise that India is a natural partner to make this project viable.

We need to take a serious call, taking into account Myanmar's views on these projects, whether it is in our interest to keep a distance from these plans, or join them if we cannot beat them.

The third planned SEZ in Dawei too has offers strategic economic possibilities for us. Dawei SEZ is a Thai-Myanmar project being promoted by the Thai that is basically conceptualised as an SEZ and transshipment point for shipping from the Gulf and Red Sea, Colombo and the eastern seaboard of India cutting through Kanchanaburi and Thailand to the South China Sea and East Asia, bypassing Singapore. It has still not achieved financial closure and is undergoing restructuring with the Myanmar and Thailand trying to rope in Japan. For some odd reason, nobody has thought of courting us for this project.

Dawei stands due west of Chennai, location of a number of Japanese and Korean investments in the auto, electronics and other sectors and close to one of the garment and hosiery manufacturing centres of India. Potentially, it could serve as potential processing point for value chains between India and East Asia, and local products, once again typically marine and agricultural products, light and medium industries, and downstream hydrocarbon

industries drawing from the offshore Yetagun and Moattama oil fields. Dawei could also be a serious launching pad for Indian investments eastwards to the Pacific.

In addition to these SEZ's there are several industrial zones scattered all over Myanmar of varying degrees of readiness, interest and viability. For geographical, connectivity and resource reasons, besides those along our connectivity projects that I have already referred to, we should look at the agriculturally (especially rice) rich Shwebo in Sagaing Region adjacent to Manipur, Patheingyi in the Ayeyawady delta in the deep south west of Myanmar, Nyaung-U near Inle lake and/or Namshang on the Meiktila-Kyaingtong highway, Mawgaung-Tanai in Kachin state, and in a number of more central areas like Pyaw and Bago, north and east of Yangon respectively which are well connected.

Finally, **how should one structure Indian investments in Myanmar** especially in the SME sector? I do not have the economic experience to provide answers, but as Ambassador, I was often confronted with Indian businessmen keen to invest in the power or capacity-building sectors, and others willing to consider investing in Myanmar. My suggestion is that Chambers of Industry, big ticket consultants or interested large entrepreneurs should take the lead in forming a consortium of companies willing to invest along with a power provider and a training partner to propose consolidated, Indian industrial zones in areas of interest, with power and training solutions and

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surplus capacity open to all. This would also give our investors the necessary bargaining power to get a good deal.

Second, we really need to find a way to hand hold and finance small investments broadly in the rural sector, perhaps through some kind of partnership between institutions like the NSIDC, NABARD and others.

Third, we need to give a push and support for capable dairy and agriculture cooperatives to replicate the Gujarat dairy model in Myanmar where the east Indian origin populations in Bago Region could easily provide an opportunity for a pilot project for the rest of Myanmar.

Fourth, in certain poorly endowed areas like Chin state, there is merit in encouraging our border states and the kindred Mizo-Kuki-Chin of Mizoram and Manipur to extend successful all purpose cooperatives and some of their development programmes (like the NELP in Mizoram) across the border.

Fifth, we need to see how we can encourage and mobilise successful examples of extension services, hiring (rather than ownership) of farm machinery which few can afford, and market information, storage and warehousing and access for agricultural products to markets through not-for-profit NGO or commercial rather than government channels to help the Myanmar farmer and rural sector.

We certainly need to go beyond the government to involve a range of potential partners from NGOs to private enterprise and border state governments in our relations with Myanmar.

India would do well to look beyond the political and other areas of its relationship with Myanmar and focus on one area that is still, I think, under valued rather than spread myself thin. In any case, the way I see it, the economic case that I have made, is basically political not perhaps in the sense of day to day, or party politics, but politics in the larger sense.



## The Turkish Triangle

\*Sanjal Shastri

The past two years have been particularly challenging for Turkey. On one hand, the Turks are facing threat from the ISIS. Sharing a porous border with Syria, it becomes a vulnerable target. The host of attacks on tourists and the attack on Istanbul airport add to the long list of ISIS attacks. On the other hand, Turkey also is also fighting a Kurdish separatist group the PKK. The July 16 Coup attempt adds a new dimension to Turkey's duel battle.

There are some fundamental differences between Turkey's ISIS and PKK problems. The PKK is fighting for a separate Kurdish homeland whose proposed territory includes parts of Turkey. Unlike the ISIS, the PKK is a secular organization. It is not involved with the ISIS' larger goal of creating a caliphate. It is a group that operates across the international border with Syria. All the PKK fighters are Kurdish in ethnicity. The ISIS on the other hand is a part of a much larger global network. Turkey's role in the international coalition against the ISIS and the open border with Syria make it an ideal target. Another fundamental difference between the PKK and the ISIS is the profile of targets they choose. The PKK mainly target government installations. None of the PKK's

attacks have targeted civilian areas. The ISIS on the other hand chooses targets that are more crowded and often frequented by tourists. While there are marked differences between the two groups and their activities there is an underlying link between the war against ISIS, the PKK and the recent military coup attempt.

Concerns over law, order and national security due to the ISIS and PKK were factors that contributed to the attempted military coup. This was not the first attempt at a military takeover in the country. In 1960, 1971, 1980 and 1997 four civilian governments were overthrown. Economic hardships, threats to the secular fabric of the state and spiraling security issues were common factors that led to these coups. In 2016 similarly the government of Erdogan, has been accused of heavy handedness and threatening the country's secular fabric. Increasing attacks by the ISIS and PKK have exposed the government's failure to deal with national security. Going by the events in Turkish history, there is a link between increased instability and military coups.

The security concerns surrounding the PKK and the ISIS have put Turkey in a precarious position in Syria. On one hand Turkey wants to

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see the defeat of the ISIS. Their increased presence and activities in Syria make them a serious security threat. On the other hand Turkey is also concerned about the position of Kurdish separatists in Syria. A stronger and more autonomous Kurdish region in Syria would strengthen the Kurdish separatists in Turkey. The challenge for Turkey today is that the Kurdish forces will play an important role in defeating the ISIS. They have been able to put up effective resistance against the IS in the Kurdish regions of Syria. To add to this, the Turkish government has come out openly supporting Basher al-Assad's removal. While Turkey would be happy to see the defeat of the ISIS and the removal of president Assad, it would not be comfortable with the Kurdish regions gaining greater autonomy. Given the current situation on the ground, defeating the ISIS would require some sort of a partnership with the Kurdish groups and President Assad. The USA has already softened its stand on Assad, taking note of his importance in the battle against ISIS. This leaves Turkey with a very difficult choice to make.

The attempted military coup complicates Turkey's fight against the ISIS and the PKK. On one hand Turkey is seen as a key NATO ally in the fight against ISIS. The coup and the international response have strained ties between Turkey and the NATO allies. Within a day of the coup President Erdogan was quick to point a finger at Fethullah Gülen, a cleric who is in exile in USA. The claim has not gone down well with the American establishment. The Turkish government

also closed down the airspace for American jets. This has put American operations against ISIS positions in Syria on hold. The increased tensions between Turkey and other NATO members will impact the fight against the ISIS.

Domestically, the failed coup is bound to create tensions between the military and the government. The coup comes at a time when the government is trying to up military operations against the Kurdish separatists in Turkey. On one hand there was growing concern within the military over the rising costs of Erdogan's hardline approach. Just two days before the coup, the government signed a bill, which gave the military immunity against any judicial probe into the military's activity domestically. Now after the coup it is difficult to see the government going ahead and implementing this bill. The success of Turkey's fight against the Kurdish separatists depends on how effective a role the military would play. With strained ties between the government and the military, there are concerns over the status of military operations against the Kurdish groups.

The failed military coup has created a 'Turkish Triangle'. The strained civil military relations add a new dimension to Turkey's fight against the ISIS and PKK. A simultaneous fight against Kurdish groups, the ISIS and Basher al-Assad is not a viable option for the Turkish government. The key role being played by Kurdish groups and President Assad in the fight against ISIS makes them an important factor in the battle. Turkey today faces a difficult choice. The attempted military coup has

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added a new dimension to Turkey's problems. The strained relations between Turkey and her NATO allies have impacted the fight against the ISIS. It has already led to a halt in US' air operations against ISIS. Domestically the strained civil-military ties pose a challenge to the military operations against Kurdish separatists. Now, lacking the confidence of the military, there are question marks over President Erdogan's battle against Kurdish separatists.

Over the coming days, two factors will determine the future course of events. Firstly, international response to the coup and its aftermath

will determine how ties between Turkey and her NATO allies shape up. The questions over the extradition of Fethullah Gülen will decide how Turkish equations with USA change. Strained ties between Turkey and other NATO members would jeopardize the international fight against ISIS. Secondly, the battle against Kurdish separatists will hinge on President Erdogan's ability to win back the confidence of the military. With the military's support needed to continue the battle against Kurdish groups, one will need to keep a close eye on how the civil-military relations pan out over the coming days.



## US Presidential Elections 2016 - A Snapshot

\*Bryan Stout

2016 is a U.S. Presidential election year. This year comes with the usual high drama in politics for electing the most visible and important office in the USA. This year's cycle, however, is more unique than others with the nomination of a real estate billionaire and reality T.V. star Donald Trump as the Republican candidate for the President's office. This year we have an election that has thus far and will likely defy political analysis. However, despite the sound bites, Twitter wars and new campaign tactics, the cold hard facts of electoral-college math cannot be ignored.

One feature of the U.S. Constitution, right from the 18th Century, has been that the electoral college allows for electors (actual individuals) to be selected based on a state's congressional representation (number of U.S. Representatives plus two) when each state has two U.S. Senators. The candidate who receives a majority of electoral-college votes (270) is elected as the President. So, one might conclude that California with 55 electoral votes is the most important state for the Trump and Clinton campaigns. However, since all but two states award their electoral-college votes on a "winner takes all" basis, and California is solidly a Democratic state, Trump and Republicans will have to look elsewhere for electoral-college votes.

After we sort out each of the 50 states (and Washington, D.C.) based on competitiveness, we

are left with only a handful of truly competitive states or "swing" states. Chief among these swing states are Florida (29 electoral votes), Pennsylvania (23 votes), Virginia (13 votes) and Ohio (18 votes), among a few others. The difficulty that Donald Trump faces is that the electoral map for Republicans in general has been getting more and more challenging since George Bush's re-election in 2004. In fact, Donald Trump will not only have to win all of the states that Mitt Romney won in 2012, but also pick up states like Florida, Ohio, and Virginia for a chance to win the White House. Is this possible?

If this past year has taught us something it is that anything is possible in American politics. But this is a tall order for a candidate who seems to be more committed towards driving out his supporters to vote than reaching out to new voters. It should be noted that the second place finisher in the Republican presidential primary race, Texas Senator Ted Cruz failed to endorse Trump during his convention speech and John Kasich, the sitting Republican governor of swing state Ohio and third place finisher in the Republican primary behind Ted Cruz has so far declined to support Donald Trump.

While Mr. Trump has a difficult task ahead of him, Secretary Clinton also faces her own challenges. While the FBI decided not to proceed with criminal charges, it did condemn her handling of classified information. Adding to this, there is a

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continued tension and lack of trust among many Democrats for Mrs. Clinton especially after a bruising primary contest with Vermont Senator Bernie Sanders.

Unfortunately, a growing number of voters across America feel they are faced with voting for the “lesser of the two evils” and are exploring not voting or voting for a third party. When included in polling questions, Libertarian candidate (and former Republican Governor of New Mexico) Gary Johnson polls between 9-11 per cent nationally - a significant increase over the party’s past presidential performances.

Donald Trump’s pick of current Indiana Governor, Mike Pence gives the ticket a degree of governing experience. Also, Pence, who hails from Indiana, has a track record of pursuing conservative policies, which often appeals to Republican votes. Since Indiana has been the state that voted for Barack Obama in 2008 but switched back to the Republican column in 2012, this is going to be a state to watch out for. It would be interesting to see how Trump wins the other swing states if he cannot carry Indiana.

In Virginia, Hillary Clinton’s recently announced Tim Kaine Virginia Senator, as per running mate. While Obama carried Virginia both in 2008 and 2012, the margins were extremely slim and George Bush carried the state in 2000 and 2004. If Clinton counts on Kaine to deliver his home state (where he also served as governor) and he does, that would be a major blow to Trump’s efforts to win the needed electoral-college votes.

Beyond the running mates and the math of the electoral, there are some issues that have, at this point, seemed to raise themselves to the top of

the American voters’ minds. Not surprisingly is the issue of the candidates themselves. Critics of Donald Trump point out that in addition to his total lack of government experience, the billionaire’s sterling business reputation is undeserved. They cite the failed Trump University venture and subsequent class action lawsuit by those who purchased Trump’s product and felt that they were taken advantage of. Mr. Trump alleged that the federal judge in the case is biased against him. Trump says that because he is running for president and has a tough stance on illegal immigration (the judge himself is a citizen from Indiana, but is active in immigration politics and his parents were immigrants from Mexico). Trump’s brash nature and “shoot from the hip” comments have endeared him to many across the country, but additionally turned off others who view his unfiltered comments as un-presidential or even worse.

Of course, Hillary Clinton has her own set of issues that are part of the political discussions of this election season. Like Trump, she has a very high negative rating with many voters and has some serious trust issues to overcome, some dating back to her days as First Lady - as early as 1992. While Clinton claims her experience as U.S. Secretary of State (and Senator and First Lady prior) make her more imminently qualified for office, supporters of the Secretary are hard pressed to name even one major achievement during her time in the U.S. Senate she claims. Her days as Obama’s Secretary of State narrate her failures of U.S. Policy in Libya and the on-going crisis in Syria and a more aggressive Russia.

Substantive issues on the campaign trail this season seem to be shifting more to security - both

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at home and abroad – in the light of the terrorist attacks in, France and Germany, as well as the shootings in the United States and the worsening relationship between police forces and African American communities. Trump has promised to be the law and order candidate and the only candidate who can ignite the U.S. out of the morass internationally. All the while Clinton has been saying that her experience as Secretary of State and her calls for a national dialogue on race and racism to address the issue of violence in many American cities stands in her stead.

The economy is always a major focus for campaigns and this election will likely be little different. With the U.S. still engaged in a tepid recovery from the Great Recession and fears of international economic slowdown ever-present, many Americans are concerned that their children may not have as high a standard of living as they have. What is different in this cycle is that Donald Trump has strayed away from the traditional Republican arguments for lower taxes across the board and free trade and suggested that people like him can pay more in taxes. Additionally, while candidates of the past and in the Republican primary have pushed for mild reforms to entitlement spending (such as Social Security) in order to ensure long term financial solvency, Mr. Trump has dismissed changing any aspect of the program during his time as President.

However, with any discussion of issues, we should note that this election may not focus so much on issues this time around, if they ever really did in presidential politics in America. While there are some voters who examine party planks and platforms, and weigh the pros and cons of each

candidate on each of the issues important to them, these voters are likely to be in the minority. Many times a candidate will either succeed or fail because of some intangible quality, such as “How does he appear or sound “Presidential” (as some criticize Trump) or that “She is not likable as a person” (as others have alleged against Mrs. Clinton), and not so much on their stand on any one issue. Predicting what will be on voters’ minds when they vote and what is most important to them (“likability” of a candidate, a stance on issues, the party affiliation of the candidate, etc.) will be the name of the game leading up to the election this November.

So with all the polls and prognostication, and analysis, can we say who will likely end up on top come this November? Given the almost unexpected rise of Donald Trump to secure the Republican nomination and the surprisingly vigorous primary challenge by Senator Bernie Sanders to Secretary Clinton, anything is possible this season. There could be horrible gaffs, breaking world headlines, or an “October surprise” revelation that changes the calculus almost overnight. Nationally, it looks like the polls are fairly even, with Mr. Trump enjoying a post-convention bounce. But we must remember that this election is the battle in the trenches for each of the states. Can the Clinton campaign count on what appears to be superior grass roots efforts to identify voters and turn them out in November? Or has Donald Trump ushered in a new age of politics when traditional methods of contesting an election are now secondary giving way to getting free media attention and mastering Twitter in order to make headlines? Only time will tell.



## **Paris Accord on Climate Change: India's Challenges**

*\*Chandrachur Singh*

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**I**t is seldom that national leaders willingly travel that extra mile in international negotiations especially on vexed collective action issues, where their own developmental claims and rights could perceptibly be at stake in doing so. In the light of such a yardstick, the Paris Climate Summit (CoP-21, December 2015) qualifies as a rare diplomatic feat. The summit recognised voluntarism, transparency, support systems and understanding between states and communities within them as the only way forward for any realistic and time-bound solution to the problem containing climate change. Mounted on the value planks of equity, integrity, vulnerability, specificity, capability and responsibility, the negotiations worked out at Paris clearly attempt to reconcile development with climate sensitivity on the one hand and balance capabilities with differential responsibilities on the other. And it was only in the right earnestness that our Prime Minister described it as a 'win for climate justice'<sup>1</sup>.

One unambiguously accepts and endorses Prime Minister Modi's characterization of the Paris summit as a 'win for climate justice'. If that indeed is a correct assessment of the Paris Summit, then the most important issue at hand is to work out things that India would have to do as part of its

duties and voluntary commitments towards achieving the ideal entailing 'climate justice'. A related issue then would be to figure out how Indians can act in accordance with such expectations.

In its latest report (2014) the Intergovernmental Panel on Climate Change has described India as one of the most vulnerable nations to climate change impacts. The prediction that erratic and extreme monsoons would very severely impact India's agriculture sector is really scary given the fact that nearly 70 per cent of India's population is involved and dependent on agriculture and allied activities. The report outlines that the climate change impacts in India would affect not just land utilisation, agricultural production, food security and price stability but most significantly factors engendered by it i.e. rainfall variability, snowmelt, glacier retreat as well as evapo-transpiration. It also states that other acute such as fresh-water scarcity and the spread of both water and mosquito borne diseases like diarrhoea, cholera and malaria could prove as a big menace. The report largely confirms the assessment of the impacts done by the Postdam institute for Climate Impact Research and Climate Analytics on behalf of the World Bank in the year 2013.

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Taken together, the two reports apprehend that Climate Change would severely impact most of the other major sectors of India's economy such as energy, transport, tourism resulting in significantly slowing down of the efforts to reduce poverty as well as the ones targeted towards delivery of goods and services to its people especially those living in rural, far flung, as well as less accessible regions. Rampant poverty, highly imbalanced infrastructural preparedness as well as inadequate planning only adds to India's vulnerabilities to climate change impacts.

Now let's look at all these predictions in the light of certain other facts. The International Energy Association in its report published in the year 2013 states that India is now the world's third largest greenhouse gas (GHG) emitter, having tripled its carbon dioxide emissions from fuel combustion between 1990 and 2011 alone. According to the IEA report with its rising economic and political status India's emissions would increase by almost 2.5 times between 2008 and 2035.

In fact, such citations have been effectively used by the United States to evade from signing a legally binding treaty that would commit it to significantly reduce its GHG emissions which are disproportionately very high when compared to India's share of emissions. For example, the per capita emission of India, with 17 per cent of world's population, was one ton of CO<sub>2</sub> emissions in 2013, whereas in the United States, with less than five per cent of the world's population, per capita emissions were 17 t CO<sub>2</sub> (IEA 2013). These facts

compel us to investigate factors that plausibly account for the shifts in India's climate change discourse. It has been argued that there has been a growing realization amongst the policy makers and think tanks in India around the issue of 'co-benefits' i.e the development of policies and strategies that could, on the one hand, lead to a successful pursuance of developmental objectives, and, on the other, could be cited as good steps for addressing climate change impacts (Kapur *et al* 2009; Dubash 2011)<sup>22</sup>

However, complete reliance on the traditional stand would only result in international impasses that could well take it far away from both, the developed and the least developing economies (many of the vulnerable small islands as well as other countries in Africa). With its international leadership aspirations such as the permanent membership of the UNO soaring high, India would most certainly ill afford such developments.

Further, this is not only in tune with India's preferred path of providing moral leadership by the way of 'practicing the professed' but would significantly allow it to play a weightier role in international climate negotiations. The warmth and mutual admirations that now characterize the Indo-US relationship could well be an additional important factor driving the shifts. The ever burgeoning Indo-US relationship definitely demand and require that both sides not only avoid mutual disagreements and antagonistic positions but to the best of their abilities, remain on the same page on some of the most critical issues that confront international politics today.

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The shifts also to a large extent reflect the growing consensus amongst the global scientific community about the fact that the threats of global warming are real and here to stay. The impacts are in many instances already visible in India and that has propelled many civil society associations and other local institutions to deliberate, develop and urge the federal government to act. It also has fuelled initiation and development of alternative discourses of the developmental narratives that focus on living in consonance with nature.

The increased media coverage, the announcement of the Fifth Report by the IPCC, increased instances of climatic variations resulting in tragedies and natural disasters such as the one at Kedarnath in the year 2013 have all resulted in increased governmental activities on Climate Change. The establishment of the Prime Ministers National Council on Climate Change and the Expert Group on Low Carbon Strategies for Inclusive Growth by the Planning Commission (now the NITI Ayog) have increasingly domesticated the issue of climate change. It also means that new and more innovative ideas related to the issue would naturally surface up.

The primary shift in climate change discourses in India has been from a frame that externalized the climate change problem and solutions towards a “co-benefits” approach, where policies aim to align climate change with domestic priorities of poverty alleviation and economic growth. A shift in the emission trajectory, without compromising on the goal of increasing energy access, for example, through increased investments in

renewables, and promoting energy efficiency, have thus emerged as common themes. Focus on the development of clean and renewable energy resources such as solar energy is not only in line with India’s quest for more equitable access to energy, it also provides it an ideal opportunity to surge ahead as the leader in what would most certainly be the key source of energy in future.

India’s responses to climate change have been built on the moral foundations of equity and fairness. As mentioned earlier, in the recent years however, it has been consistently displaying a very pragmatic approach, inherently characteristic of a deal maker. In fact, in the run up to the Copenhagen CoP, in 2008, India came out with a detailed policy document called National Action Plan on Climate Change (NAPCC)<sup>3</sup>, formally elaborating its key strategies for addressing climate concerns.

Motivated deeply by Mahatma Gandhi’s assertions of a self-sustaining life that is sync with nature, the NAPCC entails a bottom-up approach that seeks to realize developmental objectives through an increasing reliance on renewable energy resources harnessed through the use of cutting edge green technology. The idea is to usher in a new developmental framework that while being less carbon driven also supports indigenous mitigation and adaptation practices.

For an effective realization of the NAPCC, eight sectoral missions have been also been outlined.<sup>4</sup> These include the National Solar Mission; the National Mission for Enhanced Energy Efficiency; the National Mission on Sustainable Habitat; the national water Mission; the National

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Mission for Sustaining the Himalayan Ecosystem; the National Mission for a Green India; the National Mission for Sustainable Agriculture; and the National Mission on Strategic Knowledge on Climate Change (PM's Council on Climate Change 2008). The first three missions aim at reducing the emissions, whereas the later three are adaptation centric and the last two are designed to disseminate knowledge and responses on climate change. The objective of all these missions is to ensure that developmental priorities and plans are pursued in climate sensitive ways.

The climate concerns of India require it to make a judicious balance between pursuing developmental priorities on one hand and responding to mitigation and adaptation related responsibilities on the other. The task in hand is both simultaneously mutually reinforcing and complex. It is mutually reinforcing in the sense that socio- economic development is a must for ensuring that the vast majority of India's poor people have access to basic minimum conditions of a rightful and dignified life. Interestingly, socio-economic development is also a prerequisite for saving millions of its people from the catastrophic impacts of climate change. The complexity of the task is however, related to reconciling the plausible contradictions between pursuing carbon-intensive affordable developmental plans and fulfilling mitigation related responsibilities simultaneously.

For India, coal is the most important energy resource because of its accessibility as well as affordability. It is not only world's third largest coal producer<sup>5</sup> but the relative high cost of other non-

conventional energy resources makes coal- fired energy plants most suitable for its developmental needs. It must be mentioned that India's coal consumption has been projected to almost 1.5 billion (IEA 2015) metric tons by the year 2020<sup>6</sup>. With an annual consumption of almost 800 tons (IEA 2015), India is currently world's third largest coal consumer, and the appetite is only to grow significantly in future as it moves ahead towards poverty alleviation and empowerment<sup>7</sup>. Given the fact that the Paris climate treaty has already been described by the Indian Prime Minister as being just and fair, what responsibilities will India undertake and how will it reconcile them with its existing developmental priorities are some of the issues that I take up next.

Socio economic development has always been India's top priority and the additional imperative of negating the adverse impacts of climate change only strengthens and deepens them. In the aftermath of the Paris climate treaty, however, India will have to find a better way of aligning its developmental imperatives with climate sensibilities. It is obvious that India's massive infrastructural deficiencies along with the imperative of securing minimum basic needs of a vast majority of its own population imply that it cannot completely give-up on its carbon-driven developmental model yet. However, the ever intensifying impacts of climate change also impel the establishment of a more open and robust technological and financial collaboration with the developed world. With the impacts of climate change already becoming evident, such techno-financial collaborations will not only

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enhance India's access to greener technologies but also significantly aid its adaptation needs.

Adoption of economically viable mechanisms for production and conservation of green energy in terms of clean energy production and conservation is at heart of India's mitigation strategies. India has already demonstrated its willingness and commitment to improve upon its carbon intensity by reducing, as far as possible, its reliance on carbon to propel its development and growth. In the run-up to the Paris Climate Meet, India submitted its Intended Nationally Determined Contributions (INDC) to the UNFCCC, for the period 2021-2030<sup>8</sup>.

India's INDC reflect its firm commitment to achieving and securing developmental goals like food security, poverty eradication, healthcare availabilities etc. in most climate sensitive ways - following low carbon pathways. It commits India to be propagating a healthy and sustainable way of living based on traditions and values of conservation and moderation and reducing the emissions intensity of its GDP by 33 to 35 percent by 2030 from 2005 level; achieving about 40 percent cumulative electric power installed capacity from non-fossil fuel based energy resources by 2030; generating 175 gigawatts of renewable energy development by 2022 with the help of transfer of technology and low cost international finance including from Green Climate Fund (GCF)<sup>9</sup>. It also proposes to create additional carbon sink of 2.5 to 3 billion tonnes of CO<sub>2</sub> equivalent through additional forest and tree cover by 2030<sup>10</sup>. It has also pledged to source 40 percent

of its electricity from renewable and other low carbon sources by 2030 compared to 2010 levels<sup>11</sup>. Moving away from fossil-fuel driven developmental model and achieving these professed goals means that India will have to be open in establishing partnership and alliances aimed at effectively addressing challenges related to climate change, without giving up on its own developmental needs and priorities. The launching of the International Solar Alliance, by India at the Paris Climate Summit with the objective of technology sharing and finance mobilising is a testimony to its seriousness and resolve.

Access to technology is important for India's plans for meeting its ever increasing energy requirements through more sustainable and climate friendly sources. Establishing an efficient transmission and distribution system would immensely help in improving energy efficiency and offsetting the growth in energy consumption (on account of continued developmental march). In any case, achieving professed goals mean that India will have to undertake actionable plans promoting its energy security and to that end it will have to reduce its reliance on hydro-carbons. By an estimate, India's current capacity to generate solar energy is about 75 gigawatts per day<sup>12</sup> against the world standards of 227 gigawatts<sup>13</sup>. India's current capacity to generate wind power is 23 gigawatts (IEA 2015: 32) which would be required to be increased by four times to balance the limitations of the solar energy.

In addition to emission reduction attempts, a key requirement for India is also to undertake

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adaptation centric steps. One major way through which this can be done is by greatly increasing its GHG sequestering capacities by expanding its forest covers. It has been argued that, in order to be able to absorb 2.5 to 3 gigatons of carbon from the atmosphere, India will be required to enhance

its dwindling forest cover significantly by almost 19-20 million hectares by 2030, while improving the quality of another five million hectares of forests. According to estimates made available by the World Bank, India will have to increase its forest cover by 10 per cent to take it to 33 per cent.

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<sup>9</sup> *ibid*

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## 5<sup>th</sup> Young Thinkers Meet – Impacting the National Discourse

Sriharsha Masabathula



The Fifth Young Thinkers Meet– 2016 was organized by India Foundation on 6 – 7 August in Patnitop, Jammu and Kashmir. The meet, whose theme was “Impacting the National Discourse” the Meet was attended by high-level dignitaries including Union Minister of Textiles, Smt. Smriti Irani, senior leaders from the Bharatiya Janata Party (BJP), Rashtriya Swayamsevak Sangh (RSS) and close to 80 young-intellectuals from diverse educational and professional backgrounds. Various topics including role of academic institutions, mainstream media, social media and literary interventions influencing the national narrative were discussed at length.

Shri Shaurya Doval, Director, India Foundation

welcomed the gathering and noted, “The world has always been a battle ground of ideas, and what you think today will manifest in what you do tomorrow.” Mr. Doval also emphasized that the Young Thinkers Meet is a platform for young intellectuals and thinkers to exchange and deliberate on ideas of national importance.

Delivering the keynote address in the session on “Academic Institutions: Controversies, Challenges & the Way Forward”, Smt. Smriti Irani emphasised that in the context of nationalism and national discourse, harmony is not about sticking or agreeing to one idea, but about ideas coming together to form a larger narrative. She highlighted that nationalism is above ideologies and taking

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sides. The minister cited an example of the #iwearhandloom – “Embrace a weaver, Embrace a heritage” campaign. She said that supported by five crore people across the country, the campaign conveys that simple citizens of the country are coming together and supporting a national cause in their own ways.

Following the address, the Minister engaged in a lively discussion with the delegates on nationalism and its significance in various spheres like universities, in processes like policy-making and its implementation. Appreciating the dialogue, the Minister urged the audience to consider beginning a “Young-Thinkers” journal for continued exchange of ideas.

Shri Dattatreya Hosabale, Sah-Sarakaryavah, RSS moderated the lecture-session on “Nationalism Discourse”. He urged the delegates to note that the debate on nationalism is not only limited to India. He furthered that with intensification of the Brexit debate, political pundits have noted an extreme resurgence of nationalism, globally. Shri Hosabale remarked that nationalism could be both cultural and political, and many thinkers around the world have explained it through various ideas and view points.

Especially after World War II, during the era of globalization and the rise of global institutions, international NGOs and multilateral agencies, it has been increasingly agreed that ideas and cultures should be borderless. In this context, Shri Hosabale noted that nationalism has been often incorrectly seen as a movement away from globalisation. Shedding further light on the topic, Shri Hosabale quoted Maharishi Aurobindo, who said that “if you are a true nationalist, you are a true globalist as

well”. He urged the delegates to think about how they will present India to the world, and to carefully differentiate between nation, a socio-cultural concept and nation-state, a politico-legal concept.

Shri Ram Madhav, Director, India Foundation and National General Secretary of the Bharatiya Janata Party (BJP) remarked that nationalism existed as an idea even before the constitution. He remarked that despite various ideas, the nation was one. In this context, Shri Prafulla Ketkar, Editor, Organiser Weekly, moderating the session on Mainstream Media: Issues, Articulation and Personalities, explained that the transformation of media from a service-only purpose during the pre-independence time to a service and business model in the post-independence period has changed many contours of the nationalism debate. He argued that we have to think whether we want to report news on national issues, with some “news-value”.

The discussion allowed delegates to raise various issues related to media, including regulation, use of analytics and data to influence an issue, reaching out to a target audience through creative use of media, and empowering regional and local media by looking beyond Delhi-based electronic media in order to reach a larger and diversified audience. For instance, it was noted that a simple initiative such as *Mann Ki Baat* has revived the radio across India. Shri Ram Madhav underlined that there are three key factors which are useful for influencing and dominating the national discourse, i.e. confidence and understanding of one’s position in the media space, good articulation of one’s ideas and views, and realising that personalities and icons campaigning

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for a cause can make a difference.

Day-2 opened with the Shri Milind Kamble, Founder Chairman, Dalit Indian Chamber of Commerce & Industry (DICTI) addressing the second lecture session on “Social Integration and Dalits”. Mr. Kamble put forth two important historical contexts for the delegates - the empowerment of the African-Americans in the USA, and the transformation from a mixed economy to a new economy in India in the 1990s. Through the narrative of the African-American movement in the USA, Mr. Kamble stressed that strategic efforts from various spheres, including the government and the civil society resulted in creating circumstances that led America to elect Obama as the first African-American president of the USA in 2009 – just 400 years after the first slaves were brought to the USA from Africa.

On another note, Mr. Kamble explained that India’s big-bang economic reforms in 1991 allowed the country to undergo major changes. For example, today, 15% of the people owning in Small and Marginal Enterprises (SMEs) belong to Scheduled Castes and Scheduled Tribes. This is an indication that SMEs, having emerged after the reforms of the 1990s, has played an important role in uplifting the bottom of the pyramid in India. Going forward, Mr. Kamble emphasized that youth would have to play a major role in social integration. He also said that entrepreneurship is a valuable tool and opportunity to achieve greater social integration in our country.

Taking cue from Mr. Kamble’s remarks, the delegates involved themselves in an active discussion and various issues and ideas were

explored in the context of Dalits and social integration. It was noted that many stakeholders were giving up reservations voluntarily today, but also that there are certain sections of the society which still require reservations to uplift their livelihoods. Economic status based reservation systems for Dalits and inter-caste marriages were also discussed as potential mediums for greater social integration. In the context of present day Dalit discourse and recent events, it was stressed that no one can take law into their own hands, and such actions must be immediately disowned. Shri Ram Madhav underscored the importance of realising that an individual should be respected irrespective of whoever he/she is.

Shri Amit Malviya, National Head–Informational Technology and Digital Communication, BJP, moderated the session on “Role of Social Media: Construction & Manipulation of Dominant Narratives”. In his remarks, he noted that on social media, anyone could set the agenda, and if one has a powerful idea and is able to present it in a cogent manner, it is possible to make an impact. Mr. Malviya underlined that personalities do not set the agenda anymore. Delegates contributed to the enriching discussion by sharing personal experiences and observations on social media.

Regulation, strategic-restraint and ability to present arguments and highlight issues in a manner that does not discredit anyone were emphasized as important factors that contribute to constructing and manipulating the narrative on social media. Following the discussion, Mr. Malviya informed the audience that from the BJP’s perspective, in the next two years, governance would continue to

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be the key. He also said that the party would also closely work with many unaffiliated groups and mediums to increase outreach and awareness about issues. Shri Hosabale ji urged the delegates to realise the digital divide and gender divide present in the social media space.

Delegates also had the opportunity to learn from a brief overview on the current situation in Jammu & Kashmir state, presented by Shri Ramesh Pappa, RSS, Jammu and Kashmir. He explained that J&K consists of 22 districts, with 10 districts in Jammu, 10 districts in Kashmir and two in the Ladakh region. He underscored that even though certain parts in the valley are disturbed, the state is largely peaceful. He highlighted that the present state and central government, and other stakeholders have played a key role in the socio-economic upliftment and integration in the state. Shri Pappa ji affirmed that the anti-nationalist movement in the state have not been successful due to the consistent efforts of various stakeholders in the state.

Shri Binod Bawri, Director, India Foundation presented a talk on “Data to Wisdom”, and provided food-for-thought to the delegates on understanding how we think. He highlighted that thinking is the process of distilling thoughts and questioning. The two-day event also saw thought-provoking presentations from delegates on various topics, which prompted engaging discussions and exchanges of ideas. The topics for presentations ranged from challenges, controversies and way-forward at academic institutions to the relationship between religion and dharma to “Big History” and

the role of pedagogy, social media and film in construction of national narratives. In terms of effective nationalistic intervention in the literary area, delegates engaged in a brief discussion, and noted that an incubator could be created for creative ideas to come forward. It was also underlined that literary areas could also be used as a tool to bring out stories of our real heroes.

The valedictory session was presided over by Shri Ram Madhav and Shri Dattatreya Hosabale. Shri Ram Madhav stated that this event was designed entirely for the participants to think and discuss different issues. He urged participants to be open-minded and receptive to every thought, and strive to think out-of-the-box, which was very essential to address today’s complex issues. While making arguments, he pointed-out that it was important to avoid victimhood, and be confident about one’s thoughts. Shri Ram Madhav reminded all delegates that it was important to co-opt rather than confront those who might disagree with us, as the attitude must be to win-over people by thinking like a leader.

In his concluding remarks, Shri Hosabale remarked that nationalism was not a new thought in our country. All over the world, society after society was trying to find its nationalist roots - historical experience, philosophical view and culture. He urged the thinkers to be open-minded and ready to accept the truth from the other side as well drawing inspiration from Shastrartha - a great heritage which we have. Shri Shaurya Doval delivered the vote of thanks and urged all delegates to keep one’s mind open and remain positive.



## **Farewell to Mr. Esala Weerakoon, Outgoing High Commissioner of Sri Lanka**

-Deeksha Goel



**I**ndia Foundation hosted a Farewell Dinner on 28 July 2016 in the honour of the outgoing High Commissioner of Sri Lanka, Mr Esala Weerakoon. The dinner was attended by Mrs and Mr Weerakoon, High Commissioners, former diplomats and Members of Parliament, among others.

Delivering the welcome remarks, Ambassador G Parthasarathy noted that Mr Weerakoon was an accomplished diplomat and traced the journey of Indo-Sri Lanka ties from strategic to dimensions beyond that. He expressed his admiration for Sri Lanka's Human Development Index (HDI) and said that India had a lot to learn from it. He wished the outgoing High Commissioner all success as he takes over as his country's top diplomat.

In his address, Mr Weerakoon expressed joy

at being hosted by India Foundation, which incidentally came after the felicitation dinner hosted in honour of visiting Sri Lankan President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe. He remarked that Buddhism was the greatest gift that Sri Lanka had got from India and expressed satisfaction on the pace of progress made in political and economic ties of the two nations. He fondly recalled his visit to Sanchi where he noted that the Mahabodhi Society of Sri Lanka and the Archaeological Survey of India were joint custodians of the relics.

Mrs Weerakoon called herself a "Dilliwaali" having spent almost 17 years in India. She hoped that they would come back to her first home, Delhi, once Mr Weerakoon finishes his assignment in Sri Lanka and thanked India for its hospitality.



## India Myanmar Bilateral Conference

-Jayraj Pandya



### Inaugural Session

The linkages between India and Myanmar date back to antiquity. India and Myanmar strong cultural, civilizational and historical ties have led to creation of amiable and convivial relations between the people of these nations.

The Prime Minister of India, Shri Narendra Modi has consistently underscored his philosophy of **Neighbourhood First** which is translating into robust and concrete actions and initiatives through the earnest efforts made in the last 25 months in strengthening India's relations with the neighbours. Myanmar had been undergoing a political metamorphosis since the beginning of the decade which reached its culmination with the elections in late 2015 when Nobel laureate Daw Aung San

Suu Kyi led National League for Democracy (NLD) won a landslide victory. The slow but steady opening up of Myanmar has led to rising aspirations of its citizens and increasing expectations of the global fraternity from its political class to restore its lost legacy. This provided an invaluable opportunity for a friendly neighbour like India to accelerate the pace in taking forward its relations with Myanmar. In this backdrop, India Foundation hosted a 10 member delegation from **Myanmar Institute of Strategic and International Studies (MISIS), Myanmar** for a **Bilateral Interaction on "Myanmar-India: Frontiers of New Relationship"**. The interaction was held on **05-06th July, 2016** at the **India Habitat Centre, New Delhi**.

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The aim of this conference was to take forward the discussions that took place during the comprehensive dialogue in Yangon in November 2014 on "India Myanmar: Together the Way Ahead". The **objective** of such set of dialogues was *to build a robust relationship between the two countries, based on our common heritage and interests.*

Shri **Alok Bansal**, Director, India Foundation in his introductory address welcomed the delegates from Myanmar for being a part of the Conference and emphasised that-

*"The whole world is looking at Nay Pyi Taw with bated breath."*

Calling this delegation visit from Myanmar as *a new ray of hope*, the Chair of the session, **Shri Himanta Biswa Sarma**, Finance Minister, Government of Assam, welcomed the distinguished guests stating that the North East was the focal point for improving relations between India and Myanmar and expressed hope that this Conference would be fruitful in furthering relations between these nations.

Delivering the **Special Address**, **Ambassador U Wynn Lwin**, former Myanmar Ambassador to India, expressed the hope that with new Governments in both nations, their relations between these nations will reach to greater heights. He also gave extensive details about the projects undertaken by the Government of India in Myanmar such as Kaladan Multi Modal Transportation Project and the Trilateral Highway.

Giving the **Keynote Address**, former Ambassador of India to Myanmar, **Shri Gautam Mukhopadhyaya** focused on the issue of economic

relations between India and Myanmar along with investments made in Myanmar by India. Speaking about the potential of Myanmar, the former Ambassador categorically stated that,

*"Myanmar has the potential to become a tiger economy and not just any other tiger economy but one whose roar can be heard well beyond its region."*

Shri Mukhopadhyaya went on to spell out a strategy for India to be involved in Myanmar by making strategic economic investments in Special Economic Zones (SEZs), increasing investments in labour intensive agricultural industries especially rice growing regions and MSME units making a special reference for investing in dairy and agricultural cooperatives to replicate the success of Gujarat dairy model.

Giving a **Vote of Thanks** for the session, **Shri Binod Bawri**, Director, India Foundation made a marked reference to the lack of any direct flight between India and Myanmar.

## **First Session**

The first session of the Dialogue was conducted on the theme of **Trade and Connectivity**.

Chair of this session, former Ambassador of India to Myanmar, Shri Rajiv Bhatia, underlined various modes of economic relation paradigms of trade between India and Myanmar include border trade, investments and the overall economic environment in both these nations.

The first speaker of the session, **U Khin Maung Nyo**, Senior Research Fellow, Myanmar Development Resource Institute (MDRI- CESD),



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spoke extensively about the need for improving connectivity between the two nations and asserted that it would be crucial for India to improve key infrastructure to connect North East with the nations, to India's East.

The next speaker, Hon'ble Finance Minister of Assam, Shri Himanta Biswa Sarma gave the *motto of 4Cs- Connectivity, Commerce, Culture, Community* for improving the connectivity between the two nations and also gave several ideas for this endeavour such as the creation of a **North East-Myanmar Electricity Grid** within SAARC grid, creation of a **India-Myanmar Ministers Council** comprising of leaders from states on either side of India and Myanmar border for greater coordination between the two nations.

The discussions during the session went on to bring out the following points-

- Promoting investments in Myanmar by Indian private sector most notably in agriculture (beans and pulses were specially marked as Myanmar's exports to India) adding to the efforts of the Myanmar Government attempting to make this nation an Organic Farming Powerhouse.
- Allowing rice exports to India was also an area touched upon by the Myanmar delegation members.
- Suggestions also came to reduce tariff barriers in terms of prohibitive list goods disallowed for imports from Myanmar to India as well as promoting Chambers of Commerce to create and develop capacity in Myanmar.

## Second Session

The second working session was based on the theme of **"People to People Contact"**.

The Chair of the Session, **Ambassador U Wynn Lwin**, iterated that Nobel Laureate Daw Aung San Suu Kyi always equates people-to-people relations with democracy.

Director, MAKAIAS, Kolkata, **Dr. Sreeradha Dutta**, stated that people should be at the center of the process of development and improving relations between both the nations and focus should be more at making incremental changes with a view to achieving a larger vision in the longer run.

The second speaker of the session, **Daw Than Than Htay**, Member, MISIS, stated that the relations between both nations could only be built on convivial relations between the people of both these nations.

**Ambassador U Wynn Lwin** then went on to state that educational exchanges were one of the key unifying factors between people of India and Myanmar in earlier times and such exchanges must be again rekindled for fostering relations between the two nations.

Smt. Jaya Jaitly, Founder & President, Dastkari Haat Samiti, stated that creating *combined capacity for improving skill and productivity* of artists and traders from India and Myanmar could act a propellant for furthering bilateral relations.

Acting Director, SEAMEO Regional Centre for History and Tradition (SEAMEO CHAT), **Daw Carole Ann Chit Tha**, talked about creation of *Cross Border Value Chains* through people-to-people relations between India and Myanmar which



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could accentuate value not just for both these nations but also for the whole world.

**Shri Prafulla Ketkar**, Editor, *Organiser* (Weekly), stressed that there is an acute paucity of information exchange between the people of both nations which has been caused due to 3Cs- Colonial legacy, Cold-War and China where there is a need for an urgent course correction by identifying non-governmental facilitators for improving relations such as media, think-tanks, educational institutions, forums for youth-level interactions etc.

**U Ye Tun** from Shan State, Myanmar went on to state that Myanmar has been regarded as a critical partner for its Look East policy by India and hence, people-to-people relations between the two nations could be furthered by creating increasing consciousness for each other in their nations.

### Third Session

The third session of the Conference was held on Day 2 of the Conference. The theme of this session was “**India-Myanmar Relations; under NDA & NLD Governments**”

Chairing the session, **G Parthasarathy**, Former Ambassador of India to Myanmar assured delegates from Myanmar that the Government in India was extremely proactive and would take action if any specific matter was brought to their notice.

The first speaker in the session, **Mr Myo Htike Tan Thein**, Former Director, Burma Democratic Concern (BDC), said,

*“Aung San Suu Kyi has always considered*

*India special and the roots of democracy in her were born during her years spent in India.”*

He made a marked reference towards the key role which could be played by Myanmar in improving relations between India and China. He also stated that Indian movies could be a great way to associate with people in Myanmar.

The next speaker for the session was **Shri Amar Sinha**, Secretary in Charge of Economic Relations at MEA who went on to elaborate the existing progress on each of the projects undertaken by India in Myanmar-

***Kaladan Multi Modal Transport Project was a key project where Kolkata is being connected to North Eastern India through development of infrastructure in Myanmar.***

***Myanmar Institute of Information Technology (MIIT) had started functioning with over 90% of students being women and has extremely robust international placement records.***

During the discussions, Secretary of the Central Executive Committee, Arakan National Party, **Mr. Aung Mra Kyaw** recommended that the approach towards the relations between both nations must be adjusted to assuage the feelings of people in Myanmar.

**Maj. Gen. Dhruv Katoch**, Secretary of the General Indian War Veterans Association in India emphasised that there is a need to go in for the economic development between North East region and Myanmar rather than waiting for insurgency to stop. Giving a constructive suggestion for the same, he stated that, *“Building cooperative zones in 25-50km on both sides of border could go a*

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*long way in controlling insurgency.”*

He further stated that there was a need to emphasize on two particular issues-

1. Communication and connectivity
2. Perception

**Ambassador U Wynn Lwin** reasserted that the more and the earlier India engages with the new Myanmar, the more and earlier can it reap benefits.

In his remarks, Chair of the session, G Parthasarathy made a strong recommendation to make efforts to improve religious infrastructure and facilities to boost the ties with between citizens of both nations.

### Valedictory Session

Talking about the spiritual connection between the two nations, Minister of State for External Affairs, **General VK Singh** said, *“If a common man from Myanmar can reach Bodh Gaya, we can say that we have improved relations between India and Myanmar tremendously.”*

Underlining the key areas of collaboration between India and Myanmar, the Minister added that India has a great strength in promoting MSME, pharmaceuticals, agricultural research which could immensely help Myanmar.

Initiating his remarks in the Valedictory session, **Mr Ba Hla Aye**, Member, MISIS said that both nations believe that there is a very huge potential for progress and benefits between India and

Myanmar. In the end, he expressed his deepest acknowledgment towards the India Foundation and the people involved with the Conference who made this meet possible.

In his Valedictory Address, Chairman, Indian Joint Intelligence Committee, **Shri R N Ravi** underscored the fact that with Myanmar, India has never had any issues and hence, there had been a certain amount of neglect in relations between India and Myanmar which was required to be rediscovered and strengthened.

Talking about the global role which could be played by these nations, Shri Ravi said, “These two countries together can be a major player in two problems confronting the whole world- terrorism and climate change.”

He pointed out towards the shared ***Hindu-Buddhist philosophy*** of peaceful coexistence with the nature which could be showcased to the world by India and Myanmar. He concluded his address by saying, *“India and Myanmar are destined to lead together.”*

Giving the vote of thanks, Shri Alok Bansal, Director, India Foundation thanked the Myanmar Delegation for coming to India and making this meet possible for fruitful discussions between the two nations. Further, he thanked all the speakers, experts, former Ambassadors as well as Team India Foundation for their efforts in putting up this bilateral dialogue event and making it a grand success.



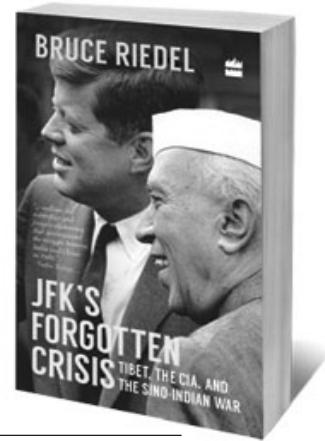
## ‘JFK’s Forgotten Crisis’

Author: **Bruce Riedel**

Publisher: Harper Colins India

Price: Rs.699/-

Book Review by:  
**Raghav Pandey**



John F. Kennedy who served as America’s 35<sup>th</sup> President said before a few weeks of his tragic death that “I can tell you that there is nothing that has occupied our attention more than India in the last nine months.” The year we are talking is 1963 and hence even the sincerest students of history will be forced to reread that statement of Kennedy, thinking that he must have meant Cuba or the USSR. This is the period when the USA was reeling with the Cuban missile crises and hence China’s attack on India posed a monumental foreign policy challenge for the Kennedy administration.

In 1962 the world came within a hairsbreadth of the third world war due to the Cuban Missile crises. Nikita Khrushchev famously blinked and withdrew Soviet nuclear weapons from the Caribbean island. In exchange, Kennedy removed US nuclear weapons from Turkey without much hue and cry.

Not many people will recall that the first wave Chinese attack on India came just five days after the CIA uncovered the presence of Soviet missiles

in Cuba. Kennedy himself admitted that it was a “climactic period” for his administration.

The then US Ambassador to India John Kenneth Galbraith, was a plenipotentiary diplomat, who was very close if not the closest diplomat to the President. He writes “In the same week, on almost the same day, that the two great western powers confronted each other over Cuba, the two great Asian countries went to war in the Himalayas.”

In the western minds of contemporary history there is a huge disparity in terms of memories of Indo-China war and the Cuban missile crises. The Kennedy Presidential Library boasts of hundreds of books on the Cuban missile crises but not a single one on Indo-China war. Bruce Riedel, who has been the National Security Advisor to four Presidents writes that one book which needs to be in that library. The book is a gem on sophisticated contemporary history writing. This book is the pioneer document which illustrates the role of Kennedy in the war.

America’s help to India in the war is still a

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subject of political debate, successive Congress led dispensations in India have denied the fact that Nehru even asked for America's help ever, naturally such a line would have conflicted with the then policy of non-alignment. Also, Nehru advocated "Hindi-Chini bhai bhai" and was very disdainful of the USA.

Eventually when Mao Zedong attacked India, India's army was too stretched out and most of the troops remained deployed on the western border due to the fear of a possible second front by Pakistan. Nehru was left with little choice and he in due course sought help from Kennedy. Riedel claims that Kennedy gave his unconditional support to India and immediately sanctioned military aid to that effect, he writes "by November 2, eight flights a day were each bringing in twenty tons of supplies to Calcutta.... The Royal Air Force (RAF) also soon began air-lifting supplies to India, and London was consulting with Australia, New Zealand, and Canada on providing aid from the British Commonwealth"

Riedel emphasises that due to the above, Mao Zedong became conscious of the fact that America meant business in this war and the situation might escalate to the level of Korean war. Mao certainly would have wanted to avoid a second ground level confrontation with the Americans like that in Korea. It might also be pertinent to factor in the position of Soviets at this juncture. As per Riedel, Mao kept Stalin in loop and informed him before attacking in India as a gesture of communist comradery, where Stalin was the leader of the

communist world. But this argument of Riedel is obviously open to scrutiny and subject to debate, but the fact that Soviets didn't supply the promised MIG-21 fighter jets is explanatory of the fact that Stalin had sided with Mao.

The author successfully builds a case for Kennedy, where he is projected as one of the most favourable US Presidents for India. This narrative should cautiously be viewed in the backdrop of Korean War, where a decade ago USA was forced into a stalemate through Chinese hands. Hence, the foreign policy shifts of USA towards India which Riedel claims, can have underpinnings in the decade old war. Hence, Kennedy was left with very little choice but to support India.

Riedel also discusses in the book the Pakistani angle very elaborately. He highlights that the Kennedy administration was almost blackmailed by the Ayub Khan administration by leveraging a covert CIA base in Peshawar which was critical for the U2 flights that took off over Tibet. He also brings to light that the CIA intervention in Tibet became a major irritant in Mao's eyes and he was led to believe that India was complicit in this with the CIA which in fact was Pakistan. More importantly the author's hypothesis that Pakistan was tremendously pressured by Kennedy to not open the western front of war with India is quite believable because what else was stopping Pakistan.

During the last periods of the second and the more devastating wave of Chinese attack on India, Robert McNamara, the Secretary of Defense to Kennedy apprised him "we should recognize that

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in order to carry out any commitment to defend India against a substantial Chinese attack, we would have to use nuclear weapons.” To this Kennedy responded, “We should defend India, and therefore we will defend India if she were attacked”. The above passage is perhaps the most interesting part of the book which has been sourced from the secret tape recordings of that era. This suggests that Kennedy was willing to go to any length to protect India. Riedel also claims that the overall attitude and functioning of Kennedy at that time suggested that it was President who was preparing for war.

The above argument of the author is obviously his perception, but it is imperative to note that the

Chinese forces withdrew and declared ceasefire shortly after this conversation happened in the White House. Hence, there is some substance in what the author has highlighted in terms of the possible use of nuclear weapons.

The most important takeaway from this book for India’s foreign policy enthusiasts is perhaps the utter failure of Indian diplomacy in the Johnson and Nixon eras which followed Kennedy. The same country - the USA, which was giving military aid to India in 1962 was looking to intervene against India in 1971 for Pakistan. Hence, this book is about seizing opportunities in International relations at critical junctures and building strategic partnerships at opportune moments.



# Upcoming Events

## **Homeland Security 2016 – Smart Border Management**

**6-7 September, 2016; New Delhi**

The eighth edition of the FICCI's Homeland Security programme will be held in partnership with India Foundation on 6-7 September 2016 at FICCI, New Delhi. The two-day conference proposes to bring together experts from the Government, Defence Forces, Central Armed Police Forces, Indian Navy, Coast Guard, State Marine Police and Industry to discuss and debate on issues and problems posed by various types of borders and to delineate strategy, systems and solutions to tackle such specific problems.

## **National Seminar on Integral Humanism in Indian Thought**

**19-20 September, 2016; New Delhi**

The Centre for Study of Religion and Society (CSRS) of India Foundation is organising a two-day National seminar on "Integral Humanism in Indian Thought" on 19-20 September 2016 in New Delhi, to commemorate the Birth Centenary of the great Indian philosopher and political thinker Pt. Deendayal Upadhyay.

*For further details, please write to*  
**csrs@indiafoundation.in**

## **India Economic Convention**

**31 September–1 October 2016; Chandigarh**

India Economic Convention is an annual event with an aim to bring together leaders from the government, business, think-tanks, academia and research organizations as well as global experts to discuss some of the pertinent economic issues, challenges and opportunities for India. This premier annual event provides an ideal platform for exploring the key policy challenges and gathering innovative ideas and suggestions to drive growth, create livelihood opportunities and ensure sustainable development of the country. This programme is being jointly organized by India Foundation, US-India Business Council and FICCI in partnership with the Government of Jammu and Kashmir.

## **4th International Dharma-Dhamma Conference on "DHARMA AND POLITY"**

**19-21 October 2016; Bhopal, Madhya Pradesh**

The Centre for Study of Religion and Society (CSRS) of India Foundation is organising the 4th International Dharma-Dhamma Conference on "DHARMA AND POLITY" on 19-21 October, 2016, at Bhopal, Madhya Pradesh. The concept of Dharma is pivotal to Asian modes of thinking and ways of living right from the dawn of human civilization. The very purpose of Dharma is to ensure sustainability of living beings and all those that contribute fundamentally to the cause of sustainability. The conference aims to focus on Dharma being the guiding principle for polity globally and exploring shared values to strengthen democracies worldwide. The conference is jointly organised by India Foundation and Sanchi University of Buddhist- Indic Studies in partnership with the Government of Madhya Pradesh.

*For further details, please write to*  
**csrs@indiafoundation.in**

## **India Ideas Conclave**

**4-6 November, 2016; Goa**

India Foundation organizes India Ideas Conclave that brings together a luminary gathering of policy makers and public intellectuals from India and abroad. Over 350 invited intellectuals including government leaders, corporate leaders, scholars, journalists, politicians and social activists participate in this important conclave where ideas and opinions are exchanged in a candid and scholarly atmosphere.

The first two editions of the conclave saw the participation of scholars from over 25 countries including several Heads of State and other dignitaries. The 3rd India Ideas Conclave is scheduled to take place on November 4-6, 2016 at Goa. The central theme of the Conclave this year is **India at 70 – Democracy, Development & Dissent.**

*For details please write to* **indiaideas@indiafoundation.in**