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Time to demonstrate an 'Act East' Policy



The Hindu "Effective trade and transportation links between India and Myanmar can improve market size for potential investments." Picture shows the India-Myanmar friendship road in Moreh, a border town in Manipur. Photo: Ritu Raj Konwar

It is important for India and Myanmar now to set up a high-level bilateral mechanism to review the progress being made on key connectivity projects

V.S. Seshadri

Much of Prime Minister Narendra Modi's visit to Myanmar has been taken up with the annual East Asia Summit and the ASEAN-India Summit. But his bilateral meeting with the Myanmar President Thein Sein was no less important, it being the first time the two leaders met. The visit has also provided an opportunity for Mr. Modi to understand first hand the ongoing democratic transition in Myanmar, towards a more market-oriented economy, and a peaceful settlement with the ethnics. All this is work in progress. Having a peaceful, stable and democratic Myanmar in our immediate neighbourhood is in India's interest.

Since 2011, the Thein Sein government has ushered in many positive changes — release of political prisoners, greater media freedom and several reforms in the economic, social and administrative spheres. Despite a 25 per cent reservation for the military and the strong presence of Members of Parliament from the military-rooted ruling Union Solidarity and Development Party (USDP), Parliament too has evolved into an active deliberative and lawmaking forum. The changes have brought Myanmar back into the international mainstream after five decades of military rule and its chairmanship of ASEAN this year has gone off quite smoothly.

Parliamentary discussions

There are, however, many challenges that lie ahead. Parliamentary discussions on constitutional reform have been under way for over a year but it is not clear what provisions if any will be amended. The recommendations of the Parliamentary Committee to review the Constitution, submitted on October 22,

are to be discussed in Parliament later this month. Will Article 59(f) be changed, which effectively bars Aung San Suu Kyi from being a candidate for the post of President? Will the three-fourth majority required in Parliament that makes it mandatory to have military support for any constitutional reform be reduced? Will there be more delegation of powers to states?

The Myanmar Parliament is also discussing a move to introduce a proportional representation system. This could significantly affect the outcome of the next general elections scheduled for October/November 2015. Will USDP and many of the smaller democratic parties, in favour of the change, use their majority in Parliament and prevail? Ms Suu Kyi's National League for Democracy (NLD) and the ethnic parties prefer retention of the first-past-the-post system. Will there be a non-partisan discussion on this issue?

A three-stage ethnic peace process has also been in progress for over two years now. While local-level ceasefire agreements have been signed with all major ethnic armed groups but for the Kachins, efforts under way to sign a national level ceasefire agreement prior to holding a national political dialogue have proved elusive. While many issues have reportedly been resolved including a possible pledge to adopt a federal system, some differences still persist such as those relating to code of conduct, monitoring of ceasefire zones and the idea of a 'Federal Army.'

"Myanmar will have to evolve its own path to peace, reconciliation and a democratic framework; India can extend technical assistance and support and also share its own experiences."

With general elections coming up next year, continuing political deadlock could create complications. Perhaps it was for this reason that President Thein Sein convened an unprecedented meeting on October 31 to which he invited top leaders in the government, Parliament, the military, leaders of a few political parties including Ms Suu Kyi, and the head of the Union Election Commission. The three issues discussed included a smooth political transition, continuing the peace process and bringing about national reconciliation. More meetings of this group would be a sign that serious efforts are under way for a road map to deal with the political challenges ahead in an inclusive way.

While Myanmar will have to evolve its own path to peace, reconciliation and a democratic framework, India can extend technical assistance and support as may be needed and also share its own experiences.

It is very welcome that Mr. Modi will also meet Ms Suu Kyi who is a respected national figure and has had a long association with India. She also visited India in November 2012.

Review of development projects

Mr. Modi's visit is taking place two years after the bilateral visit of former Prime Minister Manmohan Singh in May 2012 when several MOUs and projects were agreed upon: border region development, the Mandalay-Imphal bus service, the setting up of a Myanmar Institute of Information Technology in Mandalay and the extending of a concessional line of credit of U.S. \$500 million for irrigation and railway projects.

The Modi-Thein Sein meeting on the sidelines of huge multilateral summits might not have enabled a detailed review of the progress on these projects, even though their discussions appeared to have focussed on connectivity, cultural contacts and commercial ties. A subsequent bilateral visit, for which Thein Sein has already extended an invitation to Mr. Modi, may provide the opportunity. What is important now is for both sides to set up a high-level bilateral mechanism to review the progress being made on key

connectivity projects relating to the India-Myanmar-Thailand trilateral highway linking Imphal to Mandalay and to Thailand, Rhi-Tiddim road that can act as a link from Aizawl to Mandalay if Myanmar can connect Tiddim to Kalay and the Kaladan multimodal transit transport project.

Even as work on creating hard infrastructure proceeds, it will be useful for the two sides to discuss the required soft infrastructure — transit and transport agreements, the necessary border trade and warehousing arrangements and how to ready the businesses for the new opportunities.

Both sides have a strong interest in expediting these projects. They can bring significant benefits to the Northeastern States of India and the western part of Myanmar that is also much less developed. Effective trade and transportation links can improve market size for potential investments. This can further build on the border region development projects being undertaken by India in the Chin state and the Naga-administered zone of Myanmar.

Myanmar is now our most rapidly growing neighbour experiencing eight per cent plus growth rates. There can be mutual benefit if both India and Myanmar can work together to truly transform the evolving connectivity corridors into development corridors, which can also be a demonstration of our 'Act East' policy. Building an interlaced economic partnership across the border can form an enduring bond between the two countries that already enjoy very good political ties.

(V.S. Seshadri, former Ambassador to Myanmar, has authored a report, 'Transforming the Connectivity Corridors between India and Myanmar into Development Corridors'.)

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