As both India and Burma attained their independence, there was a better basis for a strong bilateral relationship between them because of Nehru’s strong personal friendship with U Nu, as well as, India’s non-confrontational responses to Burma’s actions vis-à-vis the large Indian community – that had enjoyed a privileged position in British ruled Burma. But India did not display any clear vision for a relationship for the future.

On the other hand, despite historical fears of China, the latter enjoyed an upper hand, almost from the beginning, notwithstanding its intrusive and aggressive behaviour. This was because, it was hyperactive and had a vision which it implemented with ruthless efficiency, without any compunctions about morality, ethics, etc., ensuring that Burmese regimes always kept China’s interests in mind.

It is only from around 1992–93 that India adopted a focused, national interest oriented approach to its relations with Myanmar. In the past two years, India has stepped up its interaction very significantly with a well-thought-out vision for the future in tandem with the dramatic political transformation within Myanmar.

Why is Myanmar Important for India?

Myanmar’s enormous strategic significance for India has rarely been properly appreciated in the country. It is imperative that this significance is fully
understood. Given Myanmar’s geographical location, India’s strategic interests in the relationship with Myanmar include:

1. Protection of India’s territorial integrity in the remote North-eastern part of India: India’s six North-eastern states are sandwiched between Bangladesh, Bhutan, the Tibet Autonomous Region of China and Myanmar. Myanmar shares a 1643 km border with four of these six North-eastern states – Arunachal Pradesh (510 km), Manipur (398 km), Mizoram (510 km) and Nagaland (215 km). These four states are the farthest away from India’s heartland. China has a 1125 km border with Arunachal Pradesh, which it claims as its own territory. The vulnerability of Arunachal Pradesh’s location should therefore be obvious. If Myanmar is inimical towards India and under the strategic control of China, it would be virtually impossible to keep some of the North-eastern states as part of India and hence, its potentially enormous strategic significance for India’s territorial integrity in the remote northeast should be self-evident.

2. Economic growth and development of these four remote North-eastern states is the only viable long-term basis of their internal security and stability. Full-scale economic cooperation with Myanmar is unavoidably essential to ensure this. These four states and northern Myanmar had traditionally constituted a natural economic zone and this state of affairs needs to be re-established. It makes much greater economic sense for these North-eastern states to source their requirements of consumer goods and other daily necessities from and through neighbouring Myanmar rather than depending on the long, expensive, cumbersome, time-consuming transport of these goods from the rest of India. Some eye-opening statistics exhibit how dismal the situation is. According to figures from international agencies and Myanmar, for the financial year 2011-12 Myanmar’s border trade with China was worth $2.985 billion; with Thailand $343.305 million; with Bangladesh $26.8 million, despite a very short border and less than satisfactory bilateral relations; and, with India in spite of a long border and fairly good relations only $15.409 million. (The unregistered trade has been estimated to be 125 times more).¹

3. The elimination of the long running insurgencies in the North-eastern states is simply not possible without Myanmar’s proactive cooperation.

4. Myanmar is the only land bridge between India and the ASEAN countries. Indian policymakers must consider India’s North-east to be the beginning of South-east Asia and therefore, Myanmar has a pivotal role and importance if India’s “Look East Policy” is to be truly meaningful.
5. Myanmar is potentially a very rich source of natural gas. Geographically, it is the closest source for India. Compared to other sources it is also less prone to potential malafide disruption. Therefore, Myanmar is potentially very important for India’s energy security.

6. Given Myanmar’s long coastline on the Indian Ocean and the Bay of Bengal and its proximity to the Andaman and Nicobar Islands, India’s relationship with Myanmar acquires great importance in the context of the security of these islands as well as India’s strategic interests in the Indian Ocean and Bay of Bengal.

7. If China acquires a pre-eminent position of influence in Myanmar, Myanmar could be used as the springboard for China’s ambitions in South and South East Asia.

As is evident from the above, amongst all the South Asian neighbours that India has, Myanmar’s domestic and foreign policies have the highest potential to directly have an impact upon a very broad spectrum of very significant components of India’s strategic interests.

The Strategic Context

More than any other country, Myanmar’s foreign policy has been strongly shaped and moulded by developments within the country on the one hand and the imperatives of geography and history on the other. Sandwiched between two giant neighbours, China and India, every Myanmar diplomat and foreign policy commentator will invariably tell a foreign interlocutor that Myanmar has had a conscious policy of trying to maintain equidistance between China and India, but in practice, this has invariably translated into a very perceptible tilt towards China. Despite China’s footprint in Myanmar being the largest amongst all of India’s South Asian neighbours, ironically, India’s best prospects are in Myanmar simply because it is the only neighbour, which has deep-seated strategic concerns about China.

China and Burma/Myanmar

Burma has always harboured a primordial fear of China given the long conflictual history of their relations. In this background the assertive, expansionist, revolutionary rhetoric emanating from the rulers of the new People’s Republic of China made the leaders of the newly independent Burma particularly wary of China. Prime Minister U Nu sounded India more than once about a possible
defence pact, but Nehru not only turned down such suggestions, but also actively assisted in bringing Burma and China closer to each other. Bertil Lintner, the Thailand based strategic analyst, who has spent a lifetime studying Burma, has asserted, “…regardless of the political nature of the government in power (in Burma) China has always considered Burma to be a vassal state”. This mental attitude has dictated China’s overall approach to its relations with Burma and all Burmese regimes have tacitly, even though privately quite unhappily, learnt to live with this reality.

“Support to the Communist Party of Burma (CPB) was the main element of China’s Burma policy until the late seventies”, irrespective of whether the official relationship between the governments of the two countries was bad, good or indifferent. China also armed and supported different anti-government ethnic groups. The puppet master calibrated the extent and levels of violent revolts depending upon its agenda at any given point of time. “China was involved in Myanmar through the CPB. The CPB however, was only a communist party in name and was actually projecting Chinese interests”. These assessments are very widely shared by all scholars studying Myanmar.

Sino-Burmese relations went through a particularly difficult period in the 1960s. This included waves of very serious anti-Chinese community riots with thousands dead and large scale looting and destruction of their property and heavy fighting between the Burmese Communist Party and the Burmese Army (in which all the top leadership in Myanmar’s recent past were personally involved). This also resulted in and the suspension of diplomatic relations from 1967–1970. Bertil Lintner has written, “…during the decade (1960s) China poured in more aid to the Communist Party of Burma than to any other communist movement outside Indochina. Thousands of Chinese ‘volunteers’ also streamed across the border to fight alongside their Burmese comrades”. During that period, Beijing Radio was regularly denouncing Gen Ne Win’s regime as “a fascist and reactionary dictatorship”, calling for its overthrow. Instead of Sino Burmese relations being adversely affected by all these events, Gen Ne Win went out of his way to woo rather than confront China or seek to distance Burma from China, also paying obeisance to China through twelve visits. To further please China, in November 1977, Ne Win became the first foreign head of state to visit Phnom Penh after the China backed Khmer Rouge takeover. In September 1979 Burma left the Non-Aligned Movement, which it had helped form in the 1950s. Deng Xiaoping’s landmark six-day visit to Burma in 1978 marked the beginning of increasing economic interaction between the two countries with concurrent beneficial political fallout.
In 1988 after pro-democracy demonstrations were brutally suppressed, China facilitated the disbandment of the Burmese Communist Party in 1989 and became proactively involved in all spheres with and in Myanmar. This became possible only because most of the rest of the world including India chose to disengage with Myanmar. China later also facilitated ceasefire agreements between the Government and most ethnic groups. The context and contours of the Sino-Myanmar relationship changed dramatically as China emerged as Myanmar’s pre- eminent partner.

China has since then developed a multi-dimensional, all embracing relationship with Myanmar. Some examples are:

(i) Myanmar’s economy is increasingly integrally linked with the Chinese economy, with the economy of northern Myanmar in particular linked more with that of Yunnan than with the rest of the country.

(ii) Official Myanmar statistics indicate that China has become the leading investor in Burma, with a total investment of US $15.5 billion. In September 2008, Earth Rights International (ERI) had identified 69 Chinese multinational corporations (MNCs) involved in at least ninety projects in Burma. Since then the number and scope of projects has increased in all sectors. China is proprietarily executing the largest number of infrastructure and hydropower projects in Myanmar; it dominates the oil and gas exploration sector. China is also developing four ports – Hanggyi, Mergui and Zadetyeki in the south, and the excellent deep water at Kyaukphu in the north from where Myanmar gas will be supplied to Yunnan through pipelines. Oil from the Persian Gulf region will also be received there, stored in large tank farms and sent on to Yunnan. China is also setting up a large multipurpose SEZ there. Projects currently under execution include road and rail links from the coast and across Burma to places in Yunnan. China is thus proactively developing economic, strategic, and transport connectivity infrastructure and other assets to provide it with potential dual use access to and facilities in the Bay of Bengal and the Indian Ocean.

(iii) The State owned newspaper the New Light of Myanmar recently reported, “China-Myanmar trade soared by 53.2 per cent to 4.44 billion US dollars last year (2011) making China Myanmar’s second-largest trading partner after Thailand”. Once Myanmar gas starts flowing to China later in 2013, China will become by far Myanmar’s largest trade partner.

(iv) Since 1988, China has been Myanmar’s pre- eminent international patron providing it with diplomatic protection from international punitive actions,
inter alia, by vetoing a US-sponsored resolution in the United Nations Security Council in 2007. It was immediately rewarded in that the gas from the India-South Korean consortium was allocated to be supplied to China.

(v) It is also by far the main weapons supplier to Myanmar and has supplied almost $2.5 billion worth of arms since 1988 in a continuing strong defence relationship. This relationship has overseen the expansion of the Tatmadaw, the armed forces, from about 150,000 in 1988 to over 450,000 today.

(vi) Locals conservatively estimate that there are over 2 million Chinese in Myanmar today with Mandalay having become a virtual Chinese city where even small businesses are increasingly owned by Chinese.

China has thus, at least theoretically, acquired capabilities in Myanmar of playing a role of enormous strategic consequences for India in the context of all the seven factors affecting India’s national interests and security that were mentioned earlier. India could become hostage to China’s strategic plans and designs. Therefore, it is critical for India to prevent Myanmar from becoming a pawn of China’s strategic ambitions vis-à-vis India. India’s policy options towards Myanmar have to be considered in the context of these overarching imperatives.

India and Burma/Myanmar

U Nu had very high regard for Nehru. He visited India often and stayed with Nehru, and was exchanging letters and telephone calls frequently. The two were very close and Nehru’s expertise and guidance regarding international affairs greatly influenced U. Nu. Burma, therefore, followed India’s lead in policies towards China. It supported the Indian resolution in September 1950 proposing the PRC’s admission to the United Nations; it joined India in voting against the US resolution branding the PRC as the aggressor in Korea in January 1951, and they were the only two non-Communist countries to do so. Following India, Burma declined to attend the San Francisco Peace Conference and refused to sign the Peace Treaty with Japan negotiated at that conference. Nehru was directly instrumental in facilitating Chou Enlai’s first visit to Burma in 1954.

On the bilateral front Indian policies towards Burma represented an enormous contrast with those of China. At the invitation of the Burmese, Sir B.N. Rau visited Burma in 1947 and helped draft their Constitution. India adopted an exceedingly benign and forgiving attitude on issues, which most
countries would have considered to be matters too important to be overlooked. Some examples are— the context of hundreds of thousands of Indians being expelled in several waves after independence and their properties being nationalised without compensation; magnanimously settling the issue of Burma’s large debt to India from the time when it was a part of India by virtually waiving payments; Burma not doing anything meaningful to control the anti-India insurgents operating from its territory; Burmese neutrality in the context of China’s aggression against India in 1962; etc. India made no effort whatsoever to take strategic advantage when Burma and China were engaged in open hostilities in the 1960s. However, none of this generosity had any positive fallout. In fact, after Ne Win took power in 1962, “…his new government downgraded relations with India. Instead of being a neutral but friendly neighbour, India became more or less a non-entity in Burmese foreign policy” Although there was considerable high-level interaction, prompted by Ne Win’s sentimental attachment to the Nehru-Gandhi family, apart from the final signing of the border agreement, there was nothing of substance during the Ne Win era and India reciprocated by a policy of benign neglect. Indian policy ruled out the conversion of the warm personal chemistry between Nehru and the leaders of Burma’s independence struggle into a substantive strategic relationship between India and Burma.

In 1988 when pro-democracy demonstrations were brutally suppressed, India alone amongst Myanmar’s South and South-eastern neighbours, came out with fierce criticism of the military rulers, gave material support to democracy activists in Rangoon, set up refugee camps in Manipur and Mizoram where political activists were accommodated and allowed freedom to express their views openly. The All India Radio carried fiery broadcasts by U Nu’s daughter, using strong and even abusive language against the junta’s leaders. India’s reaction was much stronger than that of the West. Later, in 1990, there was a strong reaction from India again after the results of the elections, declaring a landslide victory of the NLD led by the charismatic Aung San Suu Kyi, were not honoured. In a sharp departure from what had been a standard Indian foreign policy norm since independence of normal interaction with all countries irrespective of the nature of their regimes, India exhibited uncharacteristic hostility to Myanmar’s new military junta during 1988-1991, thus giving China an open field to play. The immediate fallout of the Indian, Western and Japanese attitudes post 1988 was to ensure that Myanmar was pushed into China’s lap, granting China an unexpected but particularly welcome gift.

A worried India was finally impelled to put national interest and national
security considerations in the forefront. India reversed its policy towards Myanmar in 1992-93 and started engaging with the military regime. This was one of the many visionary reorientations of foreign policy that Prime Minister P.V. Narasimha Rao brought about. However, the engagement policy was not popular outside India’s strategic community and had many opponents within the government too, and thus it went through some turbulent years. K. R. Narayanan, a former foreign service officer who, inter alia, had been India’s Ambassador to China and the US, was elected vice-president of India in 1992. He had a Burmese wife. They were primarily responsible for India’s decision to bestow the Nehru Award to Aung San Suu Kyi in 1995. The announcement was made while ‘Operation Golden Bird’, the first really meaningful joint operation against insurgents was very satisfyingly under way; not unnaturally this drew very sharp reactions from Myanmar and it was abandoned mid way. George Fernandes was the defence minister of India from 1998–2004. He allowed his very strong personal convictions to override his official position, gave shelter to a host of Burmese democracy activists at his own residence, and arranged other places of sanctuary.

The all-pervasive Chinese presence in the country embracing multiple sectors began to worry the Burmese generals who, at the end of the day, were passionate nationalists and they started feeling the need to reduce dependence on China and to cultivate other relationships to mitigate China’s leverage. Although no Indian prime minister had visited Myanmar since Prime Minister Rajiv Gandhi visited Burma in 1987, they decided to overlook protocol reciprocities. Senior Gen Than Shwe visited India in 2004 and 2010 and Vice Chairman of the SPDC General Maung Aye (a substantive power and influence wielder) visited India in 2000 and again in 2008. Greatly encouraged by these gestures India became more circumspect about the ruling military junta’s sensitivities and much more enthusiastic in pursuing proactive engagement with them. There were rewards. Despite strong Chinese pressure, Myanmar agreed to the reopening of the Indian Consulate General in Mandalay in 2003. During Than Shwe’s visit in 2004, he conveyed Myanmar’s support for India’s quest for Permanent Membership of the UN Security Council. President Patil and Vice Presidents Shekhawat and Ansari visited Myanmar. India adopted a positive approach towards the junta’s 7 stage road map for political change and reform. India adopted a moderate non-critical approach in the context of the widespread unrest in Myanmar in 2007, which elicited fierce condemnation from the West and many other countries. India was also very actively involved in relief efforts in the context of Typhoon Nargis and was the only country permitted to send armed forces doctors to assist.
As a result, there was an incrementally growing sense of mutual confidence, which was reflected in India’s increasing involvement in Myanmar. India has already executed, and is currently involved in the following projects: upgradation of the 160 kms Tamu-Kalewa road including seventy-one bridges on the road; the construction and upgradation of the Rhi-Tiddim and Rhi-Falam road; upgradation of the Yangon-Mandalay rail line; the Tamanthi hydropower project; the Thathay Chaung hydropower project; the Kaladan Multimodal Transport project; upgrading of the Sittwe port; the 1,360-kilometer trilateral highway project between India, Myanmar and Thailand under the MGC programme; etc. In June 2007, India signed the inter-governmental agreement on the trans-Asian railway that will connect twenty-eight countries and enter India at Tamu, bordering Myanmar. An Imphal-Mandalay bus service will be started very soon. Ten factories funded by India have been set up. India has extended development aid of over Rs. 100 crores to Myanmar since 2000. Three Indian companies have exploration and production sharing contracts - ONGC Videsh Ltd in Blocks AD-2, AD-3, AD-9 (100 per cent stake), A-1 & A-3 (20 per cent stake); GAIL in A-1 & A-3 (10 per cent stake); and Essar Oil Ltd in A-2 and Block L. India extended a $500 million Line of Credit during President Thein Sein’s visit. India is extending technical assistance in the vocational training, IT and education sectors, setting up state of the art institutions. Military cooperation has been increasing in terms of exchanges of visits of the highest-level officers, considerably enhanced naval cooperation, supply of equipment, provision of increasing training slots, etc. The private sector seems to have overcome its hesitations and many companies have started activities and operations in Myanmar. Trade has increased from $62.15 million in 1988 to $1.5 billion in 2010–2011 and a target of $3 billion has been set for 2015.

Many elements of the Joint Statement and the twelve Agreements / MOUs signed during Prime Minister Manmohan Singh’s visit to Myanmar in May 2012 represent a blueprint for India’s greatly enhanced involvement in, and with Myanmar’s economy with a specific role for the private sector in many fields. India’s involvement in the energy sector, infrastructure and power sectors is slated to grow. Agriculture, capacity building and education have been given special focus. The United Bank of India has commenced operations at its representative office in Yangon (Myanmar). This is the first bank from India to open an office in Myanmar and this should help overcome the many hindrances to direct trade, both, between the two countries and across the land border. For the first time the Indian government has allowed overland import of rice from Myanmar, which will benefit primarily the North Eastern
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states (Mizzima News, 18 December 2012). Myanmar’s national carrier, Myanmar Airways International (MAI) launched a direct service between Mandalay and Gaya from 01 November 2012 (IANS, 22 October 2012). Several new trading facilities will be set up along the border. Doubling seats for Myanmar has made it the leading recipient of Indian Technical and Economic Cooperation assistance. In funding much of this, India has exhibited uncommon financial generosity. The MOU on the India Myanmar Border Area Development is particularly significant. India will execute, at its cost, a large range of specified small developmental projects, identified by Myanmar, in the Naga Self Administered Zone (in Sagaing Division bordering Manipur and Nagaland) and the Chin State (bordering Mizoram) of Myanmar creating new development corridors in erstwhile inaccessible and the most backward areas of the country. This represents an important psychological breakthrough since Myanmar has rarely allowed foreigners access to this region, which is the most backward region of Myanmar.

There has been an unprecedented exchange of high-level visits and meetings between India and Myanmar in the past two years. The prime minister of India and the president of Myanmar have met four times, each paying a bilateral visit to the other and then at the East Asian Summit in Cambodia in November 2012 and at the ASEAN-India Summit in Delhi in December 2012. The foreign ministers of the two countries have paid two visits each; the very powerful and influential Speaker of the lower house of Myanmar has also visited India. Aung San Suu Kyi paid a six-day visit to India and for all practical purposes, she was treated like a head of state. Meetings of Indian dignitaries with her in Myanmar and her visit to India should help in overcoming her disappointment with India.

The constitutionally very powerful Commander-in-Chief of Myanmar’s Defence Services, Vice Senior-General Min Aung Hlaing visited India from 01–08 August 2012. Breaking protocol and convention, he was given the honour of calling on the Indian President. In addition to discussions with the defence minister and service chiefs, he visited the Eastern Command in Kolkata, Eastern Naval Command at Vishakapatnam and some of the Defence and Research Laboratories in Bangalore. The chiefs of all the three different branches of the armed forces of India have visited Myanmar during this period.

In August 2012, India presented US $200,000 to authorities in Myanmar for assistance to those affected in Rakhine State for rehabilitation in August 2012. During the visit of the Minister of External Affairs in December 2012, India extended a further grant of $1 million to Myanmar for building
infrastructure, including schools, in the violence-hit Rakhine state. Given their attitudes towards the Rohingyas, Myanmar authorities would earlier have viewed such offers with great suspicion. Myanmar has also agreed to India opening a Consulate in Sittwe, a port that India is upgrading and from where the Kaladan multimodal project starts; India will thus become the first country to have three diplomatic missions in Myanmar.

All this exhibits very clearly that the bilateral relationship has now acquired a sense of closeness, ease and increasing mutual confidence. This level and broad spectrum of engagement has never happened in the past. The foundations have thus been laid for a quantum jump in bilateral relations. Having said all this, it must be recognised that an enormous gulf remains between the relative positions of India and China in Myanmar. However, this should not be a cause for worry as long as India continues its policies of proactive engagement.

**Myanmar’s Transition to Democracy: Implications for China**

China had succeeded in Myanmar even beyond its most optimistic expectations; ironically, this success contained the seeds of a setback because it engendered a new and different fear of China—of being suffocated by its claustrophobic embrace through economic means rather than by internal subversion and bullying as in the past. Reaching out to other countries became a strategic necessity for Myanmar. Since November 2010 Myanmar has been undergoing an absolutely and utterly remarkable internal political transformation with an equally remarkable transformation of its external relationships. China is the only country in the world that is deeply anxious about, and disturbed by the changes in both, the external and internal dimensions because those who shunned Myanmar are now courting it most ardently and enthusiastically.

The Chinese have long been reviled and hated; this is now openly expressed and there is a palpable sense of great relief that the process of being liberated from overweening Chinese presence and influence has begun. On 30 September 2011, just six months after assuming office, President Thein Sein suspended construction of China’s flagship $3.7 billion Myitsone Dam project without giving China any prior intimation; China was very angry but for the first time in many decades, it found itself unable to do anything about a publicly administered strong snub. This completely unexpected and extraordinarily audacious decision has been unanimously applauded within the country and there is a strong feeling in the country at large that China’s copper mining project should also be cancelled.
However, Myanmar has to be very careful about not angering China. Within six weeks of assuming his new post in April 2011, President Thein Sein had paid a State Visit to China where the relationship was elevated to that of a strategic partnership. Before paying his landmark visit to the United States in 2012, President Thein Sein visited China again to reassure it. “China is our most important neighbour. We will never forget that. It will always be a special relationship.” It would be unrealistic to assume that China’s huge economic interests and presence in Myanmar are going to be significantly diluted any time soon. The 2 million or more Chinese who have settled down in and around Mandalay, and in the adjoining border regions up to Yunnan are not going to leave. China will not easily allow its footprint to be reduced. It will continue to enjoy strategic leverage because of its traditional patron-client relationships with many important ethnic groups with whom particularly close economic linkages have been developed since 1988. However, what can be said with absolute certainty is that China will lose its position of undisputed pre-eminence in Myanmar that it has enjoyed for the previous two decades.

India by itself is not viewed as a credible balancer against China. This point comes through quite clearly in the writings of experts such as Bertil Lintner, Renaud Egreteau, Thant Myint-U, Marie Lall, etc. on the India-China-Myanmar triangle, and is freely articulated by local intellectuals and commentators. The dramatic turnaround in the US policy, and of Japan, towards Myanmar has created enormous excitement and China is far more concerned by the potential challenge that these two countries pose to China’s influence in Myanmar rather than any that India has posed or may pose.

The Way Forward for India

Given what has been happening in the recent past in Myanmar and the likely trajectory for the future, India is much better placed vis-à-vis the “China factor” for the first time in several decades. A democratic Myanmar, particularly one presided over by a person such as Aung San Suu Kyi with her personal connections with India, would obviously be a better prospect for India rather than China. Soft power may matter more than hard power and India has considerable advantages in that sphere. India once again has an opportunity to build a mutually beneficial Indo-Myanmar relationship, stronger than it has ever been in the past. However, India would need to be pro-actively involved on a continuing basis.

To conclude, there is no need for India to contest China’s position in
Myanmar or to compete with China in Myanmar. In view of developments in the past two years, there is no need for India to view its relationship with Myanmar through the China prism. India should simply concentrate on increasing its own footprint in Myanmar based on mutual advantage and benefit. The only way to effectively meet the China challenge is for India to provide Myanmar an attractive stake in its relationship with India.

Notes :


5. Ibid, Lintner.


7. Ibid, Lintner.

8. The Irrawaddy May 26, 2011

9. Ibid, Gundevia p.15

10. Ibid, Bouquerat. This subject is considered in great detail in Ibid Gundevia.

11. Ibid Bertil Lintner