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BIMSTEC and Northeast India: Sub-regional Cooperation

By

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It is said that the colonial British rulers united India, but they also broke up India when they left. Most of our political, social, economic and security problems in the Indian sub-continent can be traced to the partition of the country. One of the worst sufferers of the partition has been the north-eastern region of India. Once a vibrant and robust vehicle of growth with a per capita income among the highest in the country, the region is today at the bottom of the table.

Assam after its takeover by the British in 1826 under the Treaty of Yandaboo had witnessed an investment of over Rs. 10 million in varied sectors like tea, coal, oil, railways, etc. as its dense forests were replaced by picturesque tea estates making the state, one of the largest tea producers in the world. Asia's first oil refinery was set up in Digboi in 1901 as the British tried to tap the hydrocarbon resources of the state. The British developed infrastructure like roads, railways and waterways to take out the natural resources of the region. The British investment in Assam was in fact one of the single largest investments made in a province in pre-independent India.

Before the partition of our country and the creation of independent India, the north-eastern region of India used to have multi-modal transportation networks (i.e., roadways, railways and riverine waterways) through the territories which are now Bangladesh and Myanmar (Burma) to the Indian mainland and South East Asia respectively. The Chittagong Port and the Yangon (then Rangoon) Port (Myanmar) were extensively used for external trade from the North East during colonial times. The partition of the country and creation of Burma as a separate country in 1937, snapped the age-old trade routes and transportation linkage of the region rendering it landlocked. In fact, today the northeast region is strategically linked to the Indian mainland through a 22 kilometres corridor at Siliguri often referred to as the 'Chicken Neck'.

Multi-Modal Trade Routes through present day Bangladesh practically got disrupted after the Indo-Pak war in 1965. This coupled with the hangover of the 1962 Indo-China War gradually turns the 4500-odd-kilometres of international border that the

north east region shares with no less than five countries of the sub-continent- Bangladesh, Bhutan, Myanmar, Nepal, China- into a military-fortress-like formation. The birth of Bangladesh following the Indo-Pak war of 1971 somewhat changed the security concerns on the eastern flank of the erstwhile Pakistan. However, the porous border and non-return of a large chunk of Bangla refugees added to the demographic concerns in Assam and the north eastern states, giving rise to old fears of loss of identity and threat to the language, culture and heritage of the small ethnic groups of Assam and the other north eastern states.

Under the circumstances, integration of North East India with South East Asia, especially the emerging Asian Tigers of the ASEAN (Association of South East Asian Nations) and the neighbouring Bangladesh, Bhutan and Nepal bloc and BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) bloc encompassing seven member states-five from South Asia (Bangladesh, Bhutan, India, Nepal and Sri Lanka) and two from South East Asia (Myanmar and Thailand) is a welcome development. From the perspective of North East India things underwent a radical change only in 2001 with the setting up of the Department of DoNER specially for the development of the region. Significantly, the Look East Policy of 1991 adopted for establishing political, economic and strategic links with ASEAN countries was not inclusive of North East India until 2007. The revamped Look East Policy of 2007 came to incorporate the north east region as well and which was eventually upgraded into the Act East Policy.

There has been a major shift in India's geopolitical vision and policy towards its 'extended neighbourhood' in Asia. The invitation of BIMSTEC member states to Prime Minister Modi's swearing-in ceremony in 2019 is an indication of 'alternate regional arrangements' in the sub-region shaped by common interests. India's recasted 'Act East Policy' affirmed by Prime Minister Modi and the External Affairs Ministry at the BIMSTEC, ASEAN India Summit, East Asia Summit in Nay Pi Taw in Myanmar and other regional forums indicate India's multi-faceted engagement centred on Bay of Bengal, ASEAN and the wider Asia Pacific.

It is now accepted by one and all that the road to prosperity and growth the world over has revolved around regional partnerships. The BIMSTEC bloc has celebrated its 25th anniversary in June this year. Though the desired objectives and level of collaboration have evaded the organization so far, mounting pressure in the neighbourhood of South Asia and South East Asia have renewed pragmatic hope for stronger ties between BIMSTEC member states. For India, BIMSTEC stands at the intersection of 'Neighbourhood First' and 'Act East Policy'. On the bright side, BIMSTEC could also enable integration and economic development of the North East Region.

The BIMSTEC sub-regional organization came into being on 6th June, 1997 through the Bangkok Declaration. It presently comprises seven member states: five from South Asia, including Bangladesh, Bhutan, India, Nepal, Sri Lanka and two from South East Asia, including Myanmar and Thailand. With 21.7% of the world's population and a combined Gross Domestic Product (GDP) of USD 3.8 trillion, BIMSTEC has emerged as an influential engine of economic growth. The BIMSTEC Secretariat is in Dhaka.

Prime Minister Modi had invited South Asian Association for Regional Co-operation (SAARC) countries for his swearing-in ceremony in 2014, including Pakistan on the lines of his 'Neighbourhood First' policy. He had also participated in the 18th SAARC summit at Kathmandu in November, 2014. However, post Uri attack (on an Indian military base) in October, 2016, India gave a renewed push for the BIMTEC that had existed for almost two decades but been largely ignored. PM Modi alongside the BRICS summit in Goa, hosted an outreach summit with BIMSTEC leaders. BIMSTEC countries had supported India's call for a boycott of the SAARC summit scheduled in Islamabad in November, 2016. As a result, the SAARC summit was postponed for an indefinite period. Thus, work on several key initiatives under SAARC stymied because of the breakdown of the relationship with Pakistan, India began focussing on other regional groupings such as BIMSTEC and Indian Ocean Rim Association (IORA).

With BIMSTEC becoming the focus of sub-regional cooperation, there is a need for finalization of the BIMSTEC Free Trade Agreement among the member countries, in view of challenges of health and economic security. There is also the need for coastal shipping eco-system and electricity grid interconnectivity.

The BIMSTEC is guided by the Gujral Doctrine, which is a set of five principles. These principles are:

- With neighbours like Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka, India does not ask for reciprocity but gives and accommodates what it can in good faith and trust.
- No South Asian country should allow its territory to be used against the interest of another country of the region.
- No country should interfere in the internal affairs of another.
- All South Asian countries must respect each other's territorial integrity and sovereignty.
- They should settle all their disputes through peaceful bilateral negotiations.

A perception survey and a stakeholder consultation in the North East conducted by the Federation of Indian Chamber of Commerce and Industry (FICCI), identified specific interventions required to make BIMSTEC an economic mechanism for cooperation.

1. The survey identified lack of connectivity and timely availability of business information as greatest hindrance to closer economic engagement.
2. Survey found that multimodal connectivity and speedy conclusion of the BIMSTEC FTA, along with an effective energy sharing mechanism would have a multiplier effect on trade and investment.
3. Need to create regional value chains were highlighted. They could feed global value chains. This will help BIMSTEC member states take advantage of their collective capabilities.
4. Prospects of Micro, Small and Medium Enterprises (MSMEs) in global value chains are colossal. This can augment MSME competitiveness, generate employment and encourage inclusive growth in BIMSTEC countries.
5. Integration of women entrepreneurs into supply chains and building innovative business models for women has been highlighted.

6. Most single factor in strengthening of all modes of connectivity- physical, digital, financial and people to people.
7. On backdrop of shared history- new and fresh connections have to be forged between students and young entrepreneurs, youth icons, cultural and literary role models and elected representatives.
8. Building brand BIMSTEC by identifying such brand ambassadors.
9. It is important to pay attention to the role of the media as an opinion shaper and influencer.
10. BIMSTEC has catalytic potential to transform the economies of the member states and create a peaceful, prosperous and integrated neighbourhood.

In recent years some good developments have taken place vis-à-vis India and Bangladesh which would result in lot of opportunities especially for the people of North East India. Among them are two historical agreements: 1) BBIN (Bangladesh, Bhutan, India, Nepal) Motor Vehicles Agreement and 2) Access to Chittagong and Mongla Ports to vessels from North East India.

The landmark Motor Vehicles Agreement was signed by Transport Ministers of the BBIN countries in Thimphu, Bhutan on 15 June, 2015, to permit the member states to ply their vehicles in each other's territory for transportation of cargo and passengers, including third country transport and personal vehicles. Trial runs for cargo vehicles under MVA were successfully conducted along the Kolkata-Dhaka-Agartala and Delhi-Kolkata-Dhaka routes in the past. Bangladesh, India and Nepal have already ratified the MVA among the three, with the proposal of Bhutan joining once it ratifies the Agreement.

The BBIN MVA can potentially add significant value to regional integration through development of a regional cross-border road freight network and consequent economic clusters. North East India is abundant in natural resources like oil, coal, limestone, bamboo, tea, citrus fruits, banana, spices and medicinal plants. Traditionally the surface routes have been used to send our natural resources to neighbouring countries. Improved infrastructure in terms of roads, bridges and railways can boost the trade and commerce of the natural resources between India and Bangladesh.

Bilateral trade between India and Bangladesh reached an all-time high of USD 18.2 billion in 2021-22 as compared to 10.8 billion in 2020-21. However, the trade between the North Eastern region and Bangladesh through Land Custom Stations stood at only USD 74 million in 2018-19 as per records of the office of the Commissioner of Customs, Shillong. This figure must have gone up now. There are tremendous potentialities for the growth of NEI-Bangladesh cross border trade through surface route considering the 1741-kilometre-long land border which North-eastern region shares with Bangladesh.

As Regulatory authorities play a major role in land border and waterways trade, India has begun upgrading its land customs stations on the India-Bangladesh border. Similarly, topmost priority has been accorded to capacity augmentation of maritime sector through initiatives like Sagarmala and expansion of port capacity has been accorded the highest implementation priority.

Bangladesh and India signed an agreement in 2015 to use their waterways for commerce between the two countries- thus allowing the use of Chittagong and Mongla ports in Bangladesh for transit of goods and passengers to and from India, especially the north-eastern region of India. Subsequently, several new ports of call have been identified. Ashuganj in Bangladesh was declared a key 'port of call' and 'transshipment point' since 2015, using which India transships goods to the north eastern state of Tripura. An agreement was signed on October 25, 2018, for inclusion of Dhubri in India and Pangaon in Bangladesh as new Ports of Call.

Under the agreements now the north eastern states would get connected directly to the ports of Kolkata and Haldia in India and Mongla in Bangladesh through waterways which would facilitate movement of EXIM cargo and help reduce the logistic costs. The Government of Assam is planning to develop Jogighopa, a small town close to the Brahmaputra river in Assam as a logistic hub / transshipment point for moving cargo from Assam, Arunachal Pradesh, Nagaland to Bangladesh. These agreements will facilitate easier movements of goods and passengers between the two countries giving an impetus to trade and tourism. This will also restore the pre-partition logistics arrangement when the North-East was served by the then East Bengal Ports.

An important positive fallout of the India-Bangladesh trade relations was holding of the India-Bangladesh Stakeholders Meet in Guwahati on October 22 and 23, 2020 to create awareness about the opportunities made available to exporters and transporters by the path breaking agreements and to harness the comprehensive cooperation of all relevant stakeholders of India and Bangladesh to achieve synergy in cross border trade between Bangladesh and North East India.

In a bid to push for opening up of the landlocked north-eastern states in India, that also benefits Bangladesh by providing a gateway to South East Asia, India and Bangladesh have decided to open up the region for trade and transit during Bangladesh Prime minister Sheikh Hasina's recent visit to India in September. Trafficking of drugs and other narcotic substances are also on the rise.

The Hasina government has invited the DoNER Minister G. Kishen Reddy during the bilateral talks to visit Dhaka along with all the Chief Ministers of the north-eastern states for a three-day interaction. India and Bangladesh share a 4096-kilometre land border, of which 1880 kilometre is shared with the north eastern states of Assam, Tripura, Meghalaya and Mizoram.

With general elections scheduled in Bangladesh next year, it is in India's interest to see that Sheikh Hasina's friendly government returns to power. The earlier contentious issues like illegal migration, Teesta River Water dispute, trade imbalances among others are sorted out the better, as China is also trying to exert its influence on Bangladesh by trying to play the development card. Bangladesh has already joined China's ambitious Road and Belt Economic Corridor Policy. Bangladesh is also looking at India to use its good offices to exert pressure on the ruling military junta in Myanmar to facilitate the return of 1.1 million Rohingya, driven by military oppression to take shelter in Bangladesh in 2017 and who continue to languish in refugee camps there.

The events that have taken place in Myanmar since the Myanmar military seized power in February, 2021 coup has proved to be a big hindrance to sub-regional cooperation. It has sounded the death knell for the nascent democracy there. The Tatmadaw (military) unhappy with the victory of the Aung San Suu Kyi- led National League for democracy in November, 2020 elections seized power derailing the decade old experiment with limited democracy. Even after killing of over 2,300 people and imprisonment of thousands, including Ms Suu Kyi, the military still faces a rebellion.

India has adopted a watch and see restrained policy towards the military junta in Myanmar. It has not adopted any proactive actions to provoke the junta as it has its own strategic interests keeping in view that it shares a 1643-kilometre-long border with Myanmar. Strong Chinese influence over the military junta and issues of Indian insurgent groups taking shelter on the Myanmar soil, apart from power and energy considerations have made India cautious in its approach towards the unfolding developments in Myanmar. Obviously, the developments in Myanmar have put the progress made on the regional cooperation front on the backburner.

The COVID pandemic during its two-year-long run has also taken a big toll in the progress of sub-regional cooperation roadmaps. Even as social and economic activities came to a standstill, it must be said to India's credit as the big brother of the sub-regional group that it came to the rescue and aid of its smaller neighbours in terms of medical supplies and vaccines, even as the world's rich and powerful countries turned their backs on them. India sent vaccines to Bangladesh, Bhutan, Nepal and Sri Lanka even though it did not have sufficient vaccines for its own population. Countries like Bhutan have only recently opened its borders for tourists and that too after imposing stiff entry and staying fees.

The action plan ahead is to integrate the North East with South East Asia through multi-modal connectivity links. International flights to South East Asian countries have already started from Guwahati. Development of multi-laned roads connecting the rest of India through North East to Chittagong and Mongla Ports of Bangladesh and Yangon, Moulmein and Sittwe Ports of Myanmar need to be taken up on priority basis. Bus services from Silchar to Sylhet and Guwahati to Dhaka have been initiated. There is need to develop inland waterways through access to ports of Chittagong and Mongla of Bangladesh and Myanmar, upgradation of port townships and hubs and night navigation facilities on the Brahmaputra. Railway connectivity with Bangladesh and Myanmar need to be taken up. Access of the International Sub-marine Fibre-optic Cable Network can be made from the Cox Bazar Landing Station of the Network in Bangladesh. With improvement in connectivity and infrastructure tourism can be developed in various spheres of North East like eco-tourism, tea tourism, golf tourism, cultural tourism, medical tourism, river cruises, religious tourism and adventure tourism. To encourage people to people relations, consulates of ASEAN, BIMSTEC countries can be opened in Guwahati. Consulates of Bangladesh and Bhutan have already opened in Guwahati. This will facilitate access to visa facility and in turn boost people to people relations.

Winds of change are today blowing over the North East. Gone are the days when the Government of India followed a policy of keeping the North East out of the radar of development in view of security concerns emanating from the India-China border

disputes. The 750-kilometre long Duliajan-Barauni oil pipeline which in the sixties was a bone of contention in Assam as Delhi decided to build a mega refinery based on Assam crude in Bihar in place of Assam, has today proved to be a game changer for the four refineries based in Assam. Due to fall in crude production in the Assam oilfields, imported crude is now being transported through the pipelines to feed the Assam refineries. The government of India has decided to expand the capacity of the Numaligarh Refinery from 3MMTA to 9MMTA. The government is planning to invest about Rs.22,000 crores in the coming years for development of hydro carbon industry in the North East. Numaligarh Refinery is already supplying petrol and diesel to Myanmar and Bangladesh. Paraffin wax of Numaligarh is already getting a big response in the global market. The opening of the Brahmaputra Gas Cracker (and Polymer Limited) in Dibrugarh last year has been another big push to industrialization in the region.

With Prime Minister Narendra Modi describing the North East as an 'Engine of Growth', the region has witnessed the opening of two mega bridges over the Brahmaputra in the last few years at Sadiya and Dibrugarh respectively- namely the Dr Bhupen Hazarika Setu and the Bogibeel Bridge. A second bridge over the Brahmaputra in Guwahati has been opened, while a second bridge near Koliabhomora bridge at Kaliabor is ready for opening. The Express Highway is slowly moving forward in Assam giving a big boost to connectivity in the region. The Railways have today connected most important towns of Assam and plans are afoot to connect all states of the region in the railway map of the country. The tea industry in Assam is once again proving to be the state's main economic avenue. In a silent revolution, about 50 lakh small tea growers have joined the tea industry bringing about an economic boom in the rural areas of the tea growing belt of Upper Assam and North Bank areas. The Tea Board of India has opened a Directorate level office at Dibrugarh to cater to the needs of the small tea growers. The monopoly of the big tea houses has been broken and the cup that cheers is finally bringing cheers to the hearth and homes of the people living in the villages and rural areas of Assam.

Guwahati, the gateway to the North East is already witnessing a big economic growth in infrastructure and population. Traffic jams have become a big problem for the city. Though ad hoc measures like construction of over-bridges have been undertaken, the need of the hour is a viable mass rapid transit system like the underground metro railway to streamline traffic and as a means of mass transport for the burgeoning population. The construction of a Metro Railway should be taken up on a priority basis by the Central Government as such a mega project cannot be undertaken by the Assam Government alone. To attract investment to the state, the Assam Government a few years back held the 'Advantage Assam' Summit where the top industrialists of the country, along with representatives of foreign countries attended the summit which was addressed by the Prime Minister. This was big clarion call from the North East for foreign and domestic private investors and a good beginning has been made in this direction.

However, regional economic cooperation alone cannot usher in development. Peace and stability are essential ingredients to act as a catalyst for development. Years of neglect and apathy towards the north-eastern region in the first few decades after independence of the country had instilled a feeling of alienation among the indigenous people of the region giving rise to separatist tendencies. This resulted in the growth of

insurgent groups fighting for their respective homeland in the region resulting in bifurcation of the old composite Assam Province into new states like Nagaland, Mizoram and Meghalaya.

With the Indian government going in for economic liberalization policies as part of the globalization process in the early nineties, the perception of the Indian Government towards the North East has also underwent a change from the nineties with the Union Government pursuing a more pro-active policy in the North East to meet the Chinese Challenge on the border with development of infrastructure like bridges and roads which could serve both civilian and military purposes, besides, opening a new avenue of development for the North East with the South East Asian countries.

As part of the developmental agenda the Union Government has pursued a policy of neutralizing the insurgent groups in the region so that peaceful conditions prevail in the region to attract investment and encourage development. As part of this strategy, the Indian Government was able to neutralise the camps of insurgent groups like the ULFA (United Liberation Front of Asom), Bodo militant groups, KLO (Kamatapur Liberation Organization) in the foothills of Bhutan with the cooperation of the Bhutanese government in 2003. Similar operations were carried out in Bangladesh where bases of insurgent groups were smashed and leaders of ULFA and NDFB were nabbed with the help of Bangladesh security forces. With the Naga talks reaching a point of final solution to the decades long Naga political problem and the Bodo militant groups reaching an agreement, insurgency in the region is on the decline setting the stage for an era of peace and development.

Even as insurgency is on the wane and the spectre of violence recedes, the century old issue of migration of people of East Bengal (now Bangladesh) to the verdant plains of Assam continues to haunt the psyche and socio-political narrative of Assam and the North East. What started as an attempt by the colonial British rulers to bring in peasants from East Bengal to the waste lands of Assam to augment their revenue collection, later took a political turn when the Muslim League tried to settle more Muslims in Assam as part of their strategy to include the province in Pakistan. Though the Muslim League strategy was foiled due to untiring efforts of Assam leaders like Gopinath Bordoloi, the post independent India witnessed large scale migration of people from East Pakistan and later Bangladesh through a porous border. These illegal migration was encouraged by various political parties who offered them land and shelter in return for votes, thus making a mockery of democracy. In the process, the indigenous ethnic groups were marginalised posing a threat to their language, culture, heritage and identity.

The historic six-year-long Assam movement against illegal foreigners from Bangladesh brought the problem of illegal influx to the pan Indian and international stage. The Assam Accord was signed in 1985 by the agitating groups and the Government of India to solve the problem. But even after long 37 years the problem persists. The National Register of Citizens (NRC) exercise which was carried out in Assam with 1971 as the cut off year as per Assam Accord under the supervision of the Supreme Court of India has left 19 lakh people out of the NRC. These people will now have to appeal in Tribunals and go through a legal process to prove their citizenship. Ironically,

the authenticity of the NRC is now being questioned by the ruling BJP party in the state and petition has been filed in the Supreme Court for review of the exercise.

The NRC exercise which the Modi-led central government has planned to carry out in the rest of India has been vehemently opposed by opposition ruled states. To make matters worse, the Modi government's passing of the Citizenship (Amendment) Act, 2019 to allow persecuted minorities like Hindus, Sikhs, Christians, Buddhists, Parsis, etc. from Pakistan, Afghanistan and Bangladesh to get citizenship in India have vitiated India-Bangladesh relations as the Sheikh Hasina-led Awami League government vehemently denied any persecution of Hindu minorities in the country. This has been a big blow to the good work done by various economic forums like BIMSTEC to usher in close economic cooperation in the region.

Similarly, relations between Myanmar and Bangladesh have been strained since the influx of 7,25,000 Rohingya Muslims from the Rakhine state of Myanmar following a Myanmar army crackdown in 2017. These refugees are proving to be a big burden for Bangladesh.

The threat of Islamic radicalization of the substantial Muslim population in Assam by radical elements from Bangladesh is a huge concern for India. In continuing operations against such elements, the Assam Police has arrested over 40 activists of the Ansarul Bangla Team (ABT), affiliated to the Al Qaeda Operations in the Indian sub- continent. Growing radicalization of the people in Bangladesh is a matter of concern for India and its north-eastern region.

Due to the proximity of the North East to the Golden Triangle of South East Asia, the North East is not only increasingly being used as a transit route, but is slowly becoming a huge market for drugs.

From the above we can see that socio- political developments cast their shadow on the economic activities of the nations. Under the circumstances, the BIMSTEC member nations must work closely at the political level to remove the irritants which might impede the economic relations.

