



Indian Council of World Affairs

Sapru House, Barakhamba Road

New Delhi

Report

on

Seminar on

“Integrating Northeast in India’s Act East Policy”

at

Sapru House, New Delhi

23 February 2015

ICWA hosted a seminar on “Integrating Northeast in India’s Act East Policy” on February 23, 2015. It included representative speakers from the eight NE states, eminent academicians, bureaucrats and diplomats in the deliberations. The discussion focussed on issues of trade, connectivity and tourism as well as cooperation in social, cultural and academic fields with an objective to provide policy recommendations to the Ministry of External Affairs (MEA) on the subject. It centred on the Look East Policy (LEP) and the Act East Policy (AEP).

In the Inaugural Session, Ambassador Rajiv K. Bhatia, Director General ICWA, highlighted the need to comprehensively engage India’s Northeast with the strategic community based in New Delhi and that ICWA had held similar exercises in the past as well. He highlighted that the aim of the dialogue is to develop a consensus view on what needs to be done and share it with the policy makers. Ms. Pooja Kapur, Joint Secretary, (ASEAN-ML), MEA opined that the AEP is one of the key foreign policy priorities of the MEA and highlighted various initiatives undertaken to improve infrastructural facilities in the NE region including Kaladan Multimodal Project and the Trilateral Highway connecting India, Myanmar and Thailand. Shri Gopal Baglay, Joint Secretary (States), MEA stressed upon various measures undertaken by the newly-formed States Division of the MEA and that the government is striving to coordinate and facilitate between the union and the states on issues such as investments and infrastructure developments, which are based on Prime Minister’s theme of “cooperative and competitive federalism”. He added that the new Division provides an opportunity for an interface between states and policymakers at the union level.

The first academic session on the “Role of Northeast in India’s Act East Policy: An Assessment” was Chaired by Ambassador A. N. Ram, who appreciated the seminar theme. Ambassador Navrekha Sharma assessed that the LEP has yielded “mixed results”. It has benefited industrialists and highly qualified professionals but it has not met the expectations in the field of employment generation. She added that the focus on ASEAN will not help to tap the potential of the Northeast region and emphasised that the ambit of the AEP needs to include Bangladesh, Bhutan and Nepal, with which the region shares linkages, which will help encourage productive exchanges such as medical tourism, co-production of

films, academic research and education, pilgrimages etc. Professor Amar Yumnam from Manipur University in his critical analysis, argued that the LEP/AEP has not achieved much. He spoke on geographic 'continuum' between the NE India and the neighbouring countries. With Manipur's perspective on LEP, he opined that the LEP was possibly framed without integrating NE in the policy formulation. He emphasised that now while formulating the AEP we must look into the developmental needs of the NE Region, particularly focussing on Manipur. Dr. M. Amarjeet Singh, from Jamia Millia Islamia University, stated that the LEP has benefitted the country in totality including the NE region (NER). However, the promise of transforming the NER as a gateway for trade and commerce with ASEAN countries is yet to materialise. He identified various challenges to be dealt such as infrastructure etc and identified other deliverables such as educational training and promoting skills. He recommended opening of centres of excellence in NE states dedicated to Southeast Asian studies and the languages spoken in these countries. Dr. Teiborlang T. Kharsyntiew, from Sikkim University, gave a statistical presentation on development of tourism sector in Sikkim. He highlighted that the eco-tourism has provided good employment the state and this model could be emulated by other regional states. He said that the restrictions and multiple permit systems prevailing in the region are major hurdle and it should be simplified and streamlined for the promotion of tourism. He also suggested that Sikkim could be promoted as a destination for 'Buddhist tourism". During the Q&A session it was proposed that the Ministry of DONER could be abolished and NE council which includes local, state and union representatives could be strengthened.

Ambassador V. S. Seshadri chaired the second session on "Economic and Development Aspects". He drew attention towards the rapid developments taking place in Myanmar, especially in the economic field. He highlighted that Myanmar is registering eight percent annual growth rate and is poised to become a Middle Income Economy in a decade offering opportunities for the Northeast region. Professor Gurudas Das from NIT Silchar, in his presentation, stated that the LEP has achieved considerable success in terms of trade but failed to initiate expected growth in the Northeast region. He urged the NE states must take leading role in tapping the opportunities being offered by the neighbouring states. He argued for infrastructural development including the development of shorter routes between Agartala and Dhaka to minimise the transportation costs. He also urged the need to

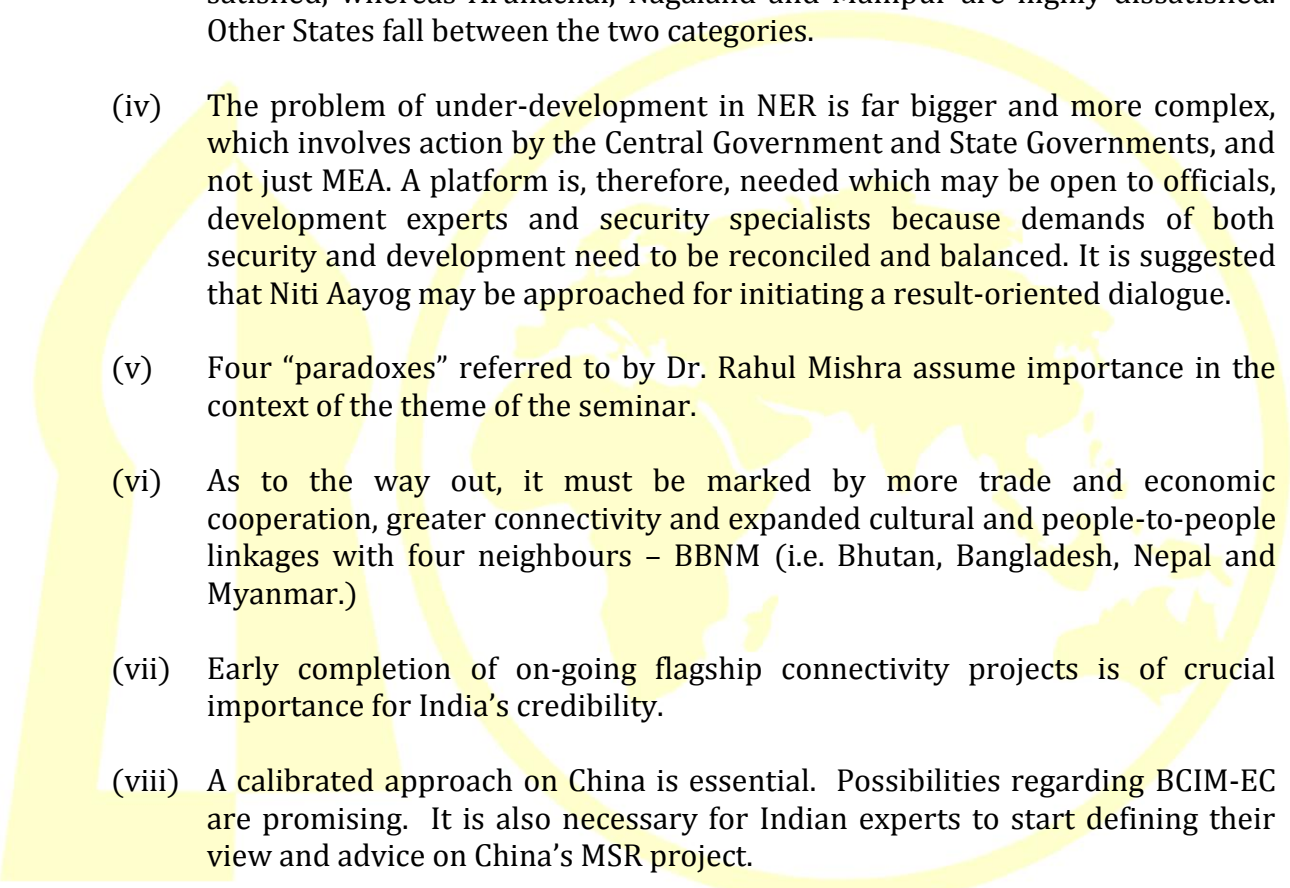
promote sub-regionalism (BCIM-EC and BIMSTEC) for the development of NER. He argued that along with trade-led development initiatives with Bangladesh, we could also consider project-led joint development initiatives with Myanmar. He stated that since Bangladesh finds a captive market in NE region, it is reluctant to let that go by opening a corridor for India. Dr. Vidya Sagar Reddy from Mizoram University presented Mizoram's perspective on India's AEP and argued that the benefits of the LEP/AEP have not reached the local level. Highlighting Mizoram's geographical proximity with Southeast Asia, he observed that Mizoram is well placed to become a trading hub in the region and that the state can become a gateway to the East Asian region, if infrastructure between Mizoram and Myanmar is improved. Highlighting the Zokhawtar-Rhi border trade prospects, he suggested enhancing the capacity of custom post there. Dr. K. Kokho from Jamia Millia University, in his brief presentation on India-Myanmar economic relations emphasised the need of clear demarcation of boundaries along the Indo-Myanmar border to enhance trade. Highlighting the proliferation of small arms and incidents of bomb blasts, he mentioned that security aspects must also be taken care of.

Third session on "Improving Intra and Inter-regional Connectivity" was chaired by Shri Ajit Lal, former Chairman, Joint Intelligence Committee. In his opening remarks, he highlighted various inter-regional connectivity projects that the government of India has undertaken. He opined that while air connectivity has improved in the region, much remains to be done to trigger overall development in the NE region. Professor Prabir De from RIS, in his presentation used various Human Development Indices to assess the development in the Northeast states, which lag behind other states of India in terms of physical and infrastructure capabilities. He also highlighted various railways, road and telecom projects to improve the internal and external linkages and their up-gradation. Dr. Visakhonu Hibo representing Nagaland presented her perspective on the AEP and observed that Nagaland has not gained much in the LEP. She urged that AEP must aid comprehensive infrastructure and human resource developments for facilitating participation and involvement of Nagas. She opined that the Nagas should also peacefully participate in the development process unveiled by AEP. Dr. Nani Bath presented perspective from Arunachal Pradesh and emphasised that the state has lots of potentials that has not been harnessed to its full use. He gave the example of hydro-power potential and stated that Arunachal Pradesh has

potential to produce 50,000 MW of electricity, which could be traded with other NE states as well as with the East Asian Countries through power grid connectivity. Similarly, agro facilities need to be developed with infrastructure so that the state can export its products to neighbouring states and countries. Dr. Rahul Mishra RF ICWA, in his presentation listed four paradoxes that need to be carefully balanced in order to integrate Northeast in India's AEP such as;(a) boundaries acting as frontiers and also as corridors, (b) allowing free movement of people boosting trade and tourism along with checking illegal immigration, drug trafficking and insurgency,(c) developing connectivity within NE and with neighbours; and (d) developing parameters of investment in optimal mode of differential connectivity between land, maritime, air and rail. He suggested that a rational matrix and quantum approach involving the officials at all levels along with civil society and private sector is needed with specific significance for local participation.

The fourth session which focussed on "Synergising Northeast with Act East: The Road Ahead: The External Dimension", was co-chaired by Ambassador Eric Gonsalves and Shri P.P. Shrivastav, who shared their experiences and involvement with the NE region. Professor Sanjoy Hazarika from Jamia Millia Islamia, in his presentation said that the people of the NE states are now more engaged with the 'Idea of India' than ever before in various fields. He pointed towards the developments undertaken by China making Yunnan a gateway to South Asia and we may give similar thrust to transform the NE region so that it is much more engaged with the Southeast Asia. He appreciated that the Border trade in NE is expanding which will revive expansion in the cultural space. Dr. C. Joshua Thomas from ICSSR Shillong, opined that fulfilling the objectives of LEP/AEP, we must provide larger economic and political space to NE region. Professor Gautam Chakma from Tripura University pictographically presented the concept of border Haats between Tripura and Bangladesh and these Haats have helped local population in several ways. He emphasised developing formalisation of informal trade through these Haats in the border areas side by side simplifying the participation process in them.

In his concluding remarks, Ambassador Rajiv K. Bhatia, Director General, ICWA, summarised the themes and presented his framework consisting of ten takeaways from the seminar:

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- (i) LEP/AEP is neither as successful as official spokesmen claim nor as inadequate as some of its critics assert. Overall, it has done well to safeguard India's interests vis-à-vis ASEAN and other players in the region.
 - (ii) Internal dimension of the policy is more controversial. Dominant perception in NER is that the policy has failed it. It is essential to understand and address this perception.
 - (iii) Mainly it stems from the view that New Delhi does not listen, and even if it listens, it does not care. This is judged by the fact of inadequate economic development in NER. In general terms, Tripura and Mizoram are relatively satisfied, whereas Arunachal, Nagaland and Manipur are highly dissatisfied. Other States fall between the two categories.
 - (iv) The problem of under-development in NER is far bigger and more complex, which involves action by the Central Government and State Governments, and not just MEA. A platform is, therefore, needed which may be open to officials, development experts and security specialists because demands of both security and development need to be reconciled and balanced. It is suggested that Niti Aayog may be approached for initiating a result-oriented dialogue.
 - (v) Four "paradoxes" referred to by Dr. Rahul Mishra assume importance in the context of the theme of the seminar.
 - (vi) As to the way out, it must be marked by more trade and economic cooperation, greater connectivity and expanded cultural and people-to-people linkages with four neighbours – BBNM (i.e. Bhutan, Bangladesh, Nepal and Myanmar.)
 - (vii) Early completion of on-going flagship connectivity projects is of crucial importance for India's credibility.
 - (viii) A calibrated approach on China is essential. Possibilities regarding BCIM-EC are promising. It is also necessary for Indian experts to start defining their view and advice on China's MSR project.
 - (ix) The two seminars hosted by ICWA in 2014 and 2015 have proved to be useful. This exercise should be repeated next year in the build-up to the next edition of Delhi Dialogue.
 - (x) Finally, it is absolutely essential to invest in engaging the youth and the next generation of scholars from NER and other parts of India – as this seminar attempted.

(Report prepared by Dr. Rahul Mishra, RF ICWA and Dr. Shamshad A. Khan, RF, ICWA, with assistance provided by C Lalpekhlu, Research Intern, ICWA and Roshini Diwakar, Research Intern, ICWA)