

MYANMAR: THE NEW STRATEGIC PAWN IN ASIA PACIFIC?

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The year 2010 witnessed Myanmar setting out on an elaborate course to put an end to its seclusion and work towards integrating itself with the global system. For years together Myanmar had been slapped with embargoes from the West and had undergone various domestic challenges that have led to chaos within the country as well as hampered relations with neighbouring countries. The current leadership of Myanmar, hence, has a long way to go in order to bring about political stability which the country looks to achieve. It definitely goes without saying that political and economic stability go hand in hand. Myanmar is yet to realise its potential in terms of its natural resources and minerals, which if tapped into can generate a lot of wealth, in turn promising better prospects for the country as well as the region.

After the political reforms in Myanmar, Aung San Suu Kyi, leader of the National League for Democracy, made her first trip abroad to the US seeking its help in the development of her country. "Because we are situated between China and India, the two biggest powers in Asia, and because we are on the border of South and South-East Asia, our position is unique, and any relationship with Myanmar must take into consideration this situation," said Aung San Suu Kyi, during her visit to Washington.¹ This carefully worded statement by her reiterates the country's significance in

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1. "Myanmar's location shows its strategic importance: Suu Kyi," *Seven Sisters Post*, September 19, 2012, see <http://sevensisterspost.com/myanmars-location-shows-its-strategic-importance-suu-kyi/>, accessed on October 20, 2012.

Myanmar's strategic position in the region makes it prey to the larger politics that exists in the international arena. If one were to look at the behavioural pattern of external powers in a country or region, it has been proved that their interactions and interventions within any given region have a certain impact on the stability of the region. These interactions are bound to create "systemic interdependencies" or "security complexes" which have repercussions of its own.

the international arena. She also made consequent trips to countries such as Britain, France, India and Singapore.

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security architecture of the region. In the larger geopolitical scenario, the growing influence of the US and China in the Asia-Pacific can be seen as a perfect example. The US involvement in Myanmar along with other countries in the region only adds up to China's worries in the region. Myanmar certainly serves as yet another lynch-pin for the US strategy in Asia-Pacific. Japan, a close ally of the US, has also been extensively engaging with Myanmar in the recent years. While looking at it from the regional perspective, it is clear that the growing influence of China in Myanmar has become a matter of worry for India too, which further serves as an impetus to strengthen relations between the two countries.

In 2012, the visit of Prime Minister Manmohan Singh to Myanmar was the

2. T. V. Paul, "The Major Powers and Conflicts in South Asia," in Amitendu Palit (ed.), *South Asia: Beyond the Global Financial Crisis* (New Delhi: Cambridge University Press, 2011), p. 102.

first visit by an Indian prime minister after twenty-five years or so, which highlights the growing importance of the country in the region.³ On the other hand, Myanmar's membership with the Association of South-East Asian Nations (ASEAN) along with its interest in seeking new relations with the US stresses its reservations on the Chinese influence in the country as well as the region.

This clearly reiterates the power play that exists in the region along with the importance of Myanmar amidst it all. The paper would like to focus on this power play and look into the resulting likely geopolitical scenario in the region. India's role amidst this would also form a crucial part of the paper.

Officially recognised as a part of the South-East Asian region, Myanmar lies right between the two Asian giants India and China. The country hence acts as a connecting link between South Asia, South-East Asia as well as East Asia, and is in their immediate proximity. Apart from its strategic positioning, Myanmar is abundant in oil and mineral resources, which only adds to its significance in the region.

STRATEGIC SIGNIFICANCE OF MYANMAR

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China's interest in Myanmar can be divided into three broad categories—border security, energy transportation, economic cooperation and naval cooperation. The battle between the Kachin Independence Army and the Myanmar state forces has left a number of the ethnic Kachin civilians displaced and they have been sent to various camps in different parts of

3. Manmohan Singh meets Aung San Suu Kyi, *CNN-IBN*, May 29, 2012, see <http://ibnlive.in.com/news/manmohan-singh-meets-aung-san-suu-kyi/262470-3.html>, accessed on November 1, 2012.

the country.⁴ The civil unrest on the northern border of Myanmar makes it crucial for China to maintain good relations with its neighbour in order to warrant peace and security on its own Southern border. Meanwhile China had been granted the rights to lay a 1,100-km long crude oil pipeline from Kyaukpyu port on the western coast linking Kunming, right after entering Ruili, in the Yunnan Province of China.⁵ Other facilities such as crude oil unloading ports as well as oil storage facilities are also being built. The fact that the two countries share a border, automatically allows China to circumnavigate one of its major trading routes, i.e., the Malacca Strait.⁶ At this time of unrest that prevails in West Asia, China's access to Myanmar's natural resources also reduces its dependency towards the resources of West Asia. China had also been closely involved with the domestic politics in Myanmar and had good relations with the military junta that had been in rule for the past couple of decades. With Myanmar's restricted access to arms in the global markets, China stood by and offered a wide range of fighter aircraft, light tanks and anti-missile ships. Myanmar has been known to be a loyal customer of Chinese weapons since the early 1990s.⁷ Myanmar also serves as an important access to the Indian Ocean through the Bay of Bengal. An expansion westwards into the littoral areas of the Indian Ocean will be of strategic interest to China.

India and Myanmar both share a land as well as a maritime boundary. The cyclone Nargis that hit Myanmar in 2008 had its adverse effects on India's Eastern coast too.⁸ With the Bay of Bengal region being prone to more of such cyclones, geographical proximity ties both the countries together in terms of the effects of climate change. Myanmar has been crucial in containing the North-East insurgency by helping to capture and hand over

4. Maija Yang, "Myanmar Minorities Caught in the Middle," *The Economist*, July 11, 2012, also see <http://www.economist.com/comment/1519436>, accessed on July 12, 2012.
5. "China-Myanmar Pipelines to be Completed in May," *Xinhua News*, January 1, 2013, see http://news.xinhuanet.com/english/china/2013-01/21/c_132116981.htm, accessed on September 20, 2013.
6. H. Shivananda, "China's Pipelines in Myanmar," *IDSA Comment* (New Delhi: IDSA, January 2012).
7. SIPRI Arms Transfer Database.
8. George Pararas, "Cyclone Nargis of May 2-3, 2008 in Myanmar," see www.drgeorgepc.com/Cyclone2008Burma.html, accessed on October 18, 2012.

illegal insurgents into Indian custody. Hence the two have been conducting border exercises concerning security issues. Since Myanmar serves as a connection both to the South-East Asian region as well as the East Asian region, it becomes a crucial factor for India's Look East Policy. Myanmar has put forward a request for full membership within the South Asian Association for Regional Cooperation. China's growing influence in the country was considered to be one of the many reasons for the acceptance of Myanmar into ASEAN, which probably might be also the very reason for its willingness to join SAARC, i.e., to diversify its foreign policy and be less dependent on one country alone.⁹

Myanmar and India have also been involved in various initiatives such as Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and Mekong-Ganga Cooperation. However, the rule of the military junta in the country had always restrained relations between India and Myanmar. The recent political transition in the country only provides an impetus for the two countries to strengthen their relations, also keeping in mind that India is one of the largest democracies in the world.

The constant changes in the politico-security environment of Myanmar ensured that the country was never off the US radar. With the recent change of guard, Aung San Suu Kyi has approached the US for help in terms of its peaceful transition as well as political stability. US footprints have been growing in the country ever since. For starters, the US has already eased

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9. K. Yhome, "SAARC and Myanmar," *Analysis* (New Delhi: Observer Research Foundation, July 2008), see <http://www.orfonline.org/cms/sites/orfonline/modules/analysis/AnalysisDetail.html?cmaid=14854&mmacmaid=14855>, accessed on October 17, 2012.

and removed most of the sanctions and begun to invest into the country.¹⁰ The fact that Myanmar shares a land border with two of Asia's giants, India and China, land and maritime borders with South-East Asian countries and has access to the Indian Ocean makes it a country of great significance for the US. With the ease of sanctions and growing relations between the two countries, Myanmar can form a major part of the US pivot policy in Asia-Pacific. Apart from the Sino-US rivalry in the region being the very likely reason, the implementation of an effective democratic system in the country which is likely to be favourable to the US can be also be seen as yet another interest of the US.¹¹

With respect to Japan, the two countries have a history that goes way back to the nineteenth century. Japan and Myanmar were known to have very close trading ties which later came to a halt because of the inward looking policy that Myanmar resumed after the entry of the military backed government. With Myanmar being the largest country in mainland South-East Asia, it also serves as one of the biggest markets in the region. Japan was also known to have invested a great deal in oil production in Myanmar which still becomes a crucial factor for relations between the two.¹² A stable Myanmar would definitely be in the interest of Japan and hence Japan has always worked towards providing aid to the country. The US factor will also play an overarching role in this equation.

BRIEF HISTORY OF THE POLITICAL DYNAMICS OF MYANMAR

Myanmar (Union of Burma, as it was referred to then) achieved its independence from the British way back in 1948. Sao Shwe Thaik took over as the first President of the country along with his Prime Minister U Nu. The political system was that of a bicameral parliament with multiparty system. The democratic system did not last for long though. The military juntas came

10. "As Sanctions Ease, US Companies Start Investing in Burma," *Voice of America*, November 19, 2012, see <http://www.voanews.com/content/as-us-sanctions-against-burma-ease-american-companies-start-investing/1549041.html>, accessed on November 23, 2012.

11. Ibid.

12. Thanyarat Apiwong and Yoshihiro Bamba, "The Role of the Japanese in Myanmar: Economic Relations between Japan and Myanmar in Historical Perspective" (2009), see <http://libdspace.biwako.shiga-u.ac.jp/dspace/bitstream/10441/8174/1/jinbun59pp.9-.pdf>, accessed on November 23, 2012.

into power in 1962 through a coup d'état led by General Ne Win. The ruling juntas always ensured to keep as leaders, people who were capable of maintaining power in their own hands. Critics claim that their style of governance could be compared to that of the Soviet rule to a certain extent.¹³ General Ne strongly believed that the military was the only solution to uniting the country again. He made sure to enforce unity in the military and did not hesitate to remove people from authority if they were not in line with what he believed.¹⁴

Over the years, with the social infrastructure deteriorating, the country began to stagnate both politically and economically. Various protests claiming for a democratic system erupted amongst the citizens both young and small, which only resulted in further violence and chaos within the country. Myanmar witnessed a number of protests in 1962 and 1974, but each of it was suppressed by the military regime. Myanmar was largely isolated in the international arena and was accepted only by China. The protests of 1988 and 2007 were considered to be the largest pro-democracy protests to have ever occurred in Myanmar. Aung San Suu Kyi was under house arrest for over 15 years in fear of her role in intensifying the protests against the military regime. It was at this point that the country was slapped with the sanctions clause of the human rights violations. With Myanmar being home to a large number of ethnic

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13. Linnea M. Beatty, "Democracy activism and assistance in Burma," *International Journal* (Canadian International Council, 2010), vol. 65, no. 3.

14. Win Min, "Internal dynamics of the Burmese military: before, during and after the 2007 demonstrations," in Monique Skidmore and Trevor Wilson (eds.), *Dictatorship, Disorder and Decline in Myanmar* (ANU E Press: Australia, 2008) p. 29.

groups, who act as divergent forces from within, each fighting for their rights, it only caused more disunity amongst the people.¹⁵

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A number of questions have been raised on the role of the military in the current system. Analysts claim that Than Shwe, who was in power since 1992 and is also the chairman of the State Peace and Development Council, is still known to play a dominant role in the backdrop. He was also the person who selected Thein Sein for the post of President and ensured that he had a subtle military backing. These factors have defined the democratic transition as “a sham to cement the military rule.”¹⁶ President Thein recently rejected a plea by Aung San Suu Kyi to lobby for changes in the constitution so that she would be able to participate in the next presidential election.¹⁷ This only further questions the credibility of the democratic system that is in place in Myanmar.

ROLE OF EXTERNAL PLAYERS IN MYANMAR

In order to understand the power play that exists with respect to Myanmar, it first becomes crucial to understand the very meaning of the word “power

15. J. Mohan Malik, “Myanmar’s Role in Regional Security: Pawn or Pivot?” *Contemporary South East Asia* (ISEAS: June, 1997), vol. 19, no. 1, p. 54, see <http://www.jstor.org/stable/25798366>, accessed on November 23, 2012.
16. Baladas Ghoshal, “Political transition in Myanmar: Thinking outside the box,” *Jakarta Post*, May 31, 2011, see <http://www.thejakartapost.com/news/2011/05/31/political-transition-myanmar-thinking-outside-box.html>, accessed on September 18, 2013.
17. Jim Middleton, “Thein Sein rejects Aung San Suu Kyi demand: exclusive interview,” *Australian Network News*, June 10, 2013, see <http://www.abc.net.au/news/2013-06-09/thein-sein-rejects-aung-san-suu-kyi-demand/4742796>, accessed on September 20, 2013.

play.” While the Webster’s dictionary defines the word power play as “a military, diplomatic, political, or administrative manoeuvre in which power is brought to bear,”¹⁸ eminent scholar Victor D. Cha defines it as “the construction of an asymmetric alliance designed to exert maximum control over the smaller ally’s actions.”¹⁹ The two definitions clearly highlight the overarching neorealistic tendencies of the countries involved. The second definition, though, gives a distinct picture of the entire scenario, with Myanmar being the smaller ally in this case. While countries do engage with each other for absolute gains, power play mostly evolves around the aspect of relative gains. It is here that the phrase “maximum control” becomes important. The irony lies in the fact that in the present times, soft power, which Joseph Nye described as “attractive power,” is the very means greater countries use to coerce or control smaller countries.

History shows that in most cases the engagement of an “n” number of external players in a country or region only leads to more instability. The onus thus lies on Myanmar to ensure to give external players just enough space to engage bilaterally and in the process guarantee its own strategic autonomy with respect to decision making.

Following are a few of the major external players that seem to be vying for larger roles in Myanmar:

CHINA

According to Evan S. Medeiros, China’s foreign policy strategy has five major objectives—“economic growth and development, countering constraints, resource diversification, reassurance (a benign and responsible international actor) and reducing Taiwan’s international space.”²⁰ The first three objectives best explain China’s activities in Asia-Pacific where the aim is to ensure that no nation is capable of constraining, hindering or

18. Power play, *Merriam Webster*, see <http://www.merriam-webster.com/dictionary/power%20play>, accessed on November 23, 2012.

19. Victor D. Cha, “Powerplay: Origins of US Alliance System in Asia,” *International Security* (MIT Press: Winter 2009), vol. 34, no. 3, p. 158, see <http://muse.jhu.edu/journals/ins/summary/v034/34.3.cha.html>, accessed on November 23, 2012.

20. Evan S. Medeiros, *China’s International Behaviour—Activism Opportunism, and Diversification* (RAND, California: 2009), p. 45.

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restricting China's influence in the region. It seeks to create an environment where countries in the neighbourhood are fully reliant and dependent on it to such an extent that their influence and power at no point of time is either questioned or contained. This only further reiterates their intentions of a unipolar Asia in a multipolar world. Keeping this in mind, the close engagement of India, US and Japan in Myanmar, is not in China's interest.

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The term "comprehensive strategic cooperative partnership" surfaced during the visit.²¹ Apart from the usual talks on maintaining stability on the borders and enhancing bilateral relations at all levels, Chinese President Hu Jintao also focused on increasing mutual strategic support and intensifying pragmatic cooperation.²² China was clearly changing its approach with the new government. The talks between the Chinese State Councillor and top diplomat, Dai Bingguo, and Myanmar opposition leader, Aung San Suu Kyi, were also of great significance.²³ China, which backed the military junta government in Myanmar, was never in contact with her during the military rule. This highlights China's interest to engage with the country and maintain good relations with it despite the political transition.

Myanmar witnessed the entry of the military junta into power in the late 1980s. Heavy sanctions were placed on the country thereafter by the US

21. "China, Myanmar forge partnership, ink deals on Myanmar president's maiden visit," *English People Daily*, May 28, 2011, see <http://english.peopledaily.com.cn/90001/90776/90883/7393589.html>, accessed on September 20, 2013.
22. Yun Sun, "China's Strategic Misjudgement on Myanmar," *Journal of Current Southeast Asian Affairs* (GIGA: Hamburg, 2012), vol. 31, p. 80, see hup.sub.uni-hamburg.de/giga/jsaa/article/download/513/5110, accessed on September 19, 2013.
23. K. J. M. Varma, "Wen Jiabo to skip Myanmar visit: Chinese envoy meets Suu Kyi," *DNA*, December 15, 2011, see http://www.dnaindia.com/world/report_wen-jiabao-to-skip-myanmar-visit-chinese-envoy-meets-suu-kyi_1626222, accessed on June 23, 2012.

and other Western powers, which had an enormous affect on its economy. China stepped in and began to increase its engagement with Myanmar right then and hence holds major stakes in the country even now. Amongst the many contracts signed between companies, one of the major ones was that of 1,100-km oil and gas pipelines extending from Kyaukphyu in Rakhine state to Yunnan province. Apart from easy access to the gas and mineral resources of Myanmar, these pipelines also help to avoid the jammed Strait of Malacca.²⁴ Chinese analysts say that with the completion of these pipelines, China will be able to expand its trade with South Asia and South-East Asia.²⁵ China has also built a deep sea port in Kyaukphyku, giving it yet another access point to the Indian Ocean. Apart from these projects, China has also been investing a great deal in the construction of many roads and railway lines thereby increasing connectivity into the Chinese mainland.²⁶

At the same time, events such as the suspension of the Myitsone dam along with Myanmar's growing ties with the West have begun to worry the Chinese government. The Myitsone dam was a hydroelectric project which was to be funded and constructed by a state-owned Chinese company. Apart from the potential environmental risks, the growing anti-Chinese sentiments amongst the people were attributed as one of the reasons for its suspension.²⁷ China now has to come to terms with the fact that it is no longer the one and only investor in Myanmar, and the future will certainly hold more challenges which it has to effectively deal with.

THE US

The visits of US President Barrack Obama and US Secretary of State Hillary Clinton to Myanmar were of great significance. President Thein Sein's recent visit to the White House was also a historic event. It was after 45 years that the

24. K. Yhome, "Myanmar and India's Security," in Satish Kumar (ed.), *India's National Security Annual Review 2010* (New Delhi: Routledge, 2011), p. 175.

25. No. 20, p. 78.

26. Jayadeva Ranade, "Myanmar-Chink in China's Armour," *National Defence and Aerospace Power*, January 2011, p. 1, also see http://independent.academia.edu/JayadevaRanade/Papers/971600/Myanmar-Chink_in_Chinas_Armour, accessed on June 24, 2012.

27. Thomas Fuller, "Myanmar Backs Down, Suspending Dam Project," *The New York Times*, September 30, 2011, http://www.nytimes.com/2011/10/01/world/asia/myanmar-suspends-construction-of-controversial-dam.html?_r=0, accessed on September 20, 2013.

Yet another major move taken by the US has been to waive the bans that were placed on Myanmar. This allows American business firms to begin investing into various projects in Myanmar. The waiver of sanctions on financial services will also allow for export of financial services to the country which will in turn boost its economy.

White House received a visit from the head of Myanmar. Likewise, Hillary Clinton's visit was the first American top-level visit to the country in about half a century.²⁸ In international relations, it is a known fact that top-level visits by diplomats clearly indicate a shift in foreign policy towards that country.

The US cut off all relations with Myanmar ever since the military junta refused to transfer power to the democratically elected government in 1988. They withdrew their diplomats in the country, slapped the country with political and economic sanctions, and even refused to call the country by its new name "Myanmar." On the contrary, the current Obama Administration has finally worked towards reviving US diplomatic relations with Myanmar. This sudden turn of events came in response to the country's new regime change and steps that focused towards such a change. The US agreed to send in their first ambassador to the country since 1990 and President Obama has also called for the release of over 651 prisoners in the country.²⁹ Though the US has already started working towards the normalisation of relations between the two countries, there still is a resistance as the US is not convinced of the credibility of the structure in place.

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28. "Hillary Clinton in historic Myanmar Visit," *Telegraph*, November 30, 2011, see <http://www.telegraph.co.uk/news/worldnews/asia/burmamyanmar/8925044/Hillary-Clinton-in-historic-Myanmar-visit.html>, accessed on November 2, 2012

29. Michael E. Martin, "Burma's Political Prisoners and US Sanctions," *Congressional Research Service*, May 14, 2013, see <http://www.fas.org/sgp/crs/row/R42363.pdf>, accessed on September 21, 2013.

which will in turn boost its economy. Some bans such as that of arms sales still remain. American firms are not allowed to invest in companies owned or run by military forces.³⁰ It is precisely at this point that China ensures to stretch forth a helping hand and in turn pledge support.

US interest in Myanmar also emerges from the sudden rise of China in the region. Owing to its strategic position in Asia-Pacific, a close and stable Myanmar will certainly be of interest to the US. The US is also ensuring that the government of Myanmar is looking towards following the proper norms of democracy and that this regime is here to stay.

JAPAN

Myanmar's President Thein Sein visited Tokyo in April 2012, making him the first diplomat from Myanmar to visit Japan after 28 years.³¹ Japan's Prime Minister Yoshihiko Noda was claimed to have called the meet "historic" and declared that Japan and Myanmar are already looking forward to strengthening bilateral relations. He reassured that Japan would renew its financial assistance towards the country to help it during this process of transition. Noda also made it public that his country would cancel 60 per cent of the 500 billion yen debt that Myanmar was to repay and also restart the grant of loans in yen.³²

Japan was also known to be one of first the few countries in the Asia-Pacific region to officially resume economic relations with Myanmar after the current democratic government came into power. Japan has been looking to utilise Myanmar's cheap labour force and augment its network of factories which are spread from Thailand to Indochina.³³ Japan will be

30. Wyatt Olson, "US marks closer ties with Myanmar, but China's influence lingers," *Stars and Stripes*, May 20, 2013, see <http://www.stripes.com/news/us-marks-closer-ties-with-myanmar-but-china-s-influence-lingers-1.221789>, accessed on September 20, 2013.

31. "Myanmar President Thein Sein to visit Japan," *Channel News Asia*, April 18, 2012, see http://www.channelnewsasia.com/stories/afp_asiapacific/view/1195985/1/.html, accessed on November 2, 2012.

32. "Japan, Myanmar make rapid strides," *The Japan Times*, May 1, 2012, see <http://www.japantimes.co.jp/text/nn20120501f1.html>, accessed on October 24, 2012.

33. Thomas Fuller, "Long Reliant on China, Myanmar Now Turns to Japan," *The New York Times*, October 10, 2012, see <http://www.nytimes.com/2012/10/11/world/asia/long-reliant-on-china-myanmar-now-turns-to-japan-for-help.html?pagewanted=all>, accessed on November 4, 2012.

India has provided development assistance and also has extended a line of credit to Myanmar several times. Since 1993, India has made steady progress despite the military's antipathy towards offers of assistance. India gave Myanmar a \$10 million line of credit in 1997 even as the western bloc intensified its economic sanctions.

disposing its famous conglomerate, Japan Inc., a collaboration of some of the country's largest companies such as Mistubishi, Marubeni and Sumitomo, who are working in tandem with the Japanese Ministry of International Trade and Industry. This deal was put forward by President Thein to Japanese politician Hideo Watanabe in Naypyitaw, where he offered Japan a special economic zone at Thilawa, a place located near to Myanmar's largest city Yangon and a port to the Indian Ocean.³⁴ Hence Japan too has been pushing forward to a closer engagement with Myanmar.

Myanmar's overt plea to nations in and around the region for help in terms of its development not only highlights its eagerness to develop as a nation, but also reiterates its concerns on the growing influence of China in the region.

INDIA'S ROLE IN MYANMAR

India has provided development assistance and also has extended a line of credit to Myanmar several times. Since 1993, India has made steady progress despite the military's antipathy towards offers of assistance. India gave Myanmar a \$10 million line of credit in 1997 even as the western bloc intensified its economic sanctions.³⁵ India being the world's largest democracy was criticised in dealing with the military dictatorship but continued to pursue its independent policy towards Myanmar taking into account its strategic and long-term interest. India could also not ignore its vision of having a greater role in the stability of the neighbourhood.

34. "How Japan Inc. stole a march in Myanmar," *Reuters*, October 3, 2012, see <http://in.reuters.com/article/2012/10/02/japan-myanmar-idINDEE89109420121002>, October 29, 2012.

35. P. M. Heblikar, "India-Myanmar relations: New beginnings," *Daily News and Analysis* (Mumbai), October 11, 2011 for more see http://www.dnaindia.com/analysis/column_india-myanmar-relations-new-beginnings_1597364.

The transition to democracy is of great significance for India's relations with Myanmar. It will also impact the region as a whole. Apart from its previous line of credit amounting to US\$ 300 million, India provided Myanmar with a further line of credit of US\$ 500 million in 2011 in context of the visit by Thein that year.³⁶ Myanmar became a crucial part of the aid recipients list of India such that in the last published report after Afghanistan, Myanmar was the second largest recipient of Indian aid.

Indian Prime Minister Manmohan Singh, though, recently visited Myanmar, the first trip by an Indian Prime Minister after twenty-five years and had talks with Aung San, where they discussed security issues regarding the Indo-Myanmar border and signed more than twelve agreements.³⁷ India's contribution to Myanmar has been way too less in comparison with China. Apart from the construction and development of a number of roads to increase connectivity, India is looking towards building a highway that connects Moreh in Manipur to Mae Sot in Thailand through Myanmar.³⁸ This will definitely increase trade activities between the two countries. India is yet to engage in gas pipeline projects which in turn highlight how passive the nation's foreign policy has been. With Myanmar looking to decrease its dependency on China and the US looking to step in, India should make sure to utilise this time to increase its engagements in the country and build closer ties.

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36. Sachin Parashar, "India extends credit line of \$ 500 m to Myanmar," *The Times of India* (New Delhi), October 15, 2011 for more see http://articles.timesofindia.indiatimes.com/2011-10-15/india/30283216_1_india-and-myanmar-myanmar-president-transit-transport-project.

37. "Indian PM Manmohan Singh in historic Burma visit," May 28, 2012, also see <http://www.bbc.co.uk/news/world-asia-18225010>, accessed on June 25, 2012.

38. Arvind Gupta, "Myanmar's Critical Role in Bolstering India's Look East Policy," *IDS Comment*, February 2, 2012, also see http://www.idsa.in/idsacomments/MyanmarsCriticalRoleinBolsteringIndiasLookEastPolicy_agupta_020212, accessed on June 21, 2012.

As a part of this larger strategy, the US and China will continue to engage closely with Myanmar in order to gain their strategic influence in the country. Japan's engagement with Myanmar becomes crucial as a part of this power play. Keeping in mind that Japan is a close ally of the US, while on the other hand with the growing Sino-Japan trade relations, its decision in this regard becomes crucial.

MYANMAR AND THE LIKELY SCENARIO OF REGIONAL GEOPOLITICS

US-CHINA BALANCE IN THE REGION

US engagement in the region has always been looked at with suspicion by China. The recent, frequent visits made by Secretary of State Hillary Clinton, Secretary of Defence Leon Panetta and President Obama to countries in the Asia-Pacific region clearly reinforce that their focus has shifted towards the Asia-Pacific. Admiral Robert Willard, the Commander of the US Pacific Command, in March 2010 during a US Congressional Committee claimed that the increasing Chinese military build-up in the Asia-Pacific was a matter of great concern for the US as well as its allies in the region which include South Korea and Japan as well as those in South-East Asia and Oceania.³⁹ The US has provided military equipment to the South-East Asian countries such as the Philippines, it has conducted exercises with Singapore and has also sent its marines to Darwin in order to increase its presence and influence in the region.⁴⁰ The US seems to be employing a strategy of offshore balancing in the Asia-Pacific.

As a part of this larger strategy, the US and China will continue to engage closely with Myanmar in order to gain their strategic influence in the country. Japan's engagement with Myanmar becomes crucial as a part of this power play. Keeping in mind that Japan is a close ally of the US,

39. Amitav Acharya, "The United States in Asia Pacific: The Changing Balance of Power," *Op-Eds*, Canada Asia View Points, April 29, 2010, see <http://www.asiapacific.ca/editorials/canada-asia-viewpoints/editorials/united-states-asia-pacific-changing-balance-power>, accessed on October 24, 2012.

40. Freya Petersen, "Indonesia calls US troops build up in Darwin 'too close for comfort,'" *Global Post*, November 19, 2011, see <http://www.globalpost.com/dispatches/globalpost-blogs/down-under/indonesia-australia-us-troops-darwin-down-under>, accessed on September 20, 2013.

while on the other hand with the growing Sino-Japan trade relations, its decision in this regard becomes crucial. Will Japan play it safe and ensure not to hamper the interests of the US and China, or take a completely different route in support of one of the two, still remains a matter of contention.

INDIA AND CHINA

As a result of the decision to open up to the outside world, Myanmar will in the future have more options to choose from in terms of development projects and attract other players. In the race to acquire the strategic edge in Myanmar, both India and China have placed huge stakes in the form of investments and other inducements to keep

Naypyidaw content with their respective governments. The announcement of the United States to resume normal relations and other allies of the US also showing signs of re-engagement will mean that India and China, the two prominent players will face more competition in Myanmar. India would have to engage Myanmar in an effective manner through sub-regional initiatives such as BIMSTEC so that it does not miss out on the opportunity to enhance the full potential of a great emerging opportunity in its own backyard. For strategic reasons, China will also try hard to consolidate its influence in the country.

Hence, as Myanmar sees changing times ahead, it will be more active to pursue its objectives of rejoining the international community. In its effort to do so, it will show more receptiveness to the global community by allowing more concessions so that it can project itself as a responsible state that has an investor-friendly environment. In this context, Myanmar, for the first time since its entry into the ASEAN, has been selected as the chair for the ASEAN meet in 2014. In this changing paradigm, India needs

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to play its role in promoting the elections and nurturing the new-found democracy in Myanmar. This will not only strengthen India's position but will also put India in a comfortable spot with the other countries. It would open new avenues for India in the region as it could play a great role in promoting growth in Myanmar thereby having a win-win situation in terms of its relations as well as its global status.

CONCLUSION

The recent political transition in Myanmar is one of the first and initial steps to its progress.

The government now has to brace this change and work towards ensuring that this transition is to remain and that the process of democratisation is a peaceful and stable one. The role of external powers becomes crucial in order to initiate and carry out the reconstruction process, but Myanmar should make sure to adopt and maintain a policy of non-alignment and also secure its strategic autonomy in decision making amidst this process of reconstruction.

Owing to its strategic position in the region, Myanmar is bound to be used as a playground by external players to serve their larger geopolitical interests. The onus thus lies on the country to maintain constructive and beneficial relations with them as well as set their limits in terms of engagement.

With regard to the role of external players, as mentioned before, it becomes crucial to participate and engage closely to ensure a stable Myanmar which will be in the interest of the entire region. Looking at it from an Indian perspective, a policy of non-alignment will definitely be of interest to India too, as the excessive engagement of external players in the region can also be a threat to India's national security.