

# **Logistic, Global Governance and India's Look East Policy**

**Calcutta Research Group**

**Rosa Luxemburg Stiftung**

in association with

**Department of Political Science with Rural Administration, Vidyasagar University,  
Midnapore, West Bengal**

**March 20, 2016**

**Venue – BN Sasmal Hall, Vidyasagar University (Midnapore, West Bengal)**

## **Inaugural Session (11:00 am – 11:30 am)**

### **(a) Prof. Sibaji Basu**

Prof. Basu welcomed all the delegates of the workshop along with the students and scholars of Vidyasagar University and the members of the Calcutta Research Group. He offered a special welcome to Prof. Swaran Singh from Jawaharlal Nehru University and Professor Gurudas Das from the National Institute of Technology, Silchar for joining the workshop. He emphasized various infrastructural projects currently underway between India, South Asia and Southeast Asia and the significance of the Look East policy. He noted that in the current scenario themes like connectivity, global governance, logistics were of immense significance and that the workshop would provide an opportunity for students to get acquainted with these themes.

### **(b) Prof. Ranjan Chakrabarti**

Prof. Chakrabarti started with congratulating the Department of Political Science with Rural Administration of Vidyasagar University and the collaborators – Calcutta Research Group and Rosa Luxembourg Stiftung for organizing the unique workshop. He highlighted that workshops such as this one were encouraged at the University to provide students with the opportunity to be acquainted with themes outside the scope of their syllabus. He also talked about various schemes that were being undertaken at the Vidyasagar University for the students including the developed of student facilities on mobile platform. He welcomed the initiative of organizing the joint workshop which he said would benefit both the faculty and students. He officially inaugurated the workshop.

### **(c) Dr. Anita Sengupta**

Dr. Sengupta briefly summarized the project ***A Social Mapping of Infrastructure, Logistics and India's Look East Policy***. She noted that the project examines a specific Indian logistic vision, the Look or Act East Policy within the larger framework of Asian connectivity. It argues that the 21<sup>st</sup> century will be a century of infrastructural alliances, which will restructure the nature of global governance as large cross border infrastructural projects will bring into question the sanctity of sovereign national borders. Look/Act East and for that matter, India's larger logistic policies would have to be considered within this framework of new logistical spaces.

The Look East Policy was initiated as part of the country's economic restructuring in the 1990's and raised questions that were largely developmental in their focus. What were the economic resources

available in a region known for extractive industries like tea, coal and oil? How would the exploration of new resources transform an unruly, insurgent frontier? And an important focus that emerged from these and other discussions over the last two decades was the question of connectivity. The region's isolation, which extends at various levels – to its relations with societies to its east, between the Northeast and mainland India and within the Northeast--was an issue that went beyond logistics to an understanding of who defines Look East as a policy and how it is lived, a lack of engagement with the structures of power and a consequent legitimization of violence.

Look East (later termed Act East) developed within multiple contexts and envisaged bridging Southeast Asian nations through Northeast India. The policy had several underpinnings for the spaces within the region, as the resources of the region were mapped, allotted and extracted, while infrastructural expansions were planned through construction of railways, roads and airways. It therefore essentially entailed expansion of the government and separate Northeast windows became operational in almost every ministry with the Ministry of Development of Northeast Region (DONER) as the apex body to coordinate various schemes.

Logistical expansion had three components: (a) connecting the East firmly with the Northeast; (b) opening up villages and far-flung areas through new institutions (schools, colleges, banks, offices, communication networks) in the process releasing a new set of conflicts around massive displacements, homeland demands, anti-migrant measures and (c) opening up to South East Asia. Since logistical expansion was seen as a post-conflict measure it impacted upon both logistical governance as well as the 'subject' of logistics as a part of social governance.

The project also took into account the fact that Asia today epitomizes the classic tension between proposed transnational networks that signify a borderless and seamless flow of commodity, information and capital and large scale undocumented immigration that attests to the more complex mobilities that individuals traverse. The interface of logistics and mobility has therefore been an important topic of discussion in the course of the project with attempts to examine what happens to people beyond logistics. It is a given that social, cultural and material infrastructure shape the attitude of different segments of society and that mobilities in their turn shape logistics thereby indicating a delicate balance where the flow of labour and capital and incidents of social turmoil are often intrinsically linked. The China Pakistan Economic Corridor and the resultant Baluch protests is a classic recent example of what to expect in case of a disconnect and the resultant identity anxiety of the local population. Similarly the Rohingya crisis cannot be understood without an appreciation of the infrastructural framework that is being designed for the entire neighbourhood extending across South and South East Asia.

In the last two years the project has examined a number of these issues closely. Beginning with the cartographies of connectivity in the Asian context, it went on to examine regional connectivity corridors, trade partnerships and preferential economic arrangements and the financialization of infrastructure and the construction of a seamless Asia through an examination of Asian infrastructural funding. It included two studies that examined Kolkata and the port of Kolkata as the logistical hub in the Look East policy. It then brought to the forefront possible fault lines that require policy engagement. Within this context it examined frontier towns in the Northeast, emerging conflicts and social governance and the question of mobility.

Dr Sengupta noted that during 2016-2017, 12 researchers have been part of the project working on 10 themes. More importantly 27 experts have been involved in the project who have commented on the project thereby enriching its content.

## **Session 1: Connectivity and Corridor (11:30 am – 1:15 pm)**

### **(a) Prof. Swaran Singh (Connectivity as defining future of India's Look East policy)**

India's northeast region that shares over 5,400 km long borders with neighbour nations shares just about 25 km wide corridor (chickens neck) with mainland India. What makes matters complex is their difficult physical terrain and enormous diversity that has resulted in multiple states being formed and several other successions simmering all over. Complex history of British colonialism ending with peaceful transfer of power implying continuation of same institutions and policy orientations has kept this entire region on the boil deepening their sense of alienation. This is what make this region the critical axis around which India's 'Look East' policy was envisioned during 1990s which was aimed at making prosperity as panacea for this region and this was to be done by enhancing its 'connectivity' with the tiger economies of Southeast Asia. Meanwhile rise of China since early 1990s was to both facilitated great focus on India's 'connectivity' by launching initiative like the BCIM Regional Forum as also by impelling New Delhi to take some initiatives with Myanmar and Bangladesh in response to China's rapidly increasing engagement and presence in this region. This was also the period that saw India drifting into a phase of coalition governments where multiparty system in a federation often mean diffident parties ruling in New Delhi and provinces thereby at least providing a pretext for inaction. This was also period of 'China threat theory' making security assessments paranoid of enhancing connectivity that could be exported by Chinese both during peace (traders) and war (soldiers). No doubt, recent past has witnessed some connectivity being build across India's northeastern borders and greater connectivity between the Northeast and mainland India yet it has failed to keep pace with both rapidly progressive conceptualising as also in materialising the logistics where building 'economic corridors' has come to be the buzzword. Economic corridor basically seeks to connect investors, entrepreneurs and workforce to markets and resources and then make these nodes part of regional or even global supply chains to achieve rapid but sustainable development for all stakeholders. In principle, therefore, India has no qualms with this vision. However, the way rising China has outlined its Belt and Road Initiative -- mother of all connectivity initiatives -- has made India cautious, even reticent to become a junior partner in China's grand vision for future. China unilaterally heralding BRI by appropriating several existing connectivity projects like those that were being taken by the BCIM Regional Forum has made India stay away from BRI. 1 But this has also resulted in India accelerating some of its own 'connectivity' projects like the Trilateral Expressway (involving India, Bangladesh, Myanmar) or Kaladan Multi Model Transport project connecting ports across Bay of Bengal. India has also revived its BBIN (Bhutan, Bangladesh, India, Nepal) transport corridor as also to build rail connectivity amongst all its provincial capitals in the Northeast which is slated to be set in motion by 2020. It is the increasing comparison with China that has since come to be the biggest detriment of connectivity initiatives of India's Look East policy even though it has since been upgraded to Act East policy with hyperactive pace of visits both to India's northeastern region as also between India and Southeast. Presence of national leaders of all the ten members of Association of South East Asian National as chief guests for the 2018 Republic Day celebrations this January no doubt reflects this new enthusiasm for connecting people and processes from both sides and these, to broad base these covering a whole lot of sectors as also to ground these in their historical connect of culture and commerce. But China's high speed mega projects often make these India-ASEAN projects look small and slow as also have impacted their shine. But reverse is also true. With forever unpredictable president Donald Trump and increasingly assertive Xi Jinping, India and ASEAN have also found added reasons to come together and that reflects increasing focus of New Delhi in integrating Northeast into its Act East policy and most recent elections results have even removed the old disjunction between different ruling parties being in power in New Delhi and northeastern

provinces. It is possible to see increasing number of flights connecting northeast to mainland cities as also infrastructure projects across northeastern region. As regards China, India continuing to stay away from BRI has downed upon Beijing of the critical significance of India in bringing both commercial viability as also political legitimacy which has seen greater cultivation of India by various Chinese interlocutors. There are also voices in India that wish New Delhi would be selective in benefiting from China's BRI by participating where it can and not throw baby with the bathwater. Its likely that coming times will see India joining BRI but on its own terms which is expected to provide a further boost to building India's connectivity, especially of its northeastern region, with much of Southeast Asia. But that may also be far in future and a potential not so easy to harness given the track record of China-India relations.

**(b) Prof. Raj Kumar Kothari (India's Asia Pacific Strategy: A Bridge to the Asian Neighborhood)**

Since early 1990s, globalisation of the world economies intensified international competition and at the same time gave rise to a new wave of regionalism. India's rapid economic growth and international and regional economic challenges motivated the Indian policy makers to forge a policy that aimed to bring the Asia Pacific region closer. In view of China's unaccounted rise in the arena of world politics, India decided to play a greater strategic role in the Asia-Pacific region through deepening links with countries like Japan, Vietnam and Australia along with the whole of Southeast Asia.

China's overwhelming presence in the Indian Ocean and her assertiveness in maritime diplomacy in East Asia in recent years have reinforced the importance of an enhanced Indian role in the Southeast Asia in particular and Asia-Pacific region in general. It is in this backdrop, the paper aims to focus on New Delhi's Asia-Pacific strategy with special emphasis on the tenure of Narendra Modi.

Prof. Kothari focused on three phases of the Asia Pacific strategic developments. The first phase dealt with the historical background that reshaped the strategic outlook of India's foreign policy to include Look East policy. He mentioned that development of India's relation with ASEAN during the 90s. It introduced a magnificent change in the strategy for Southeast Asian nations leading to Act East policy. The second phase included discussion on objectives behind adopting the policy measure of Look East policy. He emphasized on the maritime security, economic and cultural relations through strengthening of relations between India and Southeast Asia. He mentioned Islamic radicalism and Chinese expansion over South China Sea as major challenges for India's foreign policy. Myanmar's ongoing crisis is another challenge for Indian leadership to stabilize the region. He highlighted the Sino-Russian relations to be a game changer for the Asia Pacific regional geopolitics. The third phase dealt with India's domestic political development as the reactive measure to promote the strategic importance of Southeast Asian and Asia Pacific stability for India's international security aspects culminating into Look East Policy. He emphasized that Northeast of India should act as the gearing measure for India's foreign policy through Look East policy.

**(c) Dr. Priya Singh (India in the connectivity matrix)**

Contemporary international relations seem to be fixated with the term connectivity. Connectivity projects that construct new logistical expanses encompass frontier regions and link outlying areas have come to characterize global politics. The magnitude of these ambitious ventures at connectivity encourages comparisons with similar initiatives that exemplified the geopolitics of Europe and the Atlantic in the 20th century. In this context the chapter attempts at engaging in a dialogue with various representations of connectivity with an emphasis on the Chinese and Indian connectivity projects but at the same time keeping abreast of the American, Turkish, Japanese, Korean and the Russian ones. It seeks to locate the region within the larger continental framework with a definite role for India and emphasizes the importance of policy connectivity in complementing infrastructural connectivity. The focus of the chapter is on mapping and analyzing the scope, vision and impact of Indian and Chinese

transnational infrastructural projects. The individuality of the projects and their competitive nature is sought to be conceptualized. Attention is given to India's Act East Policy highlighting the interfaces, intersections and overlaps between India's Northeast and Southeast Asia in terms of connectivity projects. Similarly, the Go West Policy advocated by the Indian government is given consideration with its focus on diversifying linkages with West Asia, mapping connectivity projects and the security architecture. The importance of the sub regional-moment in connectivity is sought to be addressed. The gap between rhetoric and reality, the vision and its implementation is kept in mind. While mapping contemporary connectivity projects is the focal point of the chapter the historical backdrop in the form of spontaneous, pre-meditated linkages provide for the framework upon which constructed connectivity projects (with the accompanying disconnectedness) of the age of sovereign nation-states are contextualized and analyzed.

**(d) Ms. Swatilekha Bhattacharya (BCIM: Cooperation & Challenges)**

The proposed Bangladesh, China, India and Myanmar-Economic Corridor (BCIM-EC) involving four nations has generated much interests as well as concerns. One of the major policy initiatives among national governments in Asia in recent years is directed towards developing sub-regional, regional and trans-regional corridors with the aim to further connect and integrate their economies. The forum sought to create a platform for discussion among the major stakeholders regarding issues concerning trade and growth in the region, strengthen cooperation and institutionalize the arrangements to deepen BCIM ties. Issues relating to ethnic insurgencies, refugee crisis, drug smuggling has the potential to derail the project. The project has not seen much activity in recent years owing to the reluctance of the stakeholders to effectively address these concerns. The proposed corridor failed to receive the encouragements of the governments that it required and instead remained a Track II (unofficial) initiative for a long time. Within this context, this paper attempts to understand the current status of the corridor and assesses whether it has managed to break the long impasse that has plagued it for so long.

Prof. Ambarish Mukhopadhyay (Chair) concluded the session with his remarks on the difference between the Look East policy and Act East policy. He argued that one of the ways of initiating economic development of Northeast India could be by developing the tourism industry, and here connectivity would be crucial. The importance of the Northeast in terms of connectivity would bridge the gap between the mainland and northeastern India.

**Session 2: Logistics and Look East (2:00 pm – 4 pm)**

**(a) Prof. Gurudas Das (Cross-border logistic expansion under 'Act East Policy' in the light of Development Interest of Northeast)**

The cross-border logistical expansion under India's Act East policy has assumed an added significance following the declaration of China's Belt and Road Initiative (BRI) in 2014. Although long before the official declaration of BRI, India, along with Thailand and Myanmar, conceived a regional cross-country road connectivity project popularly known as India-Myanmar-Thailand (IMT) Highway in 2002, Kaladan Multimodal Transit Transportation Project (KMTTP) in 2008, Trans-Asia Railway in 2012—with an objective to provide conflict-ridden land-locked Northeastern Region (NER) connectivity outlets across the eastern borders in order to address its development predicaments, the former (BRI) has further opened up the possibility of establishing another overland connectivity in the form of Bangladesh-China-India-Myanmar (BCIM) Economic Corridor.

The presentation on focused on the impact of IMT Highway and BCIM-EC on the economic development of NER. It also intends to focus on the greatest challenge before the Act East Policy in terms of logistical expansion that will likely to address the development predicaments of NER in a more effective way. It seeks to argue that playing out of a greater role in global governance would likely to enable India to carve out an India-Bangladesh Economic Corridor connecting Kolkata and Northeastern Region which would serve as the best lifeline for NER in terms of reduction of transportation cost that has made the regional products less competitive.

**(b) Prof. Sevak Kumar Jana (India's Look East policy: Some aspects of Trade & Logistics)**

India's 'Look East Policy', formulated first during 1991-96, is an effort to forge extensive economic and strategic relations with the nations of Asia-Pacific region. India's relation and trade with Association of South East Asian Nations (ASEAN) have improved rapidly and dramatically in recent years . With host of bilateral agreements, India has established strong commercial, cultural and military ties with (ASEAN) member states. India has signed Comprehensive Economic and Cooperation Partnership Agreement (CEPA) with the Governments of Singapore, South Korea, Malaysia and Japan. A Free Trade Agreement (FTA) in services and investment was signed with the ASEAN in September 2014. The establishment of ASEAN economic community (AEC) in 2015 was a great achievement towards greater regional integration of the economies. Currently ASEAN is India's 4<sup>th</sup> largest trading partner and India is ASEAN's 7<sup>th</sup> largest trading partner.

On the other hand, logistics sector is now accepted as one of the core pillars of economic development and the logistics in international trade and domestic trade is central to the economic growth and competitiveness of an economy. India ranks 35<sup>th</sup> in the world in terms of Logistics Performance Index (LPI). East Asian economies have been performing well in terms of LPI. The presentation attempted to define the status of India's international trade with the ASEAN economies. It also discusses the current situation of logistics in the ASEAN economies with particular reference to India.

**(c) Prof. Suratha Kumar Malik (India's Look East policy and the Northeast: Challenges ahead)**

Since the early 1990s, India has been seeking to situate the country's troubled Northeast at the heart of what eventually evolved into its so-called 'Look East' policy. For India, using the Northeast region to link up with the East Asian economies holds an allure similar to that of icing on a cake: it could end the long decades of isolation for the remote region and turn it into a strategic bridge giving India access to the East. The end of the region's multiple insurgencies and violent homeland agitations that led to militarization eating into vital resources that could be more gainfully used for development, is a prospect welcomed by any regime in Delhi: success in conflict resolution in an area 'that looks less and less India and more and more like the highlands of South-east Asia'. The fate of the Northeast appears inextricably tied to the Look East policy, especially in the coming days. Increased trade and connectivity will rapidly transform the region by rescuing it from the clutches of insurgency, ethnic conflict and sub-nationalism, and place it in the broader network of power, capital and markets. This stream of activities would supposedly make the multiple fault lines of the region disappear.

However, prior to raising our expectations about the often termed 'troubled periphery', let's first understand the complications and impediments in Northeast India. With this backdrop, this paper focuses on the considerable hurdles and limitations encountered in carrying forward India's 'Look East' through Northeast policy and especially looking the problems caused by the nature of physical terrain, ethnic variations, the history of violent conflicts in the region, the poor state of transport infrastructure and local industries in Northeast India through which India has to access other ASEAN countries by land.

### **General discussion**

The discussion which was principally initiated by the students covered a range of issues from how India could develop its own logistical strategy to the interface of economics and politics in India's foreign policy. Students were also keen to understand how far the connectivity projects were acceptable to the people of the Northeast and the extent to which physical connectivity remained important given developments in information technology. The importance of the Siliguri corridor was also taken up for discussion. The experts argued that as Asia steps into a new era of connectivity the interface of logistics and popular movements has become the topic of discussion in a multitude of forums. It is a given that social, cultural and material infrastructure shape the attitude of different segments of society and that popular movements in their turn shape logistics thereby indicating a delicate balance where the flow of labour and capital and incidents of social turmoil are often intrinsically linked. India's Look East Policy (LEP) that began as part of the country's economic restructuring in 1991, raised questions that were largely developmental in their focus. What were the economic resources that could be got from a region otherwise famous for extractive industry like tea, coal and oil? How would the exploration of new resources transform an unruly, insurgent frontier? An important focus that emerged from these and other discussions over the last two decades has been on the question of connectivity. For the LEP to show some degree of success (or failure), an understanding of the manner in which the landscape and its resources were connected to flows of labour and capital was considered crucial. Paradoxically, the region's supposed isolation – geographically, economically and politically – from the mainland, was also the primary reason for its long connection with the advocacy of civil and democratic rights. This isolation extends at various levels --- to its relations with societies to its east, between the North East and mainland India and within the North East itself and goes beyond logistics to reluctance to engage with trans-national initiatives. It also extends to a disconnect in the understanding of who defines Look East as a policy and how it is lived, a lack of engagement with the structures of power and a consequent legitimization of violence. The alternative would be in terms of a shared imagination of connects that took note of the everyday but looked beyond the mundane.

### **Conclusion (4-4.30 pm)**

Prof. Sibaji Pratim Basu (Chair) concluded the session with his remarks stating that OBOR has the strength to provide opportunity for widespread economic development; but at the same time, it's implementation is hindered by challenges such as great power rivalries, domestic constraints and tensions in China's neighborhood.

Dr. Anita Sengupta shared her experience and views on the research workshop followed by a vote of thanks by Ankita Manna, Research & Programme Assistant, Calcutta Research Group. Dr. Sengupta distributed certificates to the participants.