



Reviving the Stilwell Road Challenges and Opportunities for India

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There is a growing need to adapt a geostrategic perspective to assess the mutual benefits of linking India's northeast and Southeast Asia. It is a fact that the Northeast India is a resource rich, strategically positioned area which also shares an extensive international boundary of about 5500 km with India's neighbours. The region holds great significance in terms of India's connectivity and infrastructural ventures with Southeast and East Asian nations.

Reopening and developing the historical Stilwell, originally known Ledo road, in the Northeast is of strategic importance. This essay is an effort to unravel the rationale, opportunities and challenges and the future of reopening of the Stilwell Road for being a potential gateway to Southeast Asia and East Asia.

I UNDERSTANDING THE OPPORTUNITIES

Today, the Northeast region is being seen with all new vigor, vitality and optimism. The region is endowed with a gamut of untapped resources of handicrafts and handlooms. Moreover, economic integration with Southeast Asia and its immediate neighbours offers enormous growth potential for Northeast. If the hydro electric potential is utilized effectively, the region can export the resource to its trans-national trade partners.

Apart from those petroleum products, cement, and fresh fruits generate scope for rejuvenation of the economy and will make it a viable investment destination. Therefore, reopening the Stilwell road offers an excellent opportunity to the Northeast India specifically to Assam and Arunachal Pradesh to get connected to the economically flourishing parts of Yunnan and Southeast Asia via Myanmar and provide a land link for the growing economies of India and China.

Today, about a quarter of India's foreign trade comes from its Asian neighbours. Eventually, a need is felt to shift the focus of the Look East Policy on Northeast and work towards the revival of several strategic initiatives in the past.

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC): In 1997, a sub-regional economic grouping called BIST-EC, comprising Bangladesh, India, Sri Lanka and Thailand was established with a view to strengthen and reinforce India's Look East policy. Later this grouping became BIMSTEC with the addition of Myanmar, Bhutan, and Nepal. For BIMSTEC there was a strong support from Thailand, which also saw it as a political and economic forum to bridge Southeast Asia and South Asia. At the Second Ministerial Meeting in Dhaka on 19 November 1998, six areas of cooperation were identified: trade and investment, technology, transport and communications, energy, tourism, and fisheries. India supports BIMSTEC to establish economic links with peninsula member countries of ASEAN to boost the development of its seven Northeastern states.

Mekong Ganga Cooperation (MGC): This Project, which includes Myanmar, Thailand, Laos, Cambodia and Vietnam, came into being in November 2000. The representatives of the six member states met at Vientiane and came up with a set of guidelines known as the "Vientiane Declaration". The declaration outlined the areas for institutional interaction based on assessment of the capabilities of its member states. The MGC is an extension of India's Look East policy and a reminder of its constant cultural interaction with the mainland South-East Asian countries.

Bangladesh-China-India-Myanmar Regional Economic Forum (BCIM): This is as a Track II initiative, promoting sub-regional cooperation on infrastructural development, economic integration and people-to-people contacts in the region. This

sub-region constitutes geographically contiguous units comprising Northeastern states of India, Southern provinces of China, Bangladesh and Myanmar. The underlying objective behind BCIM cooperation is the integration of these strategically located sub-regional areas, particularly Northeast India, Bangladesh, Myanmar, and Southwest of China in the areas of trade, investment, energy, transport and tourism. The BCIM initiative has the potential to bring three of India's most important neighbours closer in a joint pursuit of common prosperity through the increasing use of mechanisms of regional integration.

Kunming Initiative: This provides an opportunity for India's Northeast and Bangladesh to be integrated to trade with Myanmar and China. Analysts believed that the Kunming Initiative got mired because of India's concern about the growing economic power of China and also due to the hostile relations between Dhaka and New Delhi.

These initiatives have been integral to the development of northeast India and linking it to other strategic parts of Asia particularly in the light of India's Look East Policy. They have emerged as an opportunity to tap the unexplored resources and economic benefits in the region. These organizations are regional in character and can be strategically utilized for creating a platform for an Asian forum. The nations involved are geographically interwoven with each other and any negative or positive policy shifts affects them directly. Hence it is certainly a golden opportunity to cooperate and collaborate by reopening of the Stilwell road, a feasible land link for further trade and transportation. With the rising traditional and non-traditional security concerns, it is imperative to engage with the resource rich region of Southeast Asian nations where China has already established a strong foothold. An option to link the region with reopening of a single road is truly of tremendous potential to enhance economic goals and neighbourhood relations. The twin purpose can be optimally utilized to counter China's rise and involvement in Southeast Asia and the threat in northeast India specially parts of

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Arunachal Pradesh. Moreover, India should realize despite problems of insurgency or Chinese goods flooding the Indian markets, the reopening of this route will particularly act as a significant linchpin to venture into Southeast Asia. There is a need for at least India, China and Myanmar to cooperate and generate prospects for the creation of a regional economic hub. Therefore, India needs to rejuvenate its relations and evolve a strategy for greater cooperation for consistent growth of these regional groupings in future.

III ASSESSING THE RISKS

Despite numerous available opportunities, there have been several chokepoints which has hampered the development of the Northeast India in the past and even in recent times. Terms like 'alienation', 'exploitation' and 'insecurity' are being used across the region to instigate the menace of insurgency. This has kept the region continuously in a state of flux devoid of political or economic stability so crucial for any meaningful development, negating the effects of whatever little economic development has taken place in the region.

The continuous development initiatives by the Union Government under the Special Category Status releases huge amount of development funds without creating necessary credit absorption capacity in the economy and remains a failure. An analysis reveals that if the border is opened up for overland trade with neighbouring countries, the Northeast region would benefit immensely and could be extracted of its current economic backwardness.

Myanmar and the Stilwell Road: Of the three countries through which the Stilwell Road runs, it is Myanmar that is the linchpin of the project. Without its consent, the plan to link Ledo with Kunming by road is futile. Unfortunately, it is Myanmar that has resisted the reopening of the Stilwell Road the most. This is partly because of the military junta's traditional wariness of opening the country to outsiders. Besides, the road runs through territory controlled by Kachin rebels. Myanmar justifies the delay on security grounds. The 300km stretch of the road passing through the Kachin area of Burma is home to many insurgent groups operating in the Northeast. Considering the situation in Kachin state, where the junta has little to no control, the Burmese are not keen to reopen the road.

China and the Stilwell Road: Surprisingly, China has pursued the idea of reopening the Stilwell Road with diligence. It has gone about repairing and reconstructing its stretch of the road energetically

and has in fact already transformed this into a modern six-lane expressway. Chinese officials have also been persistent in their lobbying of officials in Indian and Myanmar officials to get them to repair the road and open it up for trade.

India's verbal enthusiasm over the Stilwell Road project has not been matched with action on the ground. An opinion widely articulated across the Northeast is that New Delhi is the biggest obstacle in the way of reopening the Stilwell Road due to security concerns. The Northeast is an insurgency-racked region and there are "valid fears" that the road would facilitate movement of insurgents, arms and drugs. Then there is also a concern that reopening of the road would result in the Chinese swamping the Northeast with cheap goods, undermining the local economy.

IV THE ROAD AHEAD

The present phase of LEP has ushered altogether a new era of development for the Northeast through a network of pipelines, roads, railways and air connectivity, communication and trade. Taking into account the numerous challenges or risks involved in reopening of the Stilwell road it becomes imperative to first resolve the issues of conflict between India, China and Myanmar.

Trans-border communities can be restored through border trade and inter-country trade and emphasis should be also laid on industrialization in the region. Faster economic growth in the Northeast is possible only if people can explore trading opportunities with the Asian countries involving China through the reopening of the Stilwell Road. Among the states of the Northeast India, though most of them are economically underdeveloped, Assam stands out in terms of being a relatively resource-rich state endowed with huge deposits of crude oil and natural gas along with high tea production which can be further utilized. More importantly, it also possesses good quality Eri and Muga and also mulberry varieties of silk that have all had a great demand in the global market.

Secondly, Assam enjoys geo-strategic positioning in the Northeast for boosting the volume of border trade with Southeast Asia and China. In other words, Kunming, Bangkok and even some other cities of Myanmar and China are closer to Assam than they are to Delhi, Mumbai or Bangalore. Indeed, all that is needed for a long time is the restoration of the 1726-km long Stilwell Road at Ledo that connects Assam to Kunming and other Southeast Asian metros. Its reopening could, therefore, enable increased trade with these countries which could soon be turned into a Special Economic Zone (SEZ).



Thirdly, there is a possibility that Northeast's historical and cultural-trade ties work in its favour and, more importantly, its past affinities with countries such as Myanmar, Laos, Thailand and China, would make its products easily acceptable and highly marketable. On the other hand, an access to the ever-expanding markets of the Association of the Southeast Asian Nations (ASEAN) would not only boost trade between the two regions but also facilitate the growth of additional trade centers along the Stilwell route.

Shukla Commission on "Transforming the Northeast", estimated that such investment would exceed Rs. 25,000 crores. As envisaged in Northeast India Vision 2020, a substantial increase in investments as well as a significant improvement in productivity is required for the Northeastern region to catch up with the rest of the country by 2020. This huge investment cannot come from the government alone. As a result, private investment and loans from Asian Development Bank and World Bank is definitely required. However, the present political and security environment cannot attract private investors. The government needs to create a secure environment by initiating dialogue with radical elements to bring peace and stability in this conflict-ridden region.

Alternatives to the Stilwell Road? Are there alternatives, instead of reopening of the Stilwell Road which can be utilized to forge greater connectivity in the region? One is to reconstruct the Stilwell Road from Ledo in Assam to Myittha in Myanmar. Another possibility is to extend the Indian road from Moreh (Manipur) to Tamu to Kalewa on the Chindwin River. If this river is bridged, a link will be established with Mandalay which is on the railway system of Myanmar. The first option would provide the shortest link to China and the second a better link to Southeast Asia. As both of them are of great strategic importance, it would be beneficial to carry forward both projects. Further, in addition to these infrastructural developments Mizoram could be connected to Shitwe (Myanmar) and Agartala (Tripura) could be linked to Chittagong with the consent of

Bangladesh. This will open up the entire Northeast, making it a commercial hub for its eastern trade.

Last few years have seen a positive shift in the Indian perspective and it seems that New Delhi has finally realized the importance of extending its trade by land to Southeast Asia. Eventually, Myanmar's readiness to cooperate with India in helping to develop a transport corridor has assumed great significance. The transport corridor through Myanmar can offer a cheaper and faster alternative to the narrow Siliguri corridor in the northern part of the state of West Bengal. This is currently utilized as the trade corridor within India for sending goods to the northeast India. Also, India and Myanmar have been working on a project along the Kaladan River that runs through the Indian state of Mizoram and Myanmar before joining the Bay of Bengal. This project envisages upgradation of port facilities at Sittwe, about 155 miles from the border between Mizoram and Myanmar, where Kaladan flows into the Bay of Bengal.

The creation of Public Diplomacy Division of the Ministry of External Affairs and the opening of its branch office in Guwahati is a welcome development which will assist in redressing the aspirations of the people of this region in having better liaison with the External Affairs Ministry on issues concerning foreign trade, foreign direct investment, and cultural exchanges.

To conclude, the Indian government and the Northeastern states must adopt proactive role and provide not only infrastructures but also political stability and good governance. Greater participation of the local people in production and distribution activities and raising agricultural productivity should be given importance in future. The revival of the economic conditions of the Northeast in the context of liberalization requires a multi-dimensional approach in a rather structured manner. Development of socio economic infrastructure, fuller utilization of natural resources, development of entrepreneurial culture and above all extending transnational ties will determine the future of Northeast in time to come. Moreover, there is no doubt that much more is at stake for India in improving its relations with Bangladesh and also in developing a more transparent relationship with China. Hopefully, the Indian Northeast will see the light of economic development and trade relations with regional powers with the historic reopening of the extremely contradictory Stilwell road.

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