Mekong-Ganga Cooperation Initiative
Analysis and Assessment of India’s Engagement with Greater Mekong Sub-region
MEKONG-GANGA COOPERATION INITIATIVE
Analysis and Assessment of India’s Engagement
with Greater Mekong Sub-region
MEKONG-GANGA COOPERATION INITIATIVE
Analysis and Assessment of India’s Engagement with Greater Mekong Sub-region

by Swaran Singh
The Research Institute on Contemporary Southeast Asia (Irasec) based in Bangkok, Thailand, is a member of the network of research centres of the French Foreign Ministry. Irasec calls on specialists from all academic fields to study the important social, political, economic and environmental developments that affect, together or separately, the eleven countries of the region (Brunei, Burma, Cambodia, Indonesia, Lao, Malaysia, the Philippines, Singapore, Thailand, Timor Leste and Vietnam). Irasec’s research output consists on academic studies

The Irasec Occasional Paper collection can be downloaded free of charge on our website: www.irasec.com

IRASEC EDITORIAL ADVISORY BOARD

- Jean BAFFIE, CNRS, IRSEA
- Bénédicte BRAC de la FERRIERE, CNRS, EHESS
- Sophie BOISSEAU du ROCHER, Centre Asie
- Jean-Raphaël CHAPONNIERE, CNRS, AFD
- Gilles DELOUCHE, INALCO
- Jean-Luc DOMENACH, CERI, Réseau Asie
- Evelyne DOURILLE-FEER, CEPII
- Stéphane DOVERT, Ambassade de France à Rangoun
- Frédéric DURAND, Université de Toulouse
- Alain FOREST, Paris VII
- Guy FAURE, IRASEC
- Michel FOURNIE, INALCO
- Charles GOLDBLUM, Ecole d’architecture de Paris
- Christopher GOSCHA, Université de Montréal
- Yves GOUINNEAU, EFE, AFRASE
- Andrew HARDY, EFE, Hanoi
- François LAGIRARDE, EFE, Bangkok
- Christian LECHERY, MAE
- Arnaud LEVEAU, IRASEC
- LE Huu Khoa, Université de Lille
- Charles MAC DONALD, CNRS
- Rémi MADINIER, CNRS, EHESS
- Philippe PAPIN, EPH
- François RAILLON, CNRS, EHESS
- Jean-François SABOURET, CNRS, Réseau Asie
- Christian TAILLARD, CNRS, LASEMA
- Hugues TERTRAIS, Université de Paris VII
- Marie-Sybille de VIENNE, INALCO
# Table of Contents

Acknowledgements ...................................................................................................................... 7

Chapter One: The New Context .................................................................................................. 9
1 - From Battlefield to Marketplace ............................................................................................. 11
2 - Integration of GMS into ASEAN .......................................................................................... 14

Chapter Two: India’s Contacts with GMS ................................................................................ 17
1 - Shared Experience, Common Values ..................................................................................... 17
2 - India’s ‘Look East’ Policy Redefined .................................................................................... 19

Chapter Three: MGCI: Genesis and Evolution .......................................................................... 23
1 - Vientiane Declaration ............................................................................................................ 24
2 - Ha Noi Programme of Action ............................................................................................... 26
3 - Phnom Penh Road Map ........................................................................................................ 27
4 - New Delhi Ministerial Meeting ............................................................................................. 29

Chapter Four: MGCI: Impact on Bilateral Ties ......................................................................... 31
1 - Major Drivers of Transformation .......................................................................................... 33
2 - Major New Sectors .................................................................................................................. 35

Chapter Five: Future Challenges and Prospects ...................................................................... 37
1 - Hows and Whys of Engagement ........................................................................................... 38
2 - India’s Core Motivations ........................................................................................................ 39
3 - Mutual Complementarities .................................................................................................... 41
4 - Why is China not part of MGCI? ........................................................................................... 42
5 - Future Trends .......................................................................................................................... 44

Conclusion .................................................................................................................................. 47

Appendix: Core of Connectivity in GMS .................................................................................... 50

Endnotes ..................................................................................................................................... 53

General Bibliography .................................................................................................................. 63
About the Author

Dr. Swaran Singh is Associate Professor at the School of International Studies, Jawaharlal Nehru University (New Delhi) and Academic Consultant at Centre de Sciences Humaines (New Delhi). Dr. Singh has been formerly Visiting Professor, University of Peace (Costa Rica), and Beijing University (Beijing), Visiting Fellow of the Shanghai Institute of International Studies, Center for Asian Studies (Hong Kong University), Guest Faculty at Stockholm International Peace Research Institute (Sweden), and Research Fellow at the Institute for Defence Studies and Analysis (New Delhi).

Dr. Singh is currently President (2005-2010) of the Association of Asia Scholars (AAS, New Delhi) for South Asia chapter. He lectures regularly at several military and academic institutions in India and abroad and has traveled to and written extensively on China and Southeast Asia with special interest in perspectives on India’s interests, equations and priorities. Dr. Singh has authored *China-South Asia: Issues, Equations, Policies* (2003), *China-India Economic Engagement: Building Mutual Confidence* (2005) and co-authored *Regionalism and South Asian Diplomacy* (2007), last one published by the Stockholm International Peace Research Institute (SIPRI), Stockholm, Sweden. He is currently working on a full-length study on India’s ties with GMS.

For your comments and clarifications the author can be reached at ssingh@mail.jnu.ac.in
Acknowledgements

This study was originally conceived as the Indian contribution to a larger project on the Greater Mekong Sub-region (GMS) lead and coordinated by Bangkok-based Institut de Recherche sur l’Asie de Sud-Est Contemporaine (IRASEC). I have, accordingly, greatly benefited from my association with several scholars who are part of this endeavor and this has since opened new perspectives in my own understanding about India’s interests in and equations with these countries. Having completed my first paper on the subject, I sincerely wish to acknowledge contributions of several of these friends, colleagues and experts in the field.

First and foremost, I express my thanks Dr. Guy Faure, Director of IRASEC at Bangkok (Thailand) for grooming my interest in GMS and, despite his hectic life, constantly encouraging my work on this Occasional Paper and making it possible in its current shape and size. I also wish to express my thanks to other friends at IRASEC, in particular, Dr. Arnaud Leveau (Deputy Director) and Lionel Simeon (Researcher), whose support has greatly facilitated my work on GMS.

In Bangkok, I wish to express my deep appreciation for the contributions made by Dr. Ukrist Pathmanand, Associate Director, Institute of Asian Studies (IAS), Chulalongkorn University (Bangkok, Thailand) for organizing a half-day conference around my initial presentation on this subject and to Dr. Rosalia Sciortino, Associate Professor, Mahidol University (Bangkok, Thailand) for being my Lead Discussant at that conference and for going through this manuscript later. Thanks also to Kanokphan Usha and Adison Semyaem of IAS and to my dear friend from the family of Asia Fellows, Dr. Thanyathip Siripana, (currently with IAS) for her suggestions, clarifications and for her help in organizing some important meetings.
In Ha Noi, I thank Dr. Le Bo Linh, Director, and Dr. Tran Cao Thanh, Director of the Mekong Program, at the Institute of Southeast Asian Studies, and Prof. Mai Ngoc Chu, Dean (Faculty of Oriental Studies), Prof. Dinh Trung Kien, Dean (Faculty of Tourism Studies), Dr. Nguyen Van Chinh, Vice-Director (Center for Asian-Pacific Studies), Ms. Do Thu Ha (College of Social Sciences and Humanities) of the Viet Nam National University, for facilitating my lectures and discussions with their faculty, students, and other outside experts and for keeping academic interest and focus on India alive.

In Ho Chi Minh City, I thank Mr. Le Thai Thoung Quan, Head of the Office of Cooperation and Research Management, and Ms. Phan Thi Hong Xuan, Vice Dean of Faculty of Southeast Asian Studies Ho Chi Minh City Open University, and to Dr. Hoang Van Viet Dean of the Faculty of Oriental Studies, Dr. Phan Thu Hien, Vice Dean of the Department of Cultural Studies, and Ms. Le Thi Hang Nga, Faculty of Oriental Studies University of Social Sciences and Humanities, for organizing my lectures and interactions with teachers and students of their respective institutions and for exposing me to their teaching and research activities.

In Phnom Penh (Cambodia) I thank Dr. Ban Thero, Vice Chancellor, Cambodian Mekong University, Dr. Chap Sotharith, Director, and Ms. Neth Chantha, Deputy Director, Cambodian Institute for Cooperation and Peace (CICP), for organizing my lectures and discussions with their experts, teachers and students. Thanks also to Mr. Neb Sinthay, Director, Advocacy and Policy Program, PACT Cambodia, Mr. Vichea of the Cambodian Ministry of Education and other experts like Dr. Chamnan Chhoun, Sam Sideth, Suon Bun Rith for their ideas, friendship and hospitality.

Interacting with these friends has been revealing and lesson in modesty which will go a long way in improving my own approach and understanding on intellectual issues. In the end, I remain responsible for all mistakes and omissions that may still remain in what follows as my first paper on Mekong-Ganga cooperation initiative.

Bangkok/2nd July 2007

Swaran Singh
Chapter One
The New Context

As part of post-cold war reconstruction of the world, US-led global financial institutions had swung into action seeking structural adjustments and economic reforms in planned economies of yesteryear. This was projected as the potent strategy to promote private sector led public development, especially in the least developed and developing countries. It was in this new context that, in year 1992, the Asian Development Bank (ADB) launched an Economic Cooperation Program for what is described as the Greater Mekong Sub-region (GMS). The official history though believes that this was the result of ASEAN efforts that had resulted in putting together a Mekong Working Group (MWG) which eventually created a Greater Mekong Sub-region forum in 1992 that launched the ECP.

* Located around the 4,800-km-long Mekong River system of Southeast Asia, the Greater Mekong Sub-region (GMS) consists of five riparian nations – Cambodia, Lao People’s Democratic Republic, Myanmar, Thailand, Viet Nam, and the Yunnan province of the People’s Republic of China as its sixth member. This sub-region, spread over 2.6 million square kilometers, is rich in natural flora and fauna that has expanded northwards along the Malay Peninsula encroached up by high mountains from Himalayas and broad river valleys and dry deciduous forests so similar to India. Like India, this region also has rich natural resources as also rich cultures and civilizations.

† The GMS-ECP seeks to draw these six watershed countries together in the pursuit of sustainable development through economic and infrastructural integration and cooperation, promoted by multilateral and bilateral donors and other private lending institutions. In terms of its organization GMS-ECP works through consultations and dialogue through triennial Summits and annual Ministerial Meetings of GMS countries. In terms of its scope, it covers projects both in building ‘hard’ infrastructure like transport, energy, agriculture, environment, air links, and telecommunication as also ‘soft’ infrastructure like human resource development through training and education as also tourism, investment and economic reforms and so on.
Launched formally by the GMS countries, the GMS-ECP presented itself as an ADB ‘supported’ and ‘facilitated’ high-profile program of five riparian states of the Mekong River and Yunnan province of China. This was presented as one most powerful vehicle for promoting social and economic development projects heralding a new era in the Mekong river basin. In year 1995, the long-dormant Mekong River Committee – a well-known international forum for development of the Indo-China region that was set up in 1957 but had become dysfunctional over years – was revived as the new Mekong River Commission that was set up through an agreement of the aforementioned Mekong Working Group. Member states were to soon set up their own national level Mekong River commissions to coordinate their active participation and policies at the multilateral level.

This new economic momentum was soon followed by a historic political transformation: four of these riparian GMS countries were to become members of the Association of South East Asian Nations (ASEAN) during second half of the 1990s. All this was not only to boost their self-confidence but also revive the strategic interests of all the major players like Australia, China, Japan, India, Russia and the US. All these external State and non-State stakeholders were to be seen jostling for influence and access in this region. And, this time round, the method was not the one of selling weapons and promoting insurgencies (as had been the case earlier) but by engaging in partnership with this rapidly developing Mekong river basin. Even the ADB – which is seen as the guided force behind the GMS – has been suspected for ulterior motives in promoting this ‘regional market economy’ framework.

On the negative side, the East Asian financial crises of 1996-1999 were to briefly dent this newfound enthusiasm amongst the GMS and delay these initiatives by several years. Secondly, this episode had also resulted in shifting the lead from the US and financial institutions to the People’s Republic of China. China, for some reason, survived unscathed from these financial crises and was first to come to rescue of these neighboring countries, especially the worst affected Kingdom of Thailand. This was to make China far more acceptable amongst GMS countries. Thirdly, this episode had briefly revived the continued
problems of divisive politics in most countries of the GMS thereby increasing their inclination to engage Beijing. However, the region has ushered in several new experiments in seeking rapid industrialization and modernization and, despite these hiccups these last two decades have witnessed a kind of a transformation in their economies, politics as well as in the lifestyle of the GMS.

It is this new era of socio-political and economic dynamism in the GMS – and the promise and potential of its people that has completely transformed the matrix of both intra- and inter-regional interactions. And, it is this backdrop that has created strong new motivations and opportunities for the GMS and its external stakeholders and resulted in evolving a range of multi sectoral and functional cooperation. It is in this new context that India’s engagement with the GMS seeks to create a niche for a lasting and positive relationship of mutual benefit, trust and cooperation.

1 - From Battlefield to Marketplace

The transformation in the GMS has though not been an exclusively externally driven experiment. This has had its own share of local wisdom, contributions and acceptance. It was in the late 1980s that then Thailand Prime Minister, Chatichai Choonhavan, had advocated turning Indochina “from a battlefield to a marketplace”. This was later reinforced by the World Bank and ADB deliberations with officials and experts from this region. The driving objective was to knit this region into one and to generate a sense of cohesion and interdependence for their rapid and sustainable development. It is in this framework, that their deliberations had come to underline buzzwords like reductions in tariffs and non-tariff barriers, foreign direct investment and free trade areas and so on. In operational terms, the focus came to be on building physical and social infrastructure to enhance cooperation, connectivity and mutual goodwill amongst their people. The cornerstone of this new

\* As a result of this divisive politics, most of their rich resources remain under-exploited and people of this region inextricably linked with their traditional subsistence level of occupations for their livelihood which keeps them weak and vulnerable to influence by bigger powers.
framework were to be three highways: (a) East-West Economic Corridor, (b) North-South Economic Corridor, and (c) Southern Economic Corridor (see map p. 52) And many more transport and communications and other development projects were to be added to it later.

The first and foremost was the northern East-West Economic Corridor project that was conceived comprising of highways and bridges across the Mekong. This East-West corridor was to link Mukdahan in northern Thailand and the South China Sea port of Da Nang in central Vietnam. The highway was expected to be ready by year 2006 and it has been completed on time. It is now being extended to the west to Mawlamyine in southern Myanmar. Meanwhile, a second East-West highway i.e. the ‘Southern Economic Corridor’ had also been conceived and work is currently ongoing to build this road link connecting Bangkok, Phnom Penh and Ho Chi Minh City. Both projects were originally expected to be completed by year 2006 but this second one has been delayed in parts in Cambodia. The third highway i.e. the China-led ‘North-South Economic Corridor has also been under discussion for long time. Indeed, the road has been completed except for one bridge across the Mekong (in Houayxay). This was finally approved at the 14th GMS Ministerial Meeting in Manila on 21st June 2007 and this road is expected to be up and running by 2011.

These nearly two decades full of zest for transformation have seen the GMS countries moving towards a more diversified and trade-driven development. The region has, for example, witnessed a noticeable rise in mutual economic engagement and its engagement with the rest of the world. Total exports of the GMS quadrupled from USD37 billion in 1992 to USD182 billion in 2006. Similarly, the annual foreign direct investment (FDI) inflows rose from USD3 billion to USD7 billion during this period. The annual tourist arrivals more than doubled from USD10 million in 1995 to over USD22 million in 2006. Even their intra-regional exports rose from USD1 billion to about USD12 billion during 1992-2002. The share of their inter-regional trade within GMS (as part of their booming total foreign trade) nearly doubled from 2.4 per cent at the beginning of reforms and opening up in 1990 to 4.54 per cent at the end of the East Asian financial crisis in year 2000. These statistical citations can be
exhaustive and reflect but only part of the nature and magnitude of transformation which has had multiple triggers and motivations that underwrite these windfalls in the GMS.

Firstly, the region has especially benefited from the FDI provided by the Peoples’ Republic of China which has since emerged as a major player in GMS. Indeed, China is sometimes seen as pushing too hard. Secondly, Thailand has been the other major player that has become increasingly significant regional source of capital and it has already become the largest trading centre in the GMS. Thirdly, the sub-regional level engagement has also witnessed a boost in almost all important sectors that include cross-border trade, investment, labor mobility, energy planning, and also cooperation in the field of environment protection and promotion of tourism. All this alludes to the fact that their dependence on external world remains as yet limited and that they remain relatively safe from suffering any sudden bubble burst or from any other pitfall like the East Asian financial crisis of the late 1990’s.

Much of the change remains as yet triggered by intra-regional initiatives. However, this pace of various intra- and extra-regional and other multilateral trade partners and FDI inflows – juxtaposed with their domestic reforms – have accelerated the pulling down of various tariff and non-tariff trade barriers amongst GMS countries making it possible to visualize free trade regime in this region. Initiated in 1992, at the fourth ASEAN Summit in Singapore, the ASEAN Free Trade Area (AFTA) has provided an impetus to these processes about gradually reducing their intra-regional tariffs in GMS. The AFTA has also facilitated intra-regional mobility of goods by embarking on activities including efforts to eliminate non-tariff barriers like quantitative restrictions, as also assisting in harmonizing customs nomenclature, valuation, and procedures, and to develop common product certification standards, known as “AFTA plus” measures. But relatively developed ASEAN members have also been sensitive to the special needs of the GMS members and have, for instance, deferred deadlines for their lowering of tariffs and other non-tariff barriers as part of ASEAN Free Trade Area initiative. All this has opened doors for their political integration with the larger region and beyond.
2 - Integration of GMS into ASEAN

Since its establishment in 1967, the original members of ASEAN had hoped to unite the entire region – including Indo-China – under its auspices. Though Brunei was inducted in 1984, it was the end of Cold War that was to trigger the final enlargement of ASEAN with Viet Nam joining in 1995, Laos PDR and Myanmar in 1997 and Cambodia in 1999. The absence of any specific political or economic conditions for admissions was to greatly facilitate new candidates in becoming integral part of ASEAN. But this was not how the story of ASEAN had begun. To begin with, North Viet Nam used to describe ASEAN a political fraud and part of American policy of containment of communism in Asia. Even after its formal unification in July 1976, Viet Nam had refused the repeated invitations to attend ASEAN meetings.

Staring form 1990s, however, correcting this so-called Cold War ‘ASEAN divide’ was to become a high priority for ASEAN as it accelerated its economic integration with an ultimate goal of create fully integrated ‘ASEAN Economic Community’ by 2020. Apart from Cold War politics of yesteryear, this political segregation had also been circumscribed by huge gap in their respective prosperity levels. Per capita income in Myanmar, for example, has generally been less than one hundredth of that of Singapore. Secondly, ASEAN had to deal with this new post-Cold War reality where it is no longer the same as it was before the induction of CLMV and this has transformed the very character and agenda of ASEAN.

Besides, external powers, like the United States, Japan and China – with their assistance in the development of the poorer ASEAN nations – were using their aid and trade linkages as a channel to strengthen ties with the entire GMS.

What is interesting is that some of these powers had begun jockeying for leadership role in this cumbersome task of Economic Community building in East Asia. For instance, China was initially trying to hold the first meeting of the East Asian Summit in Beijing and is believed to be the force behind the exclusion of the United States from this forum. This had really alerted Asean leaders. ASEAN may not, even put together, have the economic prowess of big countries (like the
United States, China or Japan), yet they wield strong voice in asian affairs and can play one of these external powers against the other. But ASEAN has had its own share of difficulties and limitations which often complicate their policy options. During 1997-1998, for instance, the onset of financial crisis hit Thailand – which had been the main proponent and beneficiary of Mekong basin’s development – and then it spread to rest of the East Asia slowing down this momentum and delaying these GMS related initiatives by several years.

This enthusiasm was revived in November 2000, as was seen in the launching of the ASEAN Integration Initiative (IAI). This was evolved in view of new challenges emerging from the integration of Indo-China and Myanmar into ASEAN. This has though only further contributed to the revival of the focus on Cambodia-Laos-Myanmar-Viet Nam (or CLMV countries). Most external stakeholders, for instance, have since projected their proposals as meant to strengthen the IAI. But often promises have not been followed by substantial commitment. As first initiative towards this social and economic integration of GMS into ASEAN, e.g. ASEAN’s Fund for Mekong Basin Development, was initiated in 1996. But it remains quite ineffective as yet. It is also interesting to note that China and Myanmar were not invited to become part of this Fund though this was not only why it did not become very effective and why its remits remain limited so far.

More than mobilizing, it is coordinating and utilizing financial resources that remains the main requirement of the development of the GMS, to make it reach the level where it comes closer to the general ASEAN indices of human development. The ADB estimated that the GMS projects will require USD40 billion in next 25 years. Of this amount, about USD20 billion is expected to come from private sector funding. Accordingly, development in GMS has since moved away from its traditional reliance on donor funds and embarked on aggressive strategies to mobilize private sector capital.12 Meanwhile, private lending agencies especially those working with the Asian Development Bank and the Mekong River Commission (MRC) had emerged as dominant players.13 This has witnessed international financial institutions again getting interested and taking initiatives in lending and project evolution.
It is in this new context that stakeholders like India have also accelerated the pace of their engagement with the GMS countries providing both financial and technical assistance and building closer political cooperation.
Chapter Two
India’s Contacts with GMS

The regional and sub-regional cooperation today is no longer confined to geographical parameters. The United States, for instance, remains an integral member of several Southeast Asian forums. But when it comes to India’s engagement with what is now called the GMS, their geographical linkages and therefore cultural homogeneity is not a mere construction of their political perceptions. It has been established without doubt that India and GMS share long geological history, the unfolding youngest mountain ranges and the same monsoon rhythm which has resulted in shared needs, values, rituals and cultures.14

The political distortion of this historical reality was to intervene only from the fact that India and Indochina were to be colonized by separate (British and French) powers and this was to result in their political segregation, undermining their continuum of cultures and interdependence of their communities since ancient times. The British, for instance, were to enforce their boundaries between Burma and Siam based on their security and economic (timber) interests.15 But such acts were to only further facilitate contacts between the liberation movements amongst these colonized people keeping their bonds alive. What remains of critical significance today is that this historical experience makes both Indian and Indochinese people extremely comfortable with each other and this remains the starting as well as central point of India’s current engagement with the GMS countries.

1 - Shared Experience, Common Values

The contemporary phase of this long story of India’s contacts with the GMS countries begins from India’s freedom movement which had
triggered the beginning of the end of European colonialism in this part of Asia. Leaders of de-colonization movements – like Gandhi or Ho Chi Minh – were not just fighting for the national liberation but liberation of Asian people. This was to make India appear as if spearheading a larger de-colonization and development pursuit for this larger region. Indeed, contacts and correspondence of Indian leaders with some of Indochina leaders go back to the 1920’s. Much before India became a formally independent country, Ho Chi Minh (in Vietnam) had dispatched an emissary to the Indian capital to seek assistance against the French and Sukarno had appealed to Nehru for help against the British occupation in Indonesia.16

Though contacts between India and Indochina* had not been far too many compared to, say, those with some other countries like Indonesia or Myanmar yet, in 1928, Doung Van Gieu (a Viet Namese nationalist) had been invited by Jawaharlal Nehru of the Indian National Congress (INC) to their party’s historic annual session in Calcutta.17 Similarly, four months before India’s independence in August 1947, India had convened an Asian Relations Conference in New Delhi in April 1947. This was attended by nationalists from 25 Asian nations to explore avenues for further cooperation including their freedom struggle. Amongst others, this was attended by a special representative of Dr. Ho Chi Minh in Viet Nam.

After the New Delhi Asian Relations Conference and before India’s independence (i.e. between April and August 1947), the Government of India, headed by Jawaharlal Nehru, had already imposed restrictions on over-flights of aircraft carrying arms and ammunition for use by the colonial masters against the freedom fighters in Indochina. This policy may have had some contribution in ensuring the historic French reversals in Dien Bien Phu which were to lead to the Geneva Conference.

---

* This traditional expression called Indochina was used to describe this region of people around the Mekong River. This has often been described by various names as Suvanna Phumi, Swarnabhoomi, Mekong basin, or sometimes merged into the larger reality of Southeast Asia. From the early 1990, ADB has tried to evolve this category of Greater Mekong Sub-region (GMS) as important multilateral regional framework for sustainable development of these countries.
of 1954. For sure, the international community recognized India’s role and this was to herald another phase in India’s relations with Indochina. India was not only invited to the Geneva negotiations but, given its vigorous role, it was entrusted with (along with Canada and Poland) the responsibility to oversee implementation of Geneva Agreement. As indicator of their bilateral ties and to give boost to their inter-State cooperation, Indian Prime Minister Jawaharlal Nehru had visited Vietnam during 1954 and President Ho Chi Minh had reciprocated with a visit to India in 1958.

From that perspective, India’s engagement with Indochina had flourished much before its engagement with ASEAN or even before the creation of ASEAN in 1967. To recall, India was one of the several countries to extend economic and technical assistance to the Lower Mekong Project under the aegis of the Mekong Committee (1957) comprising of the four riparian counties, namely, Cambodia, Laos, South Vietnam and Thailand. These pioneering experiments at developing Mekong region were to be described as a model in multilateralism and sub-regional cooperation and as “Marshall Plan for Mekong”. The Mekong Basin Project, as also India’s ties with Indochina, were to soon fall prey to Cold War dynamics. Especially for India, the Afro-Asian Conference of Bandung (Indonesia) was to mark the peak of India’s engagement with this region. Later, India’s war with China (1962) followed by death of India’s Prime Minister Jawaharlal Nehru and China’s atomic test (both in 1964) were to shrink India’s foreign policy interests for the next three decades, if not more.

2 - India’s ‘Look East’ Policy Redefined

It was only from the early 1990’s that India’s economic reforms were to trigger its well-known ‘Look-East’ policy and this was to revive India’s interest in Indo-China. This was also to lead to India reformulating its worldview on various economic and political issues as also about its strategic space that was now defined as Southern Asia, including the GMS. Similarly, opening up and reforms of GMS and induction of these countries into ASEAN during the later half of the 1990’s was to create necessary atmospherics for the India-GMS
rapprochement that had once so flourished during the 1950’s. The success of India’s Look East policy with the original six of ASEAN, and the appreciation amongst those original six of ASEAN that Indochina required special attention for economic and social development, was to greatly facilitate India’s engagement with GMS. Indeed, India was to define its niche vis-à-vis GMS from the perspective of (a) being a partner in Integration of ASEAN Initiative (IAI) of year 2000, and (b) on the basis of India’s historical and cultural links with the GMS people. This was to greatly facilitate India’s engagement with GMS and this second phase of their rapprochement was to include several new fields like resource management, technology and science, trade and commerce and also the education and health sectors.

India’s larger ‘Look East’ policy had been an attempt to diversify India’s diplomacy as well as realize its new post-liberalization economic engagement with its ‘extended neighborhood’ in Southeast Asia. So, in its first phase during the early 1990’s, this had remained focused on six, richer members of ASEAN and initiatives primarily in building economic engagement. Induction of four GMS countries into ASEAN was to transform focus for both ASEAN and India. Starting from the mid-1990’s, this has witnessed India accelerating pace of its cooperation in a tailor-made fashion with Singapore, Myanmar, Viet Nam, Cambodia with over all China-India rapprochement providing the positive atmospherics. Amongst the GMS countries, Thailand was the first to take a major lead towards building a comprehensive economic and security partnership with India. As a result, India-Thailand trade has not only increased from USD1.1 billion to USD3.4 billion during 2001-2006 but India’s total share in Thailand’s foreign trade has also increased from 0.85 per cent to 1.06 percent during this period.

In January 2007, for instance, India’s Minister of State in the Ministry of External Affairs, E. Ahmad, was to describe Mekong-Ganga Cooperation Initiative (MGCI) as pillar of India’s Look East policy and the one which especially facilitated a ‘strategic shift’ in India’s vision of the world which he called, “from engaging in trade to engaging India’s civilizational neighbors.” According to strategic analysts in India, the GMS states also see India as a source of assurance especially in balancing
their neighboring giant, China. In the 1990’s, therefore, duly encouraged by some ASEAN countries, India’s overall military cooperation has also heralded a new chapter of joint exercises and cooperation with the naval/air forces of ASEAN, including Thailand and Viet Nam from the GMS. This process was to begin much before the MGCI and, in 1995, naval diplomatic initiative near the Andamans had involved navies of Bangladesh, Sri Lanka, Indonesia, Malaysia, Singapore and Thailand and the exercises included symbolic search and rescue operations at sea and exploring inter-operability.

Indeed, regionalism and rise of China [as also India] have been the two new trends in Asia which have been both appreciated and endorsed by GMS deliberations that describe these trends presenting both challenge and new opportunities for the GMS. Recognizing India as emerging “economic powerhouse in Asia”, ASEAN has already signed, in 2003, a framework agreement for ASEAN-India Regional Trade and Investment Area which includes an FTA in goods, services and investments. This is envisioned to become operational by 2011 for a subset of ASEAN countries and, by 2016 for all ASEAN countries including GMS. This has its reflection in India’s bilateral relations with GMS countries and the response from GMS has been equally encouraging.

In October 2003, for instance, India and Thailand signed a Framework Agreement for Establishing Free Trade Area between Republic of India and the Kingdom of Thailand that seeks to “expeditiously negotiate for establishing an India-Thailand FTA” including exchange of already outlined tariff concessions in as many as 84 items including goods, services and investments for a period of 10 years. All this has not only reassured both sides but also expanded and strengthened India’s economic and security linkages with the GMS countries. And, the main set of India’s initiatives vis-à-vis GMS have been bracketed together and were launched in November 2000 under the rubric of Mekong-Ganga Swarnabhoomi Cooperation Initiative. For a matter of convenience, the world Swarnabhoomi was soon removed from it and it has since come to be known as the Mekong-Ganga Cooperation Initiative or the MGCI.
And since then MGCI remains the central pillar of India’s engagement with the GMS.
Chapter Three
MGCI: Genesis and Evolution

The Mekong-Ganga Swarnabhoomi programme is a cooperation initiative by India and five riparian counties of the Mekong River, namely, Cambodia, Lao PDR, Myanmar, Thailand and Viet Nam. The MGCI was formally launched on 10th November 2000 in the Laotian capital of Vientiane. This was the result of India’s multifaceted interactions and engagement with GMS and it seeks to focus on building cooperation in sectors of tourism, culture, educational contacts and transport and communications between India and these five GMS countries. The decision to launch this initiative was taken by these six foreign ministers at their meeting held on the margins of the 33rd ASEAN Post-Ministerial Conference in July 2000 in Bangkok.

The project particularly seeks to stress on the ‘natural connectivity’ of India based on cultural and civilizational similarities. In operational terms, therefore, the project is an attempt to enhance cooperation in the fields of transport and infrastructure sector, including roads and railways as well as greater cooperation in science/technology and human resource management. As its backdrop, these five riparian countries of Mekong had already been working together amongst themselves on these issue areas. They had already conceived of similar ideas and launched a similar programme called “Suwanna Phum” – the older Indochina expression for Swarnabhoomi. This was aimed at promoting cultural tourism by joining hands and pooling resources to re-enforce advantages of physical proximity, common heritage and Buddhist links. Also, much of this formulation as also engagement with India had been the result of efforts of Thai leaders.
Even for India’s MGCI, it was Thai foreign minister, Dr. S. Pitsuwan, who had apprised Indian leaders about this programme and asked India to endorse this idea at the coming Post-Ministerial Conference of July 2000 when the decision of India’s inclusion was taken in Bangkok. Even the name of Mekong-Ganga Swarnabhoomi was reportedly suggested by Thailand and accepted by India. More recent years though have seen Vietnam also emerging as another major partner of India and their ties have been bourgeoning rapidly, especially as Thailand has been held back by its internal political upheavals since the September 2006 military coup. But Indo-Thai relations still remain strong and after Prime Minister Thaksin’s visit in November 2001, the prime minister of Thailand, General Surayud was again in India during 25-28th June 2007. This expanding bilateral bonhomie has greatly enhanced India’s participation in MGCI-like multilateral forums in the region.

1 - Vientiane Declaration

To focus precisely on the MGCI genesis and evolution, this initiative was launched during the inaugural formal MGCI Ministerial Meeting that was held in Vientiane (Lao PDR) on 10th November 2000. This MGCI Ministerial Meeting concluded with ‘the Vientiane Declaration.’ Underlining their common heritage and desire to enhance friendship the Declaration outlined MGCI objectives in four specific sectors of (a) Tourism, (b) Culture, (c) Education and (d) Transport and Communications. In specific, it talked of launching the Mekong-Ganga Tourism Investment Guide, promoting famous cultural, religious and eco-tourism sites, preserving old manuscripts, heritage sites and artifacts, providing scholarships and translating classics and developing road, rail and air links all, (a) in tandem with other multilateral initiatives like Trans-Asian Highways and (b) aimed at strengthening the inter- and intra-regional linkages amongst people.

The Vientiane Declaration, adopted at their first formal Ministerial Meeting in Laos PDR in November 2000, had committed the member countries to develop transport networks – in particular the ‘East-West Corridor’ and the ‘trans-Asian Highway’ – under the listed sectors of transport and communications. It also committed the member states to
strengthening of their cooperation in the development of Information Technology (IT) infrastructure in which India has strong credentials to contribute to the IT development in the GMS. For India, this policy initiative outline was in time with India’s policy objectives of reviving India’s historic linkages and engagement with this largest river basin of Asia and to strengthen link between these two river basin civilizations especially for purposes of knitting their people together through education and transport and communication as locomotives for building mutual goodwill as the basis for seeking common development rather than the other way round.

What was particularly unique about the Vientiane Declaration was its emphasis on promoting joint research in the other fields like dance, music and theatrical forms and organize round-tables for journalists, writers and experts in literature, performing arts, women's empowerment, health and nutrition and the conservation, preservation and protection of heritage sites and artifacts. Tourism is another field where the Declaration expected the MGCI to conduct preliminary strategic studies for joint marketing, launch the Mekong-Ganga Tourism Investment Guide, facilitate the travel of people in the region, expand multi-modal communication and transportation links to enhance travel and tourism and promote cultural-religious package tours. The MGCI consented to encourage the establishment of networking and twinning arrangements among universities in the region, translate classics of MGC countries into other MGCI languages and assured the participation in book fairs in member countries on a commercial basis.

Indeed, the Concept Paper prepared by their Senior Officials in their meeting during 8-9th November 2000, was approved by the six ministers, said the cooperation arrangement, primarily aimed at increasing tourism, will also serve as “building blocks” for other areas of mutual benefit. The MGCI’s objective was to announce to the international community its “political willingness and aspirations aimed at strengthening our traditional bonds of friendship.” The concept paper made it clear that Ministerial Meetings would be led by Foreign Ministers and would take place back-to-back with the Asean Ministerial meeting (AMM)/Post Ministerial conference (PMC) held annually in
July of each year. As part of these initiatives the Experts Working Group meetings on tourism, transport & communication, human resource development, and culture were convened as follows: tourism in Bangkok on 29th May 2001, transport & communication in Vientiane on 7-8th June 2001, human resource development in New Delhi in 11-12th June 2001, culture in Phnom Penh on 29th June 2001. All of these evolved their ‘Programme of Action’ to be presented the next MGCI Ministerial Meeting that was held in Ha Noi on 28th July 2001.

2 - Ha Noi Programme of Action

The Second MGC Ministerial Meeting of the MGC countries was held in Ha Noi and it drew and adopted the “Ha Noi Programme of Action” affirming their commitment to cooperate in four sectors that had been earmarked by the Vientiane Declaration as priority areas for cooperation. The “Ha Noi Programme of Action” was the most extensive report (24 pages including four annexes) and to have 6 years of timeframe from July 2001 to July 2007 and the progress of its implementation was to be reviewed every two years.37 Amongst others, it highlighted the need for coordination and transparency and it underlined need for using IT technologies and know-how for education and training and also for making websites to share information and for efficient and effective planning. It also emphasized the need for developing projects involving more than one MGCI member countries but not necessarily all of them.

Despite these ambitious and comprehensive deliberations, six weeks from there, terrorist struck the United States on 11th September 2001. This changed national priorities for several countries and the next MGCI Ministerial Meeting was not to be held within the next 24 months i.e. till June 2003. Meanwhile for India, 9/11 had resulted in the United States launching war in Afghanistan (2001) and in Iraq (2003) and India also suffered a terrorist attack on its Parliament on 13th December 2001. This was to result in India responding with Operation Parakaram that witnessed mobilization and forward deployment of 500,000 Indian troops for over eight months on India-Pakistan borders. However, the GMS countries managed to have their First Summit on 3rd November
2002 in Phnom Penh (Cambodia) and amongst its other deliberations it managed to endorse the Strategic Framework which grouped together 11 flagship priority projects. These directions were on same lines as MGCI priorities and therefore were to strengthen the atmospherics for Indian’s engagement with these countries. Nevertheless, this brief interlude did experience a slowdown in MGCI spirit.

3 - Phnom Penh Road Map

The Third Ministerial Meeting of the MGCI countries, chaired by Myanmar, was held in Phnom Penh (Cambodia), on 20th June 2003. The member-States reviewed the progress of Ha Noi Programme of Action and “noted that the progress was slow and much remain to be done to translate idea to be reality.” The Ministers, however, supported the trilateral road linkages among India-Myanmar-Thailand linking Tamu (India) and Thaton (Thailand). And finally, Ministers agreed to strengthen their institutional network and expressed their agreement to give leading role to chairing country, designate focal points for member states, and fix schedule for meetings. In that spirit, they decided to fix their fourth Ministerial Meeting in New Delhi under the Chairmanship of Thailand in 2004 while Bangkok was to host a Senior Officials Meeting before the next Ministerial Meeting.

The next Ministerial Meeting, at one stage, seemed to have been postponed indefinitely. However, this was also the period that was to see India becoming proactive in expanding network of its cooperation to specific ground-level activities. It was also at the Third Ministerial Meeting that India offered to provide USD100,000 for the MGCI Fund, and, in addition, offered to provide USD1 million as grant for the establishment of a museum of traditional textiles in Siem Reap (Cambodia). This was an offer that had been made, in principle, by Indian Prime Minister during the first India-ASEAN Summit on 3rd

* The Tamu-Kalewa road had been inaugurated by India’s External Affairs Minister, Jaswant Singh, on 13th February 2001. This had generated enthusiasm for further infrastructure building and was to later develop into concrete plans for a multiple transport links between Tamu (India) and Thaton (Thailand) connecting India to the larger rail and road grid in Greater Mekong Sub-region.
November 2002. India also offered additional one-hundred scholarships and to host a meeting of Tourism Ministers in New Delhi in 2004 and all these were appreciated and formally accepted by the MGCI countries.

In the end, this meeting adopted the “Phnom Penh Road Map for Cooperation” urging member countries to accelerate the pace of MGCI activities and projects. Amongst others, the Road Map was to reiterate some of the ongoing suggestions like convening a meeting of Tourism Ministers in New Delhi in 2004, participating as MGCI in the 2004 ASEAN Tourism Forum (ATF) to be held at Vientiane, holding cultural festival of Indian and Cambodian musicians and dancers in Siam Reap. It also urged for initiation of the feasibility study for a rail link from New Delhi to Ha Noi. Of particular importance were two new innovations: (a) heralding a new cooperation in pharmaceutical sector, calling for developing affordable medicine for tropical diseases and harmonization of drug standards, and (b) suggesting innovative strategies for organizing funding for projects through 2+1 formula (where two MGCI countries could cooperate with an external donor), encouraging private business participation and by working in conformity with 64 projects of the Initiative of ASEAN Integration Work Plan.

The Fourth MGCI Ministerial Meeting was delayed by about three and a half years. Meanwhile, there was change of government from Bhartiya Janata Party-led National Democratic Alliance to Indian National Congress-led United Progressive Alliance. Apart from a brief interlude it did not upset the schedule of agreed ground level activities planned under the Phnom Penh Road Map for Cooperation. In 2004, India also launched a parallel semi-official sub-program in Ganga-Mekong relationship under the rubric of “South-South Economic Cooperation” which sought to promote cross-fertilization of experience and encourage trade and investments between India and three Indochina countries, namely, Cambodia, Laos, Viet Nam. This was somewhat on similar lines as was the ACMECS initiative of Thai Prime Minister Thaksin Shinwatra which had kept both China and Viet Nam out of it in order to ensure Thai leadership in this programme.

The Launch Meeting of officials and experts in this ‘South-South Economic Cooperation’ format took place in New Delhi on 8th October 2004 and was hosted by non-governmental agencies like Research and
Information Systems for Non-aligned and other Developing Countries (RIS), Consumer Trust and Unity Society (CUTS), and the Confederation of Indian Industries (CII). Indian side offered to start entrepreneurship-training centers in these three countries (Cambodia, Laos, Viet Nam), and to enhance transport links especially to support their integration into ASEAN. As part of the Phnom Penh Road Map, India also hosted a two-week Health Care Financing workshop for GMS countries officials and experts held at Hyderabad (India) during 26th January-6th February, 2004. Similarly, a two-week programme on E-Governance was also organized for the middle level officials and senior technical staff from the GMS countries at the Administrative Staff College of India at Hyderabad during 6-17th July 2004. This was designed to focus on concepts of good-governance, e-governance, and the role of information, communication and technology (ICT) in development management.41

4 - New Delhi Ministerial Meeting

In the absence of Fourth Ministerial Meeting taking place in 2004 or 2005, the next annual MGC Senior Officials Meeting was held in New Delhi on 25th May 2005. This was chaired by Thailand and was convened to review the implementation of MGC projects and activities, and prepare for the 4th MGCI Ministerial Meeting to be held in India in 2006. Meanwhile, China seems to have made major strides in building closer cooperation with these five riparian states of Mekong. The GMS held its Second Summit meeting in Kunming during 4-5th July 2005 where it renewed its commitment to the Strategic Action Framework for GMS Trade and Investment, the Strategic Action Plan for the GMS Biological Diversity Protection Corridor, signed GMS Agreement on the Facilitation of Transnational Passenger and Cargo Transportation and urged to accelerate implementation of several other agreements and negotiations. The meeting adopted the ‘Kunming Declaration’ and decided that the Third GMS Summit will be help in Laos in 2008.42 Other highlights of this Summit included their dialogue with GMS business leaders, report on East-West Economic Corridor, Cross-Border Transport Agreement and many other agreements.43
AS regards India, following closely to the Second GMS Summit meeting in Kunming, the second two-week GMS programme on E-Governance was hosted during 11-22nd July 2005 at the Administrative Staff College (ASC) in Hyderabad, India. On 9-10th November 2005, New Delhi hosted the 120-members strong meeting of the Mekong Development Forum (MDF). This was attended by high-level representatives of GMS Governments and GMS Chambers of Commerce and Industry as also other senior executives of 60-80 large private companies. All this was an indicator of continued momentum for cooperation. A week later India hosted a Technology Summit for ASEAN which included GMS participants.

The year 2006 was to begin with India hosting in Delhi the Sustainable Development Summit on 2nd February 2006. Amongst others, this was attended by the Mekong Department’s Director General, Asian Development Bank, Manila. In 2006, India had also set up Entrepreneurship Development Centers in Cambodia and Viet Nam, begun providing training to ASEAN diplomats at India’s Foreign Service Institute with first session being organized in August-September 2006. The long-awaited Fourth MGCI Ministerial Meeting was held in New Delhi on 12th October 2006. Indian foreign minister, Pranab Mukherjee reiterated India’s commitment to strengthen India’s cultural and commercial ties with GMS countries.

At this 2006 summit, the MGCI Ministers thanked India for its assistance in flagship projects of the IAI and for extending 10 scholarships to each of the MGCI member countries and for its offer to host 100 pilgrims from MGCI countries during 2007. Thailand in Chair proposed India to be elected as Chair of MGCI. The meeting also accepted India’s offer to hold MGCI Ministerial Meeting in New Delhi in 2007. This has since been followed by visits to India by Thailand Prime Minister, General (Retd), Surayud Chulanont during June 2007 and by Viet Nam and Cambodia Prime Ministers during July 2007 which has again revived the activism in India’s engagement with GMS countries.
In addition to the declarations signed at high-level meetings in the multilateral format of MGCI, this new engagement has witnessed several new initiatives between India and these five riparian states of the GMS region. New initiatives have happened both at bilateral and multilateral levels and sometimes it is difficult to strictly categorize them according to the nature of their formal format. Also, the pace and formulation of India’s initiatives varies from country to country which is not always possible to gauge by examining only their multilateral deliberations which also remain circumscribed by the fact that these often need larger consensus amongst diverse member countries. But, there is no doubt that, the MGCI has influenced India’s bilateral ties with each of these five states. These also include initiatives that involve a few and not all of the GMS countries.

Some of these well-known multilateral projects to influence India’s bilateral ties with selected GMS countries and to remain integral to MGCI, include project-forums like the Ayeyawade-Chao Phraya-Mekong Economic Cooperation (ACMECS)*, Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC)†, Mekong-Ganga Cooperation Initiative (MGCI)‡ and the India-Myanmar-Thailand Transport Linkage.§ But it remains difficult to gauge the impact

---

* Cambodia, Lao PDR, Myanmar, Thailand and Viet Nam
† Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand
‡ Cambodia, India, Lao PDR, Myanmar, Thailand and Viet Nam
§ This new corridor network varies slightly from the one presented in the Final Report of the GMS Transport Sector Strategy Study. Adjustments have subsequently been made on the latter to take into account other key road sections that were not included in the earlier configuration. In general, only the end-points of the corridors are indicated in the
of each of these bilateral or multilateral initiatives on India’s bilateral relations. However, following the launch of MGCI one can note a considerable transformation in the nature and magnitude of India’s bilateral trade with each of these five states (See Graph below).

![India MGCI Trade (US Million Dollars)](image-url)

Source: Government of India, Ministry of Commerce’s website

At the broader scale trends in international relations have also facilitated such bilateral equations. For instance, *USA today* describes India, Thailand and the Philippines as ‘Non-NATO allies’ which meantime that the coordinates are being further refined in consultation with the countries involved.
generates new avenues for improving their bilateral relations. All this perhaps provides one objective indicator of the changing nature of India’s engagement with GMS though the question of direct influence of MGCI remains open to interpretations. And it is in this larger positive backdrop that one can analyse the transformation in India’s bilateral ties with GMS countries.

1 - Major Drivers of Transformation

To look at some of these MGCI facilitated bilateral ties, Viet Nam has particularly emerged as one strong partner in India’s recent initiatives. India is now amongst the top ten investor countries in Viet Nam and, both sides agree, that this remains far lower than the potential. India’s NIIT, APTECH, TCS, have opened more than 40 branches in Viet Nam. There are bilateral cooperation agreements in science and technology with Laos and Viet Nam. India offered more than USD100 million to Viet Nam to set up Advanced Resource Centre in IT in Ha Noi. Also India offered USD122.07 million to Viet Nam to strengthen IT infrastructure in six other institutions in Viet Nam. All this Indian assistance in credit, education, training, science and technology and other fields is duly acknowledged by Viet Nam as a major contribution to their cause of Doi Moi (revival), Viet Nam’s modernization, industrialization and international integration drive.

As for India as well, Viet Nam has been one strong supporter for the country’s claim for a permanent seat in the UN Security Council and welcomes India’s ‘Look East’ policy, especially India’s engagement with ASEAN and MGCI as also its participation in all other forums in the Asia-pacific area. There has also been a boom in their people-to-people contacts with over 13,300 Indians visiting Viet Nam during 2005 and this has great potential given that about a million Indians now travel to Singapore, Malaysia and Thailand on an annual basis. Viet Nam’s Deputy Prime Minister, Pham Gia Khiem, was in Delhi to attend to the 12th meeting of the India-Viet Nam Joint Commission on 27th February 2007. Amongst other agreements, the two leaders resolved to achieve USD2 billion annual bilateral trade by 2010 from its current level of USD1 billion for 2006. To establish Delhi-Ha Noi air and rail link the
two have already completed feasibility studies. Viet Nam’s Prime Minister was scheduled to visit India in July 2007. All this reflects the new tenor of Indo-Viet Nam ties which have been greatly facilitated by the MGCI deliberations.

Similarly, India’s ties with Myanmar have also completely changed over the last one decade. Following their initial official contact in 1993, year 2006 saw India selling military equipment and weapons to the military junta. Following the discussions between New Delhi and Yangon in October 2006, the Indian government has also proposed to build a railway line from Jiribam to Imphal and Moreh – under the aegis of MGCI. For this, India’s Rites Ltd. has conducted a feasibility study recommending a rail link between Jiribam, Imphal and Moreh at a cost of USD 73 billions. This would be the first step, said official sources, for building a trade route through Delhi-Ha Noi Rail link. The proposed link would require construction of rail link between Tamu (Moreh), Kalay and Segyi at a cost of USD 33 billions in Myanmar and rehabilitation of the existing line from Segyi to Chaungu Myohaung at a cost of USD 7059 billions. 51

Thailand has traditionally been the closest to India of all the GMS countries. It has also been one of the most influential players in the GMS. While being a host to over 100,000 members of the Indian Diaspora, it has had extensive socio-cultural and economic linkages with India. Although Myanmar may have a far larger (3.5 million) Indian population, the Indian Diaspora in Thailand has been far more active, prosperous and influential. 52 Thailand has clearly been India’s traditionally strongest friend in the GMS. However, for long, this had not quite resulted in a robust economic engagement and it is only recently (coinciding with MGCI) that Indo-Thai bilateral trade and investments have picked up momentum making India’s Birla Group, TATAs and others well-known names in Thailand.

Thai interim Prime Minister, General (Retd), Surayud Chulanont visited India during 25-28th June 2007. In a joint statement they agreed to move their ties beyond traditional social and economic linkages and to expedite negotiations for stronger defence and security relationships.
between the two countries. They also expressed confidence that Indo-
Thai bilateral trade which was worth USD3.4 billion for 2006 will exceed
USD4 billion for 2007. The last visit was made by then-Prime Minister
Thaksin Shinwatra in September 2001. Both sides then indicated that
they were close to signing an FTA on goods which would become
effective by 2010. India also announced a THB10 million grant for
setting up the Sanskrit Studies Center in Thailand. India and Thai
land have also been trying to forge stronger ties especially with India’s
northeastern region. On invitation of India’s Minister in charge of
Department of North Eastern Region, a Thai delegation led by its
Commerce Minister, Krik Krai Jirapaet, had visited Tripura, Assam,
Meghalaya and held meetings in Northeastern Council headquarters in
Shilong in June 2007.

2 - Major New Sectors

India has also offered its help in projects related to the following
issues: flood control management, cultural promotion by setting up a
museum of traditional textiles of the participating countries of MGC in
Siam Reap (Cambodia), and English teaching, museology and
conservation. Besides, India and Mekong River basin countries are also
cooperating in the field of agriculture – like joint research in agricultural
training and joint research amongst the agricultural research institutes in
Mekong countries, and export-oriented marketing. Secondly, India is
also assisting the Mekong countries in building ICT capabilities. India
offered 300 fellowships in the IT sector to its partners and this sector has
received a far better response than what had been expected, at least
during India’s initial assessments. Thirdly, India has been cooperating
with Mekong countries in health and pharmaceutics, sharing up
experiences in generic pharmaceutical industries. The presence of
Ranbaxy in Mekong countries with manufacturing facility in Viet Nam,
promote joint production of affordable drugs like AIDS kits. Traditional
medicines, like Ayurveda, and other special offers to Mekong countries’
patients have often contributed to tensed relations with western
countries. India’s other offers include setting up Indian hospitals and
health insurance etc.
India has also been cooperating with Mekong countries in biotechnology, promoting education exchange programs, assisting in institutional building for SME (training courses, cooperation in the handicraft sector, free space in India International Trade Fair, etc). Besides, India is cooperating to promote eco-tourism with Mekong countries. This includes relaxing visa formalities and concessions to Mekong region tourists. India and Myanmar are focusing on special tours to Buddhist destinations like pilgrimages to India to Bodh Gaya, Sarnath, Sanchi and in Myanmar, Golden Rock at Kyaiktiyo, and the Shwedagon Pagoda. Heritage tours are being promoted through Bangkok-Angkor-Luang Prabang-Sukhothai and India’s Buddhist circuit. India and Myanmar are collaborating on preparing promotional brochures as envisaged under Ha Noi Plan of Action and India’s Ministry of External Affairs is providing assistance to Myanmar’s Ministry of Tourism. Despite various limitations, the GMS countries have done remarkable well in promoting cultural tourism.

The MGCI has been partly effective because, despite India’s fluctuating interest, the juggernaut of the GMS has continued to move relentlessly. The 14th meeting of the GMS Ministerial Conference was held at the ADB headquarters in Manila during 19-21st June 2007. The Conference reviewed the progress made in the GMS Plan of Action and endorsed the findings and recommendations of the Mid-Term Review of the GMS Strategic Framework, 2002-2012. Amongst other things, these deliberations also underlined week connections of GMS with South Asia and assured that these will be addressed in the near future. Of particular interest amongst such future plans has been the Thaton-Payagyi-Bagan-Kalay-Tamu/Moreh (India) connection involving India, Myanmar and Thailand. This road link promises to provide an impressive connectivity for India to the GMS’ ambitious road network which is likely to emerge as a major focus for future Indian policies in MGCI.
Recent years have seen major powers and agencies getting increasingly interested in the GMS. Amongst these external stakeholders, recent years have also seen changing trends in their respective access and proximity (read influence) amongst GMS counties. No doubt the initial opening up and reforms in early 1990s had been encouraged by the United States and the financial institutions – which, in return, obtained increased goodwill in GMS – yet China was to emerge as the greatest beneficiary of the East Asian financial crisis of 1996-1999. Beijing was to emerge unscathed from these financial crises as also to become the first one to respond and to come to the assistance of some of these affected countries. This was to obtain China’s acceptance which is far too substantial to go unnoticed. The pace of China’s engagement can be gauged from the fact that its bilateral trade with the five GMS countries, for instance, increased from being USD25.82 billion for 2005 to a phenomenal USD32 billion for the year 2005.60 This has clearly altered not only their inter-State equations but also lifestyles of local people.

This strategic shift has clearly altered others and Japan was the other country to re-launch several initiatives to regain some of its lost ground to Beijing.61 From October 2005’s meeting in Vientiane, for instance, despite its Summits and other meetings in the ASEAN+3 format, Tokyo has re-started regular economic ministerial meetings with four countries of the Mekong region – namely Cambodia, Laos, Myanmar, Viet Nam or CLMV countries.62 Similarly, Australia, the European Union, Russia have also launched fresh initiatives with GMS countries. Can India stay behind? This has been a question upfront for India’s diplomacy. And this has since compelled India’s academics,
experts and policy-makers not only into exploring new initiatives but also in exploring India’s niche and unique selling point vis-à-vis these GMS countries.

1 - Hows and Whys of Engagement?

As regards India, these developments have sure occasionally alerted New Delhi. Nevertheless, given its other preoccupations, after its initial enthusiastic start in year 2000, Indian diplomacy has often lagged in keeping pace with the increased footwork amongst and with these GMS countries. Apart from the slow down with the change in government in May 2004, more recent years have not seen any effective new initiatives or high-profile visits by Indian leadership. For instance, after back to back two visits by Prime Minister Vajpayee (Laos in November 2002 and Cambodia in April 2003) no high-level politician has visited GMS countries. In conventional wisdom though, Indian foreign policy continues to view engagement with GMS as critical for both its security and prosperity. In operational terms as well, this engagement continues to be appreciated as critical for India to resolve its difficulties in its northeastern region as also in stabilizing its relations with Myanmar in the short run and enable it to deal with rising Chinese influence in the long-run. But what are the positive and direct factors that can explain the hows and whys of India’s engagement with GMS countries? Answers to this question will be the most reliable indicators to the future challenges and prospects in India-GMS ties.

To go back to the early 1990’s, goaded by its economic reforms in the 1990’s and frustrated by its long non-start with its western neighbor (Pakistan), New Delhi had launched its ‘Look East’ policy of engagement with ASEAN tigers which had clearly leaped over and almost ignored the least developed countries of Indochina whether in GMS or in BIMSTEC.63 This India-ASEAN relationship was driven primarily by economic motives.64 Accordingly, it was only with the similar economic reforms bearing fruit in case of GMS, and especially following its integration into ASEAN, that New Delhi chose to reformulate its Look East policy in its second phase from the late 1990’s. Also, by 1999, ASEAN had not only come to have common land boundaries with India
but had also begun formulating Initiative for ASEAN Integration (IAI) which opened new avenues for India to engage in Indochina or GMS. In launching MGCI and later, repeated expressions of this understanding and intent were made from both sides.

From India’s long-term perspective, engaging GMS is seen to assist India in “furthering its Look East policy” beyond economic relations. In the past, ASEAN had not been comfortable with India’s proximity with the former Soviet Union and India-ASEAN relations had remained only limited until the end of the Cold War. Participating in the Second MGCI Ministerial Meeting in Ha Noi, Indian representative, K C. Pant, was to underline ‘limitless possibilities’ for ‘functional’ cooperation with GMS. He also expressed India’s desire to be an equal partner in Initiative for ASEAN Integration (IAI) by undertaking projects in the IT sector and English language teaching in GMS countries. The sentiment had also its echo amongst GMS leadership. For instance, then-Viet Nam’s minister of foreign affairs, Nguyen Dy Nien, speaking in New Delhi in September 2001, was to describe MGCI as “very good mechanism that supplements the existing cooperation between India and ASEAN” while it also assists ASEAN in “narrowing the development gap through the implementation of IAI.” Similarly, Cambodian foreign minister, Hor Namhong, was to call MGCI “a very important initiative that could bring benefits to all its members including India” and sought India’s support for the implementation of the IAI flagship projects as envisaged under MGCI.

2 - India’s Core Motivations

Reciprocating to this new enthusiasm in India’s engagement with GMS in particular, and ASEAN in general, and reciprocating to India’s commitment and engagement, the Seventh ASEAN Summit meeting in Brunei in November 2001 was to invite New Delhi to start annual India-ASEAN summits. And appropriately, the First India-ASEAN Summit was held in Phnom Penh, Cambodia on 5th November 2002. India used this opportunity to express its appreciation and announced a USD10 million line-of-credit for Cambodia and Laos, entered three agreements on trade, technical education and, for extending a Rs. 25-crore assistance
MEKONG-GANGA COOPERATION INITIATIVE

for restoration of the one thousand-year old Ta Prohm temple, and offered also several tariff concessions for CLMV countries.69 But other then these specific gestures it is important to enlist and examine India’s core motivations that will determine the future of India-GMS ties.

Firstly, India has had rather close cultural and civilizational links with the Burmese and Indochinese people since ancient times. Political divisions between them had come about only recently and were result of foreign colonialism.* This continuity was clearly reflected in their shared national liberation struggle and even in their nation building during their initial years until they were divided again, by the Cold War dynamics. India shares a long border with Myanmar and sees these countries as a gateway and springboard for India’s Look East policy, vision which remains a long-term guide to India’s foreign policy, and one that spans across Asia-Pacific.

Secondly, India’s long-term interests remain influenced by China’s rise and its indulgence with Myanmar since the early 1990’s and with GMS from the late 1990’s; and it has since been pushing for a highway connecting Kunming to Bangkok.70 Amongst others, China wants to use these links to access the Indian Ocean which remains an issue of serious concern to both India as well as to GMS countries. India and GMS states have also been concerned about China’s manipulation of upstream waters of Brahmaputra and Mekong respectively. Restraining negative outcomes of China’s overindulgence in this region, therefore, becomes crucial though India seeks to achieve this through its peaceful engagement with both GMS and Beijing.

Thirdly, free flow of people in this larger region had been reality of life throughout history. Discontinuity of these links remains at the core of India’s difficulties with its turmoil ridden northeastern provinces that continue to pose a major economic and security challenge to New Delhi. Therefore, much of the focus of MGCI remains on reviving this

---

* The fact that South Asian countries (including Myanmar) were colonized by the British and the rest of Indochina by the French had bifurcated these people that had shared rituals and ethnic bonds and had been freely mixing, flowing and interdependent for centuries.
‘connectivity’ and rail and road link have become a major focus of attention as they promise to raise the potential for cooperation with all these six countries. These efficient and affordable rail and road links can also reduce the response time in dealing with insurgents and other problem of law and order and epidemics.

Fourthly, India-GMS economic cooperation in services sector, especially in the field of knowledge and/or ICT sectors can be beneficial for both sides. This will be equally profitable for Indian private companies which are becoming increasingly competitive. The overall purpose though remains to cement cultural and religious links and treat economic and trade and tourists flows and its influence in building social infrastructure as facilitators to achieve those long-term policy objectives. That is to say: we are friends and therefore we trade, and not that we trade therefore we are friends.

And finally, from ancient value systems to the modern shared history of decolonization, India has a lot to learn from and lot to offer to Southeast Asian nations. Though not all the MGCI projects have taken-off very successfully, and in multilateral and inter-regional format of cooperation yet, it clearly underlines the increased and long-term interest of Indian foreign policymakers in engaging GMS countries.

3 - Mutual Complementarities

India’s MGCI initiative has been conceptualized as integral part of India’s economic diplomacy with strong cultural underpinnings. By encouraging business contacts between people on both sides, Indian business is expected to get out of its simplistic approach of defining India’s ‘Look East’ policy as engagement with the rapidly developing rich original six of ASEAN. The MGCI intends building bridges with least developed countries where India’s presence had become weak over the years. This also wishes to underline the social responsibility of private sector and to emphasis how this may rebound on them on the long run. Some of them, like Thailand and Viet Nam have been catching up rapidly in recent years. In that sense, MGC presents an opportunity for Indian companies, which can provide world standard products at
competitive prices to GMS countries. This will also assist Indian companies in enhancing their competitiveness on global basis.

India has the capability to assist the CLMV countries especially in the agricultural sector, in terms of technology transfer and skills training. Besides initiatives like MGCI are also expected to facilitate the economic development of India’s northeast which has continued to present both a political and development challenge to New Delhi. If there exists sufficient trade and industry in India’s northeastern region, overland trade via Myanmar to many MGC countries will become a worthwhile proposition for India. Besides, there could be indirect long-term benefits. By strengthening relations with Myanmar, India could emphasize Pan Buddhist links with ASEAN. Winning over South-East Asian friends could help India in fighting the problem of Muslim extremist movements in the region. MGCI has the potential to deliver increased volume of trade if the highway linking the countries of the region would be extended to link Singapore with New Delhi through regional capitals such as Kuala Lumpur, Ho Chi Minh City, Phnom Penh, Bangkok and others. These can become nodal points for their cooperation and connectivity.

4 - Why is China not part of MGCI?

No discussion on MGCI can be complete without answering a question about the absence of China upfront. Several experts had often raised this issue and, especially at its beginning, many academic and media commentaries had sought to view MGCI as a policy of ‘balancing China.’ There is no doubt that confining MGCI to a negatively driven exercise – as this remains an underlying and unarticulated sentiment on both sides, will undermine its vision and potential. Chinese leaders were themselves to come forward and discourage any such negative speculations by welcoming MGCI. However, Chinese have also occasionally expressed their desire to joint MGCI. But since no formal request has ever been made, India has not formally responded to these reports. From the Indian side as well this was clarified by the then foreign minister, Jaswant Singh, that the MGCI “was not aimed at China, nor a means of increasing India’s power projection.”
Indeed, it is precisely keeping these possibilities in mind that perhaps the MGCI had been so named after two rivers so as to emphasize its cultural and civilizational overtones and to ensure that this is not misunderstood as any military or strategic initiative. India perhaps also wanted to project this as its unique selling point amongst external stakeholders and sought to achieve economic and security partnership but one based on mutual comfort and conformity of two sides and through people-to-people contacts rather than military arrangements or alliances. This point was again sought to be underlined by the then minister of foreign affairs in November 2000. He hoped that MGCI would lead to “closer interactions at the people-to-people level” in view of their “unbroken cultural continuity that formed the bedrock for the fundamental stability of [these] societies.” By comparison, China’s policies are still perceived as driven by compulsions and ambitions of a rapidly rising power and by its economic drivers. So, despite its rhetoric about ‘peaceful development’, China’s diplomacy with GMS has moved from ‘rule accepting’ to ‘agenda setting’ which often creates a disjunction between China and other GMS countries. Often, the GMS countries are not able to keep pace with China in exploiting their common resources and this is especially true for the use of Mekong for navigation, power generation, irrigation, fishing and so on. India, on the other hand, finds its methods and pace much closer to these GMS countries and China’s entry into MGCI, accordingly, could distort its nature and priorities.

There is no shying away from the fact that the absence of China from MGCI may also be politically driven. Both China and India have been a major influence and concern for each other’s engagement with Indochina since ancient times. For many, the expression ‘Indochina’ had historically evolved to describe territories that had been a buffer between Indian and Chinese expansionism. By extension, the two are expected to confront each other again here in the 21st century. Almost untill early modern times, China and India had directly or indirectly controlled (or influenced) many of these territories. It is shipping between China and India that was the major source of life for at least these coastal communities. During the fifteenth century, the Sultan of Malacca was the richest and most powerful and commanded loyalty from most minor
sultans of the rest of the peninsula, thanks to his revenues generated from China-India shipping. Therefore it is not unusual that China had been absent from MGCI so far.

India anyway has an extensive and booming direct relationship with China and both China and India remain engaged with the GMS in their own manner. For instance, despite India’s extensive experience in river navigation and river environment management, India has not been part of China’s navigational and river environment management projects of China that had begun far earlier than MGCI. Also, MGCI is not the only regional forum not to comprise Beijing. BIMST-EC and ACMECS (Thailand) can be cited as other such agencies. Lately though, India-China relations have been improving rapidly and sustained confidence building between China and India have resulted in a sea change in their mutual policies. To cite the two most appropriate examples, in year 2005, while China was invited to be an Observer in the India-dominated South Asian Association for Region Cooperation (SAARC), India became an Observer in the China-dominated Shanghai Cooperation Organization (SCO). Time is not far when China would also be welcome in other Sub-regional forums like the BIMSTEC or the MGCI. Already, in the MGCI multilateralism, China was invited to participate in the Mekong Development Forum (MDF) that was held in New Delhi on 10th November 2005.

5 - Future Trends

In the end, all the experiences of the last decade do portend to an accelerated integration of the Mekong countries into ASEAN as also to India’s growing engagement with these countries. In its outline on Vision 2020 and the Ha Noi Action Plan, which provides a detailed roadmap for socio-economic development of the region, ASEAN remains focused on creating incentives to integrate CLMV countries in the region. India with its traditional and cultural linkages with this region has unique advantage and can play a crucial role in realizing this ASEAN vision. However, in the last five years there has been few high-level visits from the Indian side and, for all the initial diplomatic rhetoric, the MGCI has not received adequate attention to keep pace
with growing indulgence by other stakeholder countries. For instance, India’s Ministry of External Affairs has until now not yet designated a single official or desk to focus exclusively on its initiatives with the GMS countries let alone for the MGCI. Its official website has absolutely little to offer in terms of any information or outline on India’s policy or activities with regard to MGCI. This makes it difficult to convert great vision into material reality.

Given the fact that affordability also remains a major issue in promoting ties with the GMS countries there is need for greater focus on open sources, to follow ADBs strategy. In this direction India’s IT capabilities could be of great help in cultivation of the GMS and in involving non-governmental agencies. Institutions like the Research and Information System for Non-aligned and Other Developing Countries (RIS), Consumer Unity and Trust Society (CUTS), and the Confederation of Indian Industry (CII) have done some commendable work in holding awareness workshops and in imparting training to GMS compatriots, further strengthening the official MGCI.

Secondly, India’s IT and pharmaceuticals sectors have witnessed great demand within MGCI, yet human capital constraint has often adversely affected quality training in these countries. India known for its capacities for institutional arrangements for bringing about high quality manpower can really be of help to these countries.82

Thirdly, in the area of cultural relations, though there have been exchange of artists, scholars, educationists etc. between India and the GMS, they should not be confined to the respective capitals and big cities alone.

And finally, beyond periodical meetings and exchanges of officials, academics and experts for training and exposure, greater emphasis needs to be put on people-to-people contacts for enhancing mutual awareness and on technology transfers given our vast overlapping priority areas.83 So, there is need for footwork to fully utilize this vast potential which promises to generate limitless tangible and intangible benefits for both sides.
Conclusion

In principle, the MGCI remains an important symbol of India's trust and India's growing stakes in promoting multilateralism in international relations. Even when several of these MGCI programmes and outcomes cannot be strictly compartmentalized into multilateral and bilateral and, both issues and individual in both often overlap and compliment each other all the time, India wishes to ensure that multilateral forums will continue to get preeminence in India’s foreign policy. This is precisely because multilateral forums represent democratic norms and allow weaker and smaller countries to have a say in decision-making though it may often be the bigger and most powerful countries that may bear larger responsibility in the implementation of these decisions. In bilateral format, smaller and weaker nations are likely to be influenced by bigger and powerful nations. In the long-run, therefore, multilateralism remains the cardinal principle guiding India’s vision of MGCI.

Second and related priority for India’s engagement with GMS remains one to ensure that local powers continue to sustain their autonomy and independence without any outside power dominating (or unduly influencing) their thinking and their decision-making processes. The Japanese sway over this area last time (during World War II) remains the one most interesting example from recent history. At the most visible level, this had resulted in bombing and occupation of several of these territories including frontiers of India’s northeastern region and its group of islands of Andaman and Nicobars. While this Japanese occupation may also serve as a catalyst and an inspiration to Southeast Asian nationalist movements – as Japan set up nationalist governments in Myanmar and Indonesia, supported the establishment in Southeast Asia of the Indian National Army, and promoted a government in exile under former President of the Indian National
Congress, Subhas Chandra Bose – this is hardly an experience that needs to be replicated ever again. The American have also had their share of misadventures, all flowing from sense of being all-powerful and having faith in the finality of their military means.

The lesser known story remains the one of the Communist China. While both Japanese and Americans may have come under public censure and also learnt their lessons, it is the increasing compulsions and ambitions of rising China that are likely to make it increasingly vulnerable to temptations of seeking this southeastward expansion; not to just connect to these least developed countries of the GMS but to actually ensure its access to open oceans. And though Chinese remain extremely cautious for ensuring their acceptability amongst their neighbors, even the Chinese have not been completely immune to using force in these territories in the past. China’s first post-liberation engagement with this region, code named “Mekong River Operation” was its military operations in January 1961 against the nationalists under Chiang-kai Shek’s Guomintang (or KMT).

On 26th January 1961, a combined force of three divisions of regulars from the Chinese People’s Liberation Army (PLA), a total of 20,000 men, had crossed the frontier between Sipsongpanna and Kengtung state. In human waves, they swept down across the hills surrounding Mong Yang, Mong Wa and Mong Yawng. The campaign broke the back of the KMT in northeastern Burma. Beaten, Nationalist Chinese forces retreated towards Mong Pa Liao on the Mekong River, where 5,000 Burmese troops launched an attack. Their base was captured without much resistance – and when the Burmese troops marched in, they found large quantities of US-made arms and ammunitions. When the news hit the papers in Rangoon, violent demonstrations were held outside the US embassy on Merchant Street. Neither the Burmese nor the Chinese, however, have ever acknowledged that the PLA formed the core of the forces that drove the KMT out of the eastern border areas. Any recurrence of such an eventuality does not augur well for India’s future and the future of GMS countries. And MGCI remains one of several initiatives by several countries to ensure that such episodes of history are never to be repeated.
To sum up, the idea of the MGCI has been driven by the desire to explore alternatives to the realist paradigm and to emphasize on norms and values becoming the basis of inter-States ties. The MGCI was, accordingly, launched not to strengthen military and economic cooperation as basis of India’s engagement with the GMS but to rekindle cultural and civilizational linkages between India and these countries. The interactions have also since grown from being purely cultural to economic and military, as also from being purely multilateral towards strengthening bilateral initiatives that both strengthen cultural and people to people cooperation, as also their infrastructure links apart from the many other objectives for mutual benefit. The main areas of cooperation within the MGCI remains culture, education, tourism, and transport and communications. In the words of India’s former External Affairs Minister, Jaswant Singh, spoken at their inaugural MGCI meeting in Vientiane on 10th November 2000, leaders had agreed to launch the MGCI, with a “political willingness and aspirations aimed at strengthening our traditional bonds of friendship” and it is in this larger perspective that New Delhi continues to evolve its future initiatives within the MGCI.
Appendix: Core of Connectivity in GMS

**East–West Economic Corridor (EWEC):**

About 1,450 kilometers (km) long, this Corridor is the only direct and continuous land route that now connects the Indian Ocean (or the Andaman Sea) to the South China Sea. This is the first of three major GMS corridors to be completed, except for a 40 km road section in Myanmar. The Second International Mekong Bridge between Mukdahan in Thailand and Savannakhet in the Lao PDR was inaugurated and opened on 20th December 2006 making this direct link possible. An initial impact assessment of the development impact of this EWEC on, for instance Savannakhet Province (as reported by a study by Rattanay Luanglatbandith 2006) found significant benefits to having already incurred. These include (i) reduced travel time from the Lao-Viet Nam border of Lao-Bao-Dansavanh to Savannakhet by bus from about 12 hours to only about 3 hours; (ii) increase in FDI and joint ventures in Savannakhet Province, much of which has been influenced by EWEC development; (iii) expansion in employment and income-generating opportunities; and (iv) improvement of access of rural students to secondary schools and so on.

**North–South Economic Corridor (NSEC):**

Three different routes along the north–south axis of this corridor are Kunming–Chiang Rai–Bangkok via the Lao PDR or Myanmar route, Kunming–Ha Noi–Haiphong route, and the Nanning-Ha Noi route. The Mekong bridge between Houayxay on the Lao PDR side and Chiang Khong on the Thai side remains to be the missing link along the first route of the North–South corridor. This has now been approved by the 14th GMS summit at Manila on 21st June 2007 and will be ready by 2011. In this regard, the Lao PDR and Thailand have agreed on a site for the bridge. The governments of the PRC and Thailand have further agreed to share in financing the cost of the bridge on a 50–50 basis. Overall, work on the transport links under the two routes of the NSEC is progressing well toward the target completion date of 2010, with many sections in the PRC, Lao PDR, Myanmar, Thailand, and Viet Nam having been completed in the last 2–3 years.

**Southern Economic Corridor (SEC):**

The SEC is defined by three main road sub corridors connecting major points in Cambodia, Thailand, and Viet Nam. The three sub-corridors are
making good progress toward realizing the target completion date of 2010, with many sections in the sub-corridors already completed. Benefit monitoring reports for completed sections of the sub-corridors indicate that benefits are already being realized in terms of savings in travel time, lower travel costs for passengers and lower maintenance costs for vehicles, increased volume of trade, and generation of employment opportunities for the local population.

Transport Grid of GMS

Endnotes


5. This assessment is based on author’s travel by road from Ho Chi Minh City to Phnom Penh on 17th June 2007.


9. The offer to participate had been declined by Cambodia, Laos, and Myanmar before ASEAN’s founding meeting at Bangkok in August 1967. North Viet Nam had actually called it a ‘political fraud’ and a reformulation of Southeast Asian Treaty Organization (SEATO). See


13. Ibid., p. 34.


22. A. K. Ray, “The Case for a Strategic Frontier”, *Indian Defence Review* (New Delhi), (January-March 1997), p. 13. Several policy analysts have argued that in the new age of missiles and nuclear weapons as well as other technologies breaking old physical barriers, the old colonial coinage like ‘South Asia’ no longer describes India’s strategic location. The new expression ‘Southern Asia’ covers parts of Central, West, East, Southeast Asia as also China and northern Indian Ocean. This formulation makes GMS integral part of India’s strategic space.

23. See for instance full text of the address by Secretary-General of ASEAN, Rodolfo C. Severino, at the International Conference on “Greater Mekong Sub-Regional Peace and Security”, held at Phnom Penh (Cambodia) on 6 July 1999. It is available at http://www.aseansee.org/secgen/mekong.htm


27. “Reinforcing Look East Policy”, (An article by Minister of State in Ministry of External Affairs, Mr E. Ahmad), 17 January 2007, Ministry of External Affairs website at http://wwwmeaindia.nic.in

29. *ibid*.


34. From Ministry of External Affairs, Govt of India website: http://mea.gov.in/onmouse/ganga1.htm


36. for details see http://www.mfa.go.th/web/882.php


40. Report of the Third Ministerial Meeting in Mekong-Ganga Cooperation, 20th June 2003, Phnom Penh, Kingdom of Cambodia. This was a far more extensive document with four detailed annexures. The five page Phnom Penh Road Map was its annexure C. See details at http://yuwathut.mfa.go.th/web/882.php


m; “Vietnam PM supports India’s ‘Look East’ policy”, The Hindu (New Delhi), 6 July 2006, p. 16. Despite being late entrant to economic globalization, Viet Nam is Asia’s second fastest growing economy with its GDP having risen from $45 billion for 2004 to $60 billion for 2006


51. Ibid.


56. Tilak Rai, “Efforts on to make ‘08 Year of Thailand, N-E”, The Indian Express (New Delhi), 26 June 2007, p. 4


Promote the GMS Cooperation of Trade and Investment”, this report can be seen at China’s Ministry of Commerce website at http://anmin2.mofcom.gov.cn/aarticle/activity/200507/20050700149567.html

61. Hisane Masaki, “Mekong summits show Japan’s influence giving way to China’s”, The Nation (Bangkok, Thailand), 26 November 2005, p. 8A.

62. Hisane Masaki, “China, Japan tug-of-war over Indochina”, Asia Times, 5 October 2005. These four ASEAN members are the least developed amongst ASEAN and joined ASEAN only recently: Viet Nam, 1995, Laos and Myanmar 1997 and Cambodia 1999.

63. The idea of Bay of Bengal community had also been initiated but India’s interest had continued to be lukewarm in such initiatives. See V. Suryanarayan, “Southeast Asian Studies: Need for Introspection”, in Lakshmana Chetty (ed.), India’s Relations with Southeast Asia: Problems and Prospects, (Tirupati, India: S.V. University, 1999), pp. 1-12. It is only recently that India has become active even in BIMSTEC. See “Future Directions of BIMST-EC: Towards A Bay of Bengal Economic Community (BoBEC)”, RIS Policy Briefs, No. 12 (February 2004), pp. 1-4.


was a speech delivered as part of the ASEAN-Eminent Persons’ Lecture Programme series organized by RIS.

68. Hor Namhong, “ASEAN-India Summit Partnership: Challenges and Prospects”, in India-ASEAN Partnership in an Era of Globalization, Reflections by Eminent Persons, (New Delhi: Research and Analysis System for the Non-aligned and other Developing Countries, 2002), pp. 141-146. This was a speech delivered as part of the ASEAN-Eminent Persons’ Lecture Programme series organized by RIS.


70. GMS countries agreed to start work on two bridges on Mekong (at Chiang Khong in northern Thailand and Houayxay in Laos) to connect Kunming to Bangkok. Both bridges will be financed by China. “Greater Mekong Sub-regional meeting expressed satisfaction over economic integration”, People’s Daily Online (Beijing, China), 21 June 2007, at http://english.people.com.cn/200706/21/eng20070621_386522.html; also see “Mekong Countries Agree on Bridge Linking PRC to Bangkok”, available at http://www.adb.org/media/Articles/2007/11970-mekong-transports-connections/


73. Ibid., p 402

75. Amit Baruah, “Looking East”, *Frontline* (Chennai, India), 8 December 2000, p. 50. It is interesting to note that despite his excellent personal chemistry with most Chinese leaders at that time, Indian foreign minister, Jaswant Singh, had failed to meet Chinese delegates as he returned from his five day tour few hours before the arrival of Chinese delegates in Vientiane on 11th November 2000.


88. The Mekong is perceived in India as the cradle of the Indo-Chinese civilization from Laotian Kingdom to Kingdom of Champa in South Viet Nam not to forget the Khmers in today’s Cambodia with whom Indic civilization has had sustained links and interdependence which was broken only during colonial rule of European powers (who used Indian sepoys for their military operations in these countries) and later briefly distorted by Cold War dynamics.
General Bibliography

Primary Sources: Reports/Documents


Ministry of External Affairs, Govt of India website: http://mea.gov.in/onmouse/ganga1.htm


Books/Monographs

Birch, David and Shirato, Tony and Srivastava, Sanjay (eds.), Asia: Cultural Politics in the Global Age, (Crows Nest, Australia: Allen & Unwin, 2001)


Kao, Kim Hourn and Kaplan, Jeffrey A. (eds), Principles Under Pressure: Cambodia and ASEAN’s Non-Interference Policy, (Phnom Penh: Cambodian Institute for Cooperation and Peace, 1999)


Kao, Kim Hourn, ASEAN-10 is Born: Commemorating Cambodia’s Entry into ASEAN, (Phnom Penh: Cambodian Institute for Cooperation and Peace, 1999)


Kun, Nhém, Regional Economic Integration Challenges and Options, (Phnom Penh: Cambodia Development Resource Institute, 1998)


Stensholt, Bob (ed.), *Developing the Mekong Subregion*, (Melbourne: Monash Asia Institute, 1997)

Sueo, Sekiguchi and Makito, Noda (eds.), *Road to ASEAN 10: Japanese Perspectives on Economic Integration*, (Singapore: Institute of Southeast Asian Studies, 1999)

Thant, Myo, Min Tang and Hiroshi Kakazu (eds.), *Growth Triangles in Asia: A New Approach to Regional Economic Cooperation*, (Hong Kong: Oxford University Press, 1997)


Wadhva, Charan D., and Mukul Asher (eds.), *ASEAN-South Asia Economic Relations*, (Singapore: Institute of South East Asian Studies, 1985)

Chapters in Books

Abidin, Mahani Zainal, “ASEAN and its Inter-Regional Economic Links”, in Mya Than (ed.), *ASEAN Beyond the Regional Crisis: Challenges and Initiatives*, (Singapore: Institute of Southeast Asian Studies, 2001).


Research Articles

Abonyi, George, “Financing The Greater Mekong Subregion”, in Trends (Singapore), No. 77 (January 1997)


**Magazine/Newspaper Articles/Reports**


Website Articles/Reports


“Future Directions of BIMST-EC: Towards A Bay of Bengal Economic Community (BoBEC)”, RIS Policy Briefs, No. 12 (February 2004).


“Greater Mekong Subregional meeting expressed satisfaction over economic integration”, People’s Daily Online (Beijing, China), 21 June 2007, at http://english.people.com.cn/200706/21/eng20070621_386522.htm

“India soon to host Thai PM, FTA likely”, The Economic Times (New Delhi), 16 June 2007.


“Reinforcing Look East Policy”, (An article by Minister of State in Ministry of External Affairs, Mr E. Ahmad), 17 January 2007, Ministry of External Affairs website at http://wwwmeaindia.nic.in


Forthcoming Occasional Paper

Demographic Evolution and Economic Development in Southeast Asia, by Xavier Oudin

Already published

Investigating the Grey Areas of the Chinese Communities in Southeast Asia, by Arnaud Leveau (ed)

State and Media in Thailand During Political Transition, by Chavarong Limpattamapanee and Arnaud Leveau (Eds).

Irasec’s Occasional Paper as well as Sudestasia, the Irasec’s newsletter, can be downloaded for free on our website: www.irasec.com

Studies in English published by Irasec

A roof Over Every Head – Singapore’s Housing Policy between State Monopoly and Privatization

Aceh – History Unfinished

East Timor – A Country at the Crossroads of Asia and the Pacific – A Geo-historical Atlas

Laos – From Buffer State to Crossroads?

The Muslims of Thailand

Yaa Baa – Production, Traffic and Consumption of Methamphetamine in Mainland Southeast Asia.

For more information on these titles, please visit our website:

www.irasec.com