Singh promotes Indian interests in Burma

Sarath Kumara
4 June 2012

Indian Prime Minister Manmohan Singh paid a three-day visit to Burma last week to strengthen ties between two countries. He met with President Thein Sein and opposition National League for Democracy leader Aung San Suu Kyi.

Singh's visit aimed to develop relations with Burma, a country where India's rival China has established close economic, political and defence ties.

During Singh's meeting with Sein on May 28, several deals were signed. India promised to provide a $US500 million credit line to develop infrastructure, border area development, air services, cultural exchanges, and a joint trade and investment forum. The two countries also pledged to double their bilateral trade by 2015.

Singh's visit took place as the Burmese junta builds relations with the major imperialist powers, including United States. As part of its strategic drive against China, Washington is pushing to undermine Beijing's influence in Burma.

Since the Western countries imposed sanctions on Burma after its crackdown on anti-government protests in 1988, the Burmese military junta has developed close relations with China. Sanctions are now being lifted because Burma has given signs that it will open its economy to Western investment and shift away from China.

In his joint statement with Sein, Singh "congratulated" the Burmese junta for its "path-breaking reform measures … towards greater democratisation and national reconciliation," as well as "on-going efforts at political, economic and social reform," and holding "free fair and peaceful elections." He promised "all necessary assistance in accelerating the country's democratic transition."

The Burmese regime's gestures on reforms and holding elections involving bourgeois opposition figures like Aung San Suu Kyi have nothing to do with "democratising" Burma. These moves were taken to improve ties with Western finance capital. Likewise, the Indian government's aim is not to strengthen democracy in Burma, but to find ways to advance its economic and strategic interests.

For a long time New Delhi has been concerned that it is not acting aggressively enough to secure its interests in Burma. Seema Guha, the *Bengal Post*'s bureau chief in New Delhi, commented: "India cannot afford to waste its second chance [i.e., the junta's reforms] to get involved in Myanmar." Guha complained in contrast to India, China accounts for nearly 70 percent of Burma's foreign direct investments; its firms have built roads, bridges, stadiums and power plants.

Seeking to help Indian big business break into Burmese markets, Singh accompanied a number of business leaders in his tour to Burma. They included Bharti Enterprise (world's fifth largest wireless company) chairman Sunil Bharti Mittal, Tata International Limited Managing Director B. Muthuraman, and Ms Supriya Banerji, Deputy Director General, Confederation of Indian Industry. However, India faces tough competition from Chinese firms that have already done business in Burma for several years.

India is keen to take a share in Burmese oil and gas reserves. Importing more than three-quarters of its crude-oil needs, India urgently needs to find new sources for its growing energy needs, especially as it cuts oil imports from Iran to avoid tough US penalties.

© World Socialist Web Site

In recent years India was outbid by China gaining Burma's energy deals.

On the eve of Singh's visit New Delhi external affairs secretary, Ranjan Mathai said India will be "emphasizing and flagging our interest in our companies getting more opportunities in Myanmar" both onshore and offshore. During Singh's visit the Indian energy company, Jubilant Energy won 77.5percent participating interest in on-land exploration block on May 28 from the two blocks it bid last year.

Indian and Burmese officials also discussed countering various armed separatist groups in the north-eastern states of India and bordering regions of Burma. Both countries' security forces are already helping each other. Declaring their intention to increase this collaboration, the joint statement stated: "Both leaders reaffirmed their shared commitment to fight the scourge of terrorism and insurgent activity in all its forms and manifestations."

However, a key purpose of Singh's visit to strengthen ties with Burma was to push New Delhi's Look-East Policy. India also broke diplomatic relations with junta in 1988. However, it changed the policies towards Burma in 1992. Having lost the Soviet bureaucracy's economic and political support after collapse of the Soviet Union in 1991 and also seeking alternative energy sources amid spreading wars in the Middle East, Indian ruling elite decided to seek opportunities in the east.

Singh emphasised in the joint statement with Sein that "Myanmar holds a significant place both in India's Look East Policy and in its collaboration with ASEAN countries under the Initiative for ASEAN Integration."

This is part of India's broader policy. As India develops trade ties with East and Southeast Asia, New Delhi is seeking to build a cheap transit route from eastern India through Bangladesh and Burma to the rest of Southeast Asia.

By developing close relations with India and major powers, the Burmese junta is trying to balance between these countries and China. The ruling Union Solidarity and Development Party sent a delegation to Beijing to discuss with Chinese leaders before Singh's visit. However, it is not clear what the discussions were. The media reported Chinese vice president Xi Jinping as saying, "China has always handled its relations with Myanmar from a strategic perspective."

When asked about China's position on Singh's visit to India, Chinese foreign ministry spokesman Liu Weimin played down their significance. He said China is "happy to see the development relations between" India and Burma, adding that both countries are China's "friendly neighbours."

Other Chinese sources spoke more bluntly to developing Sino-Indian rivalry. The Chinese Communist Party-owned *Global Times* noted: "It is in India's interest to encourage Myanmar to take the current political reforms to their logical conclusion for free and fair elections in 2015, but whether it is in Myanmar's interest to take India as a main ally still needs consideration."

It also noted that the "US and China are doing whatever they can to gain the favour of economically struggling, strategically placed Myanmar."

However, the main concern of China is the US. In her visit to India in July last year, US Secretary of State Hillary Clinton emphasised India should "not just look East, but engage East and act East."

With the US aggressively moving against China, Washington is pressing India to integrate more closely with US policy. India's moves towards Burma will be looked at in Beijing with suspicion.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site