

A ROAD LESS TRAVELLED: FORKS AND BENDS IN INDIA'S SUBREGIONAL TRANSPORT DIPLOMACY

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Nimmi Kurian
Centre for Policy Research

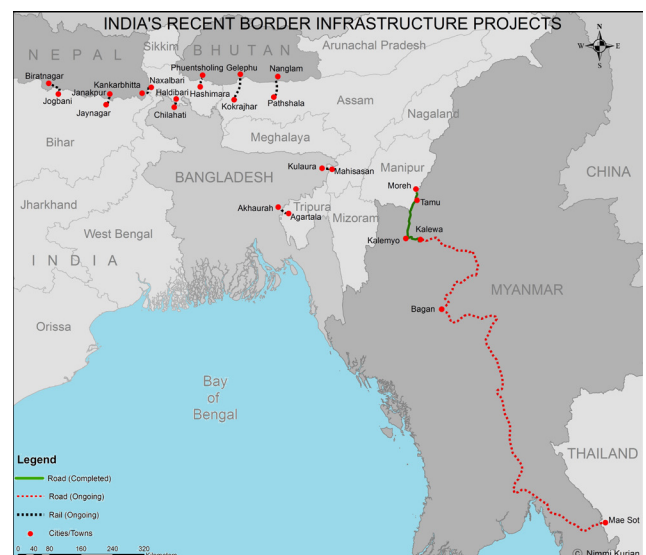
ABSTRACT

The subregional project as a narrative aimed at transforming economic geographies has been raised to the highest levels of rhetorical importance in India's policy discourse. At the core of this vision stands a series of transborder infrastructure projects that India has initiated in the subregion, part of a larger feel-good narrative of rethinking borders as bridges. India's connectivity projects have the potential to become effective drivers of subregional integration. But there exists formidable roadblocks to mobility, which needs to be addressed if the subregional vision of a seamless flow of people, goods and services is to be realised. The paper looks in particular at a set of regulatory and institutional roadblocks that India's transborder transport diplomacy needs to overcome. Many of these challenges will ultimately turn on how India perceives its role in the region and the extent to which it prioritises regional integration as a goal. Is India likely to be a 'leader of last resort' interested only in minimalist goals or will it have the inclination to lead the region and invest in the creation of regional public goods? At the end of the day, the subregional project is fundamentally an experiment in co-governance that has to have robust subnational stakeholders as active partners in framing and fashioning subregional orders. This is clearly a road less travelled for Indian diplomacy and its institutional journey is likely to have several forks and bends as it unfolds.

RECONNECTING ECONOMIC GEOGRAPHIES

The Indian state is today stepping into its subregional neighbourhood armed with a powerful new discourse of prosperity and a liberal vision of rethinking borders as bridges. India has been underscoring the transformative potential of the three Ts- trade, tourism and transport- as catalysts of integration. This is part of a larger shift in the making in Indian foreign policy and marks a subregional turn in Indian diplomacy towards its immediate neighbourhood. (Kurian 2014a) India's subregional diplomacy has been acquiring a level of diversity and complexity with a host of subregional initiatives like the BIMSTEC (Bay of Bengal Multi-Sectoral Initiative for Technical and Economic Cooperation), the Mekong Ganga Economic Cooperation (MGC), and the Bangladesh China India Myanmar Economic Corridor (BCIM EC).

The subregional project as a narrative aimed at transforming economic geographies has been raised to the highest levels of rhetorical importance in India's policy discourse. At the core of this vision stands a series of transborder infrastructure projects that India has initiated in the subregion. (See Map) These projects involve the restoration of key road and rail links between India and its immediate neighbourhood, many of which were operational even till the late 1960s. For India's Northeast, transit connectivity through Bangladesh offers quicker road, rail, inland water transport options. India is funding the construction of a \$51 million, 14-km long rail project will connect Tripura's capital, Agartala with Akhaura, the southeastern border town of Bangladesh. Akhaura, a prominent jute-trading centre during the British period, is today an important railway junction in Bangladesh with links to Chittagong, Sylhet, Mymensingh and Dhaka. The Agartala-Akhaura project promises to bring multiple benefits to the Northeast. The rail link will drastically reduce the distance between Agartala and Kolkata and allow for freight movement between the two capitals. For example, the distance between Agartala and Kolkata through Guwahati is 1,650 km but the link through Bangladesh will reduce this to just 350 kms. India and Bangladesh have also agreed in principle to revive the rail link between Chilahati, a border railway station in Bangladesh with Haldibari in West Bengal. Some sections of this rail



route are already functional requiring relatively modest costs to re-establish connectivity. This route will also provide Bangladesh much-faster connectivity with Bhutan and Nepal. Another proposed link between Kulaura in Bangladesh and Mahishashan in Assam will open a trade route between Assam's Barak valley and Bangladesh.

India is also building three rail lines to Bhutan linking Assam and West Bengal with Bhutan. The two lines from Assam are a 51-km track linking Pathshala and a 57 km track from Kokrajhar to Bhutan's Nanglam and Gelephu respectively. A third rail line will link Hashimara in West Bengal to Phuentsholing in Bhutan through a 17 km track. Another link is a 16 km track connecting West Bengal's Naxalbari to Kankarvitta in Nepal and a 15 km track from Bihar's Jogbani to Nepal's Biratnagar. India is also pursuing an East to West road corridor linking Moreh in Manipur through Bagan in Myanmar to Maesot in Thailand. The highway will further be extended to Singapore, Malaysia, Cambodia, Laos and Vietnam, holding the promise of seamless continental connectivity with Southeast Asia. Trial runs for the Trilateral Highway project are scheduled to begin by December 2015. The Motor Vehicles Agreement signed between Bangladesh, Bhutan, India and Nepal in June 2015 is also a major transit agreement with clear potential.

Building Half Bridges?

A critical corollary to establishing external connectivity will be the need to address the dilapidated and often non-existent infrastructure at India's own borders. (Kurian 2014b) A sobering reality is that the Northeast suffers the double disadvantage of being 'internally locked'; 'themselves locked and locking out others, unable to connect with each other physically in terms of poor transport links.' (Prabhakara 2004:4606) Internal rail connectivity within the Northeast has been in an abysmal state with the region having no rail network barring Assam and parts of Nagaland. Arunachal Pradesh got its first passenger train service only in 2014 when the 179 km-long broad gauge line from Tezpur, Assam to Naharlagun in Arunachal Pradesh was inaugurated. But it is a fact that even a good road by itself without adequate backward linkages can go nowhere. An example of a failure to secure backward linkages can be seen from the fact that while India built the 165 km-long Moreh-Tamu highway connecting Moreh in Manipur to Tamu in Myanmar; Manipur's lifeline and its principal freight route, National Highway 39 (renamed NH-2), remains constantly hostage to a cycle of crippling blockades and disruptions.

REGULATORY ROADBLOCKS

It is thus clear that while physical connectivity across the region is a vital prerequisite, a good road or rail network

by itself cannot be a catalyst for integration. Cumbersome and complicated procedures at the borders have been a bane resulting in long delays and cost escalation. Multiple handling and transshipment of goods are common, causing mindless duplication of processes. At the Petrapole-Benapole border crossing between India and Bangladesh, the absence of adequate warehousing facility, inadequate banking facilities, lack of standardisation of documentation and through bills of lading constitute a range of physical and non-physical barriers to trade flows. (De, Khan and Chaturvedi 2008:29) An Indian exporter to Bangladesh has to reportedly obtain as many as 330 signatures on 17 documents at various stages. (De and Ghosh 2008) This at a time when the neighbouring Greater Mekong Subregion (GMS) has moved towards a single-window clearance system. The GMS Cross-Border Transport Agreement (CBTA) adopted in the late 1990s, covers all trade transit facilitation measures within the region in a single document. These include single-stop, single-window customs inspection, visa regimes, eligibility criteria for cross-border traffic, exchange of commercial traffic rights and standardisation of road and bridge design, signs and signals. (Srivastava and Kumar 2012) Many of these measures are drawn from the 1982 UN International Convention on Harmonisation of Frontier Control of Goods and the Revised Kyoto Convention.

There are also a host of international instruments to streamline and standardise customs policies across the world. For instance, the Revised Kyoto Convention that came into force in 2006 provides for a set of 600 legal provisions regarding customs procedures that serve as benchmarks for customs agencies worldwide. These are in the nature of guidelines and recommendations and include measures such as: elimination of divergent customs procedures; aligning national customs legislation with international standards; automatic data systems; implement risk management techniques among others. (Wulf and Sokol 2005) Similarly, the Framework of Standard to Secure Trade (SAFE) developed by the World Customs Organisation provides a set of standards to improve cross-border supply chain security.

INSTITUTIONAL ROADBLOCKS

Developing effective inter-agency coordination mechanisms among federal, state and local agencies will also be no less critical. The functioning of border trade regimes underline how a lack of coordination between multiple agencies and actors adversely affects regulatory efficiency domestically as well as across the borders. Several institutional logjams seriously compromise moves towards a coordinated border management strategy. An example of this is the lack of coordination among India's border forces such as the BSF, ITBP and Shastra Seema Bal, Assam Rifles and the

Army. A Group of Ministers Report in 2001 noted that the 'multiplicity of forces on the same borders' has resulted in serious problems of command and control as well as lack of accountability. These are further compounded by inter-ministerial differences. The Ministries of Home and Defence have had long-standing differences over operational control over key paramilitary forces stationed at the border. The 'one border, one force' goal has thus remained more notional than real with key institutional actors unable to agree on definitional and operational issues.

A fundamental flaw in this regard has also been the inability to institutionalise regular processes of interactions between the Centre and the Northeastern states. Recently, the Arunachal Pradesh Chief Minister Nabam Tuki vented his frustration at not being granted an appointment to meet the Prime Minister even after a month. The Interstate Council (ISC), a forum designed to bring all Chief Ministers to work on operationalising coordination mechanism between the Centre and the states has remained defunct. Although the ISC was constituted in 1999 following the recommendations of the Sarkaria Commission on Centre-State Relations, it has only held two meetings so far, the last one being held in December 2006. (Pande 2014) Further, there exist no platforms for regular interactions with the 39 MPs from the Northeast. Competing statist pulls of assimilation and autonomy explain why India's autonomy model today resembles less the institutional innovation of asymmetric federalism enshrined in the Constitution and more a dysfunctional experiment that it has today morphed into. Many of these faultlines have thus cast long institutional shadows on India's federal design and resulted in deep-

seated grievances among the Northeastern states. If these concerns are left unaddressed, Prime Minister Narendra Modi's talk of cooperative federalism as a 'new partnership between the Centre and the states' could end up being little more than a feel-good catchphrase.

'A LEADER OF LAST RESORT'?

Many of these issues are critically linked to the much larger question of how India perceives its role in the region and how it prioritises regional integration as a goal. Is India likely to be a 'leader of last resort' interested only in minimalist goals or does it have the inclination to invest in the creation of regional public goods? Policy statements in this regard have been discouraging to say the least. India's Chief Economic Advisor Arvind Subramanian is on record stating that 'Regional economic integration in South Asia is not a first priority for India. India's economic fortunes are tied to the rest of the world.' (*The Hindu*, 2015) The low priority assigned to regional integration can be further seen from the steep decline in Central assistance to states for developing export infrastructure- registering a sharp drop from Rs. 737.60 crore in 2012-13 to a mere Rs. 50 crore by 2015-16. Is it any wonder then that the resumption of border trade has ended up being a choreographed exercise? At the end of the day, the subregional project is fundamentally an experiment in co-governance that has to have robust subnational stakeholders as active partners in framing and fashioning subregional orders. This is clearly a road less travelled for Indian diplomacy and its institutional journey is likely to have several forks and bends as it unfolds.

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