

Internal Document for Silk Road Forum 2015

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Myanmar's Perspective of "One Belt, One Road"

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Myanmar's reforms during the five-year term of President U Thein Sein have indicated her reintegration into the international community. Myanmar's future directions also opened new opportunities for her to cooperate with its regional neighbors. Her active participation can be seen in regional organizations such as ASEAN, BIMSTEC, ACMECS, and GMS. Myanmar plays a unique role in these groups as the geo-strategic link between the South Asia, Southeast Asia and Myanmar and will bridge these important regions for the prosperity of the region. Myanmar entered these regions with the aim to gain economic benefits from information exchanges, technical know-how, modern communication system, prevention of transnational crime and elimination of drug trafficking, environmental protection, solutions for climate change issues, and disaster management. It also can have better friendship and closer contacts with regional countries by making people-to-people contacts and tourism promotion. Furthermore, Myanmar can achieve positive impacts from further collaboration in research and development, human resource development, technology transfer and private sector participation among member countries.

At the Strengthening Connectivity Partnership, Chinese President commit

-ted to US\$ 40 billion fund for infrastructure development among the Silk Road Economic Belt nations which involve revival of the ancient Silk Road between China and Europe via Afghanistan and Central Asia, besides linking BCIM Corridor as well as China-Pakistan Economic Corridor. China envisages an economic corridor linking its South-Western Yunnan province through Myanmar to Kolkata as a key segment of a land-based “Silk Road economic belt”, and is also planning to boost ties with port cities, such as Chennai, through a “Maritime Silk Road” starting out from south-eastern Fujian province through South China Sea to Indian Ocean and the Persian Gulf. China also plays a leading role in AIIB, an international financial institution to promote the economic development of Asia and creation of wealth and inter connectivity of infrastructure through investment and through productive fields.

Regarding the proposed 21st century Maritime Silk Road, Myanmar considered that the route can play an important role in the development of the country by bringing new economic opportunities for Myanmar and its people. Besides, Myanmar welcomed the establishment of Asia Infrastructure Investment Bank (AIIB), an initiative by China. Myanmar also pledged to cooperate in these sectors and signed the MoUs and agreements with China including the MoU on Bilateral Economic and Technological Cooperation under the Framework of BCIM-EC.

Although OBOR has plenty of potential, there are several difficulties and problems to achieving the objectives. It is still characterized by relative poverty of the southwest within China, of the northeast within India, and Myanmar. There has as yet been no thinking on how existing programmes of border area development could be coordinated to provide better basic services and social protection to the ‘border landers’ on both sides of the respective international borders. Present policies enabling so-called ‘border trade’ and ‘border hats markets’ are hindered by bureaucratic constraints as well as inadequate infrastructures and financial institutions.

Security environment is one major negative factor inhibiting the successful realization of the OBOR. As the border areas are characterized by poverty, ethnic division and collision and rampant transnational crimes, it needs to accelerate cooperation on construction of rail and road networks, logistic centers, industrial parks and development of scenic areas as well as on resolving security challenges along the borders.

What can Myanmar gain from OBOR?

The energy sector has a crucial role to play in Myanmar's economic development and increasing geostrategic importance. Neighboring countries such as China, India and Thailand face growing import dependencies and projected increases in energy demand to keep pace with economic growth. Gas and oil are the largest component of Myanmar's export basket. Gas and oil pipeline from Kyaukphyu to Kunming opened in 2013 and will bring much needed supplies to China.

Strategic location of a country is either negatively or positively important in maneuvering its national interest especially its location is between emerging power and rising power. Positively it may gain economic opportunities while at the same time; it may face with uncertainties spread out from rising rival neighbors. (Most countries in Asia have been connected through the Asian Highway Network and the Trans-Asian Railway Network, which will benefit coastal countries and Small Island developing states.) Myanmar is now regarded as a newly emerging destination for businesses on account of its strategic geographical location. Located on the southern tip of Indochina peninsula, possesses an important strategic location on the blinks of Indian Ocean and Bay of Bengal, the significant gateway for China to Indo-Pacific regional order and becoming as a commercial corridor for both giant neighbours. It is on the cross road of China's Go West Policy on the one hand and India's Look East Policy

on the other. Similarly, Myanmar is important for China's landlocked southwestern provinces market access to Bangladesh and India through transit trade instead of China's eastern coast.

Notes

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