Workshop on Political and Economic Future of the Bay of Bengal by co-hosted SAIS and PRI

Possibility of Bay of Bengal (BoB) & BIMSTEC

Gifu Women’s University
TAKENORI HORIMOTO
Regional Entities in South Asia &

India Ocean

Mostly non-starters or forums

1. **SAARC** (South Asian Association for Regional Cooperation), 1985

2. **IORA** (Indian-Ocean Rim Association), 1995/1997

3. **BBIN** (BD, Bhutan, India, Nepal), 1996

4. **BIMSTEC, 1997**
   The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation

5. **BCIM** (BD, China, India, Myanmar) Forum, 1999

6. **IONS** (Indian Ocean Naval Symposium), 2008

*India’s association with **INSTC** (International North South Transport Corridor), 2002 and **AAGC** (Asia-Africa Growth Corridor), 2017*
Potentiality of Bay of Bengal (BoB)

1. Negative aspects in South Asia (SA)
   — Chinese investments are causing *debt traps* in Pakistan’s CPEC, Sri Lanka’s Hambantota
   — Ambivalence of SA countries towards India and China: Hedging or engagement or fishermen’s profit. *SEA Syndrome.*
   — Hypoplasia of regional mechanism for governance

2. Positive Aspects of BoB
   — SLOC: One-fourth of the world traded good cross BoB.
   — Manageable size vis-à-vis Indian Ocean
   — No Indo-Pak animosity like SAARC and to some extent a vacuum zone of the international politics
Current Situations of BoB

1. India remains to be a dominant and a key player in BoB Governance and Connectivity would be constructed by India due to its national power and geo-strategic location.

2. Security: Rivalry over BoB  Quad2.0 (?) started in 2017 AUS’s Foreign Policy White Paper (Nov 2017), USA’s National Security Strategy (Dec 2017)

3. Japan’s cooperation to the NER (North Eastern Region)
   Two PMs’ Joint Statement September 2017 on the bilateral Cooperation on development of the NER. JICA’s active supports to SA and BoB. Also ADB has provided its helps on BIMSTEC transport infrastructure and logistics studies since 2006.
Implications of BoB for India

1. Geo-strategic position of BoB, particularly India
   — Propinquity to SEA: ASEM, EAS, ARF, Dialog Partner
   — Andaman and Nicobar Islands

2. India’s dominant position
   — 70% of Total GDP of 7 countries
   — Almost 300 million people in coastal region of BoB

3. Connectivity of land & sea matters for India
   — India’s North-Eastern Region: the population of 45 million
     Act East and Neighborhood First
   — Int’l Logistics Performance Index (2016). India 3.42(35),
     Thai 3.26 (45), BD 2.66 (87)
Why BIMSTEC Matters?

BIMSTEC consisting of BD, India, Myanmar, Sri Lanka, Thailand, Bhutan & Nepal

1. **High potentiality**
   - Total population of 1.5 billion (20%). Total GDP of US$ 3.14 Trillion (World Bank, 2016)

2. **Constituting regional governance**
   - Economy, security, & connectivity

3. **Connecting South Asia with ASEAN**
   - RCEP, Platform to Supply Chain or logistics (custom, investment…), Infrastructure-development

If SAARC fails, there is BIMSTEC (F.S. Jaishankar on Nov. 2016)
Conclusion: Way out for BIMSTEC

1. Necessity of its institutional base: 20th Anniversary in 2017
   Its meager financial resources and proper coordination. Summit in 2004, 2008, and 2014 when Secretariat at Dhaka established whose budget around $200,000 and barely 10 staff.

2. BIMSTEC as regional multilateral entity has a potential capability to check and safeguard influences of major external powers, particularly so for small littoral countries.

3. India’s significant role to play as Informal or De-fact leader
   Accommodation or not vis-à-vis activities of RBI & AIIB. The BJP Government looks to realize the importance of BIMSTEC.
Recent reference by this presenter

(1) Keynote Speech at International Conference on India’s Maritime Connectivity: Importance of the Bay of Bengal, 19-20 February 2018 organized by Kolkata ORF
(2) ”Explaining India’s Foreign Policy: From Dream to Realization of Major Power” International Relations of the Asia-Pacific (OUP), Volume 17, Issue 3, September, 2017
(3) “Japan-India Rapprochement and Its Future Issues” Japan’s Diplomacy Series, Japan Digital Library of Japan Institute of International Affairs, April 2016
(4) Takenori Horimoto & Lalima Varma ed., India-Japan Relations in Emerging Asia, Manohar, 2013
Thank you for your attention