

India's Northeast Region and its Significance as India's Gateway to Southeast Asia

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"Bharat is considered the world's most diverse nation, and our Northeast is the most diverse part of this diverse nation. From trade to tradition, from textiles to tourism, the diversity of the Northeast is its greatest strength"

- Narendra Modi,
Prime Minister of India

Abstract

The article examines India's enduring engagement with Southeast Asia, rooted in ancient cultural and maritime ties and reshaped by contemporary strategic interests. Following the Cold War, India recalibrated its foreign policy through the Look East Policy of 1992, which strengthened economic and political cooperation with the Association of Southeast Asian Nations and expanded regional integration. This evolved into the Act East Policy in 2014, broadening collaboration into security, education, health, technology, and maritime domains. Central to this outreach is India's Northeast Region, positioned as a strategic gateway to Southeast Asia but challenged by security concerns, porous borders, and uneven connectivity. The article highlights major infrastructure projects—including the Kaladan Multimodal Transit Project and the India–Myanmar–Thailand Trilateral Highway—designed to unlock the region's economic potential. It concludes

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that realising the Act East vision requires improved connectivity, a stable security environment, deeper regional partnerships, and effective utilisation of the Northeast's rich natural and economic resources.

Introduction

Southeast Asia has always been an 'Area of Interest' for India, which enjoys multifaceted linkages transcending cultural, social, commercial, and religious affiliations. Close cultural engagements of India with Southeast Asian countries can be traced to antiquity. Temples and monasteries of Angkor Wat in Cambodia, Borobudur in Indonesia, Champa Kingdom in Vietnam, and the Shwedagon in Myanmar are some of the many attestations of the flourishing interactions. The region has often been referred to as *Swarna Bhumi* (Golden Land). Proliferation of Buddha's teachings and Buddhism, as a religion, evidences the deep geocultural linkages in the region. Flourishing maritime relations established during the Chola dynasty with Southeast Asia are often referred to in historical discourses, highlighting the economic engagements and prosperous trade during the period.

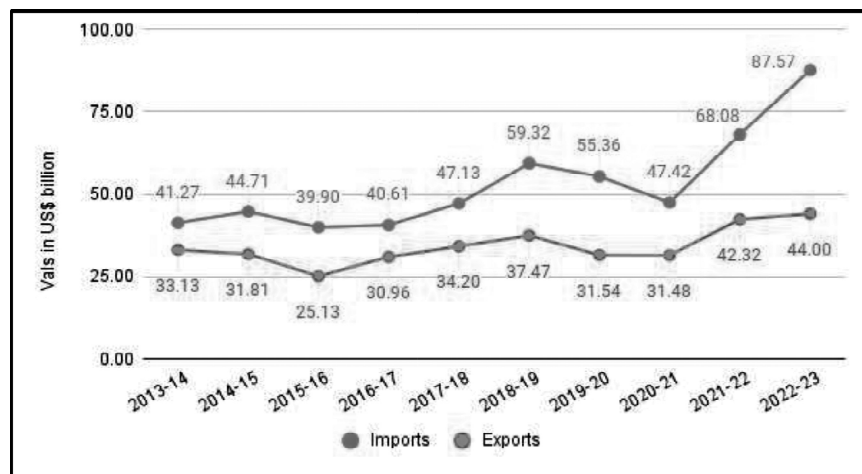
India's strategic arena has always prioritised its neighbourhood extending to the South and Southeast Asian region. Priority accorded to the region was evident when India hosted the Asian Relations Conference in New Delhi from 23 Mar to 02 Apr 1947.¹ India's strategic calculus, stemming from its trust in non-alignment, fairly engaged with different global powers and regional entities without affiliating with any group or bloc of countries. By the latter half of the last century, and evolving through its conflicts with neighbouring countries, India gravitated towards the Soviet bloc and was dependent on it for military, political, and economic support during the Cold War era.

The dissolution of the Soviet Union in 1991 necessitated a re-calibration of India's foreign policy as its fall deprived India of assured partners. The subsequent world order and the turmoil in the Middle East, in the closing decades of the 20th Century, mandated that India diversified its strategic associations to include countries in addition to its traditional partners, viz, the Russian Bloc (the erstwhile Soviet Union) and the Middle East countries, for securing its national interests. A shift in Indian approach for its strategic outlook towards the economically robust Southeast Asia

was a natural consequence, acknowledging the latter's significance in the global landscape.²

The Look East Policy

The strategic approach of India was edified in its enumeration of the 'Look East Policy' in 1992 by the then-Prime Minister Narsimha Rao, wherein, the then-Government of India (GoI) defined its approach to Southeast Asia and started with becoming a sectoral dialogue partner of the Association of Southeast Asian Nations (ASEAN). The policy was subsequently expanded to include East Asia and Oceania.³ India's Look East Policy marked a significant shift in its foreign policy, as it aimed to re-connect and strengthen relationships with countries of Southeast and East Asia.



Graph 1: India-ASEAN Trade
Source: *The Economic Times*

During tenancy of the Look East Policy, bilateral trade between India and Southeast Asia got a major boost, wherein, Singapore, Malaysia, Vietnam, and Indonesia emerged as the most significant trade partners. Emphasis was directed to engage with Cambodia, Myanmar, Laos, Vietnam, where huge opportunities existed for extension of India's influence. New Delhi formalised bilateral Free Trade Agreements (FTAs) with Thailand and Malaysia and economic cooperation agreements with Indonesia, Malaysia, and Singapore. Myanmar, India's eastern neighbour, emerged as a land bridge to ASEAN.

The Look East Policy was effective in significantly enhancing India's interactions with Southeast Asian countries. Trade volumes between India and major countries of Southeast Asia reflected the focus and priority. India's exports to ASEAN member countries stood at USD 25,627.89 mn in the year 2010-11, while imports from these nations amounted to USD 30,607.96 mn. In the fiscal year 2022-2023, India's exports to ASEAN countries were posted at USD 44,000.42 mn, but imports surged far ahead at USD 87,577.42 mn during the same period.⁴

The Act East Policy

A detailed analysis of bilateral trade between India and ASEAN countries reveals growth across various sectors, including minerals, fuels, oils, organic chemicals, plastics, rubber and rubber products, gems and jewellery, iron, steel, and electronic equipment, among others. A notable achievement of the Look East Policy was the signing of the India-ASEAN FTA on 13 Aug 2009 in Bangkok.⁵

While India was steadily progressing its Look East Policy and making an impressive progress, it realised that the efforts needed a boost and there was a need to engage with the Indo-Pacific region with a greater prominence. It was in 2014 that the Indian Prime Minister Narendra Modi announced enhancement in engagements with India's East and Southeast through an action-oriented appellation, the Act East Policy.⁶ While the focus remained on trade and commerce, the engagements have significantly increased in areas of education, medical, agriculture, security, maritime information exchanges, cyber security, defence, energy, science and technology, tourism, and youth exchange programs.

India's Northeast Region (NER)

Geostrategic importance of the NER has time and again been emphasised, as it serves as India's gateway to Southeast Asia. As a confederation, the NER, comprising of eight states of the Republic of India, christened as India's *Ashtalakshmi* (the eight representations of the goddess of wealth) by Prime Minister Modi⁷, has direct land borders with five countries—Myanmar, Bangladesh, Bhutan, Nepal, and China and, thus, has an important role in India's outreach towards its east under the overarching umbrella of the 'Act East' and the 'Neighbourhood First' policies. The wealth of natural resources and its potential for development provides a very lucrative opportunity for holistic growth of the region.

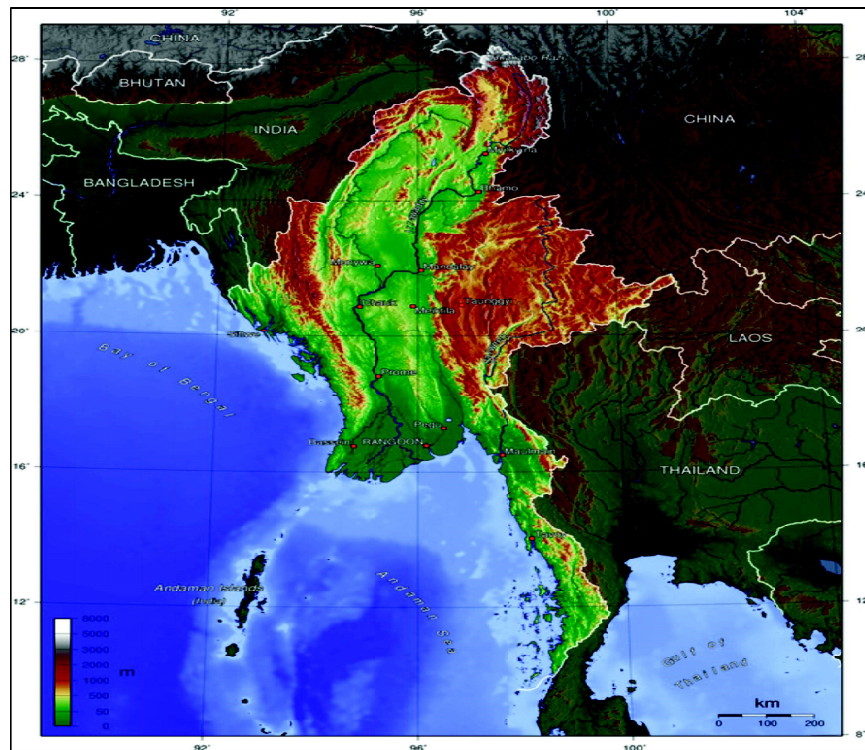


Image 1: India's Eastern Neighbours

Source: Wikipedia

The region has a volatile security situation emanating from its violently antagonised social structures. A porous border with Myanmar only allows frequent movements of insurgents across the international boundary along with the flow of arms and combat equipment. The region has also been considered as a conduit of drugs and narcotics, emanating from the 'Golden Triangle'. The recent past has also witnessed growing demographic and social stress in the region. An assuring security environment and a stable political setup becomes an imperative for the development of the region as a spring board for India's eastward endeavours.

While social, security, and economic challenges remain, the region has emerged as the fulcrum of India's outreach to Southeast Asia. The NER can be a catalyst in India's engagements with Southeast Asia. India's participation in eight sub-regional and regional groupings—ASEAN, the East Asia Summit (ASEAN+6), Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC), Asia-Pacific Trade Agreement (APTA),

South Asia Subregional Economic Cooperation (SASEC), the Asia-Pacific Economic Cooperation (APEC), the Greater Mekong Subregion, and the Mekong-Ganga Cooperation—reflects the importance accorded by New Delhi to the region.

Leveraging the geostrategic advantage of the NER, the GoI initiated major connectivity projects with an aim to enable smooth trade flow between the Indian subcontinent and the Southeast Asia. Emphasis was on developing communication channels through economic corridors with air, rail, and road links. The initiatives, mainly driven under the aegis of the Ministry of Development of NER, focussed on developing infrastructure to integrate the region through a network of transport systems.

Over the decades, the GoI has remained focussed on infrastructural development of the region, with special emphasis accorded to multi-modal transportation network through its various developmental projects like the Pradhan Mantri Gatishakti, Bharatmala Pariyojana, Ude Desh ka Aam Nagrik schemes, and others. Projects under the Special Accelerated Road Development Program for North East have resulted in better connectivity through laying new roads as well as improving existing ones. Road construction projects covering up to 3,300 kms with a cost estimate of INR 60,211 cr, funded by the Asian Development Bank and the Japan International Cooperation Agency, are under progress and likely to be completed by 2028. Surface communication in the region has significantly improved with over 10,000 kms of road surface constructed during the last decade (2014-24) at a total cost of INR 1.07 lakh cr. Projects for expansion of the National Highways network in the region are currently being undertaken for construction of over 5,000 kms of highways. Numerous bridges extending up to 28.48 kms are presently under construction in states like Assam, Sikkim, and Manipur and are likely to be commissioned by 2028. Significant projects include the Bogibeel Bridge and the Dhubri–Phulbari Bridge (presently under construction).⁸

Major initiatives in waterways have been taken to facilitate economic development of the region. Development of Brahmaputra and Barak rivers as National Waterways (NWs), under the aegis of Inland Waterways Authority of India, has significantly impacted connectivity with more than 15 identified NWs in the region.⁹ The

geographical disadvantage of the region in being 'Land-locked' and remaining distant from any sea has remained a major constraint and necessitates passage through neighbouring countries like Bangladesh and Myanmar to allow faster access to the maritime routes.



Image 2: Government of India's Infrastructural Development in North East

Source: PIB

The objectives of the initiative were to enhance trade, foster cultural exchanges, ensure regional stability, and strengthen India's strategic and geoeconomic influence in the Southeast Asia.¹⁰ The Kaladan Multimodal Transit Transport Project and the India–Myanmar–Thailand Trilateral Highway (IMT–TW) Project are the two major initiatives by the GoI to connect the region with the 'East of India'.

Kaladan Project was a joint initiative by India and Myanmar, initiated in 2008 when the Framework Agreement was signed. The project was conceptualised with an aim to provide connectivity between India and Myanmar from ports on India's eastern seaport to Myanmar's Sittwe Port and further to Northeast India through Myanmar using sea, river, and road transport routes. The project facilitates access to coastline, a necessity for economic development of the region. The project includes a waterway component of 158 kms on Kaladan River from Sittwe to Paletwa in Myanmar and a road component of 109 kms from Paletwa to Zorinpui on India-Myanmar border in Mizoram.¹¹

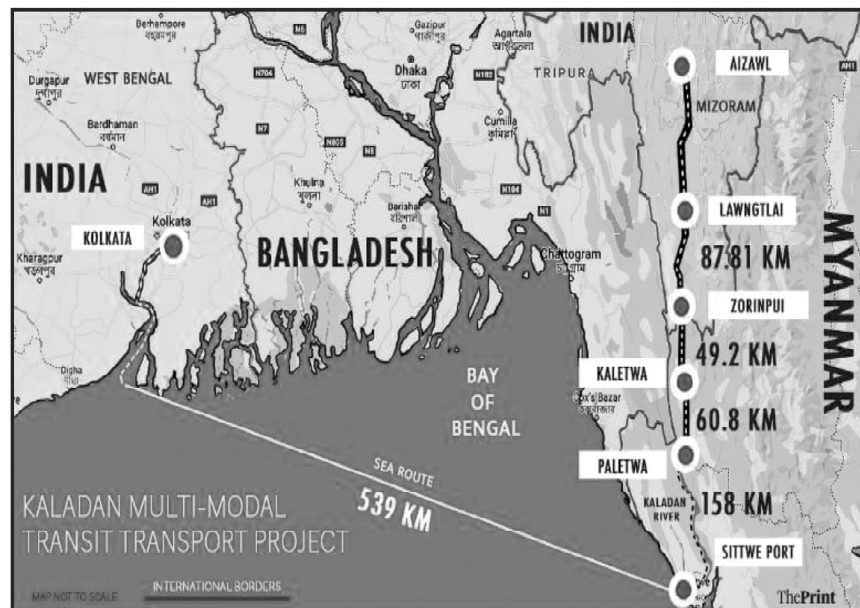


Image 3: Kaladan Multi-Modal Transit Transport Project

Source: The Print

While the project has made significant progress, the political situation in Myanmar and the civil unrest there, especially the security situation in its Rakhine and Chin states (through which the project is planned), has adversely affected the completion of the project. The major portions of the project have been completed—which includes the construction of Sittwe Port, a river terminal at Paletwa, and the dredging of a stretch of 158 kms of the Kaladan River—but the Paletwa-Zorinpui highway is yet to be constructed.^{12,13}

The IMT–TW Project was conceptualised in 2002 to enhance connectivity with India’s Eastwardly neighbours. The project was initiated to develop the NER as a launch-pad for India’s trade with its East. Future proposals include extension of the road connectivity to Cambodia, Laos, and Vietnam.



Image 4: India–Myanmar–Thailand Trilateral Highway Project

Source: Google

The IMT-TH aims to connect India's Northeast with Thailand via Myanmar, facilitating trade, education, tourism, and health links by providing a more efficient and cost-effective transportation route. The land route stretching 1,360 kms has significant economic incentives for India as it engages with the 'Tiger Economies' of Asia. India's trade with ASEAN has witnessed a major enhancement in the recent past. In 2022-23, India's exports to ASEAN rose to USD 44 bn from USD 42.32 bn in 2021-22. Imports surged in 2022-23, reaching USD 87.57 bn, as compared to USD 68 bn in the previous year.¹⁴

Despite the focus on early completion of the IMT-TH project, political instability, a worsening security situation, financing issues, environmental concerns, and multiple natural calamities have delayed its progress.

As of 15 Dec 2024, a total of 86 projects, valued at INR 71,970.54 cr, have been approved, with INR 21,590.81 cr disbursed under various schemes of the Ministry of Development of NE viz., Northeast Special Infrastructure Development Scheme (NESIDS) Other Than Roads Infrastructure, NESIDS–Roads, Prime Minister's Development Initiative for Northeast Region, schemes of Northeastern Council, and special development packages.¹⁵

The Act East Policy defines India's approach towards its eastern neighbours. The enormous economic, cultural, and political potential of the NER needs to be leveraged by India as it strides to emerge as a regional power. Multinational organisations like ASEAN, BIMSTEC, East Asia Summit, APTA, SASEC, APEC, the Greater Mekong Subregion, the Mekong-Ganga Cooperation, and others need to be made effective with economic integration and social inclusion. Some of the recommended measures which may be prioritised for regional integration and making the Act East Policy of India more effective are as under:

- **Understanding of NER.** The NER is often understood as a homogeneous collective entity, disregarding the varied social, cultural, and historic identities of its individual constituent states. The eight states in the region have vastly divergent traditions and cultural identities, and the unique ethnicity needs to be understood in the correct context with due weightage to its divergence and uniqueness.
- **Connectivity.** Projects like the Kaladan Project and the Trilateral Highway Project need to be pursued with greater diligence in consultation and collaboration with all stakeholders especially the military junta and the armed insurgent groups. Concerns of the Arakan Army (the most significant armed insurgent group active in the Rakhine state) need to be assuaged and the benefits therein explained as a win-win situation for all. Faster and direct access to sea is essential for the economic growth of the region and this mandates safe, secure, and smooth routes through Bangladesh and Myanmar to assess the maritime trade opportunities.
- **Security Environment.** India and Myanmar must initiate confidence-building measures towards stabilising the regional security situation, especially in Chin and Rakhine states. Though it may appear politically outlandish, armed insurgent groups like the Arakan Army need to be co-opted into the peace process. It is also important to have a conducive security situation in Northeast India for developmental projects to complete.

- **Development of NER.** The vast economic potential of the Northeast states of India, in terms of its natural resources, must get explored and utilised to make the region economically lucrative for investments. The area has abundant opportunities as a manufacturing hub and a tourist destination. The NER must get intricately integrated in the *Atmanirbhar Bharat* (self-reliant India) initiatives with an aim to exploit its potential in the manufacturing sector. But for all these to flourish in the region, it is imperative that a stable, peaceful, and secure environment is established.
- **Enhanced Defence Cooperation.** Enhanced defence cooperation in areas of disaster management, military training (allowing enhanced vacancies to foreign personnel in respective training establishments), bilateral and multilateral exercises, facilitated access to the evolving indigenous defence manufacturing industry, and more frequent interactions across the hierarchy will facilitate better understanding of the other's strategic environment, its compulsions, and complexities. Such engagements help build long-term and sustained relations across the borders.

Conclusion

India's NER has inherent potential to develop as an economically viable hub with its native availability of natural resources and vast potential in areas of industrialisation, tourism, medical facilities, and agriculture. The region is an essential component in India's outreach to its East as its endeavours to connect with the core of Asia—Southeast Asia, East Asia, and the Indo-Pacific. While the GoI is motivated to create infrastructures and establish systems and procedures to integrate the region, the disorderly security situation and vested interests of other competing regional powers make such efforts challenging. The enormous economic potential of the region needs to be acknowledged and, through collective and collaborative efforts, developed to benefit all of its constituent partners.

Endnotes

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² Ibid.

³ Ambassador Dilip Sinha (Retd), "India's Look East Policy and the North East", speech at *Central University, Mizoram*, 15 May 2025, accessed 30 Oct 2025, <https://mea.gov.in/distinguished-lectures-detail.html>

⁴ ANI, "India's Trade Deficit with ASEAN expands since FTA of 2010", *The Economic Times*, 18 Apr 2024, accessed 05 Nov 2025, <https://economictimes.indiatimes.com/news/economy/foreign-trade/trade-deficit-with-asean-expands-since-fta-of-2010/articleshow/109401531.cms?from=mdr>

⁵ Sukhia, "India's Look East Policy"

⁶ The cogitation or reviewing the Look East Policy was also reflected by the United States Secretary of State, Hillary Clinton, in 2011. While visiting India, she emphasised the need for India to be more active in the Asia-Pacific Region. During her interactions, she appealed to India to 'Act East' instead of 'Looking East'. The phrase caught on and India's External Affairs Minister Sushma Swaraj declared in 2014 that New Delhi was ready to 'Act East'. The slogan was formalised and announced as India's Act East Policy by Prime Minister Narendra Modi in 2014 as an action-oriented appellation at Naypyitaw.

⁷ "PM regards Northeast as 'Ashta Lakshmi', it will soon become biggest contributor to GDP: Shah", *The Business Standard*, 18 Jul 2025, accessed 06 Nov 2025, https://www.business-standard.com/article/pti-stories/pm-regards-northeast-as-ashta-lakshmi-it-will-soon-become-biggest-contributor-to-gdp-shah-118061800970_1.html

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¹¹ V Muraleedharan, Minister of State in the Ministry of External Affairs, Government of India, In reply to Question in Parliament on 28 Jul 2023, <https://www.mea.gov.in/lok-sabha.htm?dtl/36922/question+no1411+kaladan+multi+modal+transit+transport+project>

¹² Rajeev Bhattacharyya, "India-Myanmar: Why Kaladan Transit Project could resume soon", *The Week*, 01 Dec 2024, accessed 01 Nov 2025, <https://www.theweek.in/theweek/current/2024/11/23/india-myanmar-kaladan-multi-modal-transit-project.html>

¹³ The Government of India is reportedly in consultation with Myanmar administration and some of the relevant insurgent groups for early completion of the road construction work. With assurances from the Arakan Army (the most significant insurgent group active in the Rakhine region of Myanmar), the project is likely to progress rapidly in the coming days.

¹⁴ Bhattacharyya, "India-Myanmar"

¹⁵ "Year End Review 2024", *Ministry of Development of North Eastern Region*, 31 Dec 2024, accessed 05 Oct 2025, <https://www.mdoner.gov.in/contentimages/files/Year-Ender-31-Dec-2024.pdf>