

ROHINGYA CRISIS REINFORCES CHINA-MYANMAR BOND

Relevant for: International Relations | Topic: India - Myanmar

China's Belt and Road Initiative (BRI) got a high-octane boost last week, when Myanmar — facing the heat from the West because of the Rohingya refugee crisis — inked an agreement with Beijing to establish a cross-border economic corridor.

The 1,700 km corridor will provide China yet another node to access the Indian Ocean. Already, Gwadar port has become Beijing's star gateway to the Arabian Sea.

"The China-Myanmar Economic Corridor (CMEC) can become a major factor in lifting the economies of landlocked southwest China, which includes the provinces of Yunnan and Sichuan, by providing them a passage to the Indian Ocean," said Long Xingchun, associate professor at China's West Normal University, in a conversation with *The Hindu* .

Yunnan to Kyaukpyu

The CMEC will also reduce Beijing's trade and energy reliance on the Malacca Straits — the narrow passage that links the Indian Ocean to the Pacific. Chinese planners worry that the military domination of the U.S. there can threaten one of China's major economic lifelines.

The CMEC will run from Yunnan Province of China to Mandalay in Central Myanmar. From there, it will head towards Yangon, before terminating at the Kyaukpyu Special Economic Zone (SEZ) on the Bay of Bengal.

China's National Development and Reform Commission (NDRC) — Beijing's top planning body — which signed a memorandum of understanding (MoU) with Myanmar last Sunday, stitched the CMEC with the Belt and Road Initiative.

In August, the Industrial and Commercial Bank of China (ICBC) opened a new centre in Yangon, which could help fund some of the CMEC-driven projects, China's state-run Xinhua news agency reported.

Economic slowdown

Three factors, including the ascending pressure on Myanmar from human rights groups and Western governments, appear to have reinforced the China-Myanmar bond. "Domestically, the Myanmar economy is growing very slowly because of the lack of investment. Globally, there has been talk of sanctions against Myanmar over the Rohingya issue. So more than ever, the country needs China," said Zhu Zhenming, a professor at the Yunnan Academy of Social Sciences, as quoted by *Global Times* .

India's tepid enthusiasm for the previously proposed Bangladesh-China-India-Myanmar (BCIM) economic corridor also appears to have persuaded China to head for the CMEC.

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