



## **Maritime Power Politics in the Indian Ocean Region (IOR)**

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### **Abstract**

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The Indian Ocean Region (IOR) will be the crucial area of dispute in the 21<sup>st</sup> century. The article focuses on the Indian view and the aspects of the littoral states. As the majority of oil and gas transports to East Asia pass through this extremely instable region, conflicts between the upcoming super powers India and China as well as between China and the US could become a threat to the world's security.

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## Analysis

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***Whoever controls the Indian Ocean dominates Asia.  
This Ocean is the key to the seven seas.  
In the 21 st century the destiny of the world will be decided on its water.***

Alfred Mahan, 1840-1914, US Navy Admiral

The world is, if only partly, aware of the issues surrounding claims in the South China Sea, coming to our attention again in the context of the 19<sup>th</sup> Party plenum in China in October 2017. But another site of rising tension especially in the context of India and China is the Indian Ocean Region (IOR). As I am half-Indian, half-German and studied Sinology, my focus of interest lies in China-India relationship and therefore in this paper I will concentrate on the IOR, the individual interests of some of the littoral powers and especially on the Indian viewpoint.

## Overview

The Indian Ocean, the smallest of the world's three oceans, may be seen as a medium of international interaction. The Indian Ocean Region, further on called the IOR, covers a vast area ranging from Africa, Middle East, South Asia, to Southeast Asia and Australia. Although the Indian Ocean has facilitated the interaction of nations for thousands of years, it does not yet have a strong identity as a region, thus the development of regional cooperation in the region has not been significant.

The Indian Ocean has 36 States around its littoral belt. Furthermore, there are eleven hinterland states e.g. Nepal and Afghanistan, which though landlocked, are keenly interested in the Indian Ocean politics and trade. The ocean contains several important minerals like gold, tin, manganese, nickel and natural rubber. The annual value of two-way international trade passing through the Indian Ocean sea lanes is almost USD 1 trillion.

The great powers like the US, China, and India are establishing strategic footholds in the IOR along the Ocean's sea lines of communication (SLOCs), as well as in the narrow passages that connect these SLOCs with Europe (e.g., Bab-el-Mandeb), the Middle East (e.g., the Strait of Hormuz), and East Asia (e.g., the Strait of Malacca).

The countries of the IOR are politically divided or are aligned differently. With few exceptions there is hardly any inland navigation. The scarcity of lines of land communication in the eastern hemisphere has resulted in increased importance being attached to ocean areas – trade and commerce being most important – and in particular to the strategic choke points where the Indian Ocean is joined or adjacent to other large bodies of water.

The world is said to be entering the Geo-energy era in which questions of energy security (security of demand and security of supply) will condition both inter-state relations and may lead to re-configuration of world power hierarchy. Energy security will play a decisive role in creating conflict and co-operation situations.

The country which holds the dominant position in the Indian Ocean is likely to control the flow of energy not only to East Asia, the future center of the world economic power, but also to other regions. Currently the US is dominating the region and the regional states, especially China, are trying to balance US power in order to protect their interests with regard to its growing economy and energy needs. The question why it is so



important to dominate the Indian Ocean can also be answered by highlighting the fact that oil is shipped from the Persian Gulf to almost the entire world via the Indian Ocean, and through the Straits of Malacca to China, Korea, and Japan. If another power holds the lifeline, oil-importing countries will suffer severe blows. Because the U.S. strategy is to hold sway over the oil route, the US has in recent years showered attentions on India, Vietnam, and Singapore, all of which lie on that route.

The Indian Ocean will likely be the focus of increasing tension and decisive political and legal interplay over the next few decades. The emergence of significant maritime powers and potential competitors such as India and China, the importance of the Indian Ocean for Sea Lines of Communication between the Middle East, Africa and Asia and the strategic interests of the United States ensure that the region will attract key geo-political attention. Add to this the challenges of piracy and other acts of maritime lawlessness already evident in the region and the growing resource and strategic interests of Indian Rim powers such as Australia, it is inexorable that critical focus will be directed to the Indian Ocean in the 21st century. China definitely recognizes its comparative strategic and military disadvantage in the IOR, and seeks broader maritime security cooperation for the development of famous 'maritime silk road' for commercial and security objectives, while at the same time seeking increased port basing rights.

The US prioritizes navigational freedom in the IOR for commercial goals, security stability in the region and access to the Strait of Hormuz. In contrast, India is wary of both China's and the US' actions, and is seeking greater engagement with IOR littorals in order to bolster its geographic advantage.

Conflicts in the Middle East and the Horn of Africa will be a continuing source of instability in the Ocean's northwestern region, and they will pose a major security challenge to the international community in general. In addition, many violent, non-state actors have established strongholds in such areas as the Arabic Peninsula, East Africa, and the Hindu Kush, which are plagued with weak or failing governance structures. These actors will continue to use the Indian Ocean in support of their operations. Climate change may become a security challenge as well, as the rising sea level threatens to displace the inhabitants of low-lying coastal regions in Bangladesh and the Maldives islands. Competition for control over deposits of scarce resources found in the Indian Ocean Rim countries will likely ensue in the coming decades. Moreover, the Indian Ocean will be one of the key stages on which established and emerging powers will meet and match forces in the next two decades.

The foresight studies unanimously predict that commercial shipping along the Indian Ocean SLOCs will expand in the coming decades. If the Chinese and Indian economies continue on their path of economic growth and increasing dependence on international trade in order to meet key resource needs and access export markets, new port facilities will continue to be developed in order to strengthen the Ocean's routes from Africa and the Gulf Region towards India and East-Asia, including Australia. These shifts are increasingly transforming the Indian Ocean into a maritime center of gravity, or the 'strategic heart of the maritime world.'

Indeed, the lack of state control along the Ocean's shores may increasingly create a breeding ground for three types of violent non-state actors: pirates, terrorists, and international criminal organizations. Pirates figure most prominently in the contemporary security discourse on the Indian Ocean, and foresights suggest an increase in piracy in the Indian Ocean during the coming decades. Approximately a quarter of all maritime piracy is targeted at shipments of fossil fuels. This happens primarily in the Strait of Malacca.



Moreover, since the 2008 attacks in Mumbai, India, seaborne access to onshore targets has emerged as another dimension of maritime security that policymakers must consider. Finally, in addition to their importance for the transport of oil and manufactured products, the Indian Ocean's trade routes are also used for the trafficking of drugs, people, and small arms by international criminal organizations. The Indian Ocean has emerged as an important transit route for the narcotic trade from the Golden Triangle (Myanmar, Laos, and Thailand) and the Golden Crescent (Afghanistan, Pakistan, and Iran) to the West and Far East. In the near future, criminal organizations will probably continue to use the Indian Ocean waterways for their activities. In addition, terrorist organizations are known to participate in the illegal drug trade to finance their operations, thereby blurring the lines between the activities of terrorists and organized crime.

Within the foresights, there is considerable debate regarding the future shape and composition of the Indian Ocean as a political and maritime system. Nonetheless, two observations are interesting in this context.

First, the majority of the foresights in regard to the future maritime balance of power, suggest that the US will no longer be the single, dominant maritime player in the Indian Ocean, due to the emergence of India and China and the resulting diffusion of power in the region. None of the sources predict that the US will completely leave the Indian Ocean, and a sizeable number of studies suggest that the US is likely to retain its position as the most advanced global naval power.

The second notable observation is that the economic rise of **China** is expected to run parallel to its rise as a maritime power in the Indian Ocean. Even if China's actual maritime presence remains largely restricted to the Strait of Malacca and the Bay of Bengal, experts argue that its investments in Pakistan, its stake in the development of the Pakistani port of Gwadar, and the availability of forward bases in Myanmar and other locations will enable it to sustain deployments across the Ocean and secure its place as a regional maritime power. Although China has been investing heavily in the comprehensive modernization of its maritime capacity, the expeditionary capability that these programs are intended to generate is emerging only slowly.

China has already established its first ever overseas military base in Djibouti. The new naval facility is co-located in the same city as the American African military headquarters in Djibouti. The move underscores apprehension that China is making a policy shift in the IOR. Djibouti occupies a vital strategic position at the southern entrance to the Red Sea from the Indian Ocean, with 30 percent of the world's shipping passing close by.

The rise of **India** is more contentious, and fewer foresights predict the emergence of a bi-polar or tri-polar maritime system with India as a key player. Although India has been modernizing and improving its naval capabilities since the late 1990s, it currently lacks the expeditionary capability to deploy forces on a permanent basis beyond the reach of its bases. Nevertheless, India's geographical position provides it with considerable strategic leverage, as it is located along the major transit route and it possesses several smaller islands across the ocean. This could enhance India's potential to become a maritime power in the medium-term.

India is visibly the most important geopolitical actor in the region. India has 12 major and 200 non-major ports, spread along the East and West coasts and its islands. These facts highlight the importance of the SLOCs to a maritime and ambitious power such as India. India has been getting increasingly dependent on sea routes for import and export of essential cargo, including crude and refined energy products, trade, and other commodities, and for support to Indian interests overseas.



There are many threats and challenges to India's SLOCs, both from traditional and non-traditional sources. India's maritime interests also cater to the non-resident Indians. India has the second largest diaspora – nearly 28.5 million (like me!) spread across 206 nations/territories – in the world. It also has 17 million persons of Indian origin who maintain close links with mainland India. 94 percent of the non-resident Indians and 99.7 percent of the persons of Indian origin live in coastal states. India's areas of maritime interest cover areas such as, among others: the Arabian Sea, the Bay of Bengal, the Andaman Sea, and their littoral regions; the Gulf of Oman, the Gulf of Aden, the Red Sea, and their littoral regions; and the South West Indian Ocean, including IOR island nations therein.

The Indian Navy has undertaken projects to assist the weaker states of the Indian Ocean to enhance their capacities through provisioning of training, advisers, and equipment. It has helped Mauritius operate a coast guard, improved the ability of Mozambique, Madagascar, and the Maldives to help monitor their maritime environments, and has transferred ships to the Seychelles and Mauritius.

India established a cooperative naval relationship with South Africa about a decade ago and conducts naval exercises periodically with the Republic. Maritime engagements with Mauritius, Seychelles, Mombasa, Oman, and other maritime nations are all significant in ensuring that there is seamless integration of the maritime domain. A plot of land for India to build its first naval base in the IOR has been allocated by the Seychelles government on the Assumption Island.

China is concerned that an emerging India is a potential threat to China that encircles it from South, West, and Southeast Asia, and from both the Oceans (i.e., the Pacific and Indian) where their interests and influences are almost destined to clash. India on its own cannot be a match to China in any arena, even in the foreseeable future, primarily because of China's huge GDP size. India is plagued by more poverty and deprivations than China, at least at this point in time.

**China** is also making connections to the Indian Ocean through Myanmar, as mentioned. This is what Beijing calls national bridgehead strategy of strategic engagement with the Indian Ocean, as part of its "Two Oceans Strategy." The Yunnan–Yangon–Irrawaddy road/rail/river corridor has been operational for several years. China has also completed oil and gas pipelines that will transport gas from Myanmar's offshore gas fields and the oil imported from the Middle East. This provides great strategic relief to China as it can slowly and gradually get rid of the Malaccan dilemma.

**Pakistan** has anchored China as a strategic partner in the Indian Ocean on its western flank. The China factor in India–Pakistan relations, as highlighted, has remarkably limited India's strategic option towards Pakistan.

**Bangladesh, Nepal, and Sri Lanka** have to keep both the powers in good humor for their economic and military support. They tend to follow equidistance policy, which may not be all that realistic in all exigencies.

India's influence in **Sri Lanka** may become marginalized, as China has made huge investments in Sri Lankan economic and strategic arenas. India is Sri Lanka's biggest trading partner but China is again a major source of its infrastructure investment.

China does not overtly recognize India as a strategic power as it does the United States and Japan. That said, China is well aware that India is constantly colluding with these powers to contain China. India wants to dominate the IOR that includes the Bay of Bengal sub-region as well. India proclaims to act as a net provider of security in the IOR.



## Regional Interests

China has following strategic interests in the IOR:

1. To ensure the safety of Sea Lines of Communication (SLOC) to maintain the uninterrupted supply of her trade and energy resources.
2. To ensure the security of choke points of Indian Ocean, mainly Malacca Strait and Lombok Strait in the East and Bab el Mandeb and Hormuz strait in the west.
3. To deny other powers, mainly India and the US, to gain undue influence in the Indo-Pacific Region, against China's strategic interests in the region.

India has the following strategic interests in the IOR:

1. To ensure a credible naval security of mainland and her islands territories (Andaman and Nicobar Islands and Lakshadweep and Minicoy Islands) from conventional as well as nonconventional security threats. The Indian peninsula is surrounded from three sides by the Indian Ocean and therefore has a more than 7500 kms long maritime boundary to defend. This geo-strategic location of India is both a sense of positional strength as well as source of potential security threat. Neither the US nor China has this type of existential security threat emanating from the Indian Ocean.
2. To ensure the safety and security of SLOC in the Indian Ocean and its choke points for her trade and supply of energy resources.
3. To ensure the exploration and sustainable harnessing of marine resources in the IOR.
4. To restrict undue influence of external powers in the IOR.

**The US** does not want the region to be dominated by any single state. But it's dilemma is that it cannot prevent or block supply to China and India since it would influence world economy. Another dilemma of the US is that it cannot altogether sideline the Chinese Navy. The US seizes every opportunity to incorporate China's navy into international alliances, as U.S.-Chinese understanding at sea is crucial for the stabilization of world politics in the twenty-first century. The US will likely continue to see the IOR as part of something larger or as a series of sub-regions. More specifically, the United States will use the IOR to stage counter-terrorism efforts in and around the Persian Gulf, and as a secondary theatre in the deepening strategic competition with China. A third area of priority, Iran, may also enhance focus on the northwest corner of the region.

**Iran** is the other emerging power of the Indian Ocean with control of the most crucial Strait of Hormuz, a transit passage which can potentially be the cause of triggering conflict in the region. As highlighted above, this transit route is responsible for the supply of oil to most of the world. Preserving the security in the Strait of Hormuz is a priority of Iran's defensive deterrence strategy in the Persian Gulf.

## Indian Maritime Strategy

In view of her economic interests and increasing Chinese presence and assertion in Indo-Pacific, India has also reoriented her maritime strategy to protect her strategic interests in the region. Among others, three factors have deep impact on India's evolving Indian Maritime Strategy. The three dimensions of India's maritime strategy are:



1. Enhanced Capability and Role of Navy;
2. Regional Maritime Collaboration;
3. Bilateral and Multilateral Maritime Cooperation with Other Powers like US, Japan,

Australia and some other smaller countries having stake in the Indian Ocean.

## Conclusion

The safety of the Indian Ocean's SLOCs is of vital importance to the growth of the emerging economies in South and East Asia, as well as the world economy at large. The strategically located choke points are extremely vulnerable to disruptive attacks both from state and non-state actors, including pirates and terrorists. Contingencies at sea have the potential not only to affect already volatile oil prices, but also to have dramatic effects on companies that rely on principle of just-in-time production and delivery within the context of global production networks.

The Indian Ocean is a major testing ground for great-power relations between the US and the potential emerging contenders China and India. Even as China and India harbor ambitions to expand their forward naval presence in the Indian Ocean, historically embedded mistrust is encouraging mutual suspicion concerning each party's intentions. Both China and India are starting to consider the Indian Ocean in terms of prerogatives and responsibilities. This could trouble the Ocean's waters considerably and pose a potential source of future conflict. It could also indicate that these emerging powers are starting to shoulder some of the responsibility for maintaining the safety of the Ocean's SLOCs.

India is still a hesitant emerging maritime power, with focus on her core interests in the IOR. In spite of much talk of rivalry between India and China in IOR, the potential flash points of maritime conflicts are still located in the Pacific Ocean- South China Sea; East China Sea; and Taiwan Strait. The US wants India to play a larger role in South-East Asia and to encourage strategic partnership with India to counter Chinese influence in the Indo-Pacific region. The fundamental problem is that the US has larger global issues which affect the prospects of Indo-US maritime partnership, whereas Indian stakes are largely regional in nature. The rivalry between India and China may not take hot form as both have learned to live under suspicion for long time and both have stake in the existing global order as their rise is the product of this order. The predominance maritime position of the US will have stabilizing effect and it is likely to play a balancing maritime game in the region. The US navy is still far superior to China's. The prevailing strategic equations and China's needs as emerging economy will deter her from any maritime adventure in the Indian Ocean in the near future.

For the first time since the Portuguese onslaught in the region in the early sixteenth century, the West's power there is in decline, however subtly and relatively. Although the US is trying to give it a new boost and reconfiguring it, it might not be able to assert its dominant position in the region. The Indians and the Chinese are likely to enter into a dynamic great-power rivalry in these waters, with their economic interests as major trading partners locking them in an uncomfortable embrace; while Pakistan would continue to assert its position by establishing alliance with China and by building its own capacity, especially naval power.

In view of the circumstances and geo-political realities, the US will have to change its posture from that of dominance to a sort of indispensable relationship with the regional powers, including Iran and Pakistan. It may, in future, act as a 'balancer' between China and India. What is becoming obvious as things unfold is that no



single state would be able to dominate the region singularly; therefore, a sort of multilateral set up will have to be established whereby each country can “equitably” pursue its goals.

***The Indian Ocean area will be the true nexus of world powers and conflict in the coming years. It is here that the fight for democracy, energy independence and religious freedom will be lost or won.***

Robert D. Kaplan

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**Remarks:** Opinions expressed in this contribution are those of the author.

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### About the Author of this Issue

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Dr. Manuel Vermeer, born from a German father and an Indian mother, lived and studied in China as early as 1982. Since more than 25 years he has been one of Germany's leading consultants for doing business in China and India. He published several articles and three books on the topic. Moreover, Dr. Vermeer published Germany's first Tibet thriller in 2015, „Mit dem Wasser kommt der Tod“, describing the water crisis in Tibet and a potential war between China and India by means of a suspense thriller. His second thriller was published in 2017.

He teaches Business Chinese and Intercultural Management at the East Asia Institute, Ludwigshafen (Germany). His extensive experience as a middleman for foreign companies in China and India has helped many clients in solving their problems. Several guest lectures at universities in Germany, Austria, Switzerland, Spain, Denmark, India, China. Interviews in leading German radio stations and newspapers; TV report in Spiegel TV (Germany) and on Deutsche Welle (broadcast worldwide in 2007). Languages: German, English, Chinese, Spanish, French.

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