

India in the Indian Ocean: Growing Mismatch Between Ambitions and Capabilities

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In February 2008, India hosted naval chiefs from around the Indian Ocean in what was named the Indian Ocean Naval Symposium, highlighting the role of the Indian navy as an important instrument of the nation's foreign and security policy. It was also an attempt by India to promote a multilateral approach in the management of the security of the Indian Ocean. India signalled that as a rising power it is willing to fulfil its maritime responsibilities in the region but, unlike in the past when India had been suspicious of what it saw as "extra-regional navies," it is now ready to cooperate with other navies in and around the Indian Ocean. Whether India's leadership will be enough to promote genuine maritime multilateralism in the region, however, remains to be seen.

The Indian Ocean has long been the hub of great power rivalry and the struggle for its domination has been a perennial feature of global politics. It is third-largest of the world's five oceans and straddles Asia in the north, Africa in the west, Indochina in the east, and Antarctica in the south. Home to four critical access waterways—the Suez Canal, Bab-el Mandeb, the Strait of Hormuz and the Strait of Malacca—the Indian Ocean connects the Middle East, Africa and East Asia with Europe and the Americas.¹ Given its crucial geographical role, major powers have long vied with each other for its control, though it was only in the nineteenth century that Great Britain was able to enjoy an overwhelming dominance in the region. With the decline in Britain's relative power and the emergence of two superpowers during the Cold War, the Indian Ocean region became another arena where the US and the former Soviet Union struggled to expand their power and influence. The US, however, has remained the most significant player in the region for the last several years.

Given the rise of major economic powers in the Asia-Pacific that rely on energy imports to sustain their economic growth, the Indian Ocean region has assumed a new importance as various powers are once again vying for the control of the waves in this part of the world. Nearly half of the world's

¹ For details, please see the CIA website, at <<https://www.cia.gov/library/publications/the-world-factbook/geos/xo.html>>, last accessed 8 April 2009.

seaborne trade is through the Indian Ocean, and approximately 20 percent of this trade consists of energy resources. It has also been estimated that around 40 percent of the world's offshore oil production comes from the Indian Ocean, while 65 percent of the world's oil and 35 percent of its gas reserves are found in the littoral states of this Ocean.² Unlike the Pacific and Atlantic Oceans, almost three quarters of trade traversing through the Indian Ocean, primarily in the form of oil and gas, belongs to states external to the region. Free and uninterrupted flow of oil and goods through the ocean's SLOCs is deemed vital for the global economy and so all major states have a stake in a stable Indian Ocean region. It is for this reason that, during the Cold War years when US-Soviet rivalry was at its height, the states bordering the Indian Ocean sought to declare the region a "zone of peace" to allow for free trade and commerce across the lanes of the Indian Ocean. Today, the reliance is on the US for the provision of a "collective good": a stable Indian Ocean region.

This article examines the emerging Indian approach towards the Indian Ocean in the context of the country's rise as a major regional and global actor. This is an empirical analysis of India's role in the Indian Ocean region, not a theoretical exposition of the issue.³ It argues that though India has historically viewed the Indian Ocean region as one in which it would like to establish its own predominance, its limited material capabilities have constrained its options. With the expansion, however, of India's economic and military capabilities, Indian ambitions vis-à-vis this region are soaring once again. India is also trying its best to respond to the challenge that growing Chinese capabilities in the Indian Ocean are posing to the region and beyond. Yet, preponderance in the Indian Ocean region, though much desired by the Indian strategic elites, remains an unrealistic aspiration for India, given the significant stakes that other major powers have in the region. In all likelihood, India will look towards cooperation with other major powers in the Indian Ocean region to preserve and enhance its strategic interests.

² P.K. Das, "Maritime Dimensions of India's Security," *Indian Defence Review*, vol. 18 (2) (2003), pp. 43-47.

³ Space limitations do not permit a theoretical discussion of the issues raised in this article. Variants of realism can be used to assess how rising powers respond to their strategic environment as their political and military capabilities increase. Neo-liberal institutionalism can be used to examine why and under what conditions do states tend to resort to cooperation to manage security challenges. Security dilemma can be used as a conceptual model to study the growing Sino-Indian security competition in the Indian Ocean region. On realism, see Hans Morgenthau, *Politics Among Nations*, 5th ed. (New York: Knopf, 1973); John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton & Co, 2001); and Fareed Zakaria, *From Wealth to Power: The Unusual Origins of America's World Role* (Princeton: Princeton University Press, 1998). On neo-liberal institutionalism, see Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984). On security dilemma, see John Herz, "Idealist Internationalism and the Security Dilemma," *World Politics*, vol. 2, no. 2, (January 1950), pp. 157-180.

The Indian Ocean: India's Backyard?

As India's global economic and political profile has risen in recent years, it has also, not surprisingly, tried to define its strategic interests in increasingly expansive terms. Like other globalizing economies, India's economic growth is heavily reliant on the free flow of goods through the Indian Ocean SLOCs, especially as around 90 percent of India's trade is reliant on merchant shipping. Given India's growing reliance on imported sources of energy, any disruption in the Indian Ocean can have a potentially catastrophic impact for Indian economic and societal stability. India's Exclusive Economic Zone in the Indian Ocean, that according to the Law of the Seas runs 200 nautical miles contiguous to its coastline and its islands, covers around 30 percent of the resource-abundant Indian Ocean Region.⁴

Any disruption in shipping across the important trade routes in the Indian Ocean, especially those passing through the "choke points" in the Strait of Hormuz, the Gulf of Aden, the Suez Canal and the Strait of Malacca, can lead to serious consequences for not only Indian but global economic prospects. Unhindered trade and shipping traffic flow is a *sine qua non* for the implementation of India's developmental process. Non-traditional threats in the form of organized crime, piracy and transnational terrorist networks also make it imperative for India to exert its control in the region.

Indian strategic thinkers have historically viewed the Indian Ocean as India's backyard and so have emphasized the need for India to play a greater role in underwriting its security and stability. India's strategic elites have often drawn inspiration from a quote attributed to Alfred Mahan: "Whoever controls the Indian Ocean dominates Asia. The ocean is the key to seven seas. In the 21st century, the destiny of the world will be decided on its waters." This quote, though apparently fictitious, has been highly influential in shaping the way Indian naval thinkers have looked at the role of the Indian Ocean for Indian security.⁵ While sections of the Indian foreign policy establishment considered India the legatee of the British rule for providing peace and stability in the Indian Ocean, India's neighbours remain concerned about India's "hegemonistic" designs in the region.

Underlining the importance of the Indian Ocean for India, K.M. Pannikar, a diplomat-historian, called for the Indian Ocean to remain "truly Indian." He argued that "to other countries the Indian Ocean could only be one of the important oceanic areas, but to India it is a vital sea because its lifelines are concentrated in that area, its freedom is dependent on the freedom of that coastal surface."⁶ Pannikar was strongly in favour of Indian dominance

⁴ Indian Maritime Doctrine, Integrated Headquarters, Ministry of Defence (Navy), 2004, p. 56.

⁵ Rahul Roy-Chaudhury, *Sea Power and India's Security* (London: Brassey's, 1995), p. 199.

⁶ K.M. Pannikar, *India and the Indian Ocean: An Essay in the Influence of Sea Power on Indian History* (London: George Allen & Unwin, 1945), p. 45.

of the Indian Ocean region much in the same mould as several British and Indian strategists viewed India's predominance of the Indian Ocean as virtually inevitable.⁷ It has also been suggested that given the role of "status and symbolism" in Indian strategic thinking, India's purported greatness would be reason enough for Indian admirals to demand a powerful navy.⁸

In view of this intellectual consensus, it is surprising that India's civilian leadership was able to resist naval expansion in the early years after independence. India took its time after independence to accept its role as the pre-eminent maritime power in the Indian Ocean region and for long remained diffident about shouldering the responsibilities that come with such an acknowledgement. The focus remained on Pakistan and China and the overarching continental mindset continued to dictate the defence priorities of the nation with some complaining that the Indian navy was being relegated to the background as the most neglected branch of the armed services.⁹ As the great powers got involved in the Indian Ocean during the Cold War years, India's ability to shape the developments in the region got further marginalized. India continued to lag behind in its ability to project power across the Indian Ocean through the early 1990s, primarily due to resource constraints and a lack of a definable strategy. It was rightly observed that "if the Indian Navy seriously contemplates power projection missions in the Indian Ocean, [the then Indian naval fleet] is inadequate ... it has neither the balance nor the required offensive punch to maintain zones of influence."¹⁰ India, for its part, continued to demand, without much success, that "extra regional navies" should withdraw from the Indian Ocean, which met with hostility from the major powers and generated apprehensions in India's neighbourhood that India would like to dominate the strategic landscape of the Indian Ocean. India's larger non-aligned foreign policy posture also ensured that Indian maritime intentions remained shrouded in mystery for the rest of the world.

It has only been since the late 1990s that India has started to reassert itself in the Indian Ocean and beyond. This has been driven by various factors: the high rates of economic growth that India has enjoyed since the early 1990s have allowed the country to invest greater resources in naval expansion; the growing threat from non-state actors that has forced India to adopt a more pro-active naval posture; and, a growing realization that China is rapidly expanding its influence in the Indian Ocean region, something that many

⁷ David Scott, "India's 'Grand Strategy' for the Indian Ocean: Mahanian Visions," *Asia-Pacific Review*, vol. 13, no. 2 (2006), pp. 98-101.

⁸ George Tanham, *Securing India* (New Delhi: Manohar Publishers, 1996), p. 59.

⁹ N. Palmer, "South Asia and the Indian Ocean," in A. Cottrell and R. Burrell, eds., *The Indian Ocean: Its Political, Economic, and Military Importance* (New York: Praeger, 1972), p. 237.

¹⁰ Ashley Tellis, "Demanding Tasks for the Indian Navy," *Asian Survey*, vol. 25 (12), December 1985, p. 1204.

in the Indian strategic community feel would be detrimental to Indian interests in the long-term. India has a pivotal position in the Indian Ocean because, unlike other nations in the region with blue-water capabilities, such as Australia and South Africa, India is at the centre and dominates the sea lanes of communication across the ocean in both directions. There are now signs that India is making a concerted attempt to enhance its capabilities to back up its aspiration to play an enhanced naval role in the Indian Ocean.

Expanding Resource Base

Sustained rates of high economic growth over the last decade have given India greater resources to devote to its defence requirements. In the initial years after independence in 1947, India's defence expenditure as a percentage of the GDP hovered around 1.8 percent. This changed with the 1962 war with China, in which India suffered a humiliating defeat due to its lack of defence preparedness and Indian defence expenditure came to stabilize at around 3 percent of the GDP for the next 25 years.¹¹ Over the past two decades, the military expenditure of India has been around 2.75 percent but since the country has been experiencing significantly higher rates of economic growth over the last decade compared to any other time in its history, the overall resources that it has been able to allocate to its defence needs have grown significantly. The armed forces have long been asking for an allocation of 3 percent of the nation's GDP to defence. This has received broad political support in recent years. The Indian prime minister has been explicit about it, suggesting that "if our economy grows at about 8 percent per annum, it will not be difficult for [the Indian government] to allocate about 3 percent of GDP for national defense."¹² The Indian Parliament has also underlined the need to aim for the target of 3 percent of the GDP.

India, with the world's fourth-largest military and one of the biggest defence budgets, has been in the midst of a huge defence modernization programme for nearly a decade that has seen billions of dollars spent on the latest high-tech military technology. This liberal spending on defence equipment has attracted the interest of Western industry and governments alike and is changing the scope of the global defence market.

As for the share of the three services, during the ten-year period between 1996-97 and 2005-06, the average share of the expenditure on the army, navy and air force was 57 percent, 15 percent and 24 percent respectively. Though the navy's share is the smallest, it has been gradually increasing over the

¹¹ Jasjit Singh, *India's Defence Spending: Assessing Future Needs* (New Delhi: Knowledge World, 2001), pp. 22-23.

¹² "India Plans to Spend More on Defense if Economy Grows," *Agence France-Press* (New Delhi), 20 October 2005.

years, whereas the share of other services has witnessed great fluctuations. The Indian navy saw its allocation go up by 10.5 percent and procurement spending rise by 17 percent in 2007.¹³ In 2008-09, the navy's share of the total defence allocation was 18 percent, compared to 47 percent of the Army, and 53 percent of the Air Force.¹⁴ In the overall defence expenditure for the services, the ratio of revenue to capital expenditure is most significant in assessing how the services are utilizing their allocated resources. Capital expenditure is the element that is directed towards building future capabilities. While the ratio of revenue to capital expenditure has been around 70:30 for the defence forces as a whole, there is huge variation among the services with the ratio of navy being 48:52. Of the three services, it is the only one that is investing in future capabilities to a greater extent than current expenditure.¹⁵ Capital expenditure determines the trend of modernization and with 52 percent of its allocation going toward capital expenditure, the Indian navy is ahead of the other two services in its endeavour to modernize its operations. Three key acquisitions by the Indian navy—long-range aircraft, aircraft carriers, and nuclear submarines—are intended to make India a formidable force in the Indian Ocean. While India's global aspirations are clearly visible in the modernization activities of the Indian navy, non-conventional threats to Indian and global security have also risen in recent times, which might result in a change of priorities for the defence forces.

Growing Threats from Non-State Actors

Non-traditional threats to global security have grown exponentially and maritime terrorism, gun-running, drug trafficking and piracy are the major threats that India is facing from the sea-borders of the country. With vital shipping lanes passing through the area, India has been emphasizing the importance of maritime security in the Persian Gulf and the Gulf of Aden. Various terrorist organizations from Al Qaeda to Jammah Islamiah use maritime routes around India in the Indian Ocean region for narcotics and arms trafficking through which they finance their operations. Indian intelligence agencies have warned the government that India might face seaborne attacks by terrorist groups against the nation's oil rigs, involving production and support platforms, along both coasts of India.¹⁶ Piracy in various parts of the Indian Ocean, such as the Malacca Straits and the Horn of Africa, is rampant, requiring a strong Indian maritime presence. In line with this perception, the Indian maritime doctrine states: "The Indian

¹³ The Military Balance, The International Institute for Strategic Studies, 2008, p. 336.

¹⁴ Annual Report, 2007-08, Ministry of Defence, Government of India, p. 14.

¹⁵ V.N. Srinivas, "Trends in Defence Expenditure," *Air Power Journal*, vol. 3, no. 1 (spring 2006), pp. 64-73.

¹⁶ Arun Kumar Singh, "The next terror attack could be from the sea," *Asian Age*, 18 May 2008.

maritime vision for the twenty-first century must look at the arc from the Persian Gulf to the Straits of Malacca, as a legitimate area of interest.¹⁷

Most of the attacks and hijackings on the high seas are clustered in three areas: the Gulf of Aden and the eastern coast of Somalia; the coast of West Africa, particularly off Nigeria; and the Indonesian archipelago. In the first quarter of 2008, more than half of all attacks took place in the Gulf of Aden.¹⁸ In 2008, at least 92 ships were attacked in and around the Gulf of Aden, more than triple the number in 2007 and an estimated \$25 to \$30 million was paid in ransom to Somali pirates.¹⁹

Following the hijacking off the coast of Somalia in September 2008 of the merchant vessel *MT Stolt Valor*, owned by a Japanese company with 18 Indian crew members on board, the Indian government authorized the Indian navy to begin patrols in the Gulf of Aden and escort Indian merchant vessels. India has an economic interest in ensuring the protection of even non-Indian owned cargo ships in the Gulf of Aden shipping lanes, as around 85 percent of India's sea trade on the route is carried by foreign-owned ships, while around a third of India's total fleet of 900 cargo ships deployed in international waters are at risk.²⁰ Patrolling by the Indian navy is intended to protect the nation's sea-borne trade and instil confidence in the sea-faring community as well as functioning to deter pirates. Russia, NATO and the EU forces have also started patrolling the region but efforts remain disjointed. India has made a case that a peacekeeping force under a unified command is needed to provide security to international shipping in pirate-infested regions.²¹ In a first operation of its kind since the 1971 war with Pakistan, India's stealth frigate, *INS Tabar*, shot at and sank a pirate "mother vessel" in the Gulf of Aden, which later turned out to be a Thai trawler. Since the trawler was under the command of the pirates who refused to surrender, the Indian naval vessel fired in self-defence. This incident once again highlighted the Indian navy's capability on the high seas, witnessed earlier by the world in the conduct of tsunami relief operations and during the evacuation of Indian nationals in the Lebanon War of July-August 2006. Moreover, the Indian navy asserted its autonomy and ability in the service of a collective good: the protection of global maritime trade. India used this act of its navy to project India as a country capable of protecting its maritime interests and commercial sea routes in international waters.

¹⁷ Indian Maritime Doctrine, p. 56.

¹⁸ Mark McDonald, "Maritime Hijackings Decrease in Asia," *New York Times*, 19 November 2008.

¹⁹ Hari Kumar and Alan Cowell, "Indian Navy Strikes Pirate Ship," *New York Times*, 20 November 2008.

²⁰ Emily Wax, "Indian Navy Sinks Suspected Somali Pirate 'Mother Ship'," *Washington Post*, 11 November 2008.

²¹ "UN force needed to prevent piracy: India," *Indian Express*, 14 November 2008.

While on the one hand the Indian navy demonstrated its might on the high seas, on the other, its ability to tackle terrorism in the homeland has come under scrutiny after terrorists managed to launch a severe assault on Mumbai in November 2008, hoodwinking the Indian navy and Coast Guard. The terrorists succeeded in entering Mumbai by using a trawler, indicating a systemic failure of the Indian security agencies. It is the responsibility of India's Coast Guard to secure India's Exclusive Economic Zone, up to 200 nautical miles, whereas the blue water beyond is the navy's responsibility. Though dangers of terror attacks from the sea have long been apparent to Indian policymakers, no action was taken to strengthen the anti-terror defences. India's long coastline, with its inadequate policing, makes it easy to land arms and explosives at isolated spots along the coast. This was how explosives were smuggled into India in 1993 for the bomb blasts that crippled the Indian financial capital. The same method was used again by the terrorists to attack Mumbai in 2008. The Indian Naval Chief took responsibility for inaction and underlined weak infrastructure for patrolling and surveillance of coastal areas. Despite clear intelligence inputs the Coast Guard and the navy failed to either spot or interdict the Pakistani ship that carried terrorists from an Indus creek near Karachi in Pakistan.²²

It is clear that global threats from non-state actors are multiplying. India will have to work with other major naval powers, not only to tackle problems such as piracy, but also to deal with the larger issues of security for sea-going commerce. Because the navy has proven itself adept at giving the Indian government sufficient leverage in operational situations in the Indian Ocean, its utility for India in projecting power and protecting its interests is only going to increase. Yet the biggest challenge to the Indian navy might come from the expansion of the prowess of that other Asian giant in the Indian Ocean: China.

China's Foray in the Indian Ocean

China emerged as the biggest military spender in the Asia-Pacific in 2006, overtaking Japan, and now has the fourth-largest defence expenditure in the world. The exact details about Chinese military expenditure remain contested, with estimates ranging from the official Chinese figure of \$35 billion to the US Defence Intelligence Agency's estimate of \$80-115 billion.²³ But the rapidly rising trend in Chinese military expenditure is fairly evident, with an increase of 195 percent over the decade 1997-2006. The official

²² Shishir Gupta, "Coast Guard moved on LeT alert but was all at sea," *Indian Express*, 11 December 2008.

²³ Petter Stålenheim, Catalina Perdomo and Elisabeth Sköns, "Military Expenditure," in *SIPRI Year book 2007: Armaments, Disarmament and International Security* (London: Oxford University Press, 2007), pp. 289-90.

figures of the Chinese government do not include the cost of new weapons purchases, research or other big-ticket items for China's highly secretive military. From Washington to Tokyo, from Brussels to Canberra, calls are rising for China to be more open about the intentions behind this dramatic pace of spending increase and scope of its military capabilities. The Chinese navy, according to the Defence White Paper of 2006, will be aiming at a "gradual extension of the strategic depth for offshore defensive operations and enhancing its capabilities in integrated maritime operations and nuclear counter-attacks."²⁴

China's navy is now considered the third-largest in the world behind only the US and Russia and superior to the Indian navy in both qualitative and quantitative terms.²⁵ The Peoples' Liberation Army (PLA) Navy has traditionally been a coastal force and China has had a continental outlook to security. But with a rise in its economic might since the 1980s, Chinese interests have expanded and have acquired a maritime orientation with an intent to project power into the Indian Ocean. China is investing far greater resources in the modernization of its armed forces in general and its navy in particular than India seems either willing to undertake or capable of sustaining at present. China's increasingly sophisticated submarine fleet could eventually be one of the world's largest and with a rapid accretion in its capabilities, including submarines, ballistic missiles and GPS-blocking technology, some are suggesting that China will increasingly have the capacity to challenge America.²⁶ Senior Chinese officials have indicated that China would be ready to build an aircraft carrier by the end of the decade as it is seen as being indispensable to protecting Chinese interests in oceans.²⁷ Such an intent to develop carrier capability marks a shift away from devoting the bulk of the PLA's modernization drive to the goal of capturing Taiwan.

With a rise in China's economic and political prowess, there has also been a commensurate growth in its profile in the Indian Ocean region. China is acquiring naval bases along the crucial choke points in the Indian Ocean not only to serve its economic interests but also to enhance its strategic presence in the region. China realizes that its maritime strength will give it the strategic leverage that it needs to emerge as the regional hegemon and a potential superpower and there is enough evidence to suggest that China is comprehensively building up its maritime power in all dimensions.²⁸ It is China's growing dependence on maritime space and resources that is reflected in the Chinese aspiration to expand its influence and to ultimately

²⁴ Stålenheim et al., "Military Expenditure," pp. 289-290.

²⁵ Anthony H. Cordesman and Martin Kleiber, *The Asian Conventional Military Balance in 2006*, The Centre for Strategic and International Studies, June 2006, p. 32.

²⁶ Robert D. Kaplan, "Lost at Sea," *New York Times*, 21 September 2007.

²⁷ The Military Balance, pp. 360-61.

²⁸ Thomas Kane, *Chinese Grand Strategy and Maritime Power* (London: Frank Cass, 2002), p. 139.

dominate the strategic environment of the Indian Ocean region. China's growing reliance on bases across the Indian Ocean region is a response to its perceived vulnerability, given the logistical constraints that it faces due to the distance of the Indian Ocean waters from its own area of operation. Yet, China is consolidating power over the South China Sea and the Indian Ocean with an eye on India, something that comes out clearly in a secret memorandum issued by the director of the General Logistic Department of the PLA: "We can no longer accept the Indian Ocean as only an ocean of the Indians... . We are taking armed conflicts in the region into account."²⁹

China has deployed its Jin class submarines at a submarine base near Sanya in the southern tip of Hainan Island in South China Sea, raising alarm in India as the base is merely 1200 nautical miles from the Malacca Strait and will be its closest access point to the Indian Ocean. The base also has an underground facility that can hide the movement of submarines, making them difficult to detect.³⁰ The concentration of strategic naval forces at Sanya will further propel China towards a consolidation of its control over the surrounding Indian Ocean region. The presence of access tunnels on the mouth of the deep water base is particularly troubling for India as it will have strategic implications in the Indian Ocean region, allowing China to interdict shipping at the three crucial chokepoints in the Indian Ocean. As the ability of China's navy to project power in the Indian Ocean region grows, India is likely to feel even more vulnerable despite enjoying distinct geographical advantages in the region. China's growing naval presence in and around the Indian Ocean region is troubling for India as it restricts India's freedom to manoeuvre in the region. Of particular note is what has been termed as China's "string of pearls" strategy that has significantly expanded China's strategic depth in India's backyard.³¹

This "string of pearls" strategy of bases and diplomatic ties include the Gwadar port in Pakistan, naval bases in Burma, electronic intelligence gathering facilities on islands in the Bay of Bengal, funding construction of a canal across the Kra Isthmus in Thailand, a military agreement with Cambodia and building up of forces in the South China Sea.³² Some of these claims are exaggerated as has been the case with the Chinese naval presence in Burma. The Indian government, for example, had to concede in 2005 that reports of China turning Coco Islands in Burma into a naval base were

²⁹ Youssef Bodansky, "The PRC Surge for the Strait of Malacca and Spratly Confronts India and the US," *Defense and Foreign Affairs Strategic Policy*, Washington, DC, 30 September 1995, pp. 6-13.

³⁰ Manu Pubby, "China's new n-submarine base sets off alarm bells," *Indian Express*, 3 May 2008.

³¹ Bill Gertz, "China Builds Up Strategic Sea Lanes," *Washington Times*, 18 January 2005.

³² For a detailed explication of the security ramifications of the Chinese "string of pearls" strategy, see Gurpreet Khurana, "China's 'String of Pearls' in the Indian Ocean and Its Security Implications," *Strategic Analysis*, vol. 32, no. 1 (January 2008), pp. 1-22.

incorrect and that there were indeed no naval bases in Burma.³³ Yet the Chinese thrust into the Indian Ocean is gradually becoming more pronounced. The Chinese may not have a naval base in Burma but they are involved in the upgradation of infrastructure in the Coco Islands and may be providing some limited technical assistance to Burma. Given that almost 80 percent of China's oil passes through the Strait of Malacca, it is reluctant to rely on US naval power for unhindered access to energy and so has decided to build up its naval power at "choke points" along the sea routes from the Persian Gulf to the South China Sea. China is also courting other states in South Asia by building container ports in Bangladesh at Chittagong and in Sri Lanka at Hambantota as well as helping to build a naval base at Marao in the Maldives. Consolidating its access to the Indian Ocean, China has signed an agreement with Sri Lanka to finance the development of the Hambantota Development Zone, which includes a container port, a bunker system and an oil refinery. The submarine base that China has built at Marao Island in the Maldives has the potential to challenge the US navy in Diego Garcia, the hub of US naval forces in the Indian Ocean. It is possible that the construction of these ports and facilities around India's periphery by China can be explained away on purely economic and commercial grounds but for India this looks like a policy of containment by other means.

China's diplomatic and military efforts in the Indian Ocean seem to exhibit a desire to project influence vis-à-vis competing powers in the region, such as the US and India. China's presence in the Bay of Bengal via roads and ports in Burma and in the Arabian Sea via the Chinese-built port of Gwadar in Pakistan has been a cause of concern for India. With access to crucial port facilities in Egypt, Iran and Pakistan, China is well poised to secure its interests in the region. China's involvement in the construction of the deep-sea port of Gwadar has attracted a lot of attention due to its strategic location, about 70 kilometres from the Iranian border and 400 kilometres east of the Strait of Hormuz, a major oil supply route. It has been suggested that it will provide China with a "listening post" from where it can "monitor US naval activity in the Persian Gulf, Indian activity in the Arabian Sea, and future US-Indian maritime cooperation in the Indian Ocean."³⁴ Though Pakistan's naval capabilities do not, on their own, pose any challenge to India, the combinations of Chinese and Pakistani naval forces can indeed be formidable for India to counter.

It has been suggested that the Chinese government appears "to have a very clear vision of the future importance of the sea and a sense of the strategic leadership needed to develop maritime interest."³⁵ This is reflected

³³ For a nuanced analysis of this, see Andrew Selth, "Chinese Military Bases in Burma: The Explosion of a Myth," Griffith Asia Institute, Regional Outlook Paper no. 10, 2007.

³⁴ Ziad Haider, "Oil Fuels Beijing's new Power Game," Yale Global Online, available at <http://yaleglobal.yale.edu/display.article?id=5411>.

³⁵ Geoffrey Till, *Seapower: A Guide for the Twenty-First Century* (London: Frank Cass, 2004), p. 102.

in the attempts that China has made in recent years to build up all aspects of its maritime economy and to create one of the world's largest merchant fleets with a port, transport and ship-building infrastructure to match. In this respect, the Indian Ocean has an important role to play in the Chinese efforts towards establishing its predominance as the main maritime power in the region, resulting in Sino-Indian competition for influence. Despite a significant improvement in Sino-Indian ties since the late 1990s, the relationship remains competitive in nature and using its rising economic and military profile, China has been successful in containing India within the confines of South Asia by building close ties with India's key neighbours, in particular with Pakistan.³⁶

Yet, the notion that China aspires to naval domination of the Indian Ocean remains a bit far-fetched. China would certainly like to play a greater role in the region, protect and advance its interests, especially Chinese commerce, as well as counter India. But given the immense geographical advantages that India enjoys in the Indian Ocean, China will have great difficulty in exerting as much sway in the Indian Ocean as India can. But all the steps that China is taking to protect and enhance its interests in the Indian Ocean region are generating apprehensions in Indian strategic circles about her real intentions, thereby engendering a classic security dilemma between the two Asian giants. And it is India's fears and perceptions of the growing naval prowess of China in the Indian Ocean that is driving Indian naval posture. Tensions are inherent in such an evolving strategic relationship, as was underlined in an incident in January 2009 when an Indian Kilo class submarine and Chinese warships, on their way to the Gulf of Aden to patrol the pirate-infested waters, reportedly engaged in rounds of manoeuvring as they tried to test for weaknesses in each other's sonar systems. The Chinese media reported that its warships forced the Indian submarine to the surface which was strongly denied by the Indian navy.³⁷ Unless managed carefully, the potential for such incidents turning serious in the future remains high, especially as Sino-Indian naval competition is likely to intensify with the Indian and Chinese navies operating far from their shores.

India Responds to the Chinese Challenge

The augmentation of China's capabilities in the Indian Ocean has alarmed India and has galvanized it into taking ameliorative measures. Underscoring India's discomfort with China's "string of pearls" strategy, the Indian naval chief has argued that "each pearl in the string is a link in a chain of the

³⁶ Harsh V. Pant, "India in the Asia-Pacific: Rising Ambitions with an Eye on China," *Asia-Pacific Review*, vol. 14, no. 1 (May 2007), pp. 54-71.

³⁷ Manu Pubby, "Indian submarine, Chinese warship test each other in pirate waters," *Indian Express*, 5 February 2009.

Chinese maritime presence” and has expressed concern that naval forces operating out of ports established by the Chinese could “take control over the world energy jugular.”³⁸ India views Chinese naval strategy as expansionist and intent on encircling India strategically. The current Indian naval strategy is being driven by the idea “that the vast Indian Ocean is its *mare nostrum* ... that the entire triangle of the Indian Ocean is their nation’s rightful and exclusive sphere of interest.”³⁹ Just as the PLA navy seems to be concentrating on anti-access warfare so as to prevent the US navy from entering into a cross-Straits conflict, the Indian navy is also working towards acquiring the ability to deny China access through the Indian Ocean.⁴⁰ While the Indian Maritime Doctrine of 2004 underlined “attempts by China to strategically encircle India,” the Indian Maritime Strategy released three years later emphasized attempts by the Chinese navy to emerge as a blue-water force by pursuing an ambitious modernization programme, “along with attempts to gain a strategic toe-hold in the Indian Ocean Rim.”⁴¹

India’s projection of naval power into the Indian Ocean and beyond is an outcome of India’s increasingly outward-looking foreign policy posture in line with its growing economic prowess. Through joint exercises, port visits and disaster relief missions, the Indian navy has dramatically raised its profile in the Indian Ocean region in the last few years. India’s rapid response to the December 2004 Tsunami was the largest-ever relief mobilization by its naval forces and underlined India’s growing role in the Indian Ocean as well as its ability to be a net provider of security in the region. India was one of the few nations affected by the tragedy that was able to respond relatively effectively and also lend a helping hand to neighbouring countries by sending its naval ships and personnel. The Indian navy also demonstrated its rapid response capability when it evacuated a large number of Indians and other nationals from Lebanon during the 2006 Israel-Lebanon conflict.

Diplomatic Initiatives

India is using its naval forces to advance its diplomatic initiatives overseas and in particular towards shaping the strategic environment in and around the Indian Ocean. Indian interests converge with those of the US in the Indian Ocean region and it is trying to use the present upswing in US-India ties to create a more favourable strategic environment for itself in the region

³⁸ Quoted in Gavin Rabinowitz, “India, China jostle for influence in Indian Ocean,” *The Associated Press*, 7 June 2008.

³⁹ E. Margolis, “India Rules the Waves,” *Proceedings*, US Naval Institute, vol. 131, no. 3 (March 2005), p. 70.

⁴⁰ Sam J. Tangredi, “The Future of Maritime Power,” in Andrew T.H. Tan, ed., *The Politics of Maritime Power: A Survey* (London: Routledge, 2007), pp. 143-44.

⁴¹ Freedom to Use the Seas: India’s Maritime Military Strategy, Integrated Headquarters Ministry of Defence (Navy), 2007, p. 41.

despite its historical sensitivities to the presence of US forces in the Indian Ocean.⁴² The US has also recognized the importance of India's role in the region as was evident in Colin Powell's contention that it was important for the US to support India's role in maintaining peace and stability in the Indian Ocean and its vast periphery.⁴³ In its first maritime service strategy update in 25 years, the US views its sea power as the primary instrument in the US defence arsenal to deter conflict with China, and cooperation with other countries' naval services, including India's, is recognized as crucial to fulfilling the strategic imperatives in the region.⁴⁴ The US and Indian navies have stepped up their joint exercises and the US has sold India the USS *Trenton* (renamed INS *Jalashwa*), the first of its class to be inducted into the Indian navy and marking a milestone in the US-India bilateral ties. The US would like India to join its Container Security Initiative (CSI) and Proliferation Security Initiative (PSI) but India remains reluctant. PSI is viewed as a US-led initiative outside the United Nations mandate while the CSI would result in the presence of US inspectors in Indian ports, making it politically radioactive. However, India has indicated that it would be willing to join the US-proposed 1000-ship navy effort to combat illegal activities on the high seas, given the informal nature of the arrangement.⁴⁵ India is seen a balancer in the Asia-Pacific, where the influence of the United States has waned relatively even as China's has risen. India's ties with Japan have also assumed a new dynamic with some even mooted a "concert of democracies" proposal involving the democratic states of the Asia-Pacific working towards their common goals of a stable Asia-Pacific region.⁴⁶ While such a proposal has little chance of evolving into anything concrete in the near term, especially given China's sensitivities, India's decision to develop natural gas with Japan in the Andaman Sea and recent military exercises involving US, Japan, India and Australia does give a sense of India's emerging priorities.⁴⁷

India's decision to establish its Far Eastern Command in the Andaman and Nicobar Islands in the Bay of Bengal is aimed at countering China's growing presence in the region by complicating China's access to the region through the Strait of Malacca, the main bottleneck of oil transit to China. India has launched Project Seabird, consisting of India's third operational

⁴² On recent trends in US-India ties, see Harsh V. Pant, *Contemporary Debates in Indian Foreign and Security Policy: India Negotiates Its Rise in the International System* (New York: Palgrave Macmillan, 2008), pp. 19-38.

⁴³ Colin Powell, "US Looks to its Allies for Stability in Asia and the Pacific," *International Herald Tribune*, 27 January 2001.

⁴⁴ "United States: New Naval Strategy," *International Herald Tribune*, 25 October 2007.

⁴⁵ Sandeep Dikshit, "Join global policing of sea lanes, US asks India," *The Hindu*, 19 April 2007.

⁴⁶ On India-Japan maritime cooperation, see Gurpreet Khurana, "Security of Sea-Lanes: Prospects for India-Japan Cooperation," *Strategic Analysis*, vol. 31, no. 1 (January 2007), pp. 139-150.

⁴⁷ On India's strategic priorities in the Asia-Pacific, see Pant, "India in the Asia-Pacific: Rising Ambitions with an Eye on China," pp. 54-71.

naval base in Karwar on the nation's western seaboard, an air force station, a naval armament depot, and missile silos, aimed at securing the nation's maritime routes in the Arabian Sea.⁴⁸ India is set to establish a monitoring station in Madagascar, its first in another country, as it is deemed vital to guard against the terrorist threat emanating from East Africa as well as to keep an eye on China's plans in the region. India also has its sights set on Mauritius for developing a monitoring facility at an atoll and has strengthened its naval contacts with Mozambique and Seychelles. India responded to the Chinese President Hu Jintao's offer of military assistance to the Seychelles by donating one of its patrol aircraft to the Seychelles' navy. India's support in the building of Chahbahar port in Iran as well as the road connecting it to Afghanistan is an answer to the Chinese-funded Gwadar port in Pakistan. India's air base in Kazakhstan and its space monitoring post in Mongolia are also geared primarily towards China.

Competition between China and India is also increasing for influence in Burma, as the Andaman Sea off Burma's coast is viewed as a crucial energy lifeline for China while India also needs Burma for meeting its energy requirements. India will be rebuilding Burma's western Sittwe port and is one of the main suppliers of military hardware to the ruling junta. China's growing penetration of Burma is one of the main reasons India is reluctant to cease its economic and military engagement with the Burmese junta despite attracting widespread criticism from both outside and within India.

India's "Look East" policy, originally aimed at strengthening economic ties with India's Southeast Asian neighbours, has now led to naval exercises with Singapore, Thailand and Indonesia. The ASEAN member states have joined the Indian navy in policing the Indian Ocean region to check piracy, trafficking and other threats to sea lanes. India has also accelerated its naval engagement with a number of Persian Gulf states, making port calls and conducting exercises with the navies of Kuwait, Oman, Bahrain, Saudi Arabia, Qatar, United Arab Emirates and Djibouti, as well as engaging with the navies of other major powers in the region such as the US, the UK and France. It has also been suggested that to more effectively counter the Chinese presence in the Indian Ocean and to protect its trade routes, India will have to seek access to the Vietnamese, Taiwanese and Japanese ports for the forward deployment of its naval assets.⁴⁹ India is already emerging as an exclusive "defence service provider" for smaller states with growing economies that seek to strengthen their military capabilities in Southeast Asia and West Asia, such as Vietnam, Indonesia, Malaysia, Singapore, Qatar and Oman, providing

⁴⁸ Yevgeny Bendersky et al., "India's Project Seabird and the Indian Ocean's Balance of Power," *Power and Interest News Report*, 20 July 2005.

⁴⁹ Mohan Malik, "Chinese Strategy of Containing India," *Power and Interest News Report*, 6 February 2006.

it access to ports along the Arabian coast, the Indian Ocean and the South China Sea.⁵⁰

Naval Platforms and Doctrine

The Indian navy is aiming for a total fleet of 140 to 145 vessels over the next decade, built around two carrier battle groups: *Admiral Gorshkov*, which will now be handed over to India only by 2010; and the indigenous carrier, the 37,500-tonne STOBAR Air Defence Ship, likely to be completed by 2011. India's ambitions to equip its navy with two or more aircraft carriers over the next decade as well as its decision to launch its first indigenous nuclear submarine by 2009 is seen as crucial for power projection and to achieve a semblance of strategic autonomy. India's emerging capability to put a carrier task force as far as the South China Sea and the Persian Gulf has boosted the Indian navy's blue-water aspirations and India hopes to induct a third aircraft carrier by 2017, ensuring that the Indian navy has two operational carriers at any given point.⁵¹ The deployment of the Jin-class submarine at Hainan by China will also force India to speed up its indigenous nuclear submarine project that has been in the making for more than a decade now with the Indian navy, rather ambitiously, aiming at the induction of five indigenous ATV (Advanced Technology Vehicle) nuclear submarines. But with the first trials of the submarine slated for 2009, India will be leasing an Akula II nuclear attack submarine from Russia for personnel training. A submarine-based nuclear arsenal is considered critical by Indian strategists to retain a second-strike capability. Despite some attempts at diversification of sources, India's dependence on Russia for military equipment remains acute and has resulted in bilateral tension in recent times. The Indian military, in particular, has been critical of an over-reliance on Russia for defence acquisition, which was reflected in the Indian Naval Chief's view that there should be a re-evaluation India's ties with Russia in light of the Russian demand of an additional \$1.2 billion for the aircraft carrier, *Admiral Gorshkov*, purchased by India in 2004.⁵² The Indian navy is now actively looking to other states, particularly the US, for its new acquisitions.

While a focus on augmenting its platforms, systems and weapons is clearly evident in the Indian navy, concomitant changes in doctrine and organization have been relatively slow to emerge. It was only in 2004 that India released its first maritime doctrine since independence. The determination to establish its pre-dominance in the Indian Ocean region comes across quite

⁵⁰ Pranab Dhal Samanta, "Start getting used to DSP: Defence Services Provider," *Indian Express*, 1 January 2008.

⁵¹ Manu Pubby, "3rd aircraft carrier to be inducted by 2017: Antony," *Indian Express*, 17 May 2007.

⁵² Sandeep Unnithan, "Battle over Gorshkov," *India Today*, 7 December 2007.

categorically in the doctrine, which underlines four roles for the Indian navy: military/strategic; political; constabulary; and benign agent of humanitarian assistance. The doctrine emphasizes the shift for the Indian navy from conventional combat to include non-traditional threats and underscores the role of the Indian navy in the nation's trade and energy policies. It calls for exercising sea control in the designated area of the Arabian Sea and the Bay of Bengal and urges the navy to contribute towards strengthening India's credible minimum nuclear deterrent in the form of nuclear submarines equipped with nuclear missiles. It emphasizes India's concerns about growing Chinese naval capabilities by underlining the allocation of a 24-percent share of China's defence outlays to its navy compared to 16 percent in India's case and the Chinese plans to configure its force levels around two-carrier groups. The doctrine, however, is a very ambitious document for a service that has always complained about a lack of resources and it does not seem to offer a clear vision for the future. The challenge for the Indian navy in the coming years will be to synergize its doctrine effectively with force planning and acquisitions.

Organizational changes have been even less visible. It has become imperative for the three services to cooperate more closely if the desired effects are to be achieved in contemporary warfare. "Jointery" or "Jointness" is the new buzzword and the distinctions between sea, land and air are becoming increasingly redundant for the conduct of expeditionary operations. Integration is essential not only for operational effectiveness but is also a force multiplier and a measure of efficiency. And in this era of "jointness," of all the major armed forces in the world, India is probably the only one not fully integrated. India has taken some baby steps towards jointery though inter-services rivalry continues to plague Indian defence forces. The Indian army continues to insist that it should be seen as the most important element while the navy and air force continue to resent and resist the domination of the army. The result is that while an Integrated Defence Staff has been set up, the move towards a Chief of Defence Staff has come to naught as the inter-services bickering gives the government an excuse to drag its feet on this issue, essential for streamlining decision making on defence issues. Lack of cooperation among the three services also leads to duplication of purchases, hindering efficient utilization of precious resources. Yet, the acquisition and procurement processes continue to remain extremely complex and opaque. India's much-hyped defence modernization programme is suffering because of delays in the procurement of major weapon systems.

Conclusion

With its rise as a major power in the region, India has been forced to shed some of the reticence that has characterized the conduct of its foreign policy

in the post-independence period, and the country has been called upon to provide security in its neighbourhood, including the Indian Ocean region. Given India's geographical coordinates, it will always have a pivotal role in the Indian Ocean and its littoral. Indian policymakers have only just begun to recognize the importance of the Indian navy as a powerful tool in the pursuit of their nation's foreign policy objectives. The Indian navy's ambitious modernization programme is geared towards its emergence as a world-class blue-water navy equipped and willing to meet regional challenges and become a guarantor of regional peace and stability. India is looking at its navy not only as an instrument of war fighting but also as an effective police force in the region as well as contributing to benign and coercive diplomacy in the littoral. Though the Indian and Chinese navies are usually placed on par with each other as "medium regional force projection navies" when attempts are made to classify world navies, the pace of their recent growth might soon call for a re-evaluation.⁵³ Indian naval strategists warn that despite all the talk of quality and capability-based platforms, the Indian navy is actually shrinking in size and that a ten-year strategic maritime gap has emerged between China and India which will be difficult to close without radical actions to upgrade shipbuilding and port infrastructure.⁵⁴ Though Indian naval aspirations are growing, the emphasis placed upon India's sea power has not been commensurate with the nation's growing maritime commitments and the ever-more sophisticated threats emerging in the waters around it. India's reluctance, primarily due to domestic political considerations, to conclude the logistics support agreement with the US is also constraining the Indian navy's ability to compete with the Chinese thrust into the Indian Ocean.

Both China and India would most certainly like to acquire the potential to project power and operate independently far from their shores. Yet, it is China that as of now seems more willing to actually commit to the expense of building up its fleet with a clear strategic agenda as to how it wants to utilize its naval assets. The ability of Indian policymakers to think strategically on national security and defence issues has been questionable at best. Ad hoc decision making has been the norm leading to a situation where long-time observers of India argue that it's likely that "India will be among the medium powers ... a country of great economic capabilities but limited cultural and military influence."⁵⁵ With policymakers in New Delhi far removed from the nation's sea frontiers, there is even less understanding of

⁵³ On the classification of world navies along various axes, see Eric Grove, *The Future of Seapower* (London: Routledge, 1990), pp. 231-40.

⁵⁴ Arun Kumar Singh, "Navy Coast Guard must get more funds, powers," *Asian Age*, 2 June 2008.

⁵⁵ See Stephen Cohen's interview with Pragati, available at <<http://pragati.nationalinterest.in/wp-content/uploads/2008/06/pragati-issue15-jun2008-communityed.pdf>>.

maritime issues. This political apathy has led to the nation's armed forces operating in a strategic void. The Indian navy's attempt to come up with its own strategy and doctrine, though welcome in many respects, has little meaning in the absence of a national security strategy from the Indian government.

Despite the fact that some in India would like their nation to achieve preponderance in the Indian Ocean region, it remains an unrealistic aspiration as other major powers have significant stakes in the region and so will continue to operate and shape its strategic environment. A rising India is beginning to discover that major global powers have stakes in far-flung corners of the world and this realization has allowed India to shun its fundamentally flawed original argument about the need for "extra-regional navies" to withdraw from the Indian Ocean region. India's bilateral and multilateral naval exercises with major naval powers has helped in reducing the misperceptions about India's maritime intentions and has brought the Indian navy's capacity to contribute to peace and stability in the Indian Ocean littoral to the forefront. India, therefore, will look towards cooperating with other major powers in the region to secure common interests that include safeguarding the SLOCs, energy security, and countering extremist and terrorist groups.

However, Asia is witnessing the rise of two giants, China and India, simultaneously and this will cause some inevitable complications. It has been suggested that much like the Japanese-American rivalry in the Pacific during the first half of the twentieth century over overlapping SLOCs, a similar degree of mutual suspicion and insecurity haunts Sino-Indian relations in the Indian Ocean.⁵⁶ While the costs of not cooperating will be too high for both China and India, the struggle for power and influence between the Asian giants will continue to shape India's naval posture as well as the strategic environment of the Indian Ocean region in the coming years.

King's College London, United Kingdom, March 2009

⁵⁶ John W. Garver, *Protracted Contest: Sino-Indian Rivalry in the 20th Century* (Seattle: University of Washington Press, 1989), p. 285.