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Understanding Indian policy dilemmas in the Indo-Pacific through an India–US–China maritime triangle lens

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ABSTRACT

Between the American rebalance strategy and Chinese Maritime Silk Road initiative, India is increasingly pressed to formulate a maritime strategy that ideally meets Indian economic and strategic objectives. This is generating major policy dilemmas for India stemming from the attraction of economic integration led by China on the one hand, versus the attraction of strategic integration offered by the United States on the other hand. This paper suggests that between these binary options, there are both opportunities and challenges for India, calling for fine-grained policymaking. The notional concept of an India–US–China maritime triangle is useful in sifting through the choices before India to meet its ambitions of development as well as retain and improve its strategic influence in the Indian Ocean and beyond.

KEYWORDS

Indian Ocean; Maritime Silk Road; Indo-Pacific; rebalance; India; China

Introduction

India has often been called an ambiguous or ambivalent power.[1] Since the roll-out of America's rebalance strategy in 2011 and China's Maritime Silk Road (MSR) in 2013, both having serious implications for the Indian Ocean region, India is now pressed to respond more clearly with its own approach to maritime issues.

But the environment for such decision-making is complex and even contradictory. Over 90% of India's international trade by volume and over 70% by value is seaborne, with nearly 80% of crude oil imported by sea.[2] While China has become India's largest trading partner and holds great hope for furthering Indian economic development, it is increasingly undercutting Indian influence in the Indian Ocean countries which is driving an unprecedented strategic partnership between Indian and the US. This is generating major policy dilemmas for India which stem from the attraction of economic integration led by China on the one hand, versus the attraction of strategic integration offered by the United States on the other.

This paper suggests that between these binary options, there are both opportunities and challenges for India, calling for fine-grained policymaking. The notional concept of an India–US–China maritime triangle is useful in sifting through the choices before India to meet its ambitions of economic development as well as to retain and improve its strategic influence in the Indian Ocean and beyond. The point is that India needs to craft a

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maritime strategy that meets Indian economic as well as strategic objectives. I argue that given the highest political priority accorded to Indian economic development at this stage, more attention needs to be placed on how maritime strategy and policies can boost Indian economic and, by extension, strategic power and clout.

This paper first elaborates the India–US–China maritime triangle and the need to place it in a broader set of relations. Second, it looks at the American rebalance and the dilemma it presents for India. Third, the paper takes up the dilemma vis-à-vis China of having competitive strategic interests in the Indian Ocean versus economic interdependence as the Chinese look to turn the MSR idea into reality. Finally, it looks at the prospects for cooperative versus competitive dynamics in the Indian Ocean maritime region – the Indian Ocean, unlike the seas to the east, is relatively uncontested, and the question is whether it can be kept that way.

Understanding the India–US–China maritime triangle

The India–US–China maritime triangle can be best understood in the broader context of relationships, and not in isolation. The idea of a triangle in the Indo-Pacific itself is of course questionable given that India is not very active in the Pacific Ocean and China is not yet very active in the Indian Ocean. Only the United States has a big presence in both oceans and, to that extent, it is the key link. At least notionally, however, the idea of a triangle is useful to help us think about emerging trends that are indeed linking up the two bodies of water. In any case, the three key maritime players at the Indo-Pacific intersection with the greatest capabilities are the US, China and India. The very idea of the "Indo-Pacific" is fuel for a maritime triangle. It is a term that originated in the United States and was promoted as the American rebalance strategy was being introduced. As one of India's leading foreign policy experts says,

> *Although Indian leaders have accepted, in their speeches, the US idea of Indo-Pacific, Indian debates have not yet coalesced towards this idea in the backdrop of the penchant for the successive new US administrations to alter such initiatives and to the vagaries of the US politics as well as the connotations of the Indo-Pacific … .*[3]

While India's interests across the Malacca straits are growing, for the time being, the Indian Ocean appears to remain the first and foremost concern. The Indian Navy's *Indian Maritime Security Strategy* document released in late 2015 used the term "Indo-Pacific" only once in connection with maritime security.[4] Chinese interests westward into the Indian Ocean have clearly grown, and its MSR projects are poised to step them up further. But the South China Sea, the East China Sea and the near seas are likely to remain China's core security concerns. The US rebalance to Asia (born out of heightened concerns about China's increased capabilities to deny American access and to challenge US naval supremacy in China's neighbourhood) suggests a deepened naval and security commitment to the region. The American view of an expanded Indian role in the Indo-Pacific and the explicit invitation to play a bigger role as a security provider gives India an opportunity of sorts.

The broader relationship that India has with the US and China is much more complex, encompassing regional and global elements, economic and security factors, bilateral and multilateral factors, and normative factors. Whether it is the question of multilateralising

the Malabar naval exercises with the US or how to react to Chinese assertions in the South China Sea, India cannot easily divorce these issues from broader national priorities and values. Relations between each of these three countries and the others (in the maritime arena and beyond) do feed off each other, with interactive dynamics. Each is taking relations between the other legs of the triangle into account in making foreign policy choices, much more than in the past. India sits in quite a favourable position within the triangle – it can leverage its growing relationship with the US to force China to take Indian concerns more seriously, and it can use its interest and participation in organisations such the Chinese-led Asian Infrastructure Investment Development Bank (AIIB) to ensure that the US does not take India for granted. In 2014 at Delhi, Xi Jinping used the phrase "two major powers in the region and the world" to describe India and China, which some have seen as a potentially important change given China's proclivity to characterise India as a regional, rather than global, power.[5] The maritime security dialogue that India and China launched in 2012, at the suggestion of China, came on the heels of the 2011 rebalance strategy.[6] There is little doubt that China has not remained immune to the growing US–India maritime relations.

Against such a backdrop, India is also well placed to continue to maintain its own strategic priority of independence in foreign policy thinking and action. Being "wooed" by both the US and China should allow India to retain greater autonomy than would otherwise be the case. The rebalance and India's reactions show that ties with the US, even under arguably strong security compulsions, have their limits. Conversely, with the MSR, despite India's strong unease with its implications for the balance of power in the Indian Ocean, India is not fully turning its back on some of the infrastructure projects. Perhaps most interesting is the extent to which there seems to be a level of fluidity in the different sets of relations. The fluidity is in part not only due to the dilemma that India faces regarding China, but one which is now practically a global systemic dilemma: the strategic anxiety towards China versus the economic attraction offered by China.

The American rebalance and Indian balancing dilemma

While there is some virtue in India having a level of strategic ambiguity, the twin pressures from the rebalance and MSR are bringing India to an inflection point to spell out its own strategy. The Indian Navy has been ahead of the other services and even the political and bureaucratic elite in outlining its vision, at least since 2004. The 2015 publication on India's Maritime Security Strategy notes that

"India's interest and linkages have also expanded over the years, from the Arabian Sea and Bay of Bengal, to the IOR [Indian Ocean Region], thence across the Indo-Pacific Region, and now also into the Atlantic Ocean."[7]

The sea lines of communication along these regions are given particular emphasis here for their importance to India's economy, citing this as "an essential purpose of the maritime security strategy."[8] Indeed, the Navy's maritime security thinking as outlined is heavily focused on the diplomatic and non-military aspects.

The challenge for New Delhi is that when it looks out onto the Indian Ocean or beyond to the Indo-Pacific on specific policies like the rebalance and the MSR, the dominant feature is a series of policy dilemmas which have no clear answers. And the Indian naval choices are also limited by these competing needs.

On the US rebalance to Asia, it is far from clear that India has resolved its dilemma of wanting to preserve its longstanding desire for strategic autonomy versus "bandwagoning" with the United States. There is also wariness about provoking neighbouring China through a harder balancing strategy, and skepticism regarding US reliability. The January 2015 Joint Vision statement between Prime Minister Narendra Modi and President Barack Obama did represent a change from the clear discomfort that was expressed initially, but the main statement may be more accurately viewed as an insurance policy for India than a definitive break in India's preferences.[9] The sentiment on autonomy of action would seem to be much too deeply ingrained to disappear overnight, and, for a variety of reasons, the United States represents the only country that can still undermine this normative Indian foreign policy value.[10]

When US policy was rolled out in 2011–2012, the emphasis was on military initiatives in the region. From the 2012 defense guidelines laying out the rebalance, there is little doubt that the United States counted on India to be receptive to the idea that the budding partnership with India would be used to offset China's rising military power. India's rather cool reaction (at least publicly) should not have come as a surprise given India's own lack of an articulated defence strategy in the Indo-Pacific region, and India's well-known reluctance to serve any other large power's bidding. Over time, the US has been trying to make the rebalance less pointedly military oriented and more comprehensive, especially by linking it up with the Trans-Pacific Partnership (TPP). But, in this case, both India and China are pretty much out of the picture due to the social and economic strictures of the TPP that do not appeal to them.

India's reluctance to fully embrace the rebalance may now prove prudent given the shifting foreign policy and domestic political landscape in the US. Leading experts are criticising Washington for effectively having rebalanced the rebalance, with its policy focus having swung right back to the Middle East. At a conference at the Heritage Foundation in December 2015, a retired US Admiral admonished the US for spending "the last decade with our head in the sand in the Middle East," and still spending resources in that region with no good outcomes.[11] Well-known commentator Fareed Zakaria decries that "The Obama administration's foreign policy energies are fully engaged in the Middle East … . Whatever happened to the pivot to Asia?"[12] There is a sense that Hillary Clinton's successor John Kerry does not have the same commitment to the pivot that she did as the secretary of state.

This brings to the fore one of India's concerns about how reliable American decision-making is on Asia. The concern with American consistency and reliability is not lost on US naval officials but, as in India, they do not set policy. As the US presidential campaign shows, there is a growing feeling that the US has suffered domestically from being the so-called "world's policeman" and that a retrenchment is in order.[13] There is also a growing strain of opinion in the US that sees economic competition as the biggest threat from China, which threatens US global dominance and, even more importantly, domestic well-being. They call for the US to get its own economic house in order.

Indeed, a perceptibly growing concern in Washington among defence officials and policy analysts is just how the US is going to be able to compete with Beijing militarily and economically in a time of resource crunch at home, as well as meet other worldwide challenges at the same time. One answer seems to be to build a strategic network with allies and partners, especially in Asia. In this case, the US would help to build the capabilities of

allies in the Indo-Pacific and rely more on them.[14] Thus, the idea of a strategic network for the US is more than just a security framework; it is an important way of meeting its own budgetary demands.

In these circumstances, for India, there is likely to be a deepening of the dilemma it faced when the rebalance was initially launched. India will most likely confront more pointed strategic choices in the future having to do with a demanding naval partnership with the US should the political and foreign policy orientation in Washington change. If relations between China and the US take a seriously downward spiral as the South China Sea standoffs continue, how would India recalibrate its policies? Conversely, what would be the US response if harder balancing by India against China by boosting Indian defence ties with the US leads to a serious deterioration in India–China relations?

This leads us to the next section – India's dilemma of having to reconcile emerging competitive naval interests in the Indo-Pacific with economic interdependence vis-à-vis China.

Understanding the rivalry–interdependence dilemma with China

Dealing with India's simultaneous strategic competition and economic interdependence with China is going to be India's central dilemma in the near to medium term. Indian Ocean dynamics is at the centre of both priorities. Beginning in 1991, Indian leaders across political parties have identified economic growth as the key to achieving major power status for India. The foreign policy means to this goal has been remarkably consistent over time, with Indian policymakers pursuing what has been called a 360-degree form of diplomacy – that is, cultivating good relations with all big powers. The "Look East", and now "Act East", policy is a central plank in India's development agenda, recognising that both geography and opportunity favour greater integration with Southeast and East Asia.

If anything, Prime Minister Modi's agenda for economic growth is the most ambitious in comparison to his predecessors, with an even more eastward orientation. As India's biggest trading partner, China holds great significance. At the same time, China's MSR is posing difficult choices for India with Indian opinion split about whether the initiative is really a military strategy in disguise to contain India, or whether it is a regional infrastructure strategy driven by China's domestic economic needs. While this is still a matter for some judgment, there is little doubt that MSR encapsulates the most important strategic versus economic dilemma for India in the maritime realm at this point.[15]

The MSR was introduced during Xi Jinping's visit to Southeast Asia in the fall of 2013, with China's top economic planning agency, the National Development and Reform Commission (NDRC) then jointly releasing a new action plan with the Ministry of Foreign Affairs and the Ministry of Commerce in March 2015. The MSR, as distinct from the land-based Silk Road Economic Belt or SREB, is a network of ports and other coastal infrastructure projects that extends to Europe, with proposed stops in Southeast Asia, South Asia and Africa. To kick off these two initiatives under the One Belt One Road (OBOR) framework, the Chinese government launched a $40 billion New Silk Road Fund. The AIIB, with its initial capital of $100 billion, will help finance construction projects along the OBOR.

A strong critical view in India is that the MSR is a Chinese hegemonic project designed to undermine US influence in Asia and reshape the regional order. The MSR is viewed as

an economic disguise for China's "string of pearls" strategy based on building dual-use ports in Bangladesh, Sri Lanka and Pakistan, aiming to establish Chinese naval presence, presenting an unprecedented threat to India's historical predominance in the Indian Ocean.

Not surprisingly, the Chinese government has chiefly emphasised the economic opportunities presented by the MSR for its domestic market and the foreign markets of neighbouring countries. Whether we take these economic motivations as primary or as a ruse, it is possible to identify some pressing economic rationales. Domestically, the Chinese economy faces slowing growth, or the so-called "new normal", due to lack of demand and overcapacity in its production sectors. As the OBOR investment goes to Chinese state-owned enterprises (SOEs) and other private companies, Beijing sees it as a quick fix for stimulating the economy. In addition, countries in Asia face a serious shortage of infrastructure investment, which stands at $800 billion per year[16] according to the Asian Development Bank (ADB). The $100 billion Brazil, Russia, India, China (BRICs) Bank, the AIIB in which India is the second largest shareholder among 57 countries, the Shanghai Cooperation Organisation Development Bank and Silk Road Fund are partly a response to the deadlocked reforms at multilateral financial institutions and partly a channel for China to utilise its vast foreign exchange reserves.[17] Given Asia's investment needs, new financial institutions are clearly required, but the challenge for India and other sceptical countries is that these new institutions are China-centric.

There is another set of opinions in India that says that these strategic threats may be overblown, arguing that the OBOR/MSR largely reflects China's economic imperatives to invest abroad and in fact could work alongside India's Act East initiative and the Bangladesh–China–India–Myanmar (BCIM) economic corridor, and that it will help ease India's massive bilateral trade deficit by facilitating Chinese investment in India. It is pointed out that India's own investment in neighbouring littoral states will also help reduce Chinese dominance in South Asia.[18] Some economists have asserted that if India were to join the OBOR, it would mean that India would able to gain several specific advantages, such as:

1. Have much better connectivity to various transport modes across countries and across continents, i.e. a big facilitator to making "Make In India" a success;
2. Establish and grow new export markets for India's products, and enable efficient trade routes;
3. Gather technical know-how and use it to develop and address teething issues facing India's domestic infrastructure sector;
4. Have increased access to capital, admittedly facilitated by China and capital markets that will grow around OBOR projects;
5. Eliminate the risk that India could get "isolated" in its own neighbourhood by not participating; and
6. Develop increased trust between India and other countries involved in the OBOR and, most importantly, bridge the "trust deficit" that exists between India and China.[19]

China has invited India to play a key role in the OBOR, but New Delhi is taking its own time to give any official decision, given the potential geopolitical and security implications of the initiative.[20] Without any official decision on OBOR, India has tried to counter

Chinese expansion and increase its own strategic influence in the Indian Ocean with a series of maritime initiatives – the Spice Route, Project Mausam and the Cotton Route – aimed at revitalising the ancient trade routes in the Indian Ocean. These projects, however, are still at a preliminary stage. Conversely, many observers tend to talk about the MSR as if it is a fait accompli; however, there are numerous challenges ahead for China. It might after all be prudent for India to take a wait-and-watch attitude to Beijing's offer to link its MSR with Delhi's projects.

For example, experts question the return on investment, pointing out the risk factors in many of the unstable host countries, as well as the inefficient business conduct of Chinese SOEs, which manage about 90% of China's foreign investment. China might have to learn the west's experience with debt forgiveness to weakly governed countries, and the lesson that return on investment in development projects is not guaranteed.[21] The MSR could also elicit a political backlash against China if it is too Sino-centric, with other participating nations getting only marginal benefits against China demanding preferential access to the proposed ports and other infrastructures.

Countries along the MSR in the Indian Ocean region tend to be fiercely independent, and it is worthwhile to note that the politico-strategic environment is dynamic. Hence, we cannot jump to the inevitability of China's capabilities trumping India in its own neighbourhood. If the smaller countries' leverage over India has increased, China has to worry about overplaying its own hand. China's high-handed mode of business operation and infrastructure development using Chinese workers, disregarding environmental issues and including secret deal-making, which is ripe for corruption, does not bode well and has caused some consternation in public.

Indeed, since 2015, there has been a reversal of sorts for China: the new government in Sri Lanka that came to power has cooled the previous regime's ardour towards China for port and infrastructure development; Bangladesh, in a historic break with the past, agreed to allow Indian cargo ships access to Chittagong port, which has been built up with Chinese finances. Earlier, in Myanmar, environmental concerns as well as worries about China's overweening presence led to the cancellation of the Myitsone dam project. The Indian Ocean neighbours will no doubt play off China and India to get maximum concessions from each. At the same time, barring Pakistan, none would want to be perceived as facilitating any Chinese containment of India, which continues to possess significant advantages in the Indian Ocean over China. India holds a "strategic premium" in the Indian Ocean, thanks to the oceanic expanse having few entry points and vast distances between them, a situation that the Indian Navy is poised to exploit in its naval strategy. India has short lines of communication to its own bases and resources, with the opposite for China. The chokepoints between the Indian and Pacific Oceans give India comparative advantages too.[22] The challenge for India is how to retain these strategic advantages while taking advantage of economic benefits offered by China.

Prospects for cooperation?

What are the prospects for competitive downward spirals versus more cooperative outcomes in the India–US–China maritime triangle? From a strategic perspective, India has two immediate challenges: maintaining its preeminent role in the Indian Ocean against a growing Chinese foothold; and avoiding any spillover into the Indian Ocean

from the South China Sea imbroglio pitting the US against China. Looking through a purely geopolitical lens, the US and China would seem to be heading towards a potential collision course in the South China Sea. China's unilateralist approach to island reclamation and asserting rights over disputed areas in the South China Sea has led to a series of "freedom of navigation assertions" by the US Navy. These assertions against what are generally agreed to be China's excessive claims in this instance has taken on a much higher profile and has led to a higher level of risk escalation of late. (These operational assertions have also been regularly conducted by the US against friends and foes over time.[23]) Yet, to date, India has been successfully building defence and strategic ties with the US, including adding Japan to the 2015 Malabar naval exercise, without bumping up against China. The 2012 Maritime Dialogue was finally held in early 2016 in Delhi. It remains to be seen whether this fairly low-level, low-key dialogue will gather steam, but it does offer a new mechanism of engagement in the critical maritime arena.

India has also continued to deepen economic relations with China, while maintaining a studied distance from the MSR writ large. For example, the Indian government seems to have gotten serious about the BCIM project. For Prime Minister Modi, a top economic agenda item is regional integration – via South Asian Association for Regional Cooperation; and Association of Southeast Asian Nations (ASEAN) or now BCIM.[24] Successful implementation of the BCIM Economic Corridor has been described as a potential "game changer".[25] The project's scope is ambitious: it seeks to improve connectivity and infrastructure, energy, agriculture, trade and investment, linking up India's Northeast, Bangladesh, Myanmar and China's Yunnan province through a network of waterways, roads, rail and airways, to be operated under a cooperative framework.

India's increased openness to BCIM is a result as well as a harbinger of better ties with neighbouring Bangladesh. One of the effects of China's greater involvement in South Asia has been for New Delhi to refocus on its smaller neighbours. Since 2014, one salutary policy of the Modi regime has been to give priority to repairing and rejuvenating ties with countries nearby. This is evident in both symbolic terms like the invitation to all neighbouring leaders to Modi's inauguration, and the successful completion of the border enclave swap in 2015 with Bangladesh to settle an unresolved border issue lingering since the end of colonial rule and partition in 1947. After signing the Coastal Shipping Agreement with Bangladesh in 2015, Indian Foreign Secretary S. Jaishankar pointed out that direct movement of ships between India and Bangladesh rather than through distant ports in Singapore, Colombo, or Klang in Malaysia would now bring down shipping time from 30 or 40 days to seven or 10 days.[26] Commentators suggested that India had now "plucked a pearl" from China's "string of pearls" in Bangladesh.[27] As for Sri Lankan ports, it is Indian goods that overwhelmingly dominate shipping – up to 85%. Indeed, one strand of opinion has asked the question (somewhat tongue in cheek): How should India take advantage of the ports that Chinese money has built and improve ties with neighbours at the same time to reduce China's influence?[28]

China's activism in the South China Sea has already made India an even more attractive economic and security partner for ASEAN countries who worry about China's aggressive power plays in the region. India has been cultivating a strategic relationship with Vietnam, which is paying off in the South China Sea where India has offshore drilling rights in waters that are disputed between Hanoi and Beijing. But on ideas such as the Indian

Navy keeping a presence in the South China Sea, the Navy itself does not seem eager.[29] When looking east, economic drivers still seem paramount. BCIM would spur India's connectivity to ASEAN countries, a critical plank in India's Act East policy. India's ambition is to boost its trade with ASEAN from $80 billion currently to $200 billion by 2022.[30] However, a large persisting hurdle is the lack of cheap and viable connectivity to Southeast Asia, which keeps the economic links far below their potential. ASEAN accounts for about 10% of India's global trade, and India–ASEAN trade is only one-fifth of China–ASEAN trade. As one analyst puts it: "Today, the lack of roads, ports, and railroads is an obstacle because connectivity is only as strong as the weakest link."[31] Redressing this would be a top priority for India, and some experts have suggested that India might be able to leverage the MSR to improve India's own marine infrastructure.[32]

Indian critics argue that China wants to "rewrite the geopolitical map" of the Indian Ocean, setting off a great game between the US and China and between India and China.[33] Others who share this view warn that the new "maritime great game" could end up splitting countries along their views on China, dividing ASEAN for example.[34] This would spell bad news for the US, India and China, especially for the economic agenda of the latter two. This stands in contrast to the view put forth by others such as India's foremost strategic analyst C. Raja Mohan who argues that "China's Silk Road initiatives, for example, did not emerge from some clever foreign policy strategy; they are an extension of Beijing's domestic initiatives on infrastructure development."[35]

The dilemma is that we cannot know for sure if the MSR is really a backdoor politico-military grand strategy for China. If we look at recent US history, economic dominance did indeed translate into political and military dominance. But that was a different era in which the US was both the economic and military superpower. The difference now is that economic and, increasingly, military power is more diffuse, with a more multipolar world order in the making. China itself is enmeshed in global economic interdependence and cannot easily afford to disturb the existing economic order for its own interest. India is likely to remain more attractive as an economic partner than a military adversary for China for the foreseeable future. What also brings some clarity to the simultaneous competing pressures of security and economics is the refrain from both India and China regarding their shared national priority – to achieve developed country status. The Chinese Communist Party's entire legitimacy seems to be derived from delivering economic growth. Allowing strategic competition to overtake economic cooperation to the point of derailing development would serve no useful purpose. Besides, China cannot be confident that it will emerge victorious in any out-of-area conflict, given its regional focus and US naval capabilities. India's geographic position in the Indian Ocean and its status as the largest naval power in the Indian Ocean could pose a serious challenge for China's own MSR initiative which requires a long and peaceful arc in the Indian Ocean.

Thus, China needs to go some distance in allaying India's and others' concerns on the MSR. It needs to demonstrate a genuine commitment to ensuring freedom of navigation, which is critical for all states. The United Nations Convention on the Law of the Sea (UNCLOS) provides a sound basis for negotiation and dispute settlement, with both formal and ad hoc mechanisms. China could allow all states to have open access to ports and infrastructure to promote economic regionalisation, and refrain from unilateral management. In the Indian Ocean, China needs to do much more to convince India and others that its interests are confined to building and running ports.[36]

Meanwhile, India can take a greater leadership role on Indian Ocean governance, whether by more active engagement of existing institutions like the Indian Ocean Rim Association and the Indian Ocean Naval Symposium, or new mechanisms. The Navy is inherently well placed to engage in diplomatic and cooperative measures given the existence of global commons and the presence of non-traditional security challenges. The idea of the Blue Economy presents unique opportunities. Most of all, the question is whether it is too late to fashion an inclusive maritime security architecture in the Indian Ocean. One former top Indian diplomat's suggestion regarding this is worth reconsidering:

> *This is a test of wisdom … if energy and trade flows and security are the issues, why not begin discussing collective security arrangements among the major powers concerned? Is it not time that we began a discussion among concerned states of a maritime system minimizing the risks of interstate conflict and neutralizing threats from pirates, smugglers, terrorists, and proliferators? India's concerns in the north-west Indian Ocean and China's vulnerabilities in the north-east Indian Ocean cannot be solved by military means alone.*[37]

Is it too late for such measures? Or is this when diplomatic ingenuity is needed more than ever?

Conclusion

India faces growing pressure from the Chinese MSR which is increasing the attraction of a US strategic partnership via the American rebalance. The dilemma of strategic integration with the US and economic integration with China is not likely to go away, and India will have to calibrate its policy with great care. But the inevitability of geopolitical conflict in the Indian Ocean need not be taken for granted, and needs to be more widely examined. This is particularly so as the Modi government seeks to promote Indo-Pacific regionalism to decisively boost the Indian economy. So far, India's strategic engagement in the Indo-Pacific has been based on India's increasing economic interdependence with the region.[38]

A big question is whether the generally open and cooperative nature of maritime relations in the Indian Ocean, which are advantageous to India (as well as others), can be maintained, and how India might take a leadership role in ensuring that is the case. This paper has suggested that an economic understanding of the Indian Ocean is vital to doing so, without conceding Indian strategic leadership. This calls for deft foreign policy, in particular with India's littoral neighbours in the Indian Ocean, the US and China. India is particularly well placed within the notional India–US–China maritime triangle to generate imaginative ideas on this score, not least because the Indian Ocean forms a core interest for India, whereas the same cannot be said for China or the United States.

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