

Strategic Importance of the Indian Ocean Region

The Strait of Malacca situated between Malaysia and the Indonesian island of Sumatra, is one of the most important shipping lanes in the world, linking the Indian and Pacific Oceans. Similarly for the oil-exporting Gulf region the Strait of Hormuz, situated between Iran and the UAE is the only sea-passage to the open ocean. Over 40 per cent of the world's seaborne oil shipments pass through the strait every day, making it the world's most strategically crucial choke point in the energy transportation system¹. With a number of narrow straits and confluence of vital sea lanes, the Indian Ocean Region (IOR) is one of great strategic relevance to the world. Ninety per cent by volume of international trade in goods and energy commodities like oil, coal and natural gas is transported by sea². Much of the world trade is carried through the IOR, either from sources in the region to the economic superpowers or amongst the major or minor economic players within the region including India, China, Japan and South Korea and hence the importance of sea lanes of communication (SLOC). The Strait of Malacca and the Strait of Hormuz together are therefore of vital importance for the economic and energy security of a large part of the world.

In addition the Mandab Strait or Bab el-Mandab, situated between Yemen and Djibouti on the Horn of Africa, provides a strategic link between the Indian Ocean and the Mediterranean Sea, via the Red Sea and the Suez Canal, the Lombok Strait, between the Indonesian Island of Bali and Lombok, the Palk Strait between India and Sri-Lanka are secondary choke points in the IOR.

As the international energy market is dependent upon reliable oil supply, the blockage of the chokepoints in the IOR, even temporarily, can lead to substantial disruption of the global and regional economy. If attacked, Iran is on record of having threatened the blocking of the Strait of Hormuz³. In addition, choke points leave oil tankers and freight shipping vulnerable to piracy, terrorist attacks, political upheavals leading to hostilities and shipping accidents.

Fact File

These factors therefore provide for overlapping and conflicting security interests in the region. The overpowering security concerns of nations have served to enhance the military presence of major world powers in the IOR, as also the forging of cooperative arrangements with several of the littorals, to promote, support and sustain military operations in the region. It is therefore inevitable that in the pursuit of compelling national interests all major powers of the 21st century will endeavour to have significant naval presence from the Strait of Hormuz to the Strait of Malacca. This trend is demonstrated by the manner in which the USA and China threaten to lock horns to wrest control of the blue waters in the IOR, especially during the last few years.

USA. Having maintained a dominant position in the IOR for several decades; the ongoing conflicts in Iraq and Afghanistan, together with new threats emerging in other parts of the region, have only accentuated the compulsions of the only superpower today to reinforce its operational capability in the IOR. The major base in Diego Garcia, together with several other bilateral agreements with a number of countries in the IOR, provides the USA the facility to maintain a credible and sustained military presence in the area of interest.

China. China's rise as a world power has enhanced its strategic, political, security and economic interests in the IOR, the primary focus being on energy security. China is therefore becoming increasingly assertive forging political and military ties with several littoral states in the IOR. As China continues to maintain a naval task force off the Horn of Africa to counter piracy, it is also building-up commercial and diplomatic ties with the aim of securing bases in the area necessary to sustain its maritime forces patrolling these strategic sea-lanes.

Oman. Oman and China have a stable and positive relationship - with China being the largest importer of Omani oil for several years. Oil accounts for over 90 percent of all bi-lateral trade between China and Oman⁴. At this point Chinese naval ships deployed in the Gulf of Aden for anti piracy operations have utilised Salalah more than any other port making a total of 16 port calls through Jun 2010⁵. Given the stable relationship between Oman and China along with the economic benefits to the host nation, it should not come as a surprise if current arrangements evolve into a formal agreement that guarantees unrestricted access to Salalah Port for Chinese naval ships.

Yemen. Aden represents the first port utilised by Chinese naval ships during their deployment in the Gulf of Aden⁶. The initial port call was in February 2009 during the first counter piracy rotation when Chinese naval ships accepted diesel fuel, fresh water and food stores in order to replenish the destroyers of their task force.

Pakistan. China's investment in the construction of the Port of Gwadar has for almost a decade fuelled speculation that Beijing's ultimate goal is to turn the port into a Chinese version of Gibraltar. Port of Gwadar offers the facility that Beijing may seek to support its forces. Apart from the regular port calls to Karachi during its 25 years of goodwill cruises and exercises with foreign navies, the Chinese Navy is also a regular participant in the Pakistani sponsored multi-lateral naval exercises.

Sri Lanka. China's relationship with Sri Lanka has received a great deal of attention recently due to Chinese financing of the construction of the Sri Lankan port of Hambantota. While it is unlikely that Hambantota will be developed into a naval base, the Chinese Navy is not a stranger to Sri Lanka. The main naval base at Colombo, Sri Lanka's largest port is fast becoming a popular mid-Indian Ocean refuelling stop for the Chinese Naval warships

Singapore. Given Singapore's close relations with both China and the USA, the island nation is in a delicate position. The littoral states of the Strait of Malacca - Singapore, Malaysia and Indonesia - are also sensitive to foreign military operations in the vital waterways of the Strait. Offers from the USA, Japan, India and most recently China to assist with naval patrols in the area have been rebuffed. Thus, it is unlikely that there will be a formal agreement between Beijing and Singapore along the lines of the USA-Singapore Memorandum of Understanding that guarantees for the former, the

use of Changi Naval Base.⁷ However, at the same time there is no reason for Singapore to deny increased use of its facilities to Chinese Naval ships that are transiting the area either on their way to the Indian Ocean or while on patrol in the South China Sea or making port calls to Singapore through a combination of goodwill visits, bilateral and multilateral exercises and refuelling stops.

Bangladesh. China has been eyeing Chittagong Port to supplement the availability of port facilities at Gwadar in Pakistan and Hambantota in Sri Lanka. It has promised the development and enhancement of the cargo handling capacity of the port at Chittagong to boost trade. There is also a talk of China getting military basing rights in the Chittagong area on lines similar to the induction of troops in Gilgit and Baltistan in the POK in the recent past. With the opening to Chittagong port, China will be in a position to monitor Indian missile tests at Chandipur at Sea and Indian naval activities in the Andaman Nicobar Islands. China reportedly also has access to the Myanmar naval base in Hanggyi Island and has also established monitoring station at Coco Island. These developments open up the door for the Chinese Navy to be available to Pakistan, Sri Lanka or Bangladesh in the role of a countervailing force against India.

Analysis

Not too long ago China used to project itself as a rising economic power but was silent or evasive when queried on their military power – particularly their naval power. However for the past many months China has not been shy of projecting itself as a rising naval power⁸. China opposed the US – South Korea naval exercises covering the Yellow Sea and warned of the dangers if the USA and South Korea went ahead with their exercises. However the recent display of assertiveness notwithstanding, it appears China is actively involved in the process of developing a network of places⁹ of influence in the Indian Ocean in order to support forces deployed for non-traditional security missions such as the counter-piracy patrols in the Gulf of Aden. In the first look, Aden presents itself as an ideal place for the support of Chinese naval operations both in the Gulf of Aden and Western Indian Ocean, but, the active presence of Al-Qaeda in the area compels China to look at other options in respect of the locations from which they can support operations by the Chinese Navy.

China's investment in the construction of commercial port facilities in Gwadar, Hambantota and the proposed expansion of Chittagong port clearly indicates that it is seeking to build naval bases in the Indian Ocean. However, conversion of these bases into naval bases capable of supporting sustained operations during war would require billions of dollars worth of equipment and infrastructure. Their exposed vulnerability to an enemy equipped with long-range precision strike capability also makes their wartime utility somewhat uncertain.

In an event of naval conflict between India and China in the Indian Ocean, direct comparison of the size of the force in terms of numbers is of little relevance. India enjoys a geographical advantage and therefore is well placed to exercise theatre dominance. Any naval taskforce venturing into the Bay of Bengal with hostile intentions would have to contend with India's air power both with the Indian Air Force and the Indian Navy operating not only from the Indian Peninsula, but also from the Andaman and Nicobar Islands.¹⁰ The operational capabilities of Andaman and Nicobar Islands are being upgraded to support operations by SU 30 MKI, Mirage 2000 and MIG Bison aircraft as also combat aircrafts slated to be inducted in the future.

China's naval presence in the region will be dispersed along the several distant, nodal points that constitute its so called string of pearls. Notwithstanding that these forces together may be superior to the Indian Navy in both size and capability, India will however have the capability to concentrate its forces and gain an upper hand if it decides to launch a strike against an isolated group of Chinese vessels. A massive naval deployment outside one such base will also have the desired effect by compelling the Chinese to de-escalate their land assault.¹¹

Policy Options for India

With increasing presence of Chinese Navy in the Indian Ocean and the Persian Gulf, both Washington and Delhi will come closer to monitor the activities of Chinese naval ships. Both navies have begun to display higher levels of interoperability, in large part thanks to the Malabar bilateral or multilateral exercises held each spring. India and the USA have recently upgraded their intelligence sharing in the field of counter terrorism. In future, both states may well find that the surveillance of China's naval activities in the region is an equally pressing concern.¹²

India must seek a maritime intelligence sharing agreement, share own radar and sonar data compiled in the Andaman Sea and press for the US satellite imagery in exchange for the same. The US and India however must demonstrate to China that their initiative is part of a larger effort to ensure maritime security in the region from non-traditional threats and their synergy in this regard is not directed against China.¹³

India has already taken the initiative to establish electronic monitoring systems in Madagascar in 2007 and in the Maldives in August 2009¹⁴. Apart from gifting own patrol aircraft to Seychelles in reactive response to Beijing's offer of military assistance and launching Indian Ocean Naval Symposium in 2008, India needs to work closely with not only the US but also with Sri Lanka, Oman, Bangladesh, Singapore and all other countries in the IOR through positive engagement and cooperation ensuring economic benefits to the host nations. This would help India extend its presence and ensure that the IOR remains a zone of peace. The underlying message, therefore, is to build capacity and ensure constructive engagement and partnership with all friendly countries in the IOR to maintain the status quo.

What is clear, however, is that there is no compelling evidence yet to suggest that the Chinese Navy has engaged in activities of an overtly military nature. Nevertheless, this does not mean that it has no intention to do so in the future. China is seeking to obtain a permanent base in Gulf of Aden and the deep sea port of Gwadar which is projected to undergo militarisation by the Pakistani Navy. This implies that Chinese surface and sub surface platforms could easily be stationed there. Hambantota or Chittagong can also have dual use. Some observers believe that China's naval modernization is increasingly oriented towards pursuing additional goals like asserting or defending China's claim in maritime territorial disputes, protecting China's SLOCs, displacing US influence in the Pacific¹⁵, challenging Indian

primacy in the IOR and undermining Indian naval influences in the island countries such as Sri Lanka, Maldives, Seychelles etc.¹⁶ All these are designed to assert China's status as a major world power.

First and foremost India, therefore, must embark on building naval capacity to address the deep sense of vulnerability and neutralise all existential military threat to Indian naval dominance. At the same time diplomacy must reach out to effectively engage China in the IOR as an equal partner in sharing each other's maritime strategic interests.

At the outset India must look at maritime intelligence sharing with China as far as anti piracy operations and security of SLOC are concerned. Apart from encouraging regular port calls/ goodwill visits and bilateral/multilateral exercises, India could also offer joint development of command and control systems to combat both piracy and maritime terrorism. India may also actively consider meeting refuelling needs of Chinese Navy through one of her ports. Such a move would not only make India an important client of China in serving their economic and security needs but also greatly marginalise the relevance of ports in ring states. In fact, increasing dependence of China through the secured passage provided by Gwadar and Chittagong ports as an alternate route to meet their energy requirement and other international trade to sustain its economic growth, only makes her more vulnerable to interdiction by Indian Air power. China will thus not like to do anything to destabilise the region while India sits over China's energy jugular. However, to ensure a sustainable peace, stability and security in the IOR, participation and engagement with China while continuing to build own naval matching capability while sharing US concerns on matters of maritime security may perhaps be a step in the right direction to contain the growing Chinese influence in IOR and their march towards becoming a major global player.

This will, however, require astute diplomatic skills on part of India to bring China on board to ensure their engagement and participation. China is a rising naval power in not too distant a future and rightly so it has many core sensitivities mainly with regards to the US dominance in the IOR, Tibet, Taiwan, Islamic fundamentalism as also India's growing power in multi dimensions to name a few. India must therefore tread carefully. Substantive, result oriented engagement supported by pragmatic military hedging from a position of strength is the best strategy to influence and encourage China to participate as a responsible stakeholder in the IOR.

Conclusion

Under the present circumstances China's assertiveness in the IOR is not likely to put India's maritime security in jeopardy in the near future but nonetheless a time will come when India will be compelled to face this challenge in her backyard. India's rise as an economic power is closely linked to her military modernisation, ascendancy in the limited strategic area of influence in the IOR as also close integration with the countries in the region. China has many core sensitivities with regard to the maritime security in the IOR. India needs to understand and accommodate these realities through active participation and engagement with the Dragon on the high seas in the coming decade.

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