

## STRATEGIC SNAPSHOTS

## SNAPSHOT 6

# Sino-Indian Maritime Relations: Managing Mistrust in the Indian Ocean

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Asia's rising giants are eyeing each other with trepidation across the Indian Ocean. As China and India modernise their navies and extend their strategic reach from the Malacca Strait to the Gulf of Aden, there is growing concern of a maritime 'great game' unfolding on the world's most international waters.<sup>2</sup> Given the longstanding tensions over their disputed land border, mutual anxieties about being contained, and both states' rapid expansion of 'blue-water' naval capabilities, conditions appear ripe for Sino-Indian competition at sea.<sup>3</sup>

Recent events seem to support this assessment. When, in late August, two Chinese warships sailed into Thilawa, Burma, for the PLA Navy's (PLAN's) first ever port call on its strategically-located neighbour, suspicions in New Delhi were keenly aroused. Coming just months after Beijing sent high-level delegations to attend arms and infrastructure talks in Burma and Bangladesh – both ostensibly 'strategic partners' of India – many Indian analysts saw the PLAN visit as further evidence of China's growing assertiveness in India's backyard. Expressing concern over what he regarded as '[China's] more than ... normal interest in Indian Ocean affairs', Foreign Minister S.M. Krishna responded by announcing that New Delhi would intensify efforts to monitor PLAN activities in the region.<sup>4</sup> A few weeks later, as if on cue, Indian officials confirmed plans to purchase 12 P-8I Poseidon maritime surveillance aircraft from the United States.<sup>5</sup> Regardless of any direct connection, such developments suggest that strategic jostling and tit-for-tat policy choices are becoming increasingly frequent in Sino-Indian affairs.

Yet conflict in the Indian Ocean is far from inevitable. Although China's economic rise has propelled its maritime interests and ambitions in the Indian Ocean, the PLAN remains inexperienced and heavily focused on the Western Pacific. This leaves India and the United States as the sole major naval powers of the Indian Ocean – a situation unlikely to change dramatically over the next two decades. While the Indo-Pacific power shifts explored in

*Power and Choice: Asian Security Futures* will continue to drive maritime tensions west of Malacca, the key challenge will be to manage and prevent regional instability – not to prepare for large-scale maritime confrontation.<sup>6</sup>

## CHINA'S NAVAL ASCENDENCY

China is undergoing its most extensive period of maritime expansion since Admiral Zheng He's fleet roamed the Indian Ocean during the early 15<sup>th</sup> century. Already boasting Asia's largest flotilla, China is acquiring increasingly sophisticated capabilities at a rate which has alarmed defence officials from Tokyo and Hanoi, to New Delhi, Jakarta, Canberra, and Washington. These procurements include destroyers outfitted with anti-ship cruise missiles, attack and ballistic-missile submarines, and the ongoing development of an anti-ship ballistic missile which – if coupled with effective detection and targeting systems – could menace aircraft carriers and bases anywhere from the Western Pacific to the Bay of Bengal.<sup>7</sup> Alongside new blue-water surface combatants and an aircraft carrier program which is expected to produce at least one operational platform by 2020, the PLAN is rapidly becoming the most formidable navy indigenous to the Indo-Pacific region.

But despite increasing alarm over China's blue-water fleet, expeditionary capabilities are currently a secondary objective of Beijing's maritime makeover. Chinese naval modernisation is more about access denial than power projection; designed, above all, to stop foreign navies operating in and around the Taiwan Strait and so-called 'first island chain' stretching from Japan to the Philippines. Accordingly, most PLAN acquisitions over the past 15 years have been asymmetric capabilities – submarines, sea mines, and anti-ship missiles – intended to neutralise US warships in the event of a confrontation over Taiwan.

China's strategic horizons have nevertheless expanded to include the sea lanes and littoral states of the Indian Ocean. As an emerging

great power, China is unwilling to rely on others to guard its precious sea lines of communication (SLOCs). Concerned that close to 80 per cent of its oil imports must traverse the Indian Ocean, Beijing is taking measures to protect its hydrocarbon superhighway. Since 2005, what some analysts have termed Beijing's 'string of pearls' strategy has seen Chinese state-owned corporations fund deep-water ports and refuelling stations in Pakistan (Gwadar), Sri Lanka (Hambantota), Bangladesh (Chittagong), and Burma (Sittwe and Kyaukpyu), with rumours circulating that the Maldives (Marao) will be next.<sup>8</sup> The logic behind this process is both economic and strategic: the commercial ports connect merchant ships with mainland China via a growing network of continental motorways, rail links, and pipelines, thus shortening China's SLOCs and reducing its reliance on the US-dominated Malacca Strait chokepoint. While such facilities could provide useful locations for PLAN listening posts and access points, this assessment – engrained in India's strategic commentariat – is both premature and currently unsubstantiated. Yet in the absence of any clear articulation of Beijing's Indian Ocean agenda, anxieties surrounding China's maritime intentions have gathered momentum in Washington and New Delhi.<sup>9</sup>

Compounding these concerns is the fact that PLAN doctrine has recently shifted from a continental focus to 'far sea defence'.<sup>10</sup> Although motivated by a need to protect far-flung SLOCs, this historic change exposes China's ambition to become, in Chairman Hu Jintao's words, a 'great maritime power' with a 'blue-water' capability.<sup>11</sup> In this context, the increasing frequency of PLAN port calls – including recent visits to Abu Dhabi, Egypt, Greece, and Australia – and its participation in the international antipiracy mission off the Gulf of Aden, demonstrate a nascent attempt to develop the operational experience and technical expertise that will enable China to project and sustain naval power much further afield.

## INDIA'S LAKE

All this has troubled New Delhi's already anxious defence establishment. Viewing the Indian Ocean with a sense of geographical entitlement, generations of Indian strategists have opposed great power presence in what they privately consider 'India's Lake'. Indeed, the maritime space surrounding its 5,000 kilometre coastline holds a prominent position in Indian defence policy. On one hand, it represents a source of potential threat. The emergence of a rival sea power or an unstable maritime balance would threaten India's SLOCs and imperil the nearly 95 per cent of its trade which crosses the Indian Ocean. A formidable Asian maritime challenger would also place severe burdens on India's navy; forcing New Delhi to strengthen naval capabilities at the expense of land forces and possibly undermining deployments along its disputed frontier with China and its western border with Pakistan. On the other hand, the Indian Ocean offers a strategic opportunity for Indian policymakers. Jutting south into what some say will be the 21<sup>st</sup> century's geopolitical and economic heartland,

the subcontinent's unique position could afford New Delhi great influence over increasingly valuable global SLOCs – if, that is, its navy is up to the task.<sup>12</sup>

While India has flirted with naval modernisation since the 1980s, over the past five years its maritime focus has sharpened. Concerned that Chinese forays into the Indian Ocean portend a larger and more threatening geopolitical shift, India's renewed naval spending represents, in part, an attempt to counterbalance China's growing presence and influence west of Malacca. Although some Indian analysts worry that New Delhi's blue-water aspirations lack the clear policy framework and strategic vision that they assume exist in Beijing, the Indian Navy has spearheaded the modernisation process with relative vigour and success.<sup>13</sup> Set to increase its number of principal combatants by 25 per cent in 2015, India is acquiring 'stealthy' warships with BrahMos cruise missiles, at least six nuclear-powered submarines, high-speed attack vessels for maritime interdiction, and various long-range surveillance aircraft. India also aims to triple its aircraft carrier fleet, replacing the obsolescent INS *Viraat* with a refurbished Russian carrier and building two indigenous carriers of its own. While India's navy will remain roughly a quarter the size of the PLAN, these new capabilities will bolster its capacity to monitor Chinese activities and deter encroachment upon New Delhi's maritime interests.<sup>14</sup>

India, moreover, has a home-court advantage. While the bulk of Beijing's naval power and attention will be focused in East Asia over the coming decades, the Indian Ocean will remain New Delhi's primary sphere of maritime concern – permitting it to concentrate limited assets within a single, albeit vast, area of operations. Even as the PLAN expands its expeditionary capabilities and presence throughout the Indian Ocean, the Indian Navy will thus retain superiority in regional waters.

Two additional factors will assist India in this task. First, New Delhi is improving its regional network of listening stations and monitoring arrangements with island states such as Mauritius, Madagascar, and the Seychelles. It is also strengthening its tri-services command in the Andaman and Nicobar Islands and is reportedly establishing an air base in the Maldives.<sup>15</sup> Alongside its new naval acquisitions, these facilities will enable India to sustain increasingly sophisticated blue-water missions, patrol large swathes of the Indian Ocean, and restrict the PLAN's freedom of movement through the Andaman and Nicobar Island chain.

Second, India's intensifying strategic partnership with the United States will, for the foreseeable future, ensure that the overall maritime balance of power remains tilted in India's favour. Indeed, Washington and New Delhi share goals in maintaining control over Indian Ocean SLOCs, minimising PLAN influence in the region, and preventing destabilising cycles of maritime rivalry.

Furthermore, through joint naval exercises such as the annual Malabar initiative, their navies – often in conjunction with partners in Japan, Singapore, and Australia – are becoming increasingly interoperable and experienced in working together. This plugs India into an informal maritime association in which strategic interests, capabilities, and technical expertise converge to bolster the naval capacity of all participants. As long as China lacks similar networks of its own, and while the US Navy maintains bases or advanced access arrangements in the Persian Gulf, Djibouti, Diego Garcia, and Singapore, India's Lake will remain relatively secure.

### MANAGING THE ARMADAS

Given the prevailing imbalance of power in the Indian Ocean, it is highly unlikely that large-scale maritime conflict will emerge between China and India over the next two decades. While great power maritime interests appear set to diverge in the Western Pacific and South China Sea, the relative supremacy of US and Indian naval forces will have a dampening effect on antagonisms in the Indian Ocean.

This does not mean that Sino-Indian maritime relations will be trouble-free. Although the risks of conflict in the Indian Ocean are exaggerated, the anxieties in Beijing and New Delhi are real and likely to continue. In this context, suspicions will surround every new port facility, naval exercise, or regional deployment. Moreover, as both navies come into greater contact, the possibility of dangerous incidents at sea will rise. Indeed, the recent pattern of naval confrontation in East Asia – from the China-US *Impeccable* encounter of 2009 to the China-Japan Okinawa run-ins of early 2010 – demonstrates the type of destabilising naval incidents which could emerge in Sino-Indian relations. To reduce the likelihood of such clashes, there is a need to foster trust, predictability, and communication between Asia's biggest armadas.

Several policy initiatives could assist in this task. A regular dialogue between the PLAN and the Indian Navy should be established. While Chinese analysts have hinted that a Sino-Indian maritime dialogue might be currently in the works, in order to be effective such a forum would need to convene often and move beyond the tokenism of the existing bilateral annual defence dialogue.<sup>16</sup>

Multilateral forums may also be of value. Since 2008, the India-led Indian Ocean Naval Symposium (IONS) has biennially gathered 26 regional navy chiefs to discuss maritime security, capacity building, and interoperability among Indian Ocean littoral states. However, in seeking to maximise India's influence by excluding China and the United States, New Delhi has weakened the relevance of its own creation.<sup>17</sup> Elsewhere, the new ASEAN Plus Eight Defence Ministers' Meeting (ADMM+8) brings together the US, China, and India in a politically neutral forum. But, like other ASEAN-centric

bodies, it is likely to focus on the Asia-Pacific rather than the western part of the Indo-Pacific region.

Nevertheless, both forums provide some potential for China and India to voice their maritime concerns, clarify intentions, and establish procedures for managing relations at sea. At the most basic level, the existing ADMM+8 structure or a modified IONS – broadened to include the US and China – could permit the Indian Ocean's major players to hold bilateral and trilateral talks on the sidelines of wider multilateral discussions. For this to occur at IONS, India would have to share its leadership role and extend formal invitations to the US and China, a move which would demand a substantial shift in New Delhi's current position towards engaging with the PLAN.

A more robust dialogue could be developed within the ADMM+8. With some modification, its attention could be steered west of Malacca by establishing an Indian Ocean maritime security track as a formal part of the forum's agenda – focussing on such issues as disaster relief, SLOC security, antipiracy, counter-terrorism, and the feasibility of a regional 'incidents at sea' agreement. This is something that Australia and Malaysia, as joint chairs of the expert working group on maritime security, could explore in advance of the 2013 ADMM+8 meeting in Brunei Darussalam. Yet, in order to be effective, the ADMM+8 will have to meet at more regular intervals than its current three-year cycle.

China and India could also seek to build mutual trust through making better use of opportunities for collaboration and burden-sharing. While both navies participate in a number of minimalist confidence building measures – port calls, basic bilateral exercises, officer exchanges, and dialogues – such interactions have done little to deepen inter-navy trust and understanding. Operational collaboration, however limited, may prove more fruitful. As both China and India have interests in keeping vessels deployed in the international anti-piracy mission off the Somali coast, Beijing and New Delhi would do well to coordinate their activities, share useful information, and assist each other in protecting their respective merchant shipping.<sup>18</sup> Similarly, Beijing and New Delhi should actively discuss the 2010 proposal made by Indian Minister of State for Defence, Pallam Raju, which envisages the Indian Navy providing some protection for Chinese merchant ships transiting the Indian Ocean. At the very least, such a discussion might signal Beijing's in-principle willingness to cooperate with India on maritime security, a development which could ease some of the deep-seated suspicions harboured in New Delhi.

Ultimately, operational level dialogue and maritime confidence building measures are limited in their ability to mitigate strategic mistrust, an issue that will be explored in a forthcoming publication of the Lowy Institute's MacArthur Asia Security Project. Nevertheless, much more could be done in the Indian Ocean to ensure that predictions of Sino-Indian conflict remain unfulfilled.

# STRATEGIC SNAPSHOTS

## NOTES

- <sup>1</sup> Research for this Strategic Snapshot was conducted in support of a wider India-China security project within the International Security Program at the Lowy Institute. The author would like to acknowledge the insightful contributions made by Program Director Rory Medcalf in refining the analysis and recommendations of this paper. Discussions with Siddharth Varadarajan, presenter of the 2010 Australia-India Strategic Lecture, were also useful in developing the author's arguments. See: <http://www.lowyinterpreter.org/post/2010/07/05/The-Australia-India-Strategic-Lecture.aspx>.
- <sup>2</sup> See Sam Bateman and Anthony Bergin, *Our western front: Australia and the Indian Ocean*. Barton, ACT, Australian Strategic Policy Institute, 2010, p 16.
- <sup>3</sup> For an example of these predictions, see Robert D. Kaplan, Center stage for the 21<sup>st</sup> century: power plays in the Indian Ocean, *Foreign Affairs*, 88 (2) March/April 2009; and Robert D. Kaplan, *Monsoon: the Indian Ocean and the future of American power*, New York: Random House, 2010.
- <sup>4</sup> Patrick Goodenough, Tensions simmer between Asian giants over China's regional intentions, *CNSNews.com*, 1 September 2010, online: <http://www.cnsnews.com/news/article/72024>.
- <sup>5</sup> Rajat Pandit, India, US defence deal set to get bigger, *Times of India*, 30 September, 2010.
- <sup>6</sup> See Malcolm Cook, Raoul Heinrichs, Rory Medcalf, and Andrew Shearer, *Power and Choice: Asian Security Futures*, Lowy Institute MacArthur Foundation Asia Security Project, 2010, online: <http://www.lowyinstitute.org/Publication.asp?pid=1306>.
- <sup>7</sup> See *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China*, 2010. Washington, D.C., Office of the Secretary of Defense, 2010, pp 2-3, 32; and *The Military Balance 2010*, London: International Institute for Strategic Studies, 2010, pp 278, 401.
- <sup>8</sup> See Harsh V. Pant, Many in denial over China's quest for bases, *The Japan Times* 12 February 2010; and Amit Kumar, A new balance of power game in the Indian Ocean, IDSA Comment, 24 November 2006, online: [http://www.idsa.in/idsastrategiccomments/A-New-Balance-of-Power-Game-in-The-Indian-Ocean-AKumar\\_241106](http://www.idsa.in/idsastrategiccomments/A-New-Balance-of-Power-Game-in-The-Indian-Ocean-AKumar_241106).
- <sup>9</sup> See Harsh V. Pant, China, a great power like any other, *International Relations and Security Network*, 15 February, 2010, online: <http://www.isn.ethz.ch/isn/Current-Affairs/Security-Watch/Detail/?lng=en&id=112669>.
- <sup>10</sup> See Edward Wong, Chinese military seeks to extend its naval power, *New York Times* 23 April 2010.
- <sup>11</sup> See Andrew Erickson, Lyle Goldstein, and Carnes Lord, China sets sail, *The American Interest* Summer 2010, p 33.
- <sup>12</sup> See Kaplan, Center stage for the 21<sup>st</sup> century; and David Scott, India's 'Grand Strategy' for the Indian Ocean: Mahanian visions, *Asia-Pacific Review*, 13 (2) 2006, pp 99-101.
- <sup>13</sup> See C. Raja Mohan, India and the changing geopolitics of the Indian Ocean. Paper presented at the National Maritime Foundation's Eminent Persons Lecture Series, India Habitat Centre, 19 July 2010, pp 7-8, online: [http://www.maritimeindia.org/pdfs/EminentPersonsLectureSeries\\_RajaMohan.pdf](http://www.maritimeindia.org/pdfs/EminentPersonsLectureSeries_RajaMohan.pdf).
- <sup>14</sup> This figure is based on the number of principle surface and undersea combatants which China and India are currently developing or have already acquired. See *The Military Balance 2010*, pp 278, 401.
- <sup>15</sup> See Bateman and Bergin, *Our western front*, pp 18-20.
- <sup>16</sup> Interviews conducted by author and other Lowy Institute researchers, Beijing, 19-21 October, 2010.
- <sup>17</sup> See Joshy M. Paul, Cooperative security in the Indian Ocean region: the IONS way, *RSIS Commentaries*, 27 May 2010, online: <http://www.rsis.edu.sg/publications/Perspective/RSIS0552010.pdf>.
- <sup>18</sup> See Rory Medcalf, China's gunboat diplomacy, *New York Times*, 28 December 2008.

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## ABOUT THE PROJECT

The Lowy Institute's MacArthur Asia Security Project explores evolving strategic relations among Asia's major powers. Based on a realistic understanding of the region's competitive dynamics in a range of key domains, the Project aims to develop a practical agenda for security cooperation across Asia and a suite of measures to ensure that competition does not lead to miscalculation or conflict.



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