

## **DIPLOMACY IN THE INDIAN OCEAN- INDIA'S PERSPECTIVE**

Udayvir Singhvi

The Shri Ram School, Aravali, Gurgaon

### **INTRODUCTION**

The Indian Ocean has always been of strategic value, and plays a large role in facilitating global interaction, be it economic, political or military. Some 80% of the world's maritime oil trade flows through three narrow passages of water, known as choke points, in the Indian Ocean. This includes the Strait of Hormuz—located between the Persian Gulf and the Gulf of Oman—which provides the only sea passage from the Persian Gulf to the open ocean. The economies of many Indian Ocean countries are expanding rapidly as investors seek new opportunities. Bangladesh, India, Malaysia, and Tanzania witnessed economic growth in excess of 5% in 2017—well above the global average of 3.2%.

Politically, the Indian Ocean is becoming a pivotal zone of strategic competition. China is investing hundreds of billions of dollars in infrastructure projects across the region as part of its One Belt One Road initiative. For instance, China gave Kenya a US\$3.2 billion loan to construct a 470 kilometre railway (Kenya's biggest infrastructure project in over 50 years) linking the capital Nairobi to the Indian Ocean port city of Mombasa. Chinese state-backed firms are also investing in infrastructure and ports in Sri Lanka, the Maldives, and Bangladesh. Western powers, including Australia and the US, have sought to counter-balance China's growing influence across the region by launching their own infrastructure funds—such as the \$113 million US fund announced last August for digital economy, energy, and infrastructure projects.

In security terms, piracy, unregulated migration, and the continued presence of extremist groups in Somalia, Bangladesh, and parts of Indonesia pose significant threats to Indian Ocean countries. Australian Foreign Minister Marisa Payne emphasized upon the importance of the Indian Ocean, when she said, "Our respective futures are intertwined and heavily dependent on how well we cooperate on the challenges and opportunities in the Indian Ocean in the decades ahead."

## CHALLENGES IN THE REGION

### 1. CHINA

Chinese presence in the Indian Ocean has always been a worrisome factor for India. Currently, Chinese influence has risen in the area greatly, mainly due to their rapidly growing Belt-Road initiative driven investments. These investments have been in nations surrounding India, including Sri Lanka, Pakistan, Maldives and others. Their location offers additional value to China, and the likelihood of them increasing their presence in the area is concerning for India.

Essentially, there are three ways China holds sway in the Indian Ocean and the surrounding region. Firstly, the OBOR initiative; secondly, the Maritime Silk Road and lastly, the planned String of Pearls. To begin with, the OBOR project has allowed China to provide several developing nations with large loans and technical support to help improve the infrastructure in the region. Examples of this include the Gwadar Port in Pakistan, or the Magampura Mahindra Rajapaksa Port in Sri Lanka.

**Figure 1: The Theorize Belt and Road**



The initiative also provides nations with funds, and technical support in the form of Chinese research and development. Additionally, construction is often undertaken by Chinese companies. The Asian Infrastructure Investment Bank pledged 1 trillion yuan to this initiative. The Silk Road fund adds another 250 billion yuan to this sum. The Chinese government, led by Mr. Xi

Jinping are clearly heavily vested in these infrastructural development and expansion projects, and one often wonders if there is more to this seemingly utopian investment project.

Several scholars, economists and politicians have theorized that China may be engaging in 'Debt Trap Diplomacy'. By investing these large sums, China gains a certain amount of political control, in addition to the evident economic control it now possesses in the country. This adds another stakeholder that must be considered while policies are being made.

Additionally, often due to a lack of repayment by nations, their debt is cleared through other methods. Ports being leased to China for specified amounts of time, as is the case in Pakistan, Sri Lanka and Myanmar, is dangerous for India, seeing how these ports are fully functional, and can be used as military bases in the future.

Allegations of Neocolonialism have been raised by many western nations against China, but China has dismissed them or ignored them altogether. The Malaysian Prime Minister Mahathir Mohammed recently cancelled the East Coast Rail Link project and two other projects that were to be built by Chinese firms. He stated that this would leave Malaysia indebted to China, and that could not be accepted.

The Maritime Silk Road has caused similar problems, with China gaining ownership over 8 ports in Southeast Asia in just 2 years, between 2015 and 2017. These ports are of high strategic value, and gives China an immense advantage, not just economically, but also in the political and possibly, the military sphere.

Ports in Pakistan, Maldives, Sri Lanka, Djibouti, Myanmar and other nations are now Chinese controlled areas. India has expressed concerns about this on numerous occasions, stating that this is a threat to India and that China is simply driving its own territorial interests through these projects.

Lastly, we come to the String of Pearls Policy of China. First noted by USA in 2005, they stated that China is slowly expanding its military and commercial infrastructure in the Indian Ocean Region, in the form of military bases, mega-infrastructure projects and ports. This, along with the Chinese Military's rapid modernization, has led to worries that this eponymous 'string' could easily be a passage way for Chinese navy vessels, used to isolate India in the event of a standoff, and increase its geopolitical control during peace time.

This, along with China's disputes in the South China Sea, has led to global outcry over their attempts to create a regional hegemony. In response to this, India has been forced to adopt a new, more dynamic policy in the form of the 'Act East Policy' to attempt to counter Chinese influence

in and around the Indian Subcontinent. Its success is yet to be known, but it is a welcome move to ensure Indian interests are not impacted by Chinese expansion.



**Figure 2: The String of Pearls**

## 2. SRI LANKA

2014, Bilateral Relations between India and Sri Lanka have gradually worsened. While recently, they have been improving once more, Sri Lanka turned to China over these past few years to help satisfy their developmental needs.

Be it in the form of military deals, trade or economic infrastructure construction (under the Belt-Road Initiative), this reduction in bilateral ties is a concern for India given the location of Sri Lanka, and the dangers if ties worsen further. Sri Lanka has significant value due to its location in the Indian Ocean coinciding with several trade routes, and its proximity to India can be concerning during a conflict.

In Sri Lanka, China has constructed Ports, Storage warehouses, hotels, marinas and even a motor racetrack. A 1.5 billion dollar commercial district in Colombo is currently being built by Chinese

companies. The amount of Chinese workers in the nation has also risen, and the Chinese presence in the form of investment, construction and manpower is becoming irreplaceable

This is precisely why the increased Chinese Presence in Sri Lanka is a cause for worry. China currently controls several ports in Sri Lanka, and in the event of any conflict, these ports can easily be militarized and used as forward bases. Moreover, Chinese political influence in Sri Lanka is evident. Over 15 billion dollars have been invested by China in Sri Lanka, and the result is a slow degradation of relations with India, with developmental projects being rewarded to China instead.

While it is true that there is an improvement presently, it is time that India begins relying on more than just historical relationships in their diplomatic missions, and must form a new, concrete plan to ensure that their influence in the region is not reduced significantly.

### **3. MALDIVES**

The island nation has had deep ties with India in the past, but has been receiving significant aid from China over the past few years. Abdulla Yameen, the ex-President of Maldives, was a well-known supporter of China, and under his presidency, Chinese investment in Maldives increased significantly.

Chinese projects include an 830 million dollar airport upgrade, and a 400 million dollar bridge linking Male to the international airport. Also, as relations deteriorated, Indian firms and workers were pushed out of the country by the Pro-China Yameen regime. 2000 workers were told to return home, and an Indian Navy detachment that held 2 helicopters that were to be gifted to Maldives was asked to return to India as well.



**Figure 3: Major Indian and Chinese projects in Sri Lanka**

Now, under President Solih, the Indian government has made several attempts to improve the strained ties, and they have been successful, with bilateral meetings and interactions being scheduled. Given Maldives' location, it cannot be compromised or given over diplomatically. Over 100,000 ships travel through the waters around Maldives. This area has been dominated by the Indian Navy, due to the presence of Lakshadweep and Andaman & Nicobar Islands, but given China's increasing presence in ports in the region, it is quite likely that they will try and gain influence and access to these trade routes.

A welcome relief for India was when Maldives scrapped a 2017 agreement with China to build an observatory in the Indian Ocean. Nevertheless, India must continue to make attempts to restore military cooperation with Maldives, and ensure that this cooperation is not taken over by China, as this would further alienate Maldives, something that is not tolerable.

#### **4. SEYCHELLES**

India has suffered a significant setback in Seychelles recently, when the 550 million dollar Assumption Island pact fell apart. This deal, signed in 2015, allowed India to establish a base on Assumption Island, to secure their vessels in the region.



Unfortunately, due to local politics, this agreement was not ratified, and it fell apart. Simultaneously, China recently inaugurated their first foreign military base in Djibouti. The scramble for influence in the Western Indian Ocean is very much ongoing, and India is falling behind.



**Figure 4: The Bridge of Friendship in Maldives, built by China**

Despite revisions to the agreement, the Leader of Opposition in Seychelles has declared the Assumption Island agreement “dead”, and has refused to ratify it. India has not been deterred however, and in 2018, they signed a deal with Seychelles under which India will provide Seychelles with 100 million dollars to help Seychelles expand and improve their defense capabilities.

Overall, India has managed to make headway in Seychelles, and must ensure that the Western Indian Ocean does not become China dominated. They must continue to form agreements with Seychelles to ensure that it stays close to India, and ties do not suffer a breakdown similar to those with Maldives.

## **5. MAURITIUS**

Mauritius has quickly developed into a financial center, and India and China find themselves vying for dominance over this tiny island nation. Mauritius has refused to pick a side, and has emphasized upon its neutrality. Certainly, it is a nation that will benefit from both Indian and Chinese support, but for India, who is looking to establish a sphere of influence in Africa, this is bad news.

Chinese investment in Africa and surrounding islands has skyrocketed. There have been several construction projects conducted by the Chinese, they have established firms, and thousands of Chinese workers currently reside in parts of Africa.



**Figure 5: Map highlighting Indian projects in the Western Indian Ocean. One such project was the Assumption Island Base, which has since fallen apart.**

In fact, the influence they have gained through these investments has also risen rapidly; so much so that many nations have termed this to be ‘Neocolonialism’, or Economic Colonialism. China has disparaged these allegations as ‘Western Propaganda’, but one must wonder what their end goal is in Africa, as seen by the economic presence and a growing military one as well.



Africa can be used to fulfill China's need for crude oil, and other energy needs to fuel their growth, and Xi Jinping's government has done just that. A cheap and steady supply of petroleum and coal flows into China from Africa, and in return China invests heavily in the region, thereby increasing their influence.

This is the case in Mauritius too. For the longest time, India has dominated investment flows to this nation. A recent tax treaty signed by the two nations may diminish this, but their cooperation has not halted, with a maritime security agreement also being signed in 2017. However, as China's Belt-Road Initiative expands, Mauritius has been receiving more Chinese interest.

Several firms have established branches in Mauritius, namely the Bank of China and Huawei. This is evidence of the increasing role China plays in the region. China is also taking advantage of the cheaper wage rate for labor in Mauritius, to use locals to complete construction projects. Now being constructed is the Jin Fei Smart City, near Port Louis, a Chinese backed mega-infrastructure project.

Indian firms have also been invited to enter Mauritius, but their reply has not been as positive. If the situation in Mauritius continues to stay the same, India will certainly gain, but China will win, and its influence in Africa will rise to unparalleled levels.

## **CONCLUSION**

India's foreign policy with reference to these nations has been rigid and reliant on historic ties and systems. China on the other hand has constantly been adapting and providing these nations with concrete incentives to help improve relations.

India has made some progress recently however, with deals with Oman, Maldives, Sri Lanka et cetera boosting their presence and influence in the Indian Ocean.



**Figure 6: An Artist's impression of Jin Fei City**

There remains no doubt that the Indian Ocean is extremely important, and cannot be ignored. Within the next 20 years, it will become a major trading route, and a hotly contested region as a result. Even right now, as is shown in the map below, several powers stake claims in various parts of the Ocean.

In the past, India has failed to establish meaningful and strong relationships with its neighbors, and these relations, if established, have not lasted. This weakness is something China capitalized upon, but India, under Modi is a dynamic and active nation, and if it can make the right diplomatic decisions, there is no doubt that it will become the single leading power in the Indian Ocean, as it once was in the days of old.



Figure 7: Military/Navy bases in the Indian Ocean

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