

INDIA-CHINA DYNAMICS IN THE IOR

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In April 2023, the Indian government confronted Myanmar with satellite images showing Chinese workers helping construct a listening post on Coco Islands (owned by Myanmar) in the Bay of Bengal. Some of the intelligence also claims that under the junta government, the airstrip at Coco Island has been expanded to 2,300 m from 1,300 m, in addition to the creation of sheds for the use of transport aircraft.¹ Such activities will bring Beijing close not only to the eastern coast of India which houses critical infrastructure of the country like the satellite launch pads, but also to the Andaman and Nicobar Islands from where New Delhi keeps a hawk's eye over the Malacca Strait, through its only tri-Service command. Such ambitions of China in the Indian Ocean are not new. The journey began with the gargantuan project of the Belt and Road Initiative (BRI) launched in 2013 under President Xi Jinping. As the initiative approaches its tenth anniversary this year, it is crucial to examine its implications for India in the Indian Ocean, where the latter is a residential power.

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1. Shishir Gupta, "India Pushes Military Infra-Upgrade in Andamans, Monitors Coco Islands", *Hindustan Times*, April 5, 2023. India pushes military infra-upgrade in Andamans, monitors Coco Islands | Latest News India—Hindustan Times. Accessed on July 6, 2023.

GEOSTRATEGIC RELEVANCE OF THE INDIAN OCEAN

According to the Indian maritime doctrine, the Indian Ocean covers the geographical stretch from the eastern coast of Africa to the western shores of Australia. The region is under the primary responsibility of New Delhi, which can also be seen in it being the first responder and net security provider in the region. Amidst the growing importance of the Indo-Pacific region, the Indian Ocean Region (IOR) has acquired significant geopolitical, geostrategic, and geoeconomic significance. It accounts for one-fifth of the water on the Earth's surface and a quarter of the landmass. It encompasses nearly 38 countries ranging from continental nations to islands and archipelagos.

Considered as the maritime highway of the world, the region includes several important choke points at its entry and exit. A few critical ones are: the Straits of Hormuz (links the Persian Gulf to the Arabian Sea), Bab-el-Mandeb (connects the Red Sea to the western Indian Ocean), Mozambique Channel (between the island of Madagascar on the east and countries on the eastern coast of Africa), and Malacca Strait (a narrow strait bridging the Indian and Pacific Oceans). The geoeconomic vitality of the region is further magnified due to the presence of hydrocarbons on the western side of the Indian Ocean, rich fishing grounds all along the coastlines of several countries, and polymetallic nodules in the seabed which are reserves of critical minerals and rare earth metals.

INDIA AND CHINA: VYING IN THE MARITIME DOMAIN

Returning to the sea after the opening of their respective economies became the rationale for India and China to embark on a journey of naval expansionism. This requires imports and exports of raw materials and supply of finished goods to the markets, especially in Asia and Africa, and further in Europe. Additionally, it also means protecting the interests of their populations working in distant lands. As they venture to operate far from their coastlines, they are likely to step on each other's toes and those of America, the world's dominant maritime power.² India aspires to play a leadership role in the Indian

2. C. Raja Mohan, *Samudra Manthan; Sino-Indian Rivalry in the Indo-Pacific* (Washington DC, Carnegie Endowment for International Peace, 2012), p. 4.

Ocean; similarly, China has attributed this role to the South China Sea, while the US' strategic priority has been dominance across the length and breadth of the Indo-Pacific. How far they will be able to respect each other's concerns remains to be seen. Tensions are bound to arise as their respective capabilities grow and the power gap becomes more prominent.

The IOR is one of the geopolitical areas of the broader relationship that New Delhi and Beijing share which is characterised by various Cs' of cooperation and conflict, and competition and contestation. Unlike India, which has classified and defined the region, China does not have a clear Indian Ocean strategy. This limitation has given it more flexibility to operate in the region. China has been repeatedly claiming that the Indian Ocean being named after India does not mean that it belongs to India. While, on the other side, India's leadership from Nehru to Modi has reflected that the IOR must remain within India's leadership which is characterised by its respect for sovereignty and togetherness.

CHINESE PRESENCE IN THE INDIAN OCEAN

Since the election of Xi Jinping as the president of China in 2013, he has put grand notions of expanding Beijing's influence and presence across the world through the grandiose initiative of One Belt and One Road (OBOR). It is based on the notion of the Ancient Silk Road emerging from China, traversing the Asian continent to reach Europe and the Western nations, comprising a continental as well as maritime route. It will make use of both soft and hard power through projects which include social and economic infrastructure like ports, railways, roads, communication centres, and others. Of course, Asia and Africa need development to enable the region to grow and march ahead. But the question is: development at what cost?

The Belt and Road Initiative (BRI) infrastructure projects in the Indian Ocean are many. For example, China has funded the Hambantota port and Colombo port city in Sri Lanka, signed a Free Trade Agreement (FTA) with Male, in addition to undertaking the China-Maldives friendship bridge which connects Male to Hulhule Island, and investments in the Chittagong port of Bangladesh. China

is the only country to have diplomatic missions in all six island countries of the Indian Ocean, i.e., Maldives, Mauritius, Seychelles, Comoros, Madagascar, and Sri Lanka, which is also reflected in its economic and political engagements with them.³

However, the Chinese aid comes with certain crucial limitations such as: it does not follow strict governance reforms and has resulted in debt traps, environmental destruction, and lack of transparency.⁴ Additionally, the Chinese projects are mostly undertaken by Chinese labour, which restricts the learning and employment opportunities of the recipient countries. It looks more like charity and not collaborative engagement. Beyond the economic and diplomatic relations, Beijing has maintained a continuous military presence in the region since 2008 to undertake anti-piracy missions in the IOR. This role was further magnified with China establishing its only overseas base with a naval facility in Djibouti in the western Indian Ocean in 2017.

One of the most oft-repeated reasons cited by China for increasing its presence in the IOR is the Malacca Dilemma. The term was first used by Hu Jintao in 2003 to point towards the growing vulnerability of the strait, primarily due to its geography, and the consequential security threats. The Malacca Strait at its narrowest point near the Philips channel is only 1.7 miles wide. The economic rise of China has made it imperative for its energy resources to traverse the sea routes of the Indian Ocean, and cross the Strait of Malacca to reach the mainland. The momentous significance of the IOR for China is not only for the import of its energy resources but also for exports. The national oil companies of China have today invested in more than 50 countries. Paradoxically, they do not have the incentive to invest in the domestic Chinese market due to strong regulatory measures and pricing policy.⁵ Therefore, they are keen to expand their markets

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3. Darshana M. Baruah, "Surrounding the Ocean: PRC Influence in the Indian Ocean", Carnegie Endowment for International Peace, April 18, 2023, <https://carnegieendowment.org/2023/04/18/surrounding-ocean-prc-influence-in-indian-ocean-pub-89608>. Accessed on June 25, 2023.
 4. Denghua Zhang, "A Cautious Approach: China's Growing Trilateral Aid Cooperation", *Pacific Affairs Series* (Australia: Australian National University Press, 2020).
 5. K. Subramanian, "Cost of Energy Security in the Asia-Pacific", in Sundeep Kumar S, ed., *The Indian Ocean Great Game Unfolding: Interests, Determinants and Perspectives* (New Delhi: KW Publishers, 2021), p. 122.

abroad. This further necessitates Beijing to expand its influence and presence in the region.

Some Chinese analysts argue, “India is trying to achieve military superiority at the entry and the exit points of ‘its’ ocean: the Straits of Malacca, Hormuz and Bab-el Mandeb, the Suez Canal and the Cape of Good Hope, and the Agalega archipelago... If the bilateral relations between India and China should deteriorate, India could put China in a vulnerable position by choosing to play out disagreements in the Indian Ocean”.⁶ However, it has been China that has been flouting the rules-based order in the South China Sea where it has constructed artificial islands and is now claiming them as its own. It has been hindering the fishing vessels of several smaller countries. Such instances of aggressive behaviour have never been reflected in India’s role in the Indian Ocean where it supports the development for all in the region, which is also reflected in its initiative of Security and Growth for all in the Region (SAGAR).

To address China’s concern, not a single untoward incident involving any of its shipping or merchant vessels has taken place since 2008. Instead, China has successively and successfully increased its footprints in the region by creating a threat, which, however, does not seem to loom large. Whether China’s threat will be fortified in reality remains to be seen, especially when a big power gap exists between New Delhi and Beijing. Or is it just a smokescreen to further realise its dream of Chinese rejuvenation?

Some analysts argue that despite its expanding maritime horizons, China’s major focus remains on integrating Taiwan with the mainland and the disputed territories in the South China Sea and western Pacific.⁷ Further, China cannot currently project power, and lacks long-range strike capabilities in the Indian Ocean due to the long distance of its ports and other logistics facilities and bases for refuelling, replenishing, and repairing. According to Australian analyst You Ji,

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6. Francois Godement, “China’s Sea Power: Reaching Out to the Blue Waters”, European Council on Foreign Relations, March 9, 2011, https://ecfr.eu/publication/china_analysis_chinas_sea_power_reaching_out_to_the_blue_waters/. Accessed on April 20, 2023.
 7. David Brewster, “A Contest of Status and Legitimacy in the Indian Ocean”, in David Brewster, ed., in *India and China at Sea: Competition for Naval Dominance in the Indian Ocean* (New Delhi: Oxford University Press, 2018), p. 14.

the People's Liberation Army Navy's (PLAN's) maritime strategy in theory focusses on blue water; however, the reality portrays that it is largely shaped by the doctrine of green water defence based on a light force structure.⁸ China's air power is also limited due to the lack of radar facility in the Indian Ocean.

But what does the increasing Chinese military presence in Gwadar indicate? A Chinese commentator with the US Navy posits that conversion of ports like Hambantota or Gwadar into military facilities would require billions of dollars of investment in the infrastructure and a long-range precision strike capability to make these viable for any inimical activity by China in the region.⁹ Therefore, the current Chinese policy is not seeking bases, but viable places to maintain and ensure its presence in the Indian Ocean. These places may be viable for providing logistical facilities during anti-piracy operations or evacuation, but not in the event of a crisis.

INDIA'S CONCERNS?

The above arguments are not enough to make India smug, being located at the centre of the Indian Ocean. China may not be using direct military capability or force deployment, but it has been extensively using its chequebook and political diplomacy to serve its strategic ends. Its intention of circumscribing India by a 'string of pearls' by developing critical infrastructure such as ports and airports in Pakistan, Sri Lanka, Bangladesh, Maldives, and Myanmar has raised eyebrows among the policy-making and strategic community in New Delhi and its neighbourhood.

Beijing is playing a well-calibrated game which first involves an offer to invest capital to boost trade, then build infrastructure based on the 'Chinese model of aid giving', thereby gaining an economic hold in the country, which will also assist in building its image as

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8. David Brewster, "Beyond the String of Pearls: China and the Changing Balance of Power in the Indian Ocean", in Vijay Sakhuja and Raghavendra Mishra, eds., *Evolving Dynamics of the Indian Ocean: Prospects and the Way Forward* (Delhi: Shipra Publications, 2015), p. 57.
 9. Daniel J. Kostecka. "The Chinese Navy's Emerging Support Network in the Indian Ocean," *China Brief*, vol 10, issue 15, 2010, <https://jamestown.org/program/the-chinese-navys-emerging-support-network-in-the-indian-ocean/>. Accessed on April 20, 2023.

an economic benefactor.¹⁰ Through such projects, it later pushes the countries into a debt trap, thus, clearing the way for itself to get concessions in the form of a strategic location. By having control over Gwadar and Djibouti, it already enjoys a sway over the Straits of Hormuz and Bab-el Mandeb respectively. Another important source of imports comes via the Cape of Good Hope from countries like Nigeria, Gabon, Guinea, Congo, and Angola where currently there is a gap to support Chinese operations.¹¹ It is likely to try to enhance its presence somewhere in the southern Indian Ocean. However, it may not acquire a direct military base like Diego Garcia of the U.S., but its undertakings in the IOR will be funnelled through unsustainable debt generated by unviable projects.

The reality is mirrored quite clearly in the case of the Maldives, which has a total debt of roughly \$6.5 billion of which it owes an estimated \$1.4 billion to China—and possibly as much as \$3.5 billion.¹² Another case of economic crisis where India went out of its way to bail out the country, was Sri Lanka which owes nearly 9 per cent of its Gross National Income (GNI) to China. Such economic stress is not only problematic for the affected countries, it can bring the economic growth of the region as a whole under serious threat. In addition, it gives an undue advantage to an extra-regional country.

The distance between Gwadar and the Strait of Hormuz in the Persian Gulf is just 607 km. More than 60 per cent of India's oil imports pass through this region. Any likelihood of it turning into a naval base of China can significantly impact India's flows through the region. This has the potential to upset the status quo in the northern Indian Ocean where New Delhi enjoys a dominant role, by further bringing China nearer to the Indian coast. According to an Indian naval strategist, Gwadar in Pakistan is already serving the military needs of China in the IOR.¹³ This is further amplified by the sale of submarines, frigates, and anti-ship missiles to its all-weather friend.

10. Raja Menon, "Scenarios for China's Naval Deployment in the Indian Ocean", in n. 7, p. 128.

11. Ibid.

12. Radhey Tambi, "India Can't Afford to Lose Maldives Again", *The Diplomat*, May 5, 2023, <https://thediplomat.com/2023/05/india-cant-afford-to-lose-maldives-again/>. Accessed on May 6, 2023.

13. In an interview with a retired vice admiral of the Indian Navy on April 6, 2023, in New Delhi.

He further claimed that the day is not far when Pakistani submarines will outnumber India's submarines in the region. All these actions of China have the potential to increase Islamabad's strategic depth against New Delhi. One of the acute observers of India-China relations feels that as India-China competition intensifies and becomes fundamental as a Sino-American contest, Pakistan's value for China as a strategic tool or a bargaining chip in the China-U.S.-India triangular relationship will inevitably increase.¹⁴

Beijing is increasing its presence pressure by undertaking Military Operations Other Than War (MOOTW). This includes anti-piracy operations or evacuations of large numbers of the Chinese population in the littoral states, and merchant vessel protection, as mentioned explicitly in the 2010 White Paper.¹⁵ An increase in grey zone activities by forging security partnerships with India's maritime neighbours, an increase in submarines traversing the IOR, projects under the BRI, and the Maritime Silk Road have reinforced India's greater role in the region. China increasing military aspirations were seen in 2013 when it brought its nuclear-propelled submarine into the Indian Ocean under the garb of fighting piracy.

The above activities of China have compelled India to come together with like-minded partners like the US, Australia, and Japan to balance or delay its movement towards the western Pacific. This view was also reflected in the non-alignment 2.0 report compiled by key Indian strategists which outlined that the strong US presence in the Asia-Pacific through its force deployment and the increasing military capabilities of littorals like Indonesia, Vietnam, and Australia will delay, if not deter, Chinese naval power in the IOR.¹⁶

As long as Chinese activities in the IOR and its littorals are benignly economic in nature, India may not mind, as it will integrate the region economically and make it less dependent on outside powers. What has created the brouhaha are the current military and

14. Mohan Malik, *China and India: Great Power Rivals* (Colorado: First Forum Press, 2011), pp. 189-190.

15. "China's National Defense in 2010", Ministry of National Defence of the People's Republic of China, March 2011, <http://eng.mod.gov.cn/xb/Publications/WhitePapers/4887922.html>. Accessed on April 18, 2023.

16. Sunil Khilnani, et al., "Nonalignment 2.0: A Foreign and Strategic Policy for India in the Twenty First Century", Centre for Policy Research, 2012, <https://cprindia.org/wp-content/uploads/2021/12/NonAlignment-2.pdf>. Accessed on April 19, 2023.

strategic dimensions of its undertakings. Like any other country, China too has freedom of navigation in the IOR, but it is the 'grey zone' activities of China which have created a masquerade in the region. These will strategically reduce the space in which India sits and stands.

COMPETITION FOR A MILITARY BASE IN THE INDIAN OCEAN REGION

As both India and China aspire to go beyond their natural maritime frontiers, they will need critical infrastructure to sustain their influence and leadership. This will come in the form of an offshore forward presence, which is needed to accommodate facilities for intelligence, surveillance, reconnaissance, navigation and communication, ocean observation research, and meteorological forecasting. With the changing security dynamics of the IOR, both India and China are under increasing pressure to seek precisely such forward-based arrangements, on their own territories, as well as on those of others.¹⁷ In this case, India enjoys the advantage of its geography through island groups on both its western and eastern flanks, i.e., Lakshadweep and Andaman and Nicobar Islands. This allows New Delhi to maintain short lines of communication in the wider Indian Ocean. To this end, India is also cooperating with like-minded countries like Australia (Coco, Keeling Islands) and France (La Reunion Islands) that have their island territories in the eastern and western Indian Ocean respectively. This allows them to enhance the interoperability and reach of their forces. On the other hand, China's military presence in the IOR is currently restricted to Djibouti in the western Indian Ocean.

Thus, China will explore ways to expand its sphere of influence in the region. According to the U.S. Pacific Command, instead of having a base strategy, China might focus on 'places', enabling the PLAN to project power without necessitating a change in its policy.¹⁸ Such an initiative would also be less alarming for other significant players in

17. C. Raja Mohan, "Tacking to the Blue Waters", in n. 2., p. 65.

18. Michael S. Chase and Andrew S. Erickson, "Changes in Beijing's Approach to Overseas Basing?", *China Brief*, vol 9, issue 19, 2009, <https://www.andrewerickson.com/2009/09/changes-in-beijing%E2%80%99s-approach-to-overseas-basing/>. Accessed on April 21, 2023.

the region like the US, India, and Japan.¹⁹ A direct acquisition of a military base will not be liked by the countries of the region that share a history of colonialism between the rival powers. But an economic bait of development will create an atmosphere of ease for China to increase the reliance of the countries that need development. For instance, China has taken the Hambantota port of Sri Lanka on lease for 99 years and has been found docking its research vessels regularly despite India raising its concerns. Apart from collecting data about resources, such vessels also collect data about the salinity, oxygen, and chlorophyll levels which can be used for military purposes like tracking foreign submarines.²⁰ The region must remember that the presence of any outside power will affect us negatively, sooner rather than later, as posited by India's Foreign Affairs Minister Dr. S. Jaishankar at the 6th Indian Ocean Conference.²¹

Both India and China have aspirations to lead an Asian century based on their ideas, values, and norms. During the course of this journey, they will leverage more opportunities and places to compete with each other in various domains like diplomatic depth, infrastructure and institutional undertaking, defence engagement, information dominance, and economic cooperation. Further, as they continue to grow economically, their dependence on the Indian Ocean is bound to increase for trade, technology, and investment. Amidst this matrix, whether their desire to outstay each other will culminate in the form of acquisition of a military base will surely define and shape the contours of the Asian security architecture.

19. Ibid.

20. Radhey Tambi, "Islands of Opportunity: Australia and India's Chance to Collaborate", *The Interpreter*, December 5, 2022, <https://www.lowyinstitute.org/the-interpreter/islands-opportunity-australia-india-s-chance-collaborate>. Accessed on July 14, 2023.

21. "6th Indian Ocean Conference 2023", YouTube Video, 1:20:58, Ministry of External Affairs, India, May 12, 2023, posted by Ministry of External Affairs, India, <https://www.youtube.com/watch?v=Ob4QJcqsP2I&t=2123s>. Accessed on May 13, 2023.