

Chapter 2

Security in the Indian Ocean Region: Regional Responses to China's Growing Influence

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The competition within the Indian Ocean is one for access, including the use of ports and the securing of bases. China is trying to secure energy resources and reduce its dependence on the Strait of Malacca, and has laid forth its “One Belt, One Road” (OBOR) initiative. The People’s Liberation Army Navy (PLAN) is also stepping up its presence by setting up a supply base in Djibouti for the Chinese flotilla conducting anti-piracy operations. Those moves by China have provoked India. The rivalry between China and India, as well as responses of littoral countries approached by them, are the factors that will determine the future security environment of the region.

In its *Freedom to Use the Seas: India’s Maritime Military Strategy*, released in 2007, India cautioned that the PLAN was “set on the path to becoming a blue water force,” gaining a strategic “toehold” in the Indian Ocean region (IOR), adding that India could counter that by “actively engaging countries in the IOR littoral.” However, India is taking a tacit approach in its effort to deter China. The expansion and enhancement of the Indian Navy’s activity have been pursued on the basis of a “diplomatic” and “benign” role in line with the role of “security provider” that the United States expects of India. In the 2015 *Maritime Security Strategy*, India clearly supports freedom of navigation. India is also endeavoring to build up its own capability as a “net security provider.” Specifically, it has supported capacity building for Sri Lanka, Maldives, Seychelles, and Mauritius. India has also sought security cooperation with the member countries of the Association of Southeast Asian Nations (ASEAN), the United States, and Japan against the backdrop of the South China Sea issue.

Pakistan, a long-standing ally of China, has further deepened that friendship in recent years, and is actively cooperating with China’s entry into the Indian Ocean region through the China-Pakistan Economic Corridor (CPEC) initiative. In that context, the Pakistani Army, which virtually controls the country’s security policy, has demonstrated keen interest in maximizing the strategic utility of CPEC, to pull China to the Pakistani side in the context of Pakistan-India dispute. Also, in order to counter Indian influence, Pakistan has a strong interest in facilitating the PLAN’s presence in the Indian Ocean. In that respect, the reference made by a Pakistan Navy official in November 2016 to the deployment of PLAN ships to Gwadar Port attracted much attention.

Although some observers had expected that Sri Lanka would shift away from China after its newly-elected president Maithripala Sirisena took office at the start

of 2015, the new administration has found it impossible to alienate China altogether due to the importance of its economic relationship with that country. The government of Sri Lanka is now being forced to engage in a difficult balancing act between two major neighbors: China, upon which it has become increasingly reliant economically, and India, with which it has traditionally developed a multifaceted relationship.

1. Complex Strategic Environment in the Indian Ocean Region

(1) Overview of the Indian Ocean Region

The Indian Ocean region refers to the coastal states and islands lying in contact with the Indian Ocean, which occupies one-fifth of the world's total ocean area. On the west, it extends from the eastern African coast to the Gulf countries, while in the center it includes the Indian subcontinent, and on the east comprises the Southeast Asian archipelago down to Australia. The geographical range considered as the Indian Ocean region depends on the perspective of the person who discusses it. Anthony Cordesman, whose geographical range is broadest, has divided the Indian Ocean region into five subregions, including thirty-two countries into his analysis.¹⁾ Cordesman's interest is risk assessment, based on such factors as population dynamics, economic growth, and energy trends. Meanwhile, John Garofano and Andrea J. Dew, whose main argument revolves around the competition between China and India, virtually restrict the Indian Ocean region to the eastern and western coasts of the Indian subcontinent, that is to say, the Arabian Sea and the Bay of Bengal.²⁾ Although the geographical scope of the Indian Ocean region varies depending on the expert, as described above, they do share, as initial point of interests, the fact that the region functions as a global trade route as well as a source of oil supply. It could be said that its nature as a transportation route provides a functional definition of the Indian Ocean region.

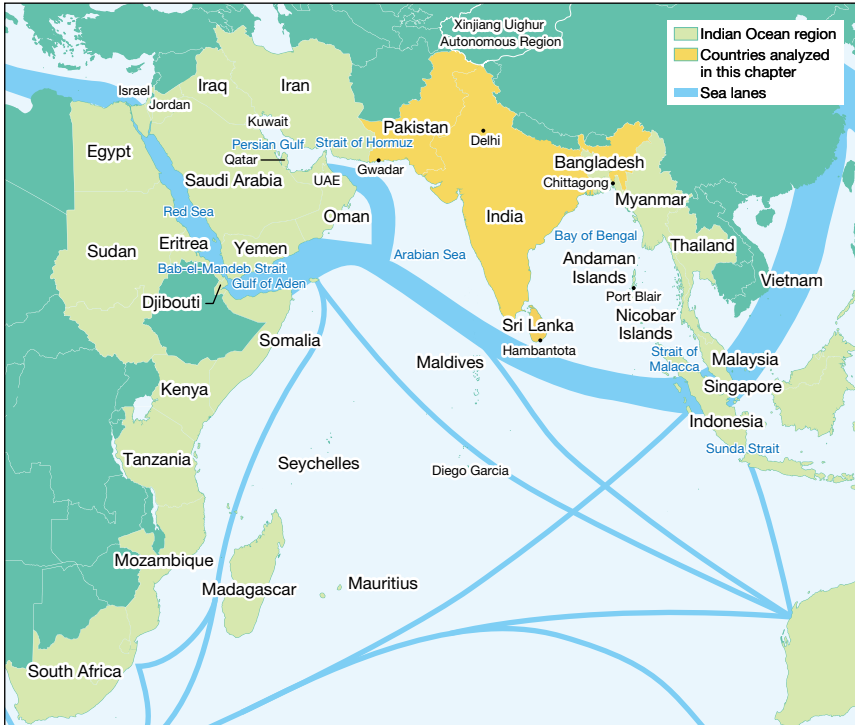
Since the sixteenth century, maritime trade routes have been actually quite limited in terms of the pathways and chokepoints through which vessels must inevitably pass. Moreover, for the safety of navigation, points must be secured for supply and evacuation, transshipment, and entrances and exits for the chokepoints. For that reason, Western colonial powers historically contested the control of such chokepoints and ports, including the Bab el-Mandeb Strait at the entrance from the Mediterranean Sea to the Arabian Sea, and the Strait of Hormuz and the Strait of

Malacca as entrances from East Asia to the Bay of Bengal. Nowadays, with the center of economic growth shifting from Europe to Asia, the Indian Ocean region as a trade route has come to determine global economic trends. Not only do half of the world's container transports pass through the Indian Ocean, but 70 percent of the world's crude oil and petroleum products pass through it as well. According to an estimate by the Energy Information Agency (EIA) of the US Department of Energy (USDOE), 30 percent of the world's crude oil and petroleum products transportation pass through the Hormuz Strait and 27 percent through the Strait of Malacca.³⁾

In 1968, after the United Kingdom withdrew from the "East of Suez," the United States assumed the role of maintaining the order in the Indian Ocean region. Backed by its overwhelming power-projection capability, the United States has promoted the liberal order and an open economic regime by preventing external hegemonic control, as well as the rise of other threats to the Indian Ocean region as a "global commons."⁴⁾ However, it is clear today that US sea power is declining in relative terms. Meanwhile, China's naval strength has improved both quantitatively and qualitatively.⁵⁾ While China has not used such capabilities yet in the Indian Ocean region in the same way as it has when pressing its claims in the East China Sea and the South China Sea, one cannot deny that it may attempt to secure unilateral control of that region eventually as well.

With the increasing number of entities depending on the Indian Ocean region as a transport route for energy and goods, and given the changes in the relative power of the United States and China, questions have been raised how the order in the region will be maintained, and whether the order itself will change completely. When contemplating the answers to those questions, just looking at the Indian Ocean region as a place of conflict between an emerging China and the United States as the status quo power is not sufficient to represent the whole picture.⁶⁾ China is vulnerable, as it has the so-called "Malacca Dilemma," and is seeking access to the region to resolve that. But China's actions have provoked India, which is located in the center of the region. From that viewpoint, this chapter considers the competition for access⁷⁾—including the use of ports and the securing of bases—as the most important factor prescribing the security environment in the Indian Ocean region. The following sections analyze the competition between China and India, and then examine trends in the host countries approached by India or China, with the geographical focus set around the Indian subcontinent.

Figure 2.1. Indian Ocean region



Sources: Compiled from various materials, including Anthony Cordesman and Abdullah Toukan, *The Indian Ocean Region: A Strategic Net Assessment*, CSIS, April 1, 2014.

(2) China's Expanding Presence in the Region

China has expanded its presence in the Indian Ocean both economically and militarily. Since the late 1990s, China has ramped up its foreign aid in order to secure energy resources. In the Indian Ocean region, in addition to resource exploitation, China has continued its efforts to reduce its dependence on the Strait of Malacca. For example, in 2004, it began negotiations with Myanmar on the construction of a natural gas pipeline, while simultaneously constructing an oil pipeline to import crude oil from the Middle East and Africa via Myanmar; the former became operational in 2013, and the latter in 2015.⁸⁾ China also developed Gwadar Port in Pakistan, which started operation around 2004, to serve as an oil and transportation route to China's Xinjiang-Uighur Autonomous Region. India's

concerns were heightened by China's plan to develop Hambantota in Sri Lanka,⁹⁾ which had been agreed upon at a summit in 2007, and Chittagong Port in Bangladesh, in line with China's so-called "String of Pearls" strategy. The volume of China's trade with Bangladesh overtook that between India and Bangladesh in 2002.¹⁰⁾ In February 2016, Bangladesh turned down China's plan to construct Sonadia Port, but there remains the possibility that China will seek access to Kutubdia Base in Bangladesh, where a Ming-class Type 035B diesel electric submarine delivered in November 2016 is believed to be berthed.¹¹⁾

China, which has become more self-confident with its achievements in infrastructure investment, proposed the "Maritime Silk Road" initiative in Indonesia, where the Asia-Pacific Economic Cooperation (APEC) Summit was held in 2013. Subsequently, it held the Dialogue on Strengthening Connectivity Partnership at the same time as the APEC Beijing Summit of November 2014, getting support from seven non-APEC member countries, including Bangladesh and Myanmar, for its OBOR initiative, consisting of the "Silk Road Economic Belt" and the Twenty-first Century Maritime Silk Road.¹²⁾ As Yoshinobu Yamamoto has pointed out, although OBOR has such benevolent aspects as improving land and sea infrastructure and supplying international public goods, it also allows China to utilize that infrastructure network strategically and to exclude other countries.¹³⁾ It is necessary to explore whether the idea of enhancing the "connectivity" of the Indian Ocean region is compatible with China's national interests of securing energy, solving the Malacca Dilemma, and securing destinations for its investment capital and, more importantly, to understand if the building of a regional order advantageous to China would affect the current order.

PLAN initially expanded its presence in the region by participating in antipiracy operations in the Gulf of Aden in 2009. In 2010, China sent a hospital ship on overseas deployment, starting from Djibouti and ending at Chittagong in Bangladesh, and providing medical services to the local countries. Those operations do not directly pose a military threat per se, but have instead promoted publicity for China as an international contributor. China has also enjoyed an increasing number of opportunities to cooperate with other countries' navies, such as three instances of joint exercises for counterpiracy with the US Navy in the Gulf of Aden. However, China's participation in counterpiracy has clearly showed a shift to open seas defense.¹⁴⁾ Continuous participation in counterpiracy operations arguably contributes to the improvement of China's open seas



Ships from the Indian navy, Japan Maritime Self-Defense Force and U.S. Navy during a group sail at the end of Malabar 2016, a trilateral exercise. (June 17, 2016) (U.S. Navy photo by Mass Communication Specialist 3rd Class Andre T. Richard)

deployment capabilities over the long term. In 2014, China concluded a strategic partnership agreement with Djibouti. The agreement to establish China's logistic facilities in Djibouti to support the PLAN's operation there was revealed in late 2015.¹⁵⁾

India is greatly concerned about the PLAN's deployment in the Indian Ocean, showing uneasiness over China's counterpiracy operation, which could possibly be

a pretext to gain a strategic "toehold." The Indian Navy has particularly been sounding alarms about the stepped-up activities by Chinese submarines in the Indian Ocean since 2013, and it came as a big shock to India when PLAN conventional submarines made calls to Sri Lanka twice, once each in September and November 2014. Since then, China has been regularly dispatching nuclear submarines for counterpiracy operations, and there is growing concern in India that such deployments will help China acquire the capability to conduct littoral warfare, not just in terms of information gathering but also in operational terms.¹⁶⁾ The activities of the Chinese submarines, coupled with the asymmetry in submarine capability between China and India, can become factors for instability in the Indian Ocean region.

2. Indian Maritime Strategy as a "Net Security Provider"

(1) Evolution of India's Maritime Strategy

Although India had traditionally been a continental state, it has been consciously trying to build an identity as a maritime state since the 2000s. Chapter 1 of the Indian Ministry of Defence's *Annual Report 2014-15*, which gave an overview of the security environment, defined India as a "maritime nation historically" for the first time, regarding Indian Ocean as "vital to India's security and prosperity."¹⁷⁾ The Indian Navy had taken the initiative for that change. It first released its Maritime Doctrine in 2004, and in 2009 formulated a new doctrine (revised in

2015). Also, it formulated its Maritime Military Strategy in 2007, and a new Maritime Security Strategy in 2015. The Indian Navy positions the Maritime Doctrine as “sets of proven concepts and principles related to the use of military power,”¹⁸⁾ and the Maritime Strategy, guided by that doctrine, is defined as “an overall plan to move from the present situation to a desired goal in a given scenario.”¹⁹⁾ Those documents demonstrate that India’s sphere of interest is confined to the Indian Ocean region, with its primary areas of interest falling in the Arabian Sea and the Bay of Bengal as well as various chokepoints leading to and from there particularly the Strait of Malacca, the Hormuz Strait, the Bab el-Mandeb Strait and the Cape of Good Hope.²⁰⁾

In its Maritime Military Strategy of 2007, India displayed a considerably stronger awareness of China’s activities. That is consistent with how China’s “growing defence links with some of India’s neighbours” was described for the first time by the Indian Defence Ministry’s *Annual Report 2006-07* as being “continued to be monitored closely.”²¹⁾ The Maritime Military Strategy of 2007 states that “the strategic objectives of a majority of extra-regional navies are broadly consistent with India’s own strategic interests ... such as the fight against fundamentalism and terrorism” and “the safety of SLOCs [Sea Lines of Communication].” In contrast, it is cautious about the “ambitious modernization plan” of the PLAN and China’s “attempts to acquire strategic toe-hold in the IOR.”²²⁾ And as one of the diplomatic roles of the Navy, it cites “preventing incursions by powers inimical to India’s national interest by actively engaging countries in the IOR littoral, and rendering speedy and quality assistance in fields of interest to them.”²³⁾ It goes on to say that “some countries” have grown able to “exert their influence in our maritime neighbourhood” due to “our past inactivity in this area,” and requires a policy change stating “there is a critical need to wean the littoral states of our immediate neighbourhood from states hostile to Indian interests.”

While India has strongly emphasized its concerns over China’s expansion of influence in the Indian Ocean region, its response has been confined to the use of the Indian Navy’s “diplomatic role,” and neither operational guidelines nor defense procurement plan directly reflect them. That is related to the Indian government’s cautious stance toward the use of hard power in the Indian Ocean region. The Indian Navy has divided its activities into four roles—military, constabulary, diplomatic, and benevolent²⁴⁾—but the expanded scope of its naval activities in the latter half of the 2000s largely revolved around the diplomatic and benevolent

roles, as represented by humanitarian assistance and disaster relief (HA/DR). For example, the *Austin*-class Landing Platform Dock *Jalashwa*, transferred from the United States in 2007, was linked to lessons of tsunami relief, which suggests the necessity of improving India's landing capabilities. The Indian Navy has assumed the role of "net security provider" that the United States expected from India in its *Quadrennial Defense Review* (QDR) of 2010, which could be interpreted that India has chosen to develop the necessary capabilities to that end.

The emerging policy direction of India to build up its capability as a net security provider became clearer with its new Maritime Security Strategy formulated in 2015. It positioned "net security" as the core of the "strategy for shaping a favourable and positive maritime environment." Net security is defined as "the state of actual security in an area, upon balancing prevailing threats, inherent risks, and rising challenges in a maritime environment against the ability to monitor, contain, and counter all of these."²⁵ It has been declared that the Indian Navy is a provider of net security by making full use of its military, constabulary, diplomatic and benevolent roles. The key actions for net maritime security include the following: (1) presence and rapid response, (2) maritime engagement, (3) capacity building and capability enhancement, (4) developing regional Maritime Domain Awareness (MDA), (5) maritime security operations. The last item comprises exclusive economic zone (EEZ) surveillance and patrols, cooperative patrols, antipiracy operations, HA/DR, noncombatant evacuation operations (NEO), maritime interdictions, peace support operations, and maritime search and rescue.²⁶ However, as Cpt. Gurpreet S. Khurana of the National Maritime Foundation has argued, India distinguishes between becoming a provider of "net security" and taking on the policeman's role in the Indian Ocean as a "net provider."²⁷ That attitude of India was evinced when Adm. Harry B. Harris, Jr., commander of US Pacific Command (USPACOM), called for a joint patrol for freedom of navigation in March 2016. Indian Defence Minister Manohar Parrikar's response was not so positive.²⁸

Then, how should one conceive of the relationship between India's role as a security provider and its China strategy? Unlike the Maritime Military Strategy of 2007, little reference was made to China in the Maritime Security Strategy of 2015. However, for the maintenance of net security, it called upon "adherence to international norms and laws by all actors" and "strong maritime cooperation amongst all stakeholders, supported by requisite maritime force capability,"²⁹

suggesting the existence of a potential entity disrupting net security. Reinforcing “the importance of maintaining freedom of navigation and strengthening the international law regime at sea,” it entertains those concepts which were never found in previous doctrines and strategies.³⁰⁾ It could be said that India is supporting the maintenance of the US-led order conceptually, but limiting its action of providing net security within the range of Indian capabilities and priorities, thus making it possible for India to aim at long-term deterrence and short-term conflict avoidance vis-à-vis China at the same time.

(2) Engaging the Indian Ocean Region

The Indian Navy has accumulated experiences since the 1990s in the realm of engagement as a tool for providing net security. In that decade, India began maritime joint exercises with ASEAN countries, with Singapore as the pivot. In the 2000s, it participated in multilateral joint exercises, such as the Pacific Reach, Western Pacific Mine Countermeasure Exercise (WPMCMEX). In addition, India started joint exercises with extra-regional countries, such as France (2001), Russia (2003), and the United Kingdom (2004).

Also, in the 2000s, deepening navy-to-navy relationships constituted an important part in the process of India’s participation in the US-led order in the Indian Ocean. After the 9/11 terrorist attacks, the Indian Navy engaged in the Straits of Malacca (SOM) Escort Operation to escort US high-value shipping through the straits for six months from April 2002.³¹⁾ It was the first continuous operation that the Indian Navy had conducted further east of the Andaman Sea. During disaster relief for the Indian Ocean tsunami, which struck at the end of 2004, India cooperated with Japan, the United States, and Australia as a “core group” (the Indian usage is “Coordination Group”). India’s disaster relief operations were appraised highly by the countries receiving such aid, leading to recognition of India’s role in HA/DR. In October 2008, India started dispatching naval vessels to counter piracy in the Gulf of Aden, sending fifty-two vessels and escorting 3,100 merchant ships by October 2015.³²⁾

India’s endeavors to build security architecture in the Indian Ocean region have included the hosting of MILAN joint exercise and the initiatives for the Indian Ocean Naval Symposium (IONS). MILAN started in 1995 with four countries initially being invited, the number of which grew to seventeen countries in 2014, including all the ASEAN member countries except Laos and Brunei, and four

countries lying along the east coast of Africa.³³⁾

India places special emphasis on “institutionalized bilateral/multilateral exercises” that “are conducted on regular basis” in order “to keep pace with both non-traditional and traditional maritime challenges.”³⁴⁾ The Maritime Military Strategy of 2007 stated that “every naval activity conducted during peace (with the possible exception HA/DR) should rightly contribute in some measure to preparedness for a possible future conflict,” and that “settings for exercises and operations should simulate the conditions of war as closely as possible,” adding that “conduct of peacetime operations ... all convey an underlying ‘message’ of readiness and resolve to potential adversaries, and should, therefore, be designed to enhance the deterrence potential of the Indian Navy.”³⁵⁾ In that context, it is noteworthy that Japan’s participation in the US-India joint exercise Malabar was upgraded from “continued participation” to “participation on a regular basis” at the Japan-India summit held in Delhi in December 2015.³⁶⁾ Other than Japan-US-India trilateral relationship, the cooperation framework of India, Brazil, and South Africa (IBSA) is highly valued by India. IBSA was initiated as a form of economic cooperation among developing countries, but since 2008, it has regularly held naval joint exercises every other year. In February 2016, the exercise was conducted off the coast of Goa for the first time, moving from the sea around the coast of South Africa³⁷⁾ Since 2011, IBSA has established “participatory democracy” as the “principles, norms and values underpinning” trilateral dialogue.³⁸⁾ India positions IBSA as a sort of BRICS (Brazil, Russia, India, China, and South Africa) *sans* China and Russia. While naval joint exercise among the IBSA countries can be characterized as a mild form of cooperation among maritime democracies, it is worth considering parallel alongside the Japan-US-India trilateral relationship.

(3) Responding to China’s Entry into the Indian Ocean

With the announcement of China’s OBOR initiative, India is trying to further strengthen its relationships with those Indian Ocean countries that it categorizes as its “immediate neighborhood” or “extended neighbourhood.” Since 2011, the Indian Navy and have government geared up capacity building assistance using a whole-of-government approach.

India particularly prioritizes Sri Lanka and Maldives, because it is concerned that China plans to build ports in both countries using a diplomatic offensive that

combines investment and aid. In Sri Lanka, a Chinese company currently manages and operates one of the terminals at the Port of Colombo, and Chinese submarines visited there in 2014. In Maldives, Chinese investment has flowed in rapidly since the opening of the Chinese embassy in 2011.³⁹⁾ Contracts with Indian companies for expanding Male International Airport in Maldives were canceled, and eligibility for bidding was granted to Chinese companies in 2014.⁴⁰⁾ China is participating in the Ihavandhippolhu Integrated Development Project (iHavan) in the northern Maldives, which is a strategic hub where the SLOC's of the Middle East and Southeast Asia converge. Indian experts are concerned that they will become PLAN support bases in the future.⁴¹⁾

India is working to re-incorporate both Sri Lanka and Maldives into a framework of maritime security cooperation with itself as the hub. In 2011, it resumed the joint Sri Lanka-Indian naval exercises codenamed SLINEX.⁴²⁾ India had traditionally provided coastal security to Maldives. Since 1991, India has been regularly conducting joint coast guard exercise DOSTI with that country. In 2009, India and Maldives concluded a defense cooperation agreement specifying that India would set up a network of radars and an air force station where Indian Dornier aircraft could carry out surveillance. In addition, India donated coast guard ships to Maldives, and the two countries started joint naval exercises.⁴³⁾

Trilateral talks among India, Sri Lanka, and Maldives were held at the level of national security advisor in 2011. These evolved into a trilateral exercise in April 2012 when Sri Lanka joined the eleventh exercise of DOSTI, which had been a bilateral exercise between India's and Maldives' coast guards.⁴⁴⁾ In July 2013, the three countries agreed on trilateral cooperation on maritime security.

In March 2014, it was agreed that Seychelles and Mauritius would also be invited to the trilateral framework.⁴⁵⁾ India had already been supporting Seychelles' coast guard capability since 2005. It has quietly and steadily provided Seychelles with fast attack craft (delivered in 2005), Dornier-228 maritime reconnaissance aircraft (handed over in 2013), and a coastal surveillance radar system.⁴⁶⁾ Similarly, India has provided Mauritius with Dhruv light helicopters, as well as Dornier and a coastal radar system since 2009.⁴⁷⁾

In March 2015, Indian Prime Minister Narendra Modi visited Seychelles, Mauritius and Sri Lanka to clearly send a message to strengthen maritime security cooperation. In Mauritius, he commissioned *Barracuda*, an offshore patrol vessel built in India. He delivered a speech stating, "Barracuda is a beautiful ship. She is

also very capable; and, built to specifications of Mauritius. Now, she sails proudly with the flag of Mauritius. She will protect your islands and your waters. She will be there to help in times of disasters and emergencies. But, she will do more than that. She will also make our Indian Ocean safer and more secure. In doing so, Mauritius will fulfill an important international responsibility.”⁴⁸⁾ The speech contains the message that India and Mauritius are partners in taking common responsibility for safety in the Indian Ocean. The aim was to emphasize “equality and reciprocity” between India and its smaller partner, as well as the consciousness of “partnership,” which could be differentiated from China’s approach in the region.

In contrast to India’s unilateral efforts to eliminate or reduce China’s influence in India’s major sphere of interest—Sri Lanka, Maldives, Seychelles, and Mauritius—in the South China Sea, it is trying to shape China’s behavior through multilateral diplomacy based on international norms. India supports the United States’ freedom of navigation program, advocates resolution of conflicts in multilateral forums, and collaborates with extra-regional countries such as Japan and the United States. These moves are relatively new approaches that deserve attention.

The South China Sea, which had not been a major area of interest for India, has become an issue since 2010 because of India’s relationship with Vietnam. In 2007, Vietnam and India declared a “strategic partnership” that consists of capacity building, technical cooperation and information sharing for the securing of sea lanes. Since then, India started equipping the Vietnamese Navy, as well as accelerating joint resource development in the South China Sea, which had started at the end of the 1980s. After the Seventeenth ASEAN Regional Forum (ARF) Ministerial Conference held in Hanoi in 2010, at which India stated that the solution of the South China Sea issue should be “multilateral,”⁴⁹⁾ China started to send a message of warning to India and Vietnam. On July 22, 2011, the Indian Landing Ship Tank *Airvat*, on a goodwill visit to Vietnam, was given marine radio warnings that it was entering “Chinese territorial waters” while navigating from Nha Trang Port to Haiphong.⁵⁰⁾ In October of the same year, China lodged a protest against the joint development of a new oil block by India and Vietnam on the ground that it was situated in its own territorial waters.

On the Indian side, the Chief of Naval Staff and other high officials have frequently mentioned India’s “interests in the South China Sea” since 2011. In a speech at the ARF Ministerial Meeting held in Phnom Penh in July 2012, Indian Minister for External Affairs S.M. Krishna, with reference to trends in the South

China Sea, stated that India supported the freedom of navigation and access to resources in accordance with the principles of international law.⁵¹⁾ China's response to the strengthening of Indo-Vietnamese ties is a high-handed one, and India, in tit-for-tat fashion, has enhanced its own involvement in the South China Sea issue.

India's commitment to the "freedom of navigation and unimpeded commerce," as cited above, was also included in its joint statement with Japan in 2013.⁵²⁾ In India's 2014 joint statement with the United States, the wording went further to express "freedom of navigation and over flight throughout the region, especially in the South China Sea."⁵³⁾

India had been supporting the Philippines' positions during the early stages of the Arbitral Tribunal in the dispute between that country and China regarding claims in the South China Sea, although indirectly. In October 2015, the foreign ministers of India and the Philippines issued a joint statement recognizing "steps taken by India to solve its maritime border with Bangladesh, and its acceptance of the ruling (of arbitration) as an example of peaceful resolution of disputes in accordance with universally recognized principles of international law."⁵⁴⁾ After the Arbitral Tribunal rendered its award in July 2016, the Indian Ministry of External Affairs issued a statement on the very same day.⁵⁵⁾ Although the statement is in a restrained tone, reiterating its principled position in support of "the freedom of navigation and over flight, and unimpeded commerce" and "resolving disputes through peaceful means without threat or use of force and exercise self-restraint," India's taking "note" of the award clearly shows its support for the arbitration.

Besides strengthening cooperative ties with immediate and extended neighbors in the region, as well as coordinating its diplomatic response with ASEAN, Japan and the United States with regard to the South China Sea issue, India is also strengthening its own defense capabilities. The key to that is the Andaman and Nicobar Islands, which offer an ideal location for surveillance of the Indian Ocean. India established the Integrated Command in Port Blair in 2001. In 2012, the Indian military established its southernmost base at INS Baaz in Campbell Bay, which was the third naval air station set up in Andaman and Nicobar. The distance between Campbell Bay and Banda Aceh in Indonesia is only 224 kilometers. As Adm. Nirval Verma, chief of Naval Staff, said at the opening ceremony for the airbase, not only does the base—located at the southernmost point of the Andaman and Nicobar Islands—serve as "a commanding presence in

the Bay of Bengal,” but also has the potential as a “window to East and Southeast Asia.”⁵⁶⁾ In December 2015, Adm. R.K. Dhowan, chief of Naval Staff, stated the strategic importance of Andaman and Nicobar with regard to monitoring and surveillance in light of China’s development of Gwadar port in Pakistan and its establishment of a base in Djibouti. Later, in January 2016, two Boeing P-8I (Poseidon Eight India) long-range maritime patrol aircraft were deployed in Andaman and Nicobar for a period of two weeks.⁵⁷⁾

3. Pakistan’s Response: Light and Darkness in China-Pakistan Honeymoon Relationship

(1) The China-Pakistan Economic Corridor

China and Pakistan, both of which have had a contentious relationship with India, traditionally built a close relationship that was described as a de-facto alliance. In recent years, though, the relationship has strengthened even closer, to the point that the expression “higher than mountains, deeper than oceans, stronger than steel and sweeter than honey” is now being used.

With that relationship in the background, the cornerstone of China’s advance into the Indian Ocean region supported by both countries is the CPEC initiative, formally agreed upon when Chinese leader Xi Jinping visited Pakistan in April 2015. CPEC is grounded in the development of Gwadar Port on the Arabian Sea coast of southern Pakistan, with a road and railway network extending from there through cities around the country all the way to Kashgar in China’s Xinjiang-Uighur Autonomous Region, with infrastructure (energy, etc.) being developed in adjacent regions. The total investment by China in the project in Pakistan was originally set at \$46 billion. Expectations are strong in Pakistan that CPEC will completely transform the country’s economic situation, so it is actively cooperating towards its realization. Meanwhile, the project was expanded at the end of September 2016, with the total amount invested by CPEC increasing to \$51.5 billion.⁵⁸⁾

China regards CPEC as a flagship project of its OBOR initiative.⁵⁹⁾ CPEC provides several benefits to China.⁶⁰⁾ First, with land access to the Indian Ocean, China can greatly shorten trade routes with the Middle East, Africa, and Europe, and thus reduce its trade costs. It also provides one solution to the Malacca Dilemma, namely, the fact that 85 percent of China’s oil imports pass through the Strait of Malacca, making them vulnerable to emergency blockades by hostile

powers. Secondly, opening access to the Indian Ocean will lead to Xinjiang's economic development, which in turn will contribute to the political stabilization of the area. To suppress the activities of Islamic militant groups in Xinjiang, China is stressing economic development along with security measures. In addition, anti-Chinese militant groups in Xinjiang are said to have a cooperative relationship with militant groups in adjacent Pakistan; if the economic situation of both Xinjiang and Pakistan are enhanced by CPEC, it will ultimately lead to the stabilization of Xinjiang. Moreover, it has also been pointed out that there is a purely economic incentive for China to export its infrastructure construction capacity, currently in a state of excess domestically, to the outside.⁶¹⁾

CPEC can be generally divided into four elements: the development of Gwadar Port, transportation infrastructure, energy, and industrial cooperation. Gwadar Port is a deep-water port in a strategically important location close to the Strait of Hormuz, the most important oil transit channel. The operational authority of the port has been transferred to a Chinese enterprise in a contract lasting forty-three years, and now, in addition to a tripling of the amount of cargo handled and the construction of oil and grain piers and facilities to receive and store liquid natural gas (LNG), preliminary arrangements for the establishment of a special economic zone (SEZ) is being made, with the construction of an international airport, etc.⁶²⁾

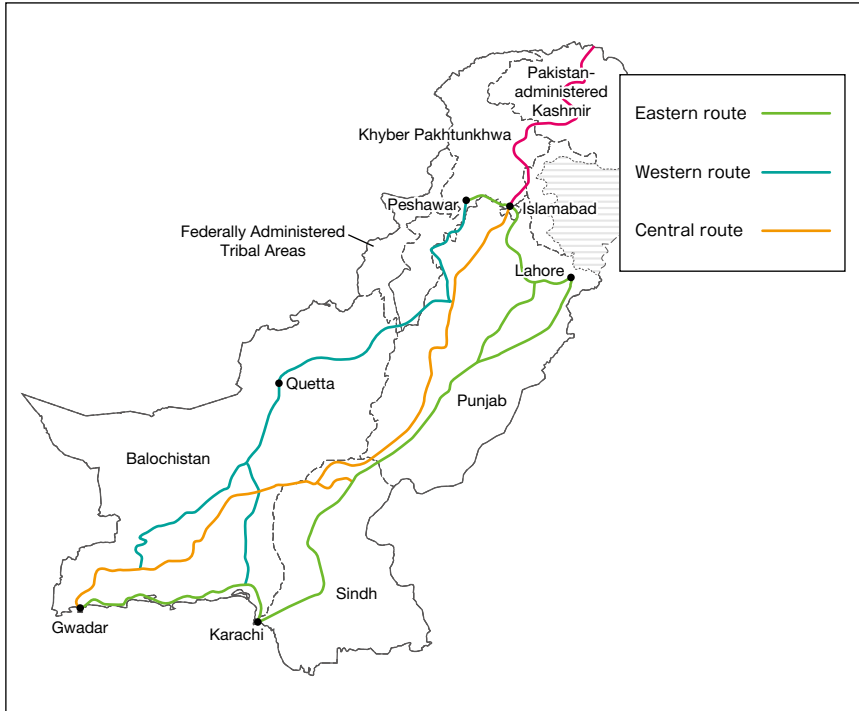
The opening ceremony for Gwadar Port was held in mid-November 2016, with cargo transported overland from Kashgar being exported through the port for the first time. On the other hand, a sum of \$33 billion—most of the initial investment sum of \$46 billion—is supposed to be invested in the energy sector. That includes the construction of various types of power-generating facilities, such as coal-fired thermal power, solar power, hydropower, and wind power. Some 10,400 megawatts will be delivered in the early harvest projects alone by 2018, with some 17,000 megawatts ultimately to be added to Pakistan's power-generation capacity.⁶³⁾ Besides that, the expansion of Karakoram Highway and the construction of the Karachi-Lahore motorway are underway.

However, it is hard to say that the implementation of CPEC is proceeding smoothly, as is clear from some reports on cancellations and delays in many projects. China has been dissatisfied with the situation, and the Chinese Embassy in Islamabad issued an exceptional statement in January 2016 calling for Pakistan's various political factions to create an environment conducive to the implementation of CPEC.⁶⁴⁾ In July 2016, China expressed its discontent to Prime Minister Nawaz

Sharif, saying that CPEC was falling behind due to the inept response of various Pakistani government ministries.⁶⁵⁾ Furthermore, in September 2016, an article printed in the *Global Times*—part of the *People's Daily*, the Chinese Communist Party's official newspaper—reported that CPEC was unlikely to have a smooth future, and warned citizens on both sides to prepare for “potential setbacks.”⁶⁶⁾

Though quite a few factors are conceivable as causes for the delay, two are particularly notable. First, no common understanding has been reached on the details of the implementation of CPEC among Pakistan's political elites. While part of the problem is the internecine battle for leadership among federal government ministries and agencies, more remarkable is the interprovincial political tussle between Punjab province, which is economically and politically dominant in the country, and the other provinces. CPEC consists of three routes—western, central, and eastern—and there is persistent resentment that the development of the western route, originating in Gwadar Port and passing through Balochistan and Khyber Pakhtunkhwa, is being sacrificed for the development of the eastern route, with priority especially given to the development of Punjab alone.⁶⁷⁾ Although it had been agreed at the all-party conference in May 2015 to complete the western route first, it is obvious that priority has been given to the eastern route, passing through Punjab province, in terms of both the earliness of its completion date as well as the larger sums earmarked in the budget.⁶⁸⁾ Even the development of Gwadar Port—the initial point of the western route and of CPEC as a whole—is no exception.⁶⁹⁾ As the existing network of roads and industrial bases is concentrated in the eastern part of the country, some believe that the early development of the eastern route is only natural,⁷⁰⁾ but there seems to be no sign that the other provinces' concern will be alleviated, partially because federal Prime Minister Sharif comes from Punjab.

The second problem related to the delay in CPEC development is security. Because of the intensified activities of militant groups in Balochistan, where Gwadar is located, as well as in Khyber Pakhtunkhwa, ensuring the security of project sites and workers is increasingly becoming a challenging task. China, too, has been concerned about the safety of its own people engaged in the projects. In Balochistan, Balochi nationalist militants are clearly hostile to CPEC, claiming that the initiative aims to unjustly exploit the province's resources.⁷¹⁾ Those groups have a record of attacking Chinese-funded development projects and their workers. Meanwhile, Tehrik-I Taliban Pakistan (TTP)-affiliated groups, which have an

Figure 2.2. Three routes of the CPEC

Source: Compiled by the author, based on an article in *The Express Tribune*, May 17, 2015.

active presence in Khyber Pakhtunkhwa and northern Balochistan, kidnapped several Chinese tourists in May 2014. The Afghan Taliban and sectarian militant groups such as the Lashkar-e-Jhangvi are also acting prominently in Balochistan.

With those problems in the background, the Pakistani Army, which still retains overwhelming political influence even under the current civilian government, has been expanding its involvement in CPEC. In accordance with its Army having promised China that it would ensure the smooth implementation of CPEC, Pakistan announced establishment of a new Special Security Division (SSD) made up of 15,000 troops—consisting of 9,000 Army regular soldiers and 6,000 paramilitary personnel—to secure the safety of projects under CPEC, headed by an active Army major general.⁷²⁾ The Army has reportedly asserted that the mandate of the SSD should include first responses in cases of threats to critical

projects, in addition to advising, guiding and ‘indirectly’ controlling security and law-enforcement agencies, but the civilian government has demonstrated its displeasure over the breadth of that assertion.⁷³⁾

Furthermore, the entity responsible for the construction of the roads and bridges of CPEC’s western route through Balochistan, in which there are great security concerns, is the Frontier Works Organization (FWO), which is a military administrative staff corps led by an active army officer and Pakistan’s largest contractor for public-sector construction. Another military-affiliated entity, the National Logistics Cell (NLC), is also involved in the works.⁷⁴⁾

The Army, moreover, is seeking a larger, more direct role in the administration of the entire CPEC project. Although the civilian government eventually refused it as a hindrance to the project, the Army had proposed setting up a new authority, led by itself, to supervise its execution.⁷⁵⁾ China, which is dissatisfied with delays in the project, is said to have called for the Pakistani military to play a leading role.⁷⁶⁾

Those attempts to expand involvement gives us an idea how extensively interested the Pakistani Army is in CPEC. Conceivable as factors to that include the military’s strong desire to contribute to purely economic projects that can influence the fate of the nation, as well as the fact that the Army is deeply involved in various economic activities that allow it to benefit economically from the CPEC project. Beyond that, however, it is clear that the Army, which virtually controls Pakistan’s security policy, is bearing in mind the strategic utility of CPEC in the context of countering India. In short, from the Pakistan’s perspective, CPEC made the country an indispensable nation for China within the OBOR concept and “pulled in” the Chinese in a physical sense, which in turn would lead Pakistan into an ever closer relationship with China and enable the former to gain leverage against India. Therefore, CPEC as an economic development project has strategic significance for Pakistan, and the Pakistani Army, aware of that, has a strong incentive to ensure CPEC’s smooth execution so as not to disappoint China.

Furthermore, in a more concrete sense, CPEC has the effect of “attracting” China closer toward the Pakistani side within the context of the Pakistan-India dispute. Pakistan-administered Kashmir (PAK), an area claimed by India, lies adjacent to Xinjiang in China, and various projects will be carried out in the area under CPEC. Recently, Chinese and Pakistan border troops carried out a joint patrol along the border connecting PAK with Xinjiang province.⁷⁷⁾ However, those effectively mean that China recognizes Pakistan’s sovereignty over PAK.

Hence, New Delhi has conveyed its strong concern to the Chinese side,⁷⁸⁾ but China cannot realize CPEC without developing infrastructure in this region. As a result, it put India in a position directly opposing a joint China-Pakistan enterprise, thereby reinforcing mutual mistrust between China and India.

Another curious development is the frequent assertions made by high-ranking Pakistani government and military officials that India's external intelligence agency, the Research & Analysis Wing (R&AW), is attempting to thwart the CPEC through supporting terrorism and other subversive activities. In Pakistan, there are serious allegations that the R&AW was involved in some major terrorist attacks, such as bombings in Balochistan in August 2016 and a bus raid in Karachi in May 2015.⁷⁹⁾

In addition, an Indian national alleged to be an R&AW agent was arrested in Balochistan in March 2016, with the Pakistani military claiming that he was in charge of organizing subversive activities against CPEC.⁸⁰⁾ Naturally, India denies any involvement, though the truth is not certain. One news source reported that China warned Pakistan of R&AW's attempt to sabotage CPEC.⁸¹⁾ If that report is true, this issue will reinforce the conflictual relationship between India and the Sino-Pakistan entente as well. At least, Pakistan's strenuous and renewed efforts to illustrate the R&AW's interference with its internal affairs as an Indian design to sabotage the entire CPEC project suggest that Pakistan itself wants to "draw China in" by using this problem.

The Sino-Pakistani relationship has traditionally been friendly, one reason for which is their shared antipathy toward India. Without a doubt, such amicable relations helped produce CPEC. On the other hand, when looking at China's behavior after the end of the Cold War, China has not always taken a pro-Pakistan position in the context of the Pakistan-India dispute. In addition, despite the gradual emergence of friction between China and India, the deep economic ties characterizing the Sino-Indian relationship make that relationship too important for China to sacrifice easily just for the sake of Pakistan. Pakistan, too, understands that situation. That is precisely why Pakistan—especially the Army—has a strong interest in maximizing the utility of CPEC to pull China closer to its position, and not letting CPEC fail.

(2) Expanding Chinese Naval Presence in the Indian Ocean, and Gwadar

It has often been pointed out that Gwadar port—the cornerstone of CPEC—might

be used as a naval base by the PLAN, as a part of the so-called “String of Pearls” strategy. Since the coastal areas of mainland China lie far away from the Indian Ocean, it is strategically beneficial for the PLAN to establish bases in littoral countries like Pakistan, as it attempts to expand its activities in this maritime area. Meanwhile, in view of the growing naval imbalance with its archrival India, Pakistan has a strong incentive to facilitate the China’s naval presence in the Indian Ocean—given that China is a de-facto ally of Pakistan—to counterbalance India.

Reflecting this interest, in 2011, Pakistani prime minister and defense minister called for China to build a naval base in Gwadar.⁸²⁾ However, at that time, China immediately denied any possibility of building a base there.⁸³⁾ There has been no concrete development of China turning Gwadar into a naval base since then, and the Pakistan Navy has also clearly denied such a possibility recently.

On the other hand, even though there is no Chinese “base”—one that has permanently stationed troops and could be used as an operational base in wartime—in Pakistan, the usefulness of the country as a supply, repair and maintenance base for the PLAN when operating in the Indian Ocean has unmistakably increased in recent years.

Pakistan has already offered PLAN ship repair services in Karachi,⁸⁴⁾ and the naval vessels and submarines of the Navy dispatched to the Gulf of Aden are often supplied in the port city. In that regard, it is an important fact that the Pakistani Navy has adopted Chinese-made weapons for most of its main equipment. For example, it signed a contract in 2015 to purchase eight conventional submarines from China. Although the type of the submarine was not publicly disclosed, it is considered to be the state-of-the-art Type 041 (Yuan-class) conventional submarine.⁸⁵⁾ The *Zulfiqar*-class frigate is an improved version of the Chinese Jiangkai-II class frigate.⁸⁶⁾ Because of technology transfer included in the procurement deal of that equipment and the commonality of parts and components used, PLAN can get its equipment easily and inexpensively repaired in Pakistan.⁸⁷⁾

Among the existing harbors in Pakistan, the most likely port used by China as a supply, repair and maintenance base is currently Karachi. PLAN has a record of making port calls there, and despite such problems as overcrowding due to increased commercial use, as well as environmental pollution and the existence of extremists, Karachi does have the Pakistani Navy’s largest naval base, and its dockyard is still the center for major repair and overhaul of vessels.⁸⁸⁾ In addition, the Pakistan Navy is also pursuing the expansion of the Jinnah Naval Base at

Ormara, Balochistan, located between Gwadar and Karachi. That base is a purely military port, unlike Karachi and Gwadar, and has berths for surface-ships and submarines. The Pakistan Navy plans to develop large workshops at Ormara over the next five years, which would have the ability to overhaul submarines and warships, allowing it to function as an alternative to Karachi Port.⁸⁹⁾ Considering that Pakistani authorities once hoped that the PLAN would use Ormara's submarine base,⁹⁰⁾ it cannot be denied that China may use the base in the future.

Against that background, attention on Gwadar as a possible "base" for PLAN has somewhat waned recently. However, a Pakistani Navy official's remark in November 2016 changed this situation and once again brought Gwadar to the center stage of the debate.⁹¹⁾

The official said that the PLAN would deploy ships in coordination with the Pakistani Navy, with the aim of protecting Gwadar and trade under CPEC. The official also mentioned a plan to start construction of a large-scale shipyard in Gwadar—the largest in the region—that would be responsible for the design and development of equipment for the Pakistani Navy. A Chinese military spokesman, who was asked about the deployment of Chinese ships, deflected the question, but did not deny it either.⁹²⁾ In the middle of the same month, a joint exercise was held by the Chinese and Pakistani Navies in the northern Arabian Sea, which some media reports say was focused on securing the safety of CPEC.⁹³⁾

At present, it is difficult to predict the kind of presence that the PLAN will maintain in Gwadar in the future, but if the above remark turns out to be true, the strategic implication would be great, as PLAN ships would constantly lie next to Indian Ocean sea lanes near the strategic Strait of Hormuz. Of course, it is uncertain to which extent the PLAN can permanently deploy ships in the region, as its strategic forefront is still the Pacific. However, considering the developments in Karachi and Ormara, there is no doubt that Pakistan, as a littoral country, has been and will be strongly interested in backing the expansion of the Chinese naval presence in the region through the construction and provision of as much its infrastructure as possible, regardless of whether it can be called a "base" or not. When considering the future of the PLAN's advance into the Indian Ocean, then, it is also necessary to pay attention to the intention of and developments in Pakistan.

4. Sri Lanka's Response: Diplomatic Balancing Act toward China and India

Sri Lanka, an island country in the Indian Ocean, occupies an extremely important location. Annually, more than 60,000 ships pass through the sea lanes just six to ten nautical miles away from the country, carrying half of all container shipments and two-thirds of the world's oil transport.⁹⁴⁾ Because of those geographical factors, Sri Lanka occupies a key position for China in securing the safety of sea lanes and promoting its Twenty-first Century Maritime Silk Road initiative.⁹⁵⁾ On the other hand, Sri Lanka has forged a multifaceted and close relationship with India, the country immediately to its north, though with several issues pending, such as the Tamil ethnic problem. India recognizes Sri Lanka as part of its “sphere of influence.”⁹⁶⁾

Starting in 2005, Sri Lanka deepened its relationship with China under the Mahinda Rajapaksa regime. A serious civil war had been fought between Sri Lanka government forces and the Liberation Tigers of Tamil Eelam (LTTE). Even after the war ended in 2009, the issue of war crimes during the civil war and reconciliation continued to smolder. Since then, India and the West criticized the human rights abuses of the Sri Lankan government, delaying the development of relations between Sri Lanka and those countries. China, however, steadily expanded its influence on Sri Lanka during that time through both economic and military support.⁹⁷⁾ But that has inevitably provoked the concern of India, which has had a contentious relationship with China.

Against that background, Maithripala Sirisena was victorious in the presidential election of January 2015. During his campaign, President Sirisena criticized the previous government's tilt toward China. After inauguration, he announced a more “omnidirectional” diplomatic stance—that is, retaining equidistance from all major powers—suggesting a review of the country's relations with China.

That change was visible in March 2015, when the new president suspended construction work on China's \$1.4-billion Colombo Port City project that had been initiated under the former administration. President Sirisena said that appropriate procedures had not been taken concerning an environmental impact assessment (EIA).⁹⁸⁾

That incident gave rise to the observation that it symbolized the new government's “separation from China,” but things were not so simple.

Approximately one year later, in March 2016, the Sri Lankan government acknowledged the resumption of the project's work, and in April, it announced a plan to turn Colombo Port City into an international financial center.⁹⁹⁾ The reason for the new government's approval of the project's resumption was that the rating of Sri Lankan government bonds had just been lowered, making it difficult to raise funds in international financial markets and meet existing obligations. Sri Lanka had to adjust its payment schedule and request new borrowing, according to reports.¹⁰⁰⁾ In the final analysis, China has invested heavily in Sri Lanka—not just in Colombo but also the southern port of Hambantota, now under development—so economically speaking, one can say that completely alienating China was just not an option for Sri Lanka.

Meanwhile, it is impossible for Sri Lanka to ignore India's strong concern that Sri Lanka's deepening relationship with China—particularly economic development projects such as the construction of harbors—will eventually develop military implications. One can capture a glimpse of that in the consideration that Sri Lanka gave to India in its restart of the Colombo Harbor City Project. Sri Lankan Prime Minister Ranil Wickremesinghe stressed that it would not affect India's security in any way, adding that he had been consulting with India on the project and was willing to conduct further discussions in the future.¹⁰¹⁾ Meanwhile, Sri Lankan Minister of Ports and Shipping Arjuna Ranatunga said that India had been asked to invest in the construction and operation of the container terminals at Colombo Port.¹⁰²⁾ In addition, in the initial agreement between Sri Lanka and China regarding the project, Chinese companies were to get twenty hectares of freehold land reclaimed in the project. India opposed that, however, and in August 2016, a revised agreement was concluded deleting the section mentioning transfer of freehold rights to the Chinese side.¹⁰³⁾

For Sri Lanka, its relationship with India is also undoubtedly important. India is still the country's top trading partner, exceeding China, and the fifth largest contributor of its foreign direct investment. Talks are now underway to conclude an economic and technology cooperation agreement between the two countries.¹⁰⁴⁾ In 2015, following a decline in Sri Lanka's foreign exchange reserves, a \$1.1 billion currency swap agreement was signed between the Central Bank of Sri Lanka and the Reserve Bank of India, after which the Government of India additionally approved a \$700 million temporary currency swap.¹⁰⁵⁾ In addition, maritime security cooperation has expanded remarkably between the two countries

since the Sri Lankan civil war ended in 2009. Besides the resumption of joint naval exercises in 2011,¹⁰⁶⁾ the NSA-level Meeting on Maritime Security Cooperation was expanded in 2013 to include Maldives, leading to the conclusion of a trilateral maritime security cooperation agreement.¹⁰⁷⁾ Also, India expressed its intention in 2014 of reinforcing cooperation with the two countries in military training and equipment provision.¹⁰⁸⁾ Moreover, the Sri Lankan Navy is currently hoping to introduce frigates and offshore patrol vessels (OPVs) in an attempt to graduate from being just a coastal navy. Two OPVs, following two others brought in from Australia in 2014, are now being constructed at the Goa shipyard in India.¹⁰⁹⁾

However, some have pointed out that India's failure to participate in the Sri Lankan government's highly prioritized national development goal of constructing marine infrastructure is its weak point in the competition with China.¹¹⁰⁾ While it is not the case that India has not invested in Sri Lanka's infrastructure business at all, a look at marine infrastructure alone shows that China has maintained a larger presence than India, having been involved in the development of the two major ports of Colombo and Hambantota as well as the construction of highways connecting coastal cities. In December 2016, the Sri Lankan cabinet approved a plan to lease 80 percent of Hambantota Port to a Chinese company based in Hong Kong, based on a 99-year lease.¹¹¹⁾ India had originally declined to develop Hambantota when offered the opportunity to do so by the Rajapaksa government.

Given the above points, despite the changes in government, Sri Lanka has had no alternative but to perform a difficult balancing act between its two giant neighbors, China and India. In recent years, two incidents occurred symbolizing the subtleties of Sri Lanka's "balancing-act diplomacy" in such a manner. The first dealt with port calls by Chinese submarines. Following strong opposition by India

to two visits made by Chinese submarines to a terminal operated by a Chinese company in Colombo Port in 2014, the Sri Lankan foreign minister said that he would not allow future Chinese submarine port calls in March of the following year.¹¹²⁾ However, in October 2015, Prime Minister Wickremesinghe said that criteria had been



Hambantota Port (October 2015) (personal photo)

established concerning port visits by naval vessels, based on the premise that ships of all countries, including submarines, could make such calls, and referred to the possibility of allowing Chinese submarines to visit if the frequency of those visits was not so high.¹¹³⁾ However, in March 2016, he also emphasized that Sri Lanka would not allow China to build military bases in the country under any circumstances.¹¹⁴⁾

The other incident was the issue of procuring fighter jet aircraft. Pakistan was negotiating a contract to export twelve JF-17 fighters, jointly developed with China, to Sri Lanka, but in January 2016, the contract was unable to be concluded in its final stages.¹¹⁵⁾ The reason for that was that India had repeatedly expressed its concerns over the development to the Sri Lankan government, as the procurement of the fighter aircraft would itself lead to strengthened relations between China, Pakistan and Sri Lanka, and the maintenance facilities of the fighter aircraft might be constructed in eastern Sri Lanka at Trincomalee, a deep-sea port into which India is highly wary of Chinese advance.¹¹⁶⁾

On the other hand, Sri Lanka is also deepening its relationships with major countries other than China and India so as to reduce the burden forced upon it by trying to balance between those two countries. Although the relationship with the United States had been stalled for a long time because of human rights issues, the US-Sri Lanka Partnership Dialogue was held for the first time in February 2016. In addition, Sri Lanka hopes to reinforce its relations with Japan, with Japanese Prime Minister Shinzo Abe having announced the provision of two patrol boats to Sri Lanka at a summit held in May 2016.¹¹⁷⁾ The trend of Sri Lanka's "omnidirectional diplomacy" will also affect the formation of the regional order in the Indian Ocean.

India's and Pakistan's Submarine-based Nuclear Deterrent

In recent years, both India and Pakistan have been pursuing a submarine-based nuclear deterrent. India has long shown an interest in submarine-based nuclear forces. Consistent with the country's nuclear no-first-use doctrine, India's Maritime Security Strategy announced in October 2015 stressed the importance of nuclear forces made up of strategic submarine (SSBN) and submarine-launched ballistic missiles (SLBM) that are highly survivable.¹¹⁸⁾ The country's first

indigenous nuclear submarine *Arihant*, launched in 2009, was commissioned in August 2016,¹¹⁹⁾ and work on the second and third vessels has already started.¹²⁰⁾

However, this newly commissioned Indian SSBN cannot immediately serve as a credible nuclear deterrent against both China and Pakistan. For India's submarine-based nuclear force to be a credible deterrent, it must be equipped with missiles with a range that can reach major targets of adversaries from a safe distance, in consideration of the antisubmarine capability of those adversaries. However, the Sagarika SLBM, which has already been developed, has a range of 750 kilometers, and the K-4 SLBM, the launch test of which was conducted from *Arihant* in April 2016, has a range of 3,500 kilometers.¹²¹⁾ The former cannot hit major targets in Pakistan from a safe distance, much less those in China, and while the latter can attack major targets in Pakistan from a well-protected "bastion" in the Bay of Bengal, it is still inadequate for reaching such targets in China. In view of such matters, India needs to develop an SLBM with a range of 5,000 kilometers.¹²²⁾

Pakistan is also seeking to create submarine-based nuclear forces against India, but due to financial and technological constraints, it is likely that it will choose the same option that Israel did, namely, to deploy conventional submarines equipped with nuclear-tipped cruise missiles.¹²³⁾ The most likely candidate in that regard is the 041 type (Yuan-class) submarine, eight vessels of which are expected to be procured in a contract signed with China in 2015. It is superior in terms of quietness, owing to the installation of an air-independent propulsion (AIP) system. The missile to be installed on that is believed to be a submarine-launched variant of Babur cruise missile with a range of 700 kilometers.¹²⁴⁾

Submarine-based nuclear forces with a high survivability are generally considered to contribute to strategic stability. However, there are concerns that this type of nuclear deterrent would be destabilizing in the context of India and Pakistan, because of the difficulty of maintaining both countries' common peacetime practice of separating nuclear warheads from delivery vehicles to prevent accidental or unauthorized launch by field commanders.¹²⁵⁾

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East Asian Strategic Review 2017

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