

Chapter 2

China-India Engagement in the Indian Ocean

In the recent years, besides impacts from the boundary issue and the trade deficit issue, the Indian Ocean issue is gradually emerging to become the key that must be taken into consideration when China and India are developing their bilateral and multi-lateral relationship in the future. As two typical representatives of developing countries, to expand interest boundaries externally so as to get a bigger development space is a necessary option for both China and India to further strengthen their national power and increase their regional influence. On one hand, the role of South Asia and the Indian Ocean for China's economic development is constantly growing more important; on the other hand, for India, which regards the Indian Ocean as its "backyard", its rapid economic development over the recent years has been closely related to its implementation of the "Look East policy" of opening up since its market-oriented reform began. Yet competition between India and China, caused by their spreading and overlapping layers of commercial and political influence, will play out less on land than in a naval realm.¹ Despite continuous expansion of the two countries' common interest space in the Indian Ocean, steadily expanding of their overlapping strategic space, and increasing of their cooperation needs, the competitive pressure seems to be steadily rising as well. If the divergence and competition between the two countries can't be properly managed and controlled, the strategic competition between China and India may turn into a geo-conflict, which will inevitably affect security cooperation and sharing of strategic benefits between them in the Indian Ocean. In order to prevent the strategic competition from turning into regional conflicts, we must analyze in-depth the two countries' pursuit of strategic interests and the overlapping points in their strategies as well as their potential conflicts in the Indian Ocean.

Extending from the Strait of Hormuz in the Arabian Sea in the west, the Indian Ocean right to the Strait of Malacca in the east. The South Asia sub-continent constitutes a flank of the Middle East as the global oil center, which is the key junction of the maritime transportation passageway. Besides, the South Asia

¹Kaplan (2011a, b p. 13).

Sub-continent also constitutes a hub connecting Europe, the Middle East, East Asia and Australia as well. The special location determines that the Indian Ocean and its adjacent waters will be a main battlefield for the big powers' strategic rivalry and fighting for resources and dominance. As mentioned before, 3 out of the 8 largest oil and gas reserve areas of the world are in the Indian Ocean region, namely, the Persian Gulf and its coastal areas, the coastal areas and the continental shelf of Indonesia, and Australia's northwestern continental shelf, and the combined reserve of these 3 areas accounts for over 70% of the world's total reserve. The Persian Gulf in the northwestern coast of the Indian Ocean is the world's largest oil production and supplying area, with its proven oil reserve accounting for over half of the world's total, and its annual output accounting for about 1/3 of the world's total annual output. This area has been widely known as the "storehouse of oil", since the oil pumped out in this area is transported to all over the world through the Strait of Hormuz. The Middle East is the largest oil export area, with its oil exported accounting for 45% of the world's total export, and 75% of the oil produced in this area for export. With China and India, the two largest countries in terms of population in the world, becoming middle class countries, their oil consumption is sharply increasing, which has resulted in that the passageways for oil tankers between the Persian Gulf, South Asia and South East Asia, are getting increasingly more crowded.

The combination of continuously increasing energy demand, the pursuit of global strategic interests as a result of chasing the "Chinese Dream" and the "Indian Dream", and forecasts made by various institution and media propaganda, unintentionally magnifies the potential interests in the Indian Ocean, and intensifies the rivalry in the region.

2.1 China's Strategic Interests

China is not an Indian Ocean country. It stresses and pays special attention to the Indian Ocean mainly because of its high reliance on energy and trade in this area. Especially, the strategic passageways through which China imports its oil and conducts foreign trade are mainly concentrated on the Indian Ocean, which determines that China also has strategic interests to pursue in this area.

Firstly, China's interests focus on the security of the energy passageways in the Indian Ocean. The Indian Ocean represents an important oil transportation path for China. China is one of the countries with very high reliance on foreign energy resources. Since 2006, China has more oil imported than oil produced by itself with nearly 60% of its oil imported. China's imported oil mainly comes from the Middle East area along the Indian Ocean and such African countries as Sudan and Angola, whose shares are rising quickly. Currently, China imports its oil mainly through 4 passageways: The first is the Middle East passageway, namely, the Gulf of Persia-the Strait of Hormuz-the Strait of Malacca-the Strait of Taiwan-China; the second is the African passageway, namely, North Africa-the Mediterranean Sea-the

Strait of Gibraltar-the Cape of Good Hope-the Strait of Malacca-the Strait of Taiwan-China; the third is the Southeast Asia Passageway, namely, the Strait of Malacca-the Strait of Taiwan-China; the fourth is the Pacific Ocean passageway, namely, America-the Panama Canal-Western Pacific-South China Sea. China imports about 50% of its all imported oil through the passageway of the Gulf of Persia-North Indian Ocean-the Strait of Malacca; and China imports about 30% of its total imported oil through the passageway of West Africa-Southeast Africa-South Indian Ocean-the Strait of Malacca. All these absolutely means the importance of maritime transportation passageways and their key junctions for China's economic security.

For instance, Saudi Arabia is China's largest oil exporter in the Middle East, and its oil export to China exceeds 50 million tons in 2011; following Saudi Arabia, Iran exported 27.75 million tons of oil to China in 2011; Oman exported 18.15 million tons, and Iraq exported 13.77 million tons; Sudan in Africa comes at the 5th, exporting 12.99 million tons to China in 2011. Then China will double again in the coming decade or two, as it imports 7.3 million barrels of crude daily by 2020—half of Saudi Arabia's planned output. More than 85% of that China-bound oil will pass across the span of the Indian Ocean through the Strait of Malacca.² If China wants to protect its economic interests in the Indian Ocean and its energy security, it firstly must pay high attention to the Indian Ocean, as well as the countries along the Indian Ocean.

Secondly, strengthening economic connection with the countries along the Indian Ocean so as to get cooperative benefit. In the recent years, the bilateral trade volume between China and Southeast Asia keeps rising and reach 455 billion US dollars in 2016; the total trade volume between China and South Asia is also rapidly rising, reaching nearly 110 billion dollars in 2016; the total trade volume between China and the West Asia and North Africa countries exceeds 200 billion dollars in 2016. On the background of global economic downturn, the trade volume between China and South Asia grow rapidly and there is still much growth potential. The influence of the countries along the Indian Ocean on China's economic development and trade expansion is continuously increasing.

Regarding specific countries in Southeast Area along the Indian Ocean, China is the largest trading partner of Indonesia, Thailand, Malaysia and Burma and the ASEAN as a whole. In South Asia, China is the largest trading partner of India and Pakistan, and China is also the largest trading partner of Australia in Oceania. In the future, China's economic influence in the Indian Ocean region will continue to increase. Especially, the economic and trade relationship between China and India (the big power in the Indian Ocean area) is developing rapidly, and bilateral trade between the two countries is continuously increasing. In 2011, bilateral trade volume between the two countries reaches 73.9 billion dollars, and the two countries establish an objective of increasing their bilateral trade volume to 100 billion dollars in 2015. But over the past 2 years, however, bilateral trade between China

²[U.S.] Kaplan (2011a, b p. 8).

and India suffered negative growth. In 2012, the two countries' bilateral trade recorded a negative growth for the first time over past years, with their bilateral trade volume decreasing to 66.5 billion dollars, a drop of 10%. According to reports of the *Times of India* and the *Times of Hindustan*, China has become the largest trading partner of India during fiscal year 2013–2014, overtaking India's such traditional trading partners as the United Arab Emirates and the US.³ In 2016, bilateral trade between China and India reach to 70.5 billion dollars, basically maintained at the same level as the previous year. No one can deny that the economic and trade relationship is the most positive factor in China and India's bilateral relationship.

Thirdly, the interest pursuit of achieving China's all-around opening up and establishing a landscape of regional economic cooperation. The Indian Ocean constitutes a core area for China to achieve all-around opening up and create a landscape of economic cooperation. The Indian Ocean is the core area for China to realize all-round opening up and create economic cooperation picture. With peaceful posture and cooperation willingness, China is to take the initiate to develop the bilateral and multilateral relationship with the countries in the Indian Ocean and establish mechanism-based cooperation relationship, to promote regional prosperity and stability and to build a peaceful external environment for China's development. In 2013, China's leaders successively rolled out a series of new diplomatic ideas and measures, among which, some relatively representative ones include: in May 2013, during Premier Le Keqiang's visit to Pakistan and India, China signed a *Memorandum of Understanding about Cooperating to Conduct Long-term Planning for the China-Pakistan Economic Corridor*, and both countries expressly agreed to promote joint development by building the China-Pakistan Economic-Corridor. During the same time, China and India jointly proposed to build the Bangladesh-China-India-Burma (BCIM) economic corridor with major node countries in the Indian Ocean area. During his visit to countries in Southeast Asia, on October 3rd, President Xi Jinping put forward the strategic initiative of building "the twentyfirst Century Maritime Silk Road", echoing the initiative of building the "Silk Road Economic Belt" in the new era. In the *Decision of the CCCPC on Some Major Issues Concerning Comprehensively Deepening the Reform* passed at the third plenary session of the 18th Central Committee of the Communist Party of China, CCCPC further clearly put forward the strategic proposal of "pushing forward the building of the Silk Road Economic Belt and the Maritime Silk Road, and establishing a new landscape of all-around opening up". Although the "Silk Road Economic Belt" is proposed with the Middle Asia in mind, it is not limited to the Middle Asia area, and this strategic initiative echoes the "China-Pakistan Economic Corridor" initiative as well as the "Bangladesh-China-India-Myanmar Economic Corridor" initiative jointly proposed by China and India. The strategic initiative of the "Maritime Silk Road" mainly involves South China Sea countries and Indian Ocean countries, and it aims to connect Southeast Asia,

³"China Becomes India's Largest Trading Partner". <http://www.qqjjsj.com/ydlssj/8774.html>.

South Asia, the Middle East, Africa and Europe. Amid China's advancing the Belt and Road initiative (BRI), pushing the realization of comprehensive cooperation between Asia, Europe and Africa areas which features connectivity of policies, road, trade, currency and our peoples just as President Xi said, signifies change of China in its opening up strategy from a cautious one to an proactive one. The purpose of comprehensive cooperation is to incorporate civilized exchange in commodity trade and investment.

Through land and maritime connectivity, China has taken countries in Middle Asia, Southeast Asia and South Asia as its first partners for connectivity and development, and then has countries in Middle East, Europe and East Africa included step by step. China also aims to facilitate trade and investment and initiate key cooperation projects, and build a cooperation platform based on the historical accumulation and humanity value of Land Silk Road and Maritime Silk Road to boost connectivity of Asia and Europe markets, create an interests community, share a common destiny and form a new landscape of China's all-round, sustainable opening up and economic cooperation.

2.2 India's Pursuit of Strategic Interests

The Indian Ocean is of crucial importance to India in part because India's territory extends into the Indian Ocean for about 1600 km and another more important reason is the geopolitical importance of the 3 gulfs surrounding India. Among them, the Gulf of Aden is an area where pirates are frequently encountered, and the Persian Gulf and the Gulf of Bengal are at the two wings of the whole India peninsula, which make them be of high importance and vulnerability at the same time.

Firstly, the strategic pursuit of seeking control over the Indian Ocean and dominant influence in the area. The sea power strategy once helped the US achieve its dominance in the world, which confirms the word that "who gets thalassocracy will achieve dominance in the world", and this "case" of success greatly motivated politicians in India to pursue India's "dream of leading power". For India, except for the period before the thirteenth century when India achieved sea supremacy in the Indian Ocean; for other periods, first of all, it is Portugal, then, it is Dutch, Britain and French who got control over the Indian Ocean; and finally, between the early of the nineteenth century and the World War II, the Indian Ocean was turned into the Britain' lake.⁴ After it realized its independence in 1947, India inherited Britain's ambition to become a big power, and strongly hoped to play an important role at the world stage. Just as Kavalam Madhava Panikkar once said, "after all, India's security rests with the Indian Ocean. If India doesn't have a well considered, practical and effective ocean policy, it will always depend on others and be weak,

⁴[India] Panikkar (1965, pp. 81–96).

and India will be at the mercy of anyone who gets control over the Indian Ocean. In other words, India's future is closely related to its maritime development and strength".⁵ After the cold war was over, India's "dream of leading power" passion was ignited once again, especially after the nuclear test in 1998 when the dream of leading power was in the hearts of Indian people, which has been suppressed for so long, was tapped on once again. Entering into the 21st century, with the rising of India's economy, India's leading power dream is getting clearer, and the bridge to link it with reality will be to make the Indian Ocean "India's Ocean".⁶ In 2001, India's Ministry of Defense declared that "India's security goes beyond the restriction of terrestrial geographic boundaries, considering its scale, location, trade volume and wide exclusive economic areas, the wide areas between the Persian Gulf and the Strait of Malacca, right to the south of the equator, all constitute India's security environment."⁷ On June 23, 2004, India publicly released a document entitled the Theory of India's Navy, which is a strategic guideline document serving the needs of economic development in the new era. The central idea of this document is to build reliable nuclear deterrent capability on the sea by focusing on development of strategic nuclear submarines and air carriers, and to strive to build a "blue-water navy" with balanced force, rational structure, as well as considerable deterrent. This document suggests that with an aim of controlling the whole Indian Ocean, India should implement the strategic thought of extending to westward, eastward as well as southward, and gradually further expand its strategic interest area to the wide sea area, extending from the Persian Gulf at the west, to the South China Sea at the east, and to the equator at the south, so as to achieve the transition of project power from offshore Defense and regional Defense to the ocean offensive capability.⁸ Placed at the very heart of the Indian Ocean, India is in the happy geographic situation of sitting on top of the sea lines of communication in the ocean and with easy access to all the choke points that control entry in to it.⁹ For decades, New Delhi had proclaimed that its strategic interests stretched from Aden to Malacca-the two choke points that guide the entrance into the Indian Ocean. Yet in recent years, India has begun to make regular naval forays on the Pacific Ocean.¹⁰ India seeks to increase its global influence by getting control over the Indian Ocean.

Secondly, India's pursuit of economic interest by transverse expansion towards Southeast Asia and beyond. Since 1991, India began to push forward opening up and economic reform, externally, it put forward an "Look East" policy, based on which, India planned to adopt a foreign policy of mainly dealing with South East

⁵[India] Panikkar (1965, p. 89).

⁶Zhu (2012, p. 2).

⁷"India's National Security Strategy", Baidu Wenku, <http://wenku.baidu.com/view/52b6d601e87101f69e3195ff.html>.

⁸Bai Yanxing: "A Detailed Introduction about Indian Navy's Battle Theory", VIP Information, <http://www.cqvip.com>.

⁹Mohan (2013, pp. 56–57).

¹⁰Mohan (2013, p. 4).

Asia, East Asia and the Pacific region, and it planned to strive toward the strategic objective of “achieving dominance in South Asia, and becoming a military power and a global strong power in the 21st century”.¹¹ On September 4, 2003, India's foreign minister Singh delivered a speech at the 2nd India-ASEAN Business Summit Meeting, saying that, “India's Look East policy has now entered into the second stage. The first stage focuses on trade and investment relationship with ASEAN countries, and the second stage, the focus will change from pure economic cooperation to stress both economic issues and security issues, including working together to safeguard maritime passageways, and coordination of anti-terrorist activities.”¹²

It can not be denied that among South Asia countries, India is the largest country in terms of population, territory area, economy scale and comprehensive national power; it is really a “superpower” in South Asia, and a core country influencing the relations among countries in South Asia, and the strategic landscape in South Asia. Undoubtedly, the main effect of India's “Look East” strategic expansion is to promote economic cooperation between India and countries in Southeast Asia. The multilateral relation between India and neighboring countries and the Asia Pacific region has improved, and multilateral cooperation has become more “mechanism-based”, as a result of strengthening of economic and trade cooperation between India and the Southeast Asia area. Besides Southeast Asia, India is also intentionally strengthening its influence in the Middle East. With the development of India's economy, India's trade with Iran and Iraq respectively under reconstruction is also expected to soar. The combination of Middle Eastern energy and finance with African raw material and untapped food potential and Indian and Chinese goods, service, investments and markets looks to be more than just a mutually rewarding triple partnership. Wealth follows trade, and with wealth comes the means to purchase influence and power.¹³

The main objective of the “first stage” of India's “Look East policy” is to strengthen economic and trade connection with Southeast Asia area, which has a relatively better developed economy, and achieve mutually economic interest, the main objective of the second stage shall be to extend beyond South Asia and the Indian Ocean, and to conduct substantial and practical cooperation in politics, economy and security with countries in the Asia Pacific region through implementing “balanced strategy”, so as to continuously expand India's sphere of strategic interest, increase its influence in the Asia Pacific area, and raise its international status.

Thirdly, response the challenges and threats by China's rise and its engagement in the Indian Ocean. Besides seeking control and influence in the Indian Ocean, another main objective of India's Indian Ocean strategy is to prevent the security threat caused by the rising China from entering into India's backyard. In 2012, a

¹¹Hu (2006, p. 102), requoted from Shi (2011, p. 67).

¹²Chakrabort (2007).

¹³Kaplan (2011a, b p. 17).

research group in India published a piece of strategy report entitled *Non-alliance 2.0-India's Foreign and Strategy Policy in the twentyfirst Century*. This report places Asia in the most important position in India's foreign and strategic policy, stating "to go unto the Asia's stage shall be an extremely important concern in India's foreign and strategic policy". This report suggests that India should channel great energy into strengthening its navy, so as to ensure its capability for controlling over the Indian Ocean, and it also wrote that India should respond to the challenges from China based on India's Indian Ocean strategy. "China will continue to constitute a huge challenge to India's foreign policy and security in the foreseeable future. As a major power, China directly collides with India in geopolitical space. With increasing of China's economic and military strength, the strength gap between China and India will continue to widen."¹⁴ Generally, one important objective of India's Indian Ocean Strategy is to address the threats and challenges coming from China, and restrict the intervention of big powers beyond the region in affairs of the Indian Ocean region, and finally achieve the strategic objective of becoming a major power in the South Asia region and a strong maritime power in the Indian Ocean.

2.3 Mutual Needs Between China and India

The cold War forced an artificial dichotomy on area studies in which the Middle East, the Indian Subcontinent, and the Pacific Rim were separate entities. But as India and China become more integrally connected with both Southeast Asia and the Middle East through trade, energy, and security agreement, the map of Asia is reemerging as a single organic unit, just as it was during earlier epochs in history-manifested now by an Indian Ocean map.¹⁵ Viewed from this perspective, China and India have mutual needs in their Indian Ocean strategies. In addition, India's aim of controlling over the Indian Ocean and dominating over the affairs in the Indian Ocean is in conflict with the US's current policy of maintaining its supremacy in the region. For instance, the Strait of Malacca, the Strait of Hormuz, the Bab el Mandeb Strait and the Suez Canal that Indian navy wants to get control over all are along the 16 strategic maritime passageways that the US wants to control. Therefore, it is almost impossible for India to achieve its strategic objective of making the Indian Ocean become its "inner lake" in the near future. From this perspective, China and India have common interests and mutual needs in their Indian Ocean strategies.

¹⁴Sunil Khilnani, Rajiv Kumar, Pratap Bhanu Mehta, Lt. Gen. (Retd.) Prakash Menon, Nandan Nilekani, Srinath Raghavan, Shyam Saran, Siddharth Varadarajan, *Nonalignment 2.0: A Foreign and Strategic Policy for India in The Twenty First Century*, Published 2012, Printed in India.

¹⁵Kaplan (2011a, b p. 13).

Firstly, China and India have common strategic needs of jointly maintaining stability in the Indian Ocean during the post-America era. The United States is implementing its “rebalancing” strategy, in addition to that the United States has transferred some strategic resources that were previously deployed in the Middle East to the Asia Pacific area, it has strengthened economic relations with countries in this area by dominating the TPP, and it also has strengthened contact with Asian countries in political and security areas. The United States gave up TPP after President Donald Trump took over, but its determination of ruling the world can not be changed.

In the past few years, the United States government’s emphasis on the importance of Pacific Ocean and the Indian Ocean areas on many occasions, in combination with the various actions that it has taken, has created a tense atmosphere in the Asia Pacific region, and also intensified the regional turbulence. Actually, after the United States withdraws from the Middle East, the security issue in the Middle East will firstly affect the Indian Ocean region. As a part of its “rebalance”, the US’s strategy change of “applying brake” in the Middle East and “applying accelerator” in Asia, not only plant seeds of turbulence in the Middle East, but also get the geopolitical landscape in the Indian Ocean more complicated. This has to some extent intensified the arms race among the major powers, created strategic threats, and intensified the strategic rivalry among global and regional powers in the Indian Ocean. Contrary to its intention, the US’s “rebalancing” strategy has resulted in disbalance in the potential security landscape, disbalance in regional cooperation and disbalance in the relationship among the big powers, increased the tense and conflictory atmosphere in this area, and it constitutes the biggest potential risk for security in this area. It should be noted that many countries in the Middle East cannot establish an effective regime, and there are signs that some countries may fail to establish an effective regime and cause the rising of religious extremism. Failed State will necessarily become a place for training religious extremists, and even terrorists. Both China and India are confronted with challenges when protecting their interests and benefits in the Middle East. Among them, one big challenge is the westward expansion of religious extremism, and even terrorism, which will exert direct security impacts on countries along the Indian Ocean, even the West Pacific.

Secondly, the mutual needs of reaping cooperation benefits in the overlapping area between India’s “Look East” strategy and China’s West Development strategy. With its “Look East” policy, India attempts to extend its influence from Southeast Asia to the West Pacific and even a wider area, and extend to the wide area in the Middle East and Africa by lateral expansion. In continuously pushing forward its westward opening up strategy, China is increasingly more relying on the energy and trade passageways in the Indian Ocean area. Although China has no intention to challenge India’s influence in this area, it must have the right to maintain its geo-economic interests in this area, and to safeguard the economic security in the surrounding area. With implementation of China’s West Development strategy and India’s “Act East” policy, both Chinese navy’s entering into the Indian Ocean and Indian navy’s entering into the Pacific Ocean are becoming a normal. As two

typical representatives of new emerging countries, besides the responsibility and obligation of jointly maintaining the security of international maritime passageways, to seize the opportunity to strengthen mutually beneficial cooperation in the overlapping areas between the two countries' strategies, and harvest cooperation benefits, will help the two countries achieve their respective strategic objectives while satisfying their mutual needs at the same time.

Thirdly, China and India exist mutual needs in addressing non-conventional security challenges in the Indian Ocean. The Indian Ocean region has always been an area in which all kinds of non-conventional threats, i.e. pirates' activities and terrorist activities, are relatively focused.

The Indian Ocean littoral, which takes in Somalia, Yemen, Saudi Arabia, Iraq, Iran, and Pakistan, constitutes a veritable networking map of al-Qaeda, as well as one of the disparate groups smuggling hashish and other contraband.¹⁶ India hopes to maintain its "unmatched" influence in the South Asia sub-continent, but confronted with increasingly more serious non-conventional security challenges, it is not capable of dealing with these challenges by itself, and it requires strengthening cooperation with China in this aspect. First of all, most of the major "failed States" are concentrated in this area, and they are one of the biggest causes for instability in the Indian Ocean region. Somalia is one of the "failed States". In 2012, among the 10 countries of the lowest global peace index, 5 countries are in the Indian Ocean region, they are Somalia, Sudan, Iraq, Israel and Pakistan; secondly, pirate issue has become one of the non-conventional security issues that are most concerned in the Indian Ocean region over the recent years. There are 7 areas in which pirates are most frequently encountered including Somalia sea area, the Red Sea, Malaysia Sea, Indonesia sea, the Gulf of Aden, the Gulf of Guinea and South China Sea, and five of them are in the Indian Ocean region; thirdly, the Indian Ocean region is also a cradle of terrorism. In 2012, there are 4 well-known breeding places of terrorism across the world, they are: (1) Pakistan and Afghanistan; (2) Arabia peninsula; (3) Somalia peninsula; (4) Maghreb area, all of these 4 areas are in the Indian Ocean region.¹⁷ It is foreseeable that, whether for now or in the future, maritime terrorism will always be one of the main security concerns in the Indian Ocean region, which has been repeatedly proved by Somalia pirates and the pirate incidents and terrorists attacks that previously occurred in the Red Sea area, the bab el mandeb strait, the coastal area of India and the Strait of Malacca since the end of 2008. India has always laid high emphasis on building its navy, and China is also beginning to stress building its navy, therefore, there is a huge space for potential cooperation between the two countries in such non-conventional security areas as fighting against pirates and terrorists, so as to safeguard the clearance and security of the maritime passageways.

To sum up, it is a reality that there are overlapping strategic interests between China and India, while they are expanding their own strategic spaces. As "an air

¹⁶Kaplan (2011a, b p. 7).

¹⁷Gunaratna (2012).

carrier that will never sink in the Indian Ocean”, India enjoys the natural advantage that the Indian Ocean provides. China and India have mutual needs for cooperating in maintaining security and clearance of the passageways over the Indian Ocean, but at the same time, and it should not be neglected that there is still a possibility of breaking out conflicts between the two countries, which means the two sides need to manage and control divergence.

2.4 The Competitive Landscape Between China and India

Viewed from the perspective of expanding the space of strategic interests, there are some strategic alignment between China and India in the Indian Ocean. Consistency of strategy means overlapping strategic spaces, which may bring more cooperation opportunities, it also means more rivalry for strategic benefits, and it even may result in fierce conflicts.

On one hand, there are unavoidable potential conflicts between China and India over strategic interests in the Indian Ocean. For China’s strategic planners, securing sea lanes against hostile powers has become perhaps the chief of preoccupation. For India, it is the growth of China’s presence in its backyard, in and around the Indian Ocean.¹⁸ India worries about that China’s so-called “String of Pearls” strategy will pose threats to India’s marine security strategy and India’s pursuit of influence in the Indian Ocean, which is a main source of strategic rivalry and potential conflicts between the two countries over the Indian Ocean issues. The ultimate goal of India’s marine strategy is to control the Indian Ocean. It’s not the India’s desire to allow the Indian Ocean under the US’s control forever, and it accepts the status quo only because it doesn’t have the capability to change it. Then, under the security dilemma, is India willing to cooperate with China in the Indian Ocean?

In conducting strategic rivalry in order to win strategic interests and influence, such a situation that economic cooperation co-exists with strategic tensions often occurs. Usually, rivals may view each other as partners only in special situations; if it is possible to promote strategic cooperation, it can only be in certain fields, and it is difficult to achieve all-around cooperation. Generally, rivals tend to view each other as opponents, and the rivalry will inevitably lead to malicious competition, or even conflicts. Continuous strengthening of each other’s knowledge about the threat will result in decrease of strategic trust between two rivals, and it necessarily will lead to “strategic confrontation” between great powers and regional “security quandary”, and it may result in a one kind of situation which is called “structural turbulence”, and the tensions as a result of this is the biggest hidden risk for regional security.

Although the prospect of “Chindia” (China and India become close allies) and “the dance of dragon and elephant together” is appealing, both China and India

¹⁸Mohan (2013, p. 40).

have the intention to cooperate with each other, especially in the economic area, India is jealous of China's rapid rise. In India's eyes, China's going westward into the Indian Ocean was regarded as the biggest threat and challenge to India. Even if China's influence on the Indian Ocean region is very limited, China's going westward into the Indian Ocean, for whatever reason, still make India worry. Some Indian scholars hold the opinion that China and India have expanded their strategic interests to go beyond territorial and water resource issue, and the two countries' navy continue to extend their footprints and collide with each other will become the main source of potential conflicts and future security dilemma.¹⁹ Even the two countries' intersection of interests get clearer thanks to India's Look East policy and China's Westward development strategy, as well as the challenges and threats that they are facing are becoming gradually convergent, India still holds a "sensitive" and "cautious" attitude or response to China's entering into the Indian Ocean, and it is not enthusiastic for the initiative of building "the twentyfirst Century Maritime Silk Road" proposed by the Chinese government. In such a context, unless carefully managed, otherwise, the rivalry on the sea between China and India is likely to further be intensified along with the increase of oceanic activities of Chinese navy and Indian navy. Obviously, India worries that China's navy may become so powerful 1 day that it is capable of projecting its power into the Indian Ocean, and contend for influence with India. This is a dilemma. On one hand, India hopes to weaken the US's control over the Indian Ocean with the support of China; on the other hand, it doesn't want to see a situation that the United States widens the opening for a more assertive China thanks to use its leverage where it can. This is also one of the main reasons why, regarding China's entering into the Indian Ocean, India shows an active attitude towards economic cooperation, while, it displays a relatively passive attitude towards strategic cooperation.

On the other hand, the rivalry and potential conflicts between China and India in developing their relations with South Asia countries, especially Pakistan. In fact, the newly emerging economies represented by China and India have gradually realized that to strengthen cooperation will play an important role in promoting balance of power across the world. But one prominent problem is an apparent lack of actions and initiative on the side of India to strengthen cooperation. Regarding China's engagement with countries along the Indian ocean region, some countries speculate or worry that China harbors an expansion intention, seeking to get some control in the Indian ocean. Although the trade volume and the amount of investment between China and India are growing rapidly, and there is a bright prospect for economic cooperation between the two countries, while, influenced by the propaganda about so called "China Threats", India's attitude toward China always keep a combination of contradiction and precaution. The "strategic paranoia" as a result of mutual suspicion will inevitably affect the stability and development of bilateral and multilateral relations, and ultimately affect economic

¹⁹Mohan (2013, pp. 1–10).

cooperation; in such a situation, the political factor will become an obstacle for pushing economic cooperation.

There is a mutual distrust between India and China, and India's distrust toward China is higher mainly because of believing that China is the biggest threat to India's security. The move of China to strengthen its relationship with India's neighboring countries, especially China and Pakistan's relationship, is considered a threat to India's security. And China's partnership with Pakistan in building the economic corridor further make India worried. Based on this, the territory dispute between China and India as well as other issues are all "excuses" for India to provide long term support for Dalai Lama separatist group, and its attempt to contain China with religion and Tibet issues. The strategic and geopolitical rivalry between China and India is not limited to South Asia, it also exists in the Middle Asia and Southeast Asia. For instance, China's effort to strengthen cooperation with countries along the Indian Ocean is interpreted by the media as China's attempts to contain the rising India through so-called "String of Pearls" strategy. Therefore, India's implementation of "Act East policy" will not only for harvesting its economic benefits, but also for maximizing its efforts to respond to the growing influence of China on the surrounding countries. With continuous growth of India's marine strength in the Indian Ocean, along with its science and technology strength and its increasing economic power, India is attempting to make breakthroughs in the sea so as to help solve its problems on the land.

2.5 Sino-India Cooperation Dilemma

Currently, the security dilemma caused by regional conflicts and strategic competition challenges India the most. Although India has shown absolute confidence in marine power, both the turbulence triggered by regional issues and caused by strategic competition among great powers in the Indian Ocean have caught India in the security dilemma of the Indian Ocean. In this regard, India not only endeavors to strengthen its construction of naval forces, but also constantly enhances the military cooperation at sea with the United States, Japan and other extraterritorial great powers. The ultimate goal of India's ocean strategy is to strive for more exclusive power in the Indian Ocean, India would not willingly to be always controlled by the United States in the Indian Ocean.

At present, the Sino-India security dilemma is extending to the ocean, and the rising China is considered as a growing threat and challenge to India. The expectations of Chindia and Dragon-Elephant Dance do have excellent prospects, but China's rapid rise has made India feel anxious. Notwithstanding China has very little influence in the Indian Ocean, China Marching west to the Indian Ocean has made India to worry that, China's naval force may be as strong as to stretch into the India Ocean and to contest with India for the influence of South Asia as well as Indian Ocean. With such entanglement and contradiction, India wishes to weaken the United States' power over the Indian Ocean by virtue of China on the one hand,

but is not willing to see a shift situation due to its leverage. This is one of the reasons why India shows a relatively positive towards the economic cooperation with China but presents to be passive in strategic cooperation. Undoubtedly, with extreme worry about or mistaken cognition of China's intention in entering the Indian Ocean, even if no obstacle will be set, India will not show positivity, and may instead of strengthening the military and security cooperation with the great powers such as the United States, Japan, Australia, etc., which will further intensity the "problem" of Indian Ocean between China and India.

For the time being, China is more and more frequently seen in the backyard of India-Indian Ocean and its surrounding area, being India's primary strategic concern. Obviously, in the eyes of India, China marching west has constitutes India's biggest threat and challenge. Some Indian scholars consider that, the strategic interests of China and India have extended beyond territorial issues and water resources problems, Chinese navy's footprint has extended continuously in the Indo-Indian area, being a main source of potential conflicts and future security dilemma. India has an urgent need to build a "ring of diamond" in response to China's "string of pearls", and to go together with other countries to contend against China's geo-strategy in the Indian Ocean. Even though the interest intersection between China and India has become gradually clear, and their challenges and threats have become increasingly convergent, India still shows a sensitive and cautious attitude or reaction to China entering the Indian Ocean. In this context, unless carefully managed, as Indian and Chinese navy increasing far ocean actions, Sino-India competition in the sea may get intensified.

As a matter of fact, both China and India wish to change the currently unreasonable international order, and both of them have realized that, an indispensable prerequisite to pursue the great power status is powerful strength, which requires seeking a peace and safe development environment and implementing mutually beneficial and win-win development strategies. To enhance the strength, it is a more advanced and pragmatic concept to pay attention to capacity building rather than threat building. Capacity cultivation and improvement require not only steady economic growth, but also a stable surrounding environment. Accompanied with such pursuit of great power status there is the construction of strategic mutual trust, which, established on the basis of strength, is bound to become a new logical starting point of both countries' diplomatic policies. After all, threats may be short-lived and presented in various different forms, if a grand strategy or military deployment is restricted to any pre-established threat, it will turn out unable to keep pace with the changing situation. On the contrary, a capacity-oriented strategy will be more flexible, which can deal with randomly developed accidental threats by changing or utilizing national policy tools to size up the situation.²⁰

Nevertheless, the "China Threat Theory" is still intensifying the prevention and distrust of India and other neighboring countries towards China, the western academic circle even treats the rise of China as a threat and challenge. No matter how

²⁰Singh (2012).

China emphasizes on peaceful development, it is unable to alter the western world's thinking set about the "China Threat Theory".²¹ China's establishment of mutual beneficial cooperation relationship with Indian Ocean coastal countries is considered the implementation of the so-called "String of Pearls" strategy to restrain the rise of India. Being allergic and lack of antibody against the "China Threat Theory", India's view of China is somewhat one-sided or more or less malposed. In addition to unsmooth communication and exchange, historical and cultural differences and other factors, the biased and irrational reporting and commentary of media and public opinions have also generated negative impact on mutual trust between the two countries, posing various difficulties to Sino-India cooperation.

Actually, Strategic competition will inevitably cause turbulence, which will increase the likelihood of conflicts to a certain extent, and conflicts will in turn trigger large-scale turbulence and greatly intensify the arms race. Under the current circumstance that global economic growth generally slows down and the political security situation becomes even tenser due to regional problems and strategic competition, it seems alarmism to predict inevitable conflicts in the Indian Ocean. However, it has become urgent responsibility of Asian countries to avoid the strategic competition from rising to strategic confrontation, make every endeavor to prevent conflicts, to prevent the waste of historical opportunities and the obstruction of Asia's prosperity trend, and to realize mutual tolerance and peaceful coexistence.

Firstly, strategic competition aiming to win strategic interests and influence often gives rise to the coexistence of economic cooperation and strategic tensions. Generally, a competitor will treat its rival as a partner only under special circumstances, and even if there is a possibility to boost strategic cooperation, such cooperation will be restrained in a certain field, rather than all aspects. In general, a strategic competitor will treat its rival as an enemy, and such cooperation will inevitably trigger vicious competition or even conflict, and with continuously updated cognition of threat, the strategic mutual trust between countries will become even fragile, which will certainly become a product of strategic confrontation between great powers and regional security dilemma, or even lead to the emergence of structural turbulence, and it is the tense atmosphere that is exactly becoming the biggest hidden peril to regional security.

Secondly, tension is actually manufactured to make the opponent to admit or accept its strength or position. How to eliminate tension and reduce geopolitical risks? To eliminate tension, the tense mentality should be firstly eliminated. Rather than building treats on the excuse of feeling nervous or perceiving threats and generating convincing countervailing power and believable deterrent effect through arms race, it is better to strengthen the exchange and communication with all other countries and to eliminate fictitious threats artificially made based on the lack of confidence and mutual trust. Just as virtual economy being able to bring down real economy, virtual politics can also defeat the body of politics.

²¹Kejin (2012).

Thirdly, from the practical point of view, the best way to respond to the sense of uncertainty and the sense of crisis is trying to make oneself stronger. A sea power should firstly be an economic power. The mismatch of self-cognition with the strength of a country may ultimately lead to a pyrrhic victory. Economic strengthen derives from the win-win cooperation mechanism and an environment for peace and stability of the region. No one can deny the important role played by trade and economic relationship in power allocation.

Fourthly, the current broad geopolitical environment is more suitable for cooperation between great powers in the Indian Ocean, especially China, the United States and India, rather than negative competition and power competition based on mutual threat. If these great powers could maintain the safety of the Pacific and Indian oceans through naval cooperation, share interests through cooperation, resolve threats and avoid conflicts, it is possible to establish mutually beneficial and win-win relationship between great powers and a peaceful and stable regional pattern. From this perspective, strategic idea based on capability promotion, mutual benefit, win-win and risk sharing rather than that based on threat or deterrence should become a common recognition and goal. Only in this way can we seek ocean calmness and world peace.

Fifthly, in fact, China has become an economic big power, but it is true that China is not satisfied with this. Its goal is to become an economic giant and to realize great rejuvenation of the Chinese nation, not as worried by the outside world as that China is bound to challenge the hegemony and to scramble for corresponding power and influence. Unwilling to be accepted by western countries of course, but it is not a goal deliberately pursued by China. At present, with the irresistible multi-polarity trend, it conforms to fundamental interests of all countries to temporarily detain disputes, run in with each other in strategic competition, compromise and adapt to each other without touching the core interests of other countries, grasp the limits of strategic competition, strive to seek a dynamic mechanism controlling, alleviating and eliminating tensions and turbulence and advance in twists and turns.

Sixthly, the strategic opportunity period with rising Asia calls for all countries to form resultant forces, and the developing situation calls for Sino-India cooperation in the Indian Ocean. For any country, to build a developing external environment, the first thing is to treat great powers as the key and the surrounding as the primary. Therefore, Sino-India cooperation is of strategic significance. Based on the history of Sino-India relations as well as the Five Principles of Peaceful Coexistence, there are many efficient ways of co-operations between two countries such as the construction of Bangladesh-China-India-Burma economic corridor. China and India should make joint efforts to renew their ideas, to deepen the cognition of each other, to walk out of the Indian Ocean cooperation dilemma, and to seize the opportunity for mutual development.

2.6 Further Consideration

Viewed from the perspective of strategic significance, on one hand, China doesn't have the intention to dominate affairs in the Indian Ocean region and it doesn't have the capability either, and China will not seek its own growth and strengthen its influence at the cost of other countries' interests. Just as Mr. Zhang Baijia, a well-known Chinese expert on strategy, once said; "Other countries in the world tend to seek to change the world so as to change themselves; while, China seeks to change the world by changing itself." Also just as Mr. Martin Jacques once said: "The rising of China doesn't constitute a threat to the world; on the contrary, the rising of China and the rising of India are the biggest contributions to the world's democratic progress. The Great Britain, even in its most glory time, only got control over 1/5 of the world's total population; and the US, even at its peak, has never really dominated over the whole world, and China wouldn't either. China will not pursue an expansionist military policy that has been adopted by many western countries over the past several centuries, and there is almost no such case in China's history, even when China had the capability and opportunity". On the other hand, China will adhere to the foreign policy of non-alignment and independence, and China has repeatedly declared that it "will unswervingly adhere to the road of peaceful development, and unswervingly adhere to the opening up strategy based on the principle of mutual benefit and win-win result", and will always adhere to the policy of "bringing harmony, security and prosperity to neighbors".

Today, it is getting increasingly clearer that in the context of lack of a widely respected world order, conflicts are emerging out of our mutual reliance, and the major powers collide with each other in pursuing their own needs, split up confronting common threats, and do not unite, which have resulted in continuous strengthening of a sense of frustration.²² Continuous expansion of China and India's strategic spaces bring opportunities as well as challenges, and development and strategy selection of the two countries' relationship will determine this change will help promote cooperation or further intensify conflicts. In any case, to achieve prosperity in the Indian Ocean region and maintain security and stability in this area should be common goals and mutual needs of both China and India. In the international context of mutual reliance, to meet these mutual needs require both countries to further implement opening up strategy and conduct mutually beneficial cooperation. This is not only critical for the two countries to achieve sustainable development of their economy, but it is also critical for establishing regional security order. Therefore, China and India should try to find common interests and cooperation paths in the Indian Ocean region, and establish a mechanism to prevent and manage and control conflicts. From the perspective of China, it should make more efforts in the following areas so as to reduce and prevent strategic rivalry and conflict with India.

²²Jones et al. (2009).

Firstly, China should contribute to get the node countries along the Indian Ocean to become stakeholders in the security structure in the Indian Ocean region, and promote cooperation between China and Indian in the Indian Ocean region in a wider interest spaces. And China should make efforts to help “get results” early in cooperation with countries along the Indian Ocean by taking mutual promotion of economic cooperation and cultural exchange as an “objective”, taking connectivity of roads, railways and sea passageways as a key work, taking financial system reform and pushing forward facilitation of trade and investment as a “priority”, and selecting key cooperation projects with high economic benefit. China should help establish a wider and brand new cooperation platform for countries both inside and outside of the region, so as to promote cultural understanding by mutual exchange, and further promote economic cooperation by cultural understanding, to overcome strategic suspicions currently existing between countries, and to solve the conflict of interest and eliminate policy divergences between different countries or regions. To achieve this goal, several key projects must be firstly selected in the node countries, and cooperation partners should be carefully selected in such fields as “bring in” and “going global”, financial services, building of industrial parks and service platforms. In selecting key projects, the cooperation projects’ feasibility, reciprocity of economic interests and balancing of long-term interests should be taken into careful consideration, we should begin from relatively easy projects. Meanwhile, in selecting pilot cooperation projects, China should not only try to export cheap goods and import resource-based products, but should also consider non-resource-based cooperation projects and cooperation projects in the areas closely related to people’s livelihood, so as to avoid misunderstanding or incorrect perception of other countries. On the condition of considering each other’s pursuit of interests, China should steadily promote the node countries in the Indian Ocean region to form a community of shared interests, and to promote mutual cooperation between China and India in the Indian Ocean in the wider interest space. On the basis of achieving the two countries’ pursuit of interests, China and India should strive to realize sound interaction in economic and security cooperation.

Secondly, China should build new cooperation platforms amid the implementation of “the Belt and Road” initiative, highlight the cooperation with India, and strive to link up the common interests of China and India through the “21st Maritime Silk Road”. China’s westward opening up strategy features combination of geopolitics and geo-economics, a step to change its position from a passive one to a proactive one. The strategy should pay equal attention to promotion of cultural identity and enhancement of economic cooperation by following the cultural integration path of the ancient silk road, implementing the land and maritime silk roads initiatives and seeking the approach to ensure the national security, thus advancing China’s westward strategy in the India Ocean. When designing the framework of the “Maritime Silk Road” initiative, China should pay attention to its cooperation with India, and make the Maritime Silk Road a bridge to achieve the common interests of China and India. Currently, the existing cooperation mechanisms in the Asia region are relatively disperse and their functions are limited. The “Belt and Road” initiative should be guided by strategic needs, and China should help build new cooperation

platforms on the basis of such cooperation mechanisms as “BRIC countries”, China and ASEAN (10 + 1), ASEAN and China, Japan and South Korea (10 + 3), regional comprehensive economic partnership (RCEP, 10 + 6), Greater Mekong Subregion Economic Cooperation (GMS) and China-Pakistan Economic Corridor and Bangladesh, China, India and Burma Economic Corridor. In addition, China should promote cooperation models that can be generalized based on pilot projects and key projects, so as to integrate regional cooperation advantages stage by stage and tier by tier, deepen economic and trade cooperation between China and India, and Southeast Asia, South Asia, West Asia, the Middle East, Africa and Europe, and to promote dispersive cooperation to be more mechanism-based, and promote the development to be more open. This is also the actual needs of China and India’s joint effort to push forward the economic integration process in Asia, and to achieve the rising of Asia.

References

- Chakrabort, T.: India’s southeast Asia policy in the twentyfirst century: perambulating the horizon. In: Reddy, Y.Y. (ed.) *Emerging India in Asia-Pacific*. New Century Publications, New Delhi (2007)
- Gunaratna, R.: The global landscape of terrorism 2012, International Center for Political Violence and Terrorism Research. *Count. Terror. Trends Anal.* **1**, 4 (2012)
- Hu, Z.: *The Power of Civilization: the Rising of India*. Xinhua Publishing House, Beijing (2006)
- Jones, B., Pascual, C., Steadman, S.J.: *Rights and Responsibility: Establishing an International Order in the Era of Transnational Threats* (trans: Qin, Y. et al.), p. 269. World Affairs Press, Beijing (2009)
- Kaplan, R.D.: *Monsoon: The India Ocean and the Future of American Power*, p. 13. Random House Trade Paperback, (2011a)
- Kaplan, R.D.: *The Future of the India Ocean and the US’s Power*, p. 8. Random House Trade, New York City (2011b)
- Kejin, Z.: Constructive leadership and China’s diplomatic transition. *World Econ. Polit.* (5), 48 (2012)
- Mohan, C.R.: *Samudra Manthan: Sino-indian Rivalry in the Indo-Pacific*, p. 2013. Oxford University Press, Oxford, 56–57 (2013)
- Panikkar, K.M.: *India and the Indian Ocean—A Brief Discussion About the Impacts of the Thalassocracy on India in History* (trans: Long, D., Shu, W.). World Affairs Press, Beijing (1965)
- Shi, X.: India’s foreign strategy for the Asia pacific region under its big power thought framework at the beginning of the twentyfirst century. *South Asia Stud.* **3**, 67 (2011)
- Singh, Z.D.: Should India ‘Be East’ or Be Eurasian? *Strateg. Anal.* **36**, 2 (2012)
- Zhu, C.: China’s strategy in the Indian Ocean: motivation, challenges and response. *South Asia Stud.* **3**, 2 (2012)

India's Ocean

Can China and India Coexist?

Zhu, C.

2018, IX, 193 p., Hardcover

ISBN: 978-981-10-5725-0