



# CENTRE FOR AIR POWER STUDIES

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## India Must Seize the Opportunity in the Indian Ocean

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While addressing the 6<sup>th</sup> Indian Ocean Conference (IOC) in Dhaka on May 12, 2023, India's External Affairs Minister, Dr. S. Jaishankar, pointed out the distinctiveness of the Indian Ocean in the larger framework of the Indo-Pacific. He posited that though the Indian and the Pacific Oceans are joined at the hip, both are different due to their colonial past, regional identity, and geopolitical relationship.<sup>1</sup> This is also reflected in its different pace of development, which has opened the bandore of opportunities and challenges. On one side, China's Belt and Road Initiative (BRI) knows no bounds and has touched the borders of almost all the countries in the region as it completes ten years in 2023; on the other hand, New Delhi's aspirations of a residential power are at an all-time high. Both the continental neighbours, India and China, are now vying for influence in the maritime domain too. Thus, it becomes important to understand the gaps that India can capitalise on to keep its neighbourhood intact.

Among the gracious presence of more than fifteen countries at the 6<sup>th</sup> IOC, participation from the island states of Mauritius and the Maldives at the presidential and vice-presidential levels was significant. Leaders from both these island nations mentioned the vulnerability of the supply chains witnessed, first during the COVID-19 pandemic, which reflected their overdependence on China,<sup>2</sup> and second, during the Russia-Ukraine war. As the economies of these island countries are mainly import-driven, there is a desire among these countries to internationalise their partnerships within the region and beyond. In this regard, India, as a residential power, can play a game-changing role.

With a special focus on *Atmanirbharta*, concomitant with various manufacturing and industrial level reforms, New Delhi must utilise the window to truly realise its 'Made in India, and Delivered by India' push. Instead of carping over deep government pockets, the private sector must enhance its regional and global influence. Some of the big-ticket projects recently undertaken by India's private sector include Reliance Jio's undersea cable system in the Maldives,<sup>3</sup> the supply of electricity from Adani's Godda plant in Jharkhand to Bangladesh,<sup>4</sup> and a wind power project of Adani's in Sri Lanka.<sup>5</sup> Better infrastructure will further boost tourism and the blue economy, especially in the island countries. However, India must be mindful of the potential controversies arising from project quality, a lack of understanding of the host country's policies, and geopolitical realities.

The Indian Ocean comprises continental countries, archipelagos, and tiny islands. It brings together Eastern Africa, West Asia, South Asia, and Southeast Asia in an integrated space. Thus, geographically, the region is too vast to be secured by any one country. Today, the region is at the crossroads of various challenges like climate change, illegal, unreported, and unregulated (IUU) fishing, piracy, armed robbery, and human and drug trafficking.

These issues directly impact India because of its central location in the IOR. The Golden Triangle and Golden Crescent, two main drug-producing areas of the world, form the bookends of the IOR. It has resulted in huge amounts of illegal drugs being smuggled into India, thereby making its coastal states like Gujarat and Maharashtra and island territories like Lakshadweep vulnerable. The prospects of sea level rise for countries like the Maldives are leading to climate migration towards India. The shift in piracy towards the eastern Indian Ocean near the Singapore and Malacca Straits can emerge as a major roadblock for India due to its rising economic interests in the East. IUU is another challenge that affects the survivability and income security of coastal communities, due to which 30 per cent of the available fish stock is beyond sustainable limits.<sup>6</sup> These issues impact not only India but also small island territories that are geographically distant from the countries of the IOR, have small areas versus large coastlines, and have constrained fiscal and public sector capacity, in addition to a narrow range of economic activities like agriculture, fisheries, and tourism. Looking at the above matters only from an economic or environmental perspective will belittle the problem. Instead, these challenges require holistic, sustainable, and collaborative solutions.

Despite the presence of the various multilateral bodies covering different aspects of the Indian Ocean, like the Bay of Bengal Initiative for Multi-Sectoral Technical Economic Cooperation (BIMSTEC) to foster economic growth and social progress, the Indian Ocean Rim Association (IORA) for economic cooperation, and the Indian Ocean Naval Symposium (IONS) for maritime cooperation among the navies. There is not a single multilateral organisation that deals with the various non-traditional threats confronting the region.

This provides a momentous moment for India to spearhead an organisation like the International Solar Alliance (ISA) or Coalition for Disaster Resilient Infrastructure (CDRI) with other like-minded partners by bringing all thirty-eight countries of the region together and helping build a stable security architecture.

India's concerns are also emerging from the chequebook diplomacy of China in India's maritime and continental neighbours. There is no doubt that the Indian Ocean is surrounded by countries that are developing or underdeveloped, and hence they need infrastructural development. But the question is, 'development at what cost?' Chinese aid is opaque, does not follow good governance reforms, leads to environmental destruction, and, above all, is exorbitant, thus leading to the vicious cycle of debt.<sup>7</sup> Many of the projects under the China-Pakistan Economic Corridor (CPEC), like the Karachi Circular Railway and MI-1, the railway line between Karachi and Peshawar, have been stalled due to delays in the return on investments.<sup>8</sup> Beijing has also been accused of

overcharging Islamabad by US \$3 billion in two CPEC power plants, in addition to the signing of fraudulent deals to evade taxes.<sup>9</sup>

Due to the unsustainable lending practices of China in India's vicinity, countries like Pakistan, Sri Lanka, and the Maldives are neck-deep in Chinese debt today. This has led to Beijing gaining strategic space in India's vicinity. China's unviable projects in Sri Lanka, like Nelum Kuluna, the tallest building in South Asia, which is nearly empty, and the airport, which has had no scheduled flight since 2018, are reflections of its projects falling apart in Colombo.<sup>10</sup>

Pakistan is the largest debtor to China with US \$77.3 billion, with Sri Lanka being the second largest in South Asia with US \$6.8 billion.<sup>11</sup> Such a huge amount of dues not only leaves the recipient country's economy vulnerable but also has the ability to put the growth of the entire region at risk. Especially in today's interconnected era, any instability in one nation has a ripple effect on the others. This can be very well seen in the current economic crisis in Pakistan, as well as Sri Lanka. To help Sri Lanka tie over the economic crisis, India went out of its way and gave the US \$3.8 billion in economic assistance.<sup>12</sup> This provides the right set of circumstances for India to leverage the momentum in its favour due to its respect for sovereignty and its beholding of strategic autonomy even in difficult times. This positions India well to emerge as a preferred regional partner.

As India occupies 40 percent of the strategic waters of the Indian Ocean, it must leverage the geographical and strategic considerations of the same. With the shift in India's role from that of a mere balancer to that of a leader in the region, it needs to pull all the strings together. It will require New Delhi to use its active diplomacy, information dominance, military cooperation, and economic engagements in the region to bring all the players together. India must not lose this strategic space in its home grounds, as it continues to play a larger global role.

## NOTES:

<sup>1</sup> "6<sup>th</sup> Indian Ocean Conference 2023", You Tube Video, 1:20:58, Ministry of External Affairs, India, May 12, 2023, posted by "Ministry of External Affairs, India", <https://www.youtube.com/watch?v=Ob4QJcqsP2I&t=2123s>. Accessed on May 24, 2023.

<sup>2</sup> Ibid.

<sup>3</sup> "Reliance Jio's Undersea Cable System to Land in Maldives", *Mint*, February 21, 2022, <https://www.livemint.com/companies/news/reliance-jio-s-undersea-cable-system-to-connect-maldives-directly-to-india-singapore-11645423976178.html>. Accessed on May 24, 2023.

<sup>4</sup> Pranav Dixit, "Adani Group's Latest Power Plant in Jharkhand to Lower Bangladesh's Electricity Prices", *Business Today*, April 09, 2023, <https://www.businesstoday.in/industry/energy/story/adani-groups-latest-power-plant-in-jharkhand-to-bring-down-electricity-prices-in-bangladesh-376656-2023-04-09>. Accessed on May 25, 2023.

<sup>5</sup> Meera Srinivansan, "Sri Lanka Gives Nod to \$442 – Million Wind Project of Adani Group", *The Hindu*, February 23, 2023. <https://www.thehindu.com/news/international/sri-lanka-approves-442-million-wind-power-project-of-adani-group/article66544744.ece>. Accessed on May 25, 2023.

<sup>6</sup> "Unregulated Fishing on the High Seas of the Indian Ocean", *World Wildlife Fund*, November 02, 2020, [https://wwf.panda.org/wwf\\_news/?1014116/Unregulated-fishing-on-the-high-seas-of-the-Indian-Ocean#:~:text=The%20Indian%20Ocean%20is%20home,being%20fished%20beyond%20sustainable%20limits](https://wwf.panda.org/wwf_news/?1014116/Unregulated-fishing-on-the-high-seas-of-the-Indian-Ocean#:~:text=The%20Indian%20Ocean%20is%20home,being%20fished%20beyond%20sustainable%20limits). Accessed on May 29, 2023.

<sup>7</sup> Denghua Zhang, 'A Cautious Approach: China's Growing Trilateral Aid Cooperation', *Pacific Affairs Series*, (Australia: Australian National University Press, 2020).

<sup>8</sup> "Economic Partnership Between Pakistan and China Stalled: Report", *WION News*, April 25, 2023. <https://www.wionews.com/south-asia/economic-partnership-between-pakistan-and-china-stalled-report-585968>. Accessed on May 30, 2023.

<sup>9</sup> Ibid.

<sup>10</sup> Praveen Swami, "China's Failing White Elephant Projects in Sri Lanka Have Lessons for India", *The Print*, July 13, 2022. <https://theprint.in/opinion/security-code/chinas-failing-white-elephant-projects-in-sri-lanka-has-lessons-for-india/1036623/>. Accessed on May 30, 2023.

<sup>11</sup> "Sri Lanka, Pakistan, Maldives Stand Neck-Deep in Chinese Debt: Forbes", *The Times of India*, September 12, 2022. <https://timesofindia.indiatimes.com/business/international-business/sri-lanka-pakistan-maldives-stand-neck-deep-in-chinese-debt-forbes/articleshow/94151865.cms>. Accessed on May 30, 2023.

<sup>12</sup> "India provided assistance worth 3.8 billion dollars to Sri Lanka to tide over unprecedented economic crisis, says EAM S Jaishankar", *All India Radio*, July 20, 2022. <https://newsonair.gov.in/News?title=India-provided-assistance-worth-3.8-billion-dollars-to-Sri-Lanka-to-tide-over-unprecedented-economic-crisis%2C-says-EAM-S-Jaishankar&id=444529#:~:text=9%3A00AM-India%20provided%20assistance%20worth%203.8%20billion%20dollars%20to%20Sri%20Lanka,crisis%2C%20says%20EAM%20S%20Jaishankar&text=External%20Affairs%20Minister%20Dr%20S,economic%20situation%20in%20Sri%20Lanka>. Accessed on May 30, 2023.