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Maritime Security in the Indo-Pacific Region: String of Pearls and Maritime Silk Road

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ABSTRACT

As East Asia struggles to cope with the growing challenges to maritime security in the Indo-Pacific including changes in great power balance, the intensification of maritime disputes, and fundamental disagreements on the interpretation of the Law of the Seas, three new imperatives are redefining the geopolitics of the region. The author discusses the significance of maritime security and international cooperation as China surprised the world community recently once again with a new initiative—this time in the maritime domain with the idea of working together in the “maritime silk route” in the Indo-Pacific region.

Evolving Concept of “Indo-Pacific”: A Chinese Scholarly Perspective

I am of the view that Chinese academia took cognisance of the term ‘Indo-Pacific construct’ only since former US Secretary of State Hillary Clinton coined the phrase in the course of her speech in Honolulu on 28 October 2010 underlining the importance of “the Indo-Pacific basin” to global trade and commerce.¹

No doubt, the term Indo-Pacific reflects some reality: firstly, it relates to the “rise” of China and the emergence of India to some extent around the same time; secondly, it reflects the increasing strategic importance of the Indian Ocean; thirdly, it shows China and India are stretching their strategic space beyond their respective
spheres of influence, accelerating thereby a strategic competition in Asia.

Besides, the term "Indo-Pacific" reflects some countries in the region wanting to raise their own international status by using this moment when the US announced its Asia-Pacific Rebalance strategy or "pivot to Asia" following the 'rise' of China and its increased activities to defend its maritime rights and overseas interests in the Indian Ocean.

In response, the US seeks to establish an alliance partnership comprising Japan, Australia and India to counter-balance the rise of China more effectively given its current domestic economic difficulties and financial pressure. In the Indo-Pacific, the US is actively engaged in setting up a formal macro-multilateral military cooperative system based on the foundations of several trilateral cooperative units such as US-India-Australia; US-India-Japan; US-Japan-Korea; and US-Australia, Japan; and Japan-India, and Australia-India bilateral strategic and security cooperation mechanisms.

The Debate Over Indo-Pacific Geo-Strategy: Illusion or Reality?

It is commonly believed that from geopolitical perspective, with the US pivot to Asia, most critical regions are the Northeast Asia and Southeast Asia, which involve China, the US and Japan in several ways. Australia and India are not stick-holders. The current geo-strategic structure is in accordance with geo-economic and geopolitical reality, but there are no positions for India and Australia. Although India has a "Look East" policy, its major concern is still the Indian Ocean. Booz Allen and Robert Kaplan fabricated a "string of pearls" strategy, but Emily Brunjes and her colleagues do not see China's activity as threatening to regional stability or Indian security.

"Indo-Pacific" is an illusion. This geo-strategic design is a hegemony-seeking strategy. It comes from Alfred Thayer Mahan and Nicholas John Spykman's geo-strategy: control of key sea-lanes and the rim-land is more important than the heartland of Asia. Indo-Pacific is a geo-strategic design based on geo-economics and geopolitics. But just as former US Assistant Secretary of State Kurt M. Campbell stated the next challenge to American strategic
thinking is how to connect Indian and Pacific oceans at the operational level.²

From geo-economic perspective, industries in "Indo-Pacific" are not well-distributed. The center of gravity is in Northeast Asia. The centre of the Pan-Asia economic plate is China. China is the world’s workshop, and the largest country for international trade. India is far behind. From this perspective, the importance of the concept of "Indo-Pacific" only lies in the commercial and energy sea-lanes.

Predictably in the next 5-10 years, India may become the next industrial hub under the leadership of Prime Minister Narendra Modi. East Asia struggles to cope up with the growing challenges to maritime security in the Indo-Pacific region including changes in great power balance, the intensification of maritime disputes, and fundamental disagreements on the interpretation of the Law of the Sea, all of which are redefining the geopolitics of the region. More to the immediate point, China’s neighbours have become actively engaged with it in a remarkable range of fora, dialogues, and consultations on matters of mutual concerns or interests. Despite these frenetic diplomatic activities, it is reported that the US military presence and China’s emergence as an immovable military object is of critical concerns to them. Those nations with active territorial disputes with China—a list that includes India, Japan, Korea, the Philippines and Vietnam—are particularly apprehensive.

In terms of maritime security, two events have drawn the attention of world media in recent years. One event is the International Maritime Security Conference that was held on 15 May 2013 at Changi Exhibition Centre (CEC) Singapore on the theme “Safe and Secure Seas: Strengthening Cooperation in Maritime Security”.³ Over 350 delegates drawn from respective governments and military establishments discussed the evolving transnational threats to maritime security and safety and new naval security challenges and examined in detail prevailing operating paradigms and suggested further collaboration towards a regional security framework and cooperative action across borders which in my considered judgement is beneficial to maritime security and international cooperation.
The second event is a naval fleet of the Chinese People’s Liberation Army (PLA) in September 2013 passed through the Miyako Strait and entered the Western Pacific Ocean for a training mission. Noting that the PLA Navy has been conducting regular high-seas training missions, fleet commander Wang Dazhong said such high-intensity and frequent training carries great significance in China’s plan to build a blue-water navy.\(^4\)

Since the end of the Cold War, the Indo-Pacific region has emerged as the world’s most dynamic geopolitical zone. Shifting balances of power in the larger Indo-Pacific region are reshaping international perceptions. They are also fuelling apprehensions about the economic, military and political trends; hardening territorial disputes; and driving changes in the US economic, political, and military roles in Asia. The uncertainties these shifts entail are causing Asian nations to seek reassurance in reaffirmations of civilizational, cultural, and historical identity. They are redefining relationships with the United States. The principal, but far from the only force at work in these complex interactions is the return of China to wealth and power.\(^5\)

In *India and Australia: Maritime Partners in the Indo-Pacific*, C. Raja Mohan pointed out: “One is the growing recognition that the security problems in the East Asian waters must be addressed within the broader framework of the Indo-Pacific. The second is a weakening of the United States which has been the principal security provider in the Indian and Pacific Oceans for many decades. The third is a consequential change in India’s maritime orientation from being a lone ranger to a partner eager to build maritime coalitions”.\(^6\) Washington has repeatedly reaffirmed that it will remain a ‘resident power’ in the Western Pacific and the Indian Ocean, and the Obama administration has matched the rhetoric with an intense diplomatic focus on Asia in the last two years. “To be sure, the United States will remain the most powerful military force in Asia for a long time to come. Nevertheless, its forward presence in the Indo-Pacific is coming under stress amidst the proliferation of advanced military capabilities in the littoral and the adoption of asymmetric strategies by its competitors, most notably China and Iran.”\(^7\)

Traditionally, the Pacific and Indian oceans have been viewed
as two different and self-contained worlds. A number of developments have begun to compel a more integrated view of the Pacific and Indian oceans. East Asia's high growth path has generated stronger economic links with resource-rich West Asia and Africa. India is now looking beyond the Strait of Malacca to include the South China Sea in its national security calculus. As India became a trading nation, like China before it, it was inevitable that Delhi's national security policy would acquire a new maritime focus. The new reliance on the sea for importing ever-growing quantities of energy and mineral resources, and for exporting its products to widely dispersed global markets, meant India would naturally turn towards building a blue water navy.⁹

In order to make the Asian economic community (AEC) manageable, Asia would have to approach regional economic integration in a phased manner. This is the approach that has been adopted by the successful regional blocs of today, viz. European Union and North American Free Trade Agreement that started with an effective skeleton comprised of a core group of countries before expanding the membership later to others. In view of the attempts already made at regional economic integration, the Asian economic community in its initial phase, it is argued, be built of five strong blocs of Asia that might form a core group, viz. ASEAN, China, India, Japan, and Korea (ACIJK). Once the process of integration is consolidated and some gains of integration are visible, AEC could be thrown open to other economies of the region. Southeast Asian nations and India agreed to step up cooperation on maritime security, a move that comes amid tension with China in the potentially oil and gas-rich South China Sea.¹⁰

Recently in a vision statement agreed at a summit in New Delhi, India and the 10-member Association of Southeast Asian Nations (ASEAN) set their sights on a new "strategic partnership" that would bring closer political, security and economic cooperation. Significantly, they underlined the need for freedom of navigation, a contentious issue because of competing claims with Beijing over parts of the South China Sea, though there was no mention of China in their statement. In speeches, the Philippines and Vietnam referred to tensions in their region, but India's foreign minister sought to distance New Delhi from the wrangling over the South
China Sea.\textsuperscript{11} Taken together new challenges to communication lines open the space for Delhi and China to consult more intensively on maritime issues and develop a comprehensive framework for security cooperation in the increasingly turbulent waters of Asia.

The phrase ‘String of Pearls’ was first used in 2005, in a report entitled “Energy Futures in Asia” provided to US Defence Secretary Donald H. Rumsfeld by defense contractor Booz Allen Hamilton. It alleged that China was adopting a “string of pearls” strategy of bases stretching from the Middle East to southern China. These “pearls” were naval bases or electronic eavesdropping posts built by the Chinese in Myanmar, Bangladesh, Pakistan and Sri Lanka. The purpose was to project its power overseas and protect its oil shipments. Nearly ten years have since elapsed. The phrase, or theory, still sticks in the international media and in some think tank reports.

However, the so-called “bases” are found nowhere in the Indian Ocean. The most telling evidence is that the PLA Navy has been conducting counter-piracy operations in the Gulf of Aden for five years without any bases of their own. Jean-Paul Adam, the Seychelles foreign affairs minister, announced in December 2011 that his country had invited China to set up a military base in his country, but the Chinese Ministry of Defence only responded that the Chinese side would “consider” replenishment or port calls in the Seychelles and other countries.

\textbf{Role Played by China in Asia and Indo-Pacific Oceans}

China has only two objectives in Asia and Indo-Pacific Oceans: economic gains and the security of Sea Lines of Communication (SLOC). The first objective is achieved through commercial interactions with littoral states. For the second, the Chinese Navy has, since the end of 2008, joined international military efforts in combating piracy in the waters off the coast of Somalia. In fact, the only thing justifiable in the “string of pearls” theory is that it underlines the growing importance, even then, of the Indian Ocean for China’s ever-expanding national interests, especially in terms of energy import. In the 21\textsuperscript{st} century China is securing its energy needs from all parts of the world, but the Middle East still remains as the most important source. By the end of 2013, China had become
the largest trader and the largest oil importer in the world. The Indian Ocean, and hence the security of SLOCs from Bab-el-Mandeb, Hormuz, to the Malacca Strait, is thus vitally important for China.

Two countries are most important for China's freedom of navigation in the Indian Ocean: the US and India. The US is the only country that has the full capabilities to control the chokepoints in the Indian Ocean and cut off the SLOCs all the way to China, but it is unlikely to exercise such capabilities, unless, perhaps, in an all-out war with China. Even during the Cold War neither the US nor the Soviet Union endeavoured to cut off any SLOCs in the world. Besides, the SLOCs are life-lines for all states. Cutting off China's SLOCs will also affect US allies such as Japan, Republic of Korea (ROK) and Australia. So long as Sino-American relations remain manageable, such a worst-case scenario is unlikely to occur.

For, China is dependent on these routes to trade with nations and increase its gross domestic product from $200 billion in 1978 to about $10 trillion by 2013. China's trade has increased from $620 billion in 2002 to $3.8 trillion in 2012. Significantly, a large section of the above trade figures are based on the maritime domain, with very less trade transiting through the land borders. This overwhelming dependence on the maritime has added new demands on the maritime areas. Given its continuing dependence on maritime, China's increasing profile is in the possession of world-class merchant fleet, production of containers and the expansion in port-handling capacity.

Maritime Silk Road and Energy Cooperation

Another driving factor behind the maritime silk route is China's energy consumption. In 2012 China became the largest energy consumer with nearly 22 per cent of global total energy demand. According to the estimates of British Petroleum, China is to overtake the United States as the largest oil consumer by 2025 and Russia by 2027 as second largest gas consumer. Most of this currently, over 80 per cent, passes through the Indian Ocean region with West Asia contributing to about 56 per cent of China's oil imports while Africa accounting for the rest. Even though China, Russia and Central Asia have expanded land routes in the energy sector, for
the foreseeable future, China’s "Malacca Dilemma" is not expected to be resolved without naval or diplomatic initiatives in the Indian Ocean. Naval and diplomatic efforts then are behind this idea of the silk route.

The rivalry between the Elephant and Dragon is often hyped, but India would not challenge China unnecessarily. There is no dispute between China and India in the Indian Ocean. The Line of Actual Control along the Sino-Indian border has by and large remained peaceful. Although there have been some standoffs, notwithstanding this, not a single bullet has been fired across the border in over fifty years. The queer idea of China encircling India from the sea with the help of Pakistan only exists in the wildest imagination of some Indian strategists.

Access, rather than bases, is what the Chinese Navy is really interested in the Indian Ocean. The unchartered waters of the Indian Ocean could be friendlier than the disputed waters in the Pacific. In the Pacific Ocean, China has territorial disputes with a number of countries, but this is not the case in the Indian Ocean. The security of SLOCs is thus in the interests of all other nations. The undergoing counter-piracy mission involves navies from over twenty countries. It could serve as a future mode of cooperation among stakeholders in the Indian Ocean to address common threats.

Interestingly the route of Chinese Task Forces departing from the southern Chinese coast for fighting piracy in the Indian Ocean is not dissimilar from the Maritime Silk Road that Admiral Zheng He and his fleet embarked upon in 1405. Currently, the Chinese leadership is reinvigorating the Maritime Silk Road. China tabled a 3 billion Yuan China-ASEAN Maritime Cooperation Fund for the maritime economy, environment, fishery and salvage, and communications in the sea. In October 2013, Chinese President Xi Jinping proposed to ASEAN to build the Maritime Silk Road of the 21st Century. This coincides with Chinese Premier Li Keqiang’s pledge to upgrade the Gold Decade (2000-2010) of China-ASEAN cooperation into a Diamond Decade. In the Indian Ocean, China is cooperating with littoral states in building the China-Pakistan Economic Corridor and Bangladesh-China-India-Myanmar-Economic Corridor. These mega-projects, with heavy investment from China will fundamentally change the political and economic
landscape of the Indian Ocean and benefit all countries in the region. They will also help to mitigate security concerns in the Maritime Silk Road, ranging from territorial disputes in the South China Sea to transnational threats such as piracy, armed robbery and terrorism.

In the 15th century, Admiral Zheng He went on his seven voyages to the West Pacific and the Indian Ocean with the largest naval fleet in the world. These voyages were not aimed for conquest of peoples or of territories. Instead, they were visits to swap Chinese silk and porcelain for exotic souvenirs such as zebras and giraffes. Zheng He did not venture to establish bases either. In doing so, he left a legacy that is intangible but invaluable for China today. It is an image of China that the Chinese people would like to project again in the 21st century as they did 600 years ago: a country standing tall in the center of world, strong yet benign, and friendly to all. Cambodian experts have voiced their support for China’s initiative of a “maritime silk road” in cooperation with the 10-country Association of Southeast Asian Nations (ASEAN), saying this ambitious plan would bring better connections and closer maritime cooperation if it became a reality. “This initiative is very good since China and ASEAN are neighbours and have good cooperation in all fields,” Mao Thora, secretary of state at the Ministry of Commerce, told Xinhua. “This expresses China’s strong commitment to build a region of peace, development and prosperity” and further emphasised that “If such project comes to a reality, it will further enhance the relations and cooperation between China and ASEAN in economy, trade, investment, tourism and so on”. It will be easier to exchange goods between China and ASEAN and among ASEAN countries themselves”.

India’s new interest in the Pacific has often been conflated with China’s rising profile in the Indian Ocean. But India has no desire to neither confront China in the Western Pacific nor prevent it from establishing a presence in the Indian Ocean. At the beginning of the 21st century, India and China have the unique opportunity and resources to improve mutual relations as well as to promote peace in their neighbourhood as well as at the global level. Every Chinese leader, right from Chairman Mao to President Xi Jinping has acknowledged India to be a great civilisation and a great power,
and a complementary economic force parallel to China’s own growth. China has much to learn and benefit from Indian culture and philosophy: Indians’ entrepreneurial spirit, the tradition of public debate and argument, and the fondness for logic and mathematical thinking are but a few of the attractive qualities that India has to offer. For lasting peace, both cultures and economies must continue to grow and prosper.

India-Australia and China Maritime Security Cooperation

There have been a number of ‘false starts’ in the Australian-Indian security cooperation efforts in the past. In 1998, Australia immediately suspended its defence cooperation with India after the nuclear weapons test. When the fledgling Quadrilateral Initiative in 2007 that envisaged the joint participation of Australia, India, Japan, Singapore and the US in a maritime exercise drew a strong hostile Chinese reaction, the newly elected Centre-left Labour government publically withdrew in 2008 in a move that annoyed many Indian officials who saw it as Australia bowing to Chinese pressure. Since their nadir in 2008-2009, Australian-Indian relations and defense ties have markedly improved. Indeed, defense and security engagement between the two countries have steadily increased to culminate in the signing of the New Framework for Security Cooperation (NFSC) on 18 November 2014 during Prime Minister Narendra Modi’s bilateral visit to Australia. The NFSC combined and expanded several previous agreements and committed both countries to hold annual high-level summits, cooperate closely on counter-terrorism and international crime, hold regular bilateral maritime exercises and focus on the early operationalisation of the Civil Nuclear Energy Cooperation Agreement (CNECA) to assist India’s quest for energy security. Most of the statements in the lead up to and after the signing of the NFSC have shown that both sides intend to make maritime security the key pillar in the defence cooperation.

Is there a China factor in Australian-India Relations? Providing an additional, if publicly unspoken, convergence in both countries’ serious concerns about China’s increasing presence in the Indian Ocean, which have been growing more massively and becoming bolder over the years while it is rumoured that of particular concern has been the emergence of Chinese submarines evidently practising
long-range deployments in the Indian Ocean, with the latest incident occurring when a Chinese nuclear submarine surfaced just off Sri Lanka in September 2014. While China has legitimate interests in safeguarding its commercial routes that pass through the Indian Ocean, India is inherently concerned about the Chinese military potentially surrounding it by land and by sea as well as eroding its dominance in what it has long considered its backyard. Australia likewise has been concerned by China’s new posturing in the South China Sea and is particularly interested in ensuring that no nation is able to establish a maritime advantage in its own neighbouring waters.

Heading into the future, Australian-Indian and Chinese defence ties are likely to deepen significantly, especially in the field of maritime security. The first formal bilateral maritime exercise between the three countries is scheduled to be conducted in the current year (2015), although the exact date is yet to be notified. While piracy in the Indian Ocean may be on the decline, nevertheless, there is plenty of room for bilateral cooperation over other illegal maritime activities such as smuggling of people and narcotics in the region. Australia also has several state-of-the-art defence training facilities such as the Submarine Escape Facility in Western Australia that would be of definite interest to the Indian defence forces, and 2015 could see arrangements for joint training courses to be run in the near future.

In short, Australia, China and India can enhance cooperation particularly in areas of maritime development and infrastructure, with undercurrents indicating that all three countries can simultaneously become maritime powers, without conflict of interest, as Chinese President Xi Jinping’s initiative of the 21st Century Maritime Silk Road confirms the aspirations of each state to a large extent. Therefore, the need of the hour is to create a positive and constructive environment in which the development strategies of the three states could interact with each other, push forward cooperation in the fields of infrastructure building, agriculture, finance and nuclear power, and fully utilise related mechanisms to advance maritime and even aerospace cooperation.

(This Paper is a revised version of my address at Tirupati University, India, October 2014)
NOTES

1. According to Asia Times, recent developments signalling the United States’ continued commitment to maintaining a presence in the Asia-Pacific have been seen as marking a turning point in the history of the region. The reasons for this are two-fold. First, references by US Secretary of State Hillary Clinton to an “Indo-Pacific” presence for the US are believed to reflect the recognition of India’s importance in the region. Second, US President Barack Obama’s announcement that American Marines would be stationed in Western Australia is perceived as a definite challenge to China’s aggressive posturing on issues, maritime disputes in particular. On both these counts however, the optimism generated in some quarters requires tempering. While sketching the contours of an “Indo-Pacific” presence for the US, Clinton had re-emphasised Obama’s assertion that the “relationship between India and America will be one of the defining partnerships of the 21st century, rooted in common values and interests”. <http://www.atimes.com/atimes/South_Asia/ML08Df03.html> accessed 12 September 2015.


4. “PLA Navy fleet enters W Pacific for training”, Xinhuanet, 27 May 2013. <http://news.xinhuanet.com/english/china/2013-05/27/c_132411936.htm> accessed 13 September 2015. There is also a report that a Chinese blue-water-training-fleet sailed to the Indian Ocean to conduct combat exercises. The South China Sea fleet of the People’s Liberation Army of China (PLA) sent three warships: Changbai Mountain, Haikou and Wuhan to cross the Sunda Strait. The fleet sailed through narrow waterways, changed formation, carried out coordinated battles and reconnaissance against suspected subjects on their way. The South China Sea fleet headed south-beginning January 20 and has cruised Xisha and Nansha islands and their surrounding waters. In the exercise, the submarines broke through blocked areas; the marines conducted beach-landing operations; and the PLA air force, submarines and the garrison forces in Xisha and Nansha also conducted coordinated battles with the
7. China and US militaries held an annual meeting under the Sino-US military Maritime Consultative Agreement from 27 to 28 September in the northern port city of Qingdao.
    The two militaries agreed to enhance contacts and communication in order to increase mutual trust and cooperation with a respectful, equal, active and constructive attitude. They exchanged views on maritime security situations of the two countries since 2010 and discussed detailed measures to solve problems in this area. The two sides agreed to strengthen military-to-military cooperation in anti-piracy and humanitarian aid as well as disaster relief efforts.
11. Ibid.
12. During his visits to Indonesia and Malaysia, the Chinese delegation, headed by President Xi Jinping, pledged to foster comprehensive strategic partnerships with both countries and inked a wide array of important agreements with the two ASEAN member states. Apart from agreeing on five-year trade plans with Jakarta and Kuala Lumpur, the high-level visits saw Chinese corporate players signing several memoranda of understanding (MOUs) with local companies for collaborations in the areas such as industrial parks, currency swaps, aviation, and tourism.
    What surprised observers, however, was his proposal of rebuilding of the so-called 'new maritime silk road' in Southeast Asia. In his speech delivered in the Indonesian parliament on 3 October,
the Chinese president made no reservation in echoing the Chinese plan to turn the centuries-old maritime passageways (the Straits of Malacca and the South China Sea) into one that would spur maritime connectivity in the 21st century. In order to support his proposal, Xi reiterated the Chinese government’s readiness to fund ASEAN’s maritime-related projects through its new state investment arm, the China-ASEAN Maritime Cooperation Fund. While such an announcement was not new, it seemed China is now taking a much more proactive approach in this matter.