

**Beyond the String of Pearls:  
Is there really a Sino-Indian Security Dilemma in the Indian Ocean?**

**Abstract**

The article will ask whether Sino-Indian strategic competition in the Indian Ocean should be properly understood through the lens of a security dilemma. It examines the strategic positions of India and China in the Indian Ocean and concludes that India has an overwhelming strategic advantage that China cannot realistically mitigate in the foreseeable future. This advantage precludes any real security dilemma arising between them. In fact, both China and India have good reasons to keep strategic competition under control while they each broaden their regional influence.

**Key words**

India, China, Strategic Competition, Indian Ocean, Security Dilemma

**Word count including abstract:**

9,134

## **Beyond the String of Pearls:**

### **Is there really a Sino-Indian Security Dilemma in the Indian Ocean?**

China is becoming an ever more important factor in the strategic balance of the Indian Ocean and is increasingly cutting across India's strategic ambitions in the region. Many commentators see China as aggressively expanding its influence in the Indian Ocean as a prelude to building a significant military presence. According to this narrative, China's offensive actions are creating a security dilemma for India and others that could lead to naval rivalry and an arms race in the region.

This article will look at the concept of the security dilemma before examining whether such a dilemma exists in the Indian Ocean. It will discuss India's strategic position and then examine China's strategic imperatives and vulnerabilities in the region. The article will conclude that India's overwhelming strategic advantages in the Indian Ocean preclude any real security dilemma arising. In fact, it is in the interests of both China and India to act cautiously and mitigate rivalry in the maritime sphere.

#### **What is a Security Dilemma?**

The security dilemma forms a basic part of our thinking about international relations. The idea was first articulated by the international relations scholar John H. Herz, who observed that attempts by states to look after their security needs tend, regardless of intention, to increase insecurity for others as each interprets its own measures as defensive and measures of others as potentially threatening (Herz, 1950). This idea holds an important position in several different traditions in international relations thinking, if in somewhat different ways. So-called offensive realists such as John Mearsheimer argue that the security dilemma is inescapable because anarchy encourages all states to always increase their own power at the expense of others (Mearsheimer, 2001). Defensive realists such as Stephen Walt claim that a security

dilemma will arise in some circumstances because states will always try to maximise their own security and are distrustful of other states' intentions (Walt, 1987).

Constructivists such as Alexander Wendt focus on the subjective element, arguing that security dilemmas arise due to intersubjective understandings where states assume the worst about each other's intentions (Wendt, 1992, p.397).

But if a security dilemma can arise due to state behaviour or perceptions why is it more intense in some circumstances than others? Robert Jervis sets out four simple scenarios to describe conditions under which a security dilemma will arise in differing degrees. According to Jervis, the key to understanding the intensity of the security dilemma is how easily it is for others to distinguish between offensive and defensive behaviour and the relative advantage of offense and defence in the given circumstances (Jervis, 1978). These scenarios are: *first*, when offensive and defensive behaviour are not distinguishable but offense has a strategic advantage, then the environment is 'doubly dangerous' and the security dilemma is very intense. Status quo states will behave in an aggressive manner and the possibility of an arms race will arise; *second*, where offensive and defensive behaviour are not distinguishable but defense has a strategic advantage, then the security dilemma will be intense. In this situation, a state might be able to increase its security without being a threat to other states and without endangering the security of other states; *third*, where offensive and defensive behaviour are distinguishable but offense has a strategic advantage, then the security dilemma is not intense. Though the environment is relative safe, offensive behaviour has an advantage which might result in aggression at some future time; and *fourth*, where offensive and defensive behaviour are distinguishable and defense has a strategic advantage, the environment is 'doubly safe' and the security dilemma has little or no intensity. According to Jervis, a state might build its military capability for defensive purposes which other states might interpret as offensive; this may result in those other states taking an aggressive stance, which in turn may lead to an arms race. The security dilemma might also force states to form new alliances especially if it is perceived that offensive behaviour holds a strategic advantage over defence.

How might these concepts apply to India and China in the Indian Ocean? There is considerable strategic competition or even rivalry between India and China in several dimensions and theatres, including on their Himalayan border, in relation to Pakistan and elsewhere in South Asia and in the Indian Ocean. Many analysts claim that a Sino-Indian security dilemma exists or is arising in the Indian Ocean (Garver, 2002; Athwal, 2008; Holslag, 2009; Mohan, 2012). The idea has even become part of political rhetoric, when, for example, political leaders talk of a 'Malacca Dilemma' or a 'Hormuz Dilemma' to describe the vulnerability of their sea lines of communication across the Indian Ocean. The popular 'String of Pearls' narrative also reflects these perceptions. It posits that China's interests in various port and other infrastructure projects in the Indian Ocean region are strategic in nature, creating a potential threat for India. This article will look at Chinese and Indian strategic imperatives in the Indian Ocean and the String of Pearls narrative before returning to the question of a security dilemma.

### **India's strategic position in the Indian Ocean region**

The great triangle of Indian subcontinent jutting south from Eurasia geographically dominates the Indian Ocean. India is the predominant power in the subcontinent and in turn is the most powerful littoral state in the Indian Ocean region. But although much of its borders are oceanic, Indian strategic thinking has historically had a strong continental outlook. Military threats to India have long been perceived as coming over land. Indian maritime strategists, led by the Indian Navy, are now seeking to expand the Indian 'mental map' to give the maritime realm greater priority. State-based maritime security threats to India's continental territory are seen as relatively unlikely, although maritime based terrorism has become a significant concern. Indian maritime security concerns are now primarily focused on the protection of trade, India's exclusive economic zone and, more broadly, on the extension of Indian strategic influence in the region.

India has long had ambitions to be the dominant power in the Indian Ocean. Though few might publicly admit it, many in New Delhi believe that the Indian Ocean must be, and must be seen to be, 'India's Ocean' (Scott, 2006). As one US analyst commented, 'New Delhi regards the Indian Ocean as its backyard and deems it both natural and desirable that India function as, eventually, the leader and the predominant influence in this region—the world's only region and ocean named after a single state' (Berlin, 2006). This aspiration brings together several strands of Indian strategic thinking: some argue that India must establish a defence perimeter in the Indian Ocean to preclude the possibility of extra-regional intervention in the subcontinent; some draw a connection between India's maritime ambitions and its aspirations to become a great power. Indeed influential strategists such as K.Subrahmanyam have argued that leadership of the Indian Ocean is part of India's 'manifest destiny' (Holmes, Winner and Yoshihara, 2009, p.38).<sup>1</sup> Not least is also a dose of nominative determinism. As Indian Ambassador to the United States, Ronan Sen, told President George Bush in 2005, 'There are good reasons why it is called the Indian Ocean ... it has always been in the Indian sphere of influence' (Rajghatta, 2005). These aspirations to strategic leadership are reflected in recent claims by Indian Prime Minister Manmohan Singh that henceforth India should be regarded as a 'net security provider' to its region (Kumar, 2013).

In line with its aspirations, India is building its capabilities in the Indian Ocean. Over the last decade or so there has been a dramatic increase in India's defence expenditure which has transformed the Indian Navy into a blue water navy that can project power throughout much of the Indian Ocean. The Indian Navy has expansion plans over the next decade or so, involving a fleet of over 160 ships by 2022, including three aircraft carriers and 60 major combatant ships, as well as almost 400 naval aircraft (India Defence, 2008). India is also in the process of developing new military partnerships that will enhance its strategic reach, including relationships with strategically located states such as Singapore, Maldives and Oman. In March 2014, Shiv Shankar Menon, the Indian National Security Advisor, announced the

establishment of a new Indian Ocean maritime security grouping among India and the Indian Ocean island states of Sri Lanka, Maldives, Seychelles and Mauritius (Dikshit, 2014). Menon also foreshadowed that such a grouping might be extended to or replicated in the Bay of Bengal. These are significant steps for India, which its long tradition of non-alignment. Although the United States will likely be the predominant power in the Indian Ocean for some decades, there is a belief among many strategists, particularly in India, that India will eventually inherit the US mantle.

### **China's strategic imperatives in the Indian Ocean**

China's overwhelming strategic imperative in the Indian Ocean is the protection of its sea lines of communication (its so-called 'SLOCs') across the Indian Ocean, particularly the transport of energy. Beijing is keenly aware that its SLOCs in the Indian Ocean are highly vulnerable to threats from state and non-state actors, especially through the narrow 'chokepoints' through which most trade must pass. Some 40% of China's oil imports transit the Strait of Hormuz at the entrance of the Persian Gulf and around 82% of China's oil imports transit the Malacca Strait through Southeast Asia (US Department of Defence, 2012, p.42). According to Chinese President Hu Jiantao this last chokepoint represents China's 'Malacca Dilemma'. Chinese strategists are concerned that a potential adversary may be tempted to interdict Chinese trade through the Malacca Strait or elsewhere in the Indian Ocean as a bargaining chip in the context of a wider dispute. China currently implicitly accepts the role of the United States in providing maritime security in the Indian Ocean, but it takes quite a different view of India's strategic aspirations.

China's growing trading and investment relations in the Indian Ocean will likely significantly increase China's strategic interests in the region in coming years. Threats to significant infrastructure such as pipeline infrastructure (which tend to be highly vulnerable to both state and non-state actors) could create significant additional

imperatives for a Chinese security presence. As will be discussed later, this could become important factors in China's relationships with Pakistan and Myanmar.

China is addressing its strategic vulnerabilities in the Indian Ocean, especially in relation to its maritime SLOCs, through building capabilities to project limited naval and air power into the Indian Ocean and developing its economic and political influence with several Indian Ocean states. But it is also claimed that through the so-called 'String of Pearls' strategy, China is methodically laying the groundwork for a Chinese naval presence in the region that could threaten the interests of India and others.

### ***The expansion of China's naval capabilities***

China began implementing plans to develop a so-called 'blue water' navy in the 1980s. China's maritime strategy is overwhelmingly focused on the Taiwan Strait and elsewhere in East Asia, but it also has long-term implications for the Indian Ocean. Over the last two decades or so, China has embarked on a major naval expansion program, including the commissioning of its first aircraft carrier and is also developing anti-access area denial capabilities that have the potential to change the balance of power in the Western Pacific (US Department of Defense, 2012).

Overall China's naval capabilities now exceed India's by a considerable margin in both quantitative and qualitative terms, and that margin is likely to grow in coming years. But despite alarm among some Indian analysts, China's power projection capabilities in the Indian Ocean are very limited and are likely to remain so for the foreseeable future. The Chinese Navy (PLAN) has little experience in operating beyond coastal waters despite recent anti-piracy deployments to the Arabian Sea. Notwithstanding its expansion program, China has only a limited number of blue water naval combatants and few long range air strike capabilities. China's ability to project power into the Indian Ocean is highly constrained by the long distance from Chinese ports and air

bases (the closest Chinese naval base to the Indian Ocean is at Hainan Island in the South China Sea), the lack of logistical support, and the need for Chinese naval vessels to deploy to the Indian Ocean through chokepoints. One review of PLAN's out-of-area capabilities concluded that it cannot currently conduct a full-scale joint forcible entry operation, maintain maritime superiority out of area (i.e. outside of East Asia), conduct multicarrier or carrier strike group operations, or provide comprehensive protection against threats to an out of area task force (Yung et al, 2010). According to the International Institute for Strategic Studies, any conflict involving supply lines stretching further than 200 miles or which did not involve a contiguous land corridor would severely restrict the PLA's ability to deploy and maintain its forces (IISS, 2011, p.134). According to You Ji, an Australian expert on Chinese military affairs, Beijing understands that the use of military option to meet conventional threats to Indian Ocean SLOCs is not realistic and that military means for protecting SLOCs will be a last resort in Beijing's hierarchy of choices (You, 2012).

China's first steps in projecting naval power into the Indian Ocean region have been in response to the piracy crisis in the Gulf of Aden. In December 2008, following the hijacking of two Chinese registered ships, China deployed three warships to waters off Somalia to conduct antipiracy operations, only the third deployment of Chinese naval ships into the Indian Ocean in more than six centuries. The PLAN has since made successive deployments, with vessels receiving logistical support primarily out of Salalah in Oman and Aden in Yemen. China has acted relatively cautiously - before it deployed in the Indian Ocean, China waited to gauge the international reaction to the counter-piracy mission and they ensured that the deployment had the authorisation of both the Somali government and the United Nations (Moore, 2012). Nevertheless, Chinese commentators have made much of China's anti-piracy deployments as a demonstration or even 'breakthrough point' for China's image as a 'great responsible power' (Yoshihara and Holmes, 2010).

### ***The expansion of China's influence in the Indian Ocean region***

Over the last decade or so, in line with the growth of China's role elsewhere in the world, there has been a major expansion of China's economic relationships in the Indian Ocean region. In several states China is building a level of influence that rivals or even exceeds that of India. But the full strategic impact of this growing influence is not yet clear.

Pakistan has long anchored China's strategic presence in the Indian Ocean region. China has established itself as a major supplier of arms to Pakistan and provides it with considerable diplomatic support against India. The China factor has since played a major role in limiting India's strategic options with Pakistan and keeping India strategically pre-occupied in South Asia. Since the 1980s the relationship gained a new dimension when China facilitated the proliferation of nuclear weapons and missiles to Pakistan. The economic relationship has also grown, and China is now Pakistan's second largest trading partner.

China is also developing its economic and political relationships elsewhere in South Asia, including with Nepal, Bangladesh, Sri Lanka and the Maldives. Although South Asia is generally seen as being within India's core sphere of influence, India's dominance is not well reflected in the region's economic relationships. China's political and economic links with Sri Lanka have become of some concern to New Delhi, and many in India's security community fear that India's influence in Sri Lanka will be marginalised by China. Although India remains Sri Lanka's biggest trading partner, China is now its major source of infrastructure investment, including several controversial projects. China's economic influence is also growing among the small island states of the Indian Ocean, including Maldives and Mauritius, which have long had close relationships with India.

Much has been made of Chinese strategic penetration of Myanmar over the last few decades and the potential for it to be used as a base for China's strategic ambitions in the Indian Ocean. For China, Myanmar is an attractive strategic partner, potentially keeping India off balance in the northeast Indian Ocean, just as the China-Pakistan relationship creates pressure on India from the west. The relationship is primarily economic but also had a significant security dimension, particularly in arms supply. But since 2011, a reformist government under President Thein Sein has made considerable steps towards improving relations with the United States and India while partly distancing itself from China. These events probably represent the most significant setback for China's influence in the Indian Ocean region for many years.

### ***The development of alternative transportation routes***

China is also developing alternative overland energy transport connections from southern and western China to the Indian Ocean through Pakistan and Myanmar. One project involves plans to build links between the Arabian Sea and China's western Xinjian province through Pakistan, which includes a proposed oil pipeline and road/rail links from the Chinese border to the new port of Gwadar in western Pakistan. However, the adverse security environment makes it unlikely that these links will be developed in the foreseeable future. China has already made a small military deployment to Pakistan-occupied Kashmir to protect Chinese road maintenance workers against local tribesmen and Pakistan's Baluchistan province remains extremely volatile.

China has made more progress in developing connections to the Indian Ocean through Myanmar. This is part of what Beijing has called the national bridgehead strategy of turning Yunnan province into a bridgehead for strategic engagement with the Indian Ocean, as part of its 'Two Ocean Strategy'. According to China analyst, Sun Yun, this strategy is currently focussed on developing trade and transportation links between China and the Indian Ocean, although Chinese officials privately acknowledge that it

has a political and security component (Sun, 2012). The Yunnan-Yangon Irrawaddy road/rail/river corridor has been operational for around a decade and has allowed significant improvements in freight transportation times to southern China. China has also recently completed oil and gas pipelines between the new port of Kyaukphyu and Yunnan province that will transport gas from Myanmar's offshore gas fields as well as oil shipped from the Middle East.

Although the Myanmar pipeline and the Gwadar pipeline (if ever built) would reduce the proportion of China's energy imports that must transit the Malacca Strait, it is doubtful whether these projects would materially mitigate China's strategic vulnerabilities, at least vis a vis India. They would not prevent the interception of Chinese tankers in the Strait of Hormuz, the Arabian Sea or the Suez Canal and the pipelines themselves would be highly vulnerable to attack (Erickson and Collins, 2010). But despite the inherently defensive nature of these transport linkages, they are viewed with considerable suspicion by many in New Delhi as adverse to India's interests.

### ***China's 'String of Pearls strategy'***

Over the last decade or so, many analysts have claimed that China has been pursuing what has been called the 'String of Pearls' strategy in the Indian Ocean and that this constitutes a threat to India (Kaplan, 2013; Malik, 2011; Khurana, 2008; Karnad, 2005).<sup>2</sup> During that period, Chinese companies have been involved in the funding and construction of commercial port facilities in Pakistan, Sri Lanka, Bangladesh and Myanmar. Although China has been careful to avoid any overt military presence or, in most cases, even any commercial role in the operation of these ports, some proponents of the String of Pearls theory claim that China has negotiated secret access rights to allow the PLAN to use these ports as logistics hubs or naval bases across the northern Indian Ocean.

The String of Pearls narrative has now become a prominent factor in Indian public debate about China's intentions in the Indian Ocean. Despite denials by Beijing that it has any intention to establish any military bases in the Indian Ocean (The Hindu, 2012), China's relationships in the region are generally not perceived in the Indian security community as being a legitimate reflection of Chinese interests. Rather, many perceive China's regional relationships as being directed against India: either as a plan of maritime 'encirclement' or to keep India strategically off balance in the region, just as China's relationship with Pakistan has long kept India off balance in South Asia (Maitra, 2005; Ramchandran, 2007).

Through the 1990s, Chinese companies were involved in the development or upgrading of several ports in Myanmar on the Bay of Bengal. China is also said to have provided assistance in constructing a signals intelligence facility at Myanmar's Great Coco island. This has long been the subject of controversy among the Indian security community, who claimed it was used by China to spy on India's naval base at Port Blair in the Andaman Islands, monitor commercial traffic through the Malacca Strait and/or monitor Indian missile tests. In 2005, the Myanmar regime, which had always emphatically denied the existence of such facilities or any Chinese military presence in the Coco islands, invited the Indian Navy to carry out its own inspections of the islands and ports, after which the Navy conceded that there was no Chinese intelligence facility on Great Coco Island and nor were there any Chinese naval bases anywhere in Myanmar (Asian Defence Journal, 2005). As one specialist in Myanmar strategic affairs commented, this 'was a remarkable about face on two issues that had preoccupied Indian defence planners for more than a decade' (Selth, 2008).

Another controversial symbol of China's interests in the Indian Ocean is the port at Hambantota in Sri Lanka. Chinese companies funded the development of a new port and an associated international airport costing around US\$1 billion, which are now operated by Sri Lankan state entities. The location of Hambantota very close to the sea lanes that round the southern tips of India and Sri Lanka is taken as proof by some

analysts that it is a Pearl in China's string, available for use by the PLAN. But these claims are not supported by the evidence. The Sri Lankan government first offered the project to India, which declined the opportunity (Vasan, 2009).<sup>3</sup> Some Indian commentators see this as a major mistake, demonstrating a lack of a vision and assertiveness in Indian foreign policy (Raman, 2007). But according to one Indian official, New Delhi did not feel the need to bid for the project given India's interests elsewhere in Sri Lanka and did not see the project as reducing India's influence (Ramachandran, 2007). There were also domestic political considerations – the Indian states of Kerala and Tamil Nadu also have ambitions to develop the ports at Vizhinjam, Cochin and Tuticorin which will compete directly with Sri Lanka for the region's lucrative transshipment trade. Beyond Chinese financing of its construction there is little evidence to support the contention that Hambantota will one day serve as a base for Chinese warships. Similarly, a recent the Chinese-funded expansion of Sri Lanka's main port at Colombo has led to claims that it too will come under China's control. Indeed, Colombo is already an important port for India with some 13% of India's container traffic being transhipped through it, and this may rise significantly. While this may be of concern to India, it appears to be essentially a commercial consequence of the poor quality of India's own port infrastructure (The Economist, 2013).

China's involvement in the port of Gwadar in western Pakistan, around 600km east of the Strait of Hormuz, may have the most strategic significance, although perhaps not in the way that many assume. Some Indian analysts argue that a Chinese military presence at Gwadar would create a 'Hormuz Dilemma' for India (through which the major of its total oil imports pass) analogous to China's 'Malacca Dilemma.' Gwadar has long been seen as having strategic significance. In the 1980s, the Soviet intervention in Afghanistan was viewed (incorrectly) by Washington as the first step in a strategy to gain access to a 'warm water' port on the Indian Ocean through Gwadar. Gwadar has again come into the spotlight as Pakistan increases its reliance on China.

Gwadar, which sits on the edge of the Baluchi desert, seems an unlikely location for a major commercial port. In addition to proposals to develop Gwadar as a transit terminal for an oil pipeline running to China, discussed previously, it is hoped that Gwadar can be developed into a transshipment hub for trade to the Persian Gulf (in competition primarily with Dubai). But the Port of Singapore Authority, which previously operated the port, had no success in promoting the port for either domestic trade or transshipment. In 2012, a Chinese state-owned company took over operation of the port and reportedly committed to further investments in local infrastructure of some \$750 million (Lahore Times, 2013). But its intentions are unclear. Any routes to western China would need to transit Baluchistan, northwest tribal areas and Pakistani Kashmir, all of which are in a semi-permanent state of insurgency. A recent report describes the security environment in Baluchistan as, 'spiralling out of control' and having far more potential repercussions for the Pakistani federation than even the militancy in the Pashtun areas (IDSA, 2010). Whether or not this is entirely accurate, it is clear that Baluchistan has a major long-term security problem. Chinese engineers in Gwadar have been attacked several times by insurgents, and an expanded Chinese presence in Gwadar could draw China into a broader role in combating the insurgency.

Pakistan has actively promoted a Chinese presence in Gwadar. In the wake of the deterioration of US-Pakistan relations after the killing of Osama bin Laden in May 2011, the Pakistan Defence Minister, Ahmed Mukhtar, sought to play the 'China card', announcing that China would build a naval base at Gwadar. This was immediately denied by Beijing and there are as yet no indications of any Chinese military presence (Fazl-e-Haider, 2012).<sup>4</sup> According to one analyst, 'Beijing is treading carefully, and with good reason. A combination of compelling economic, security, and political factors ensure that a fully functioning commercial port - let alone an operational military base - remains a distant prospect' (Venugopalan, 2011). China has reason to be cautious. As noted above, China would have little wish to be sucked into Pakistan's ethnic and religious conflicts in protecting military infrastructure. A Chinese military presence in Gwadar would likely provoke a significant reaction from both the United

States and India and, as will be discussed later, it is far from the strategic trump card for China that many claim it to be.

Indeed, Gwadar has strategic significance in ways that are different from what some might assume. While the new port at Gwadar might have limited military value for China, it has considerable military significance for Pakistan. Pakistan is highly dependent on imports for energy and food. Its main port at Karachi is close to India and has shallow approaches and a long channel that could be easily mined. India used this to its advantage during the 1971 Indo-Pak war by blockading Karachi. The Indian Navy also threatened a blockade during the 1999 Kargil conflict which, according to some, was an important factor in convincing Pakistan to withdraw its forces from Kashmir (Kanwal, 1999, p.220). The development of Gwadar with links to the rest of the country would help provide important strategic depth for Pakistan. As noted, Gwadar could one day also form an important terminus for road, rail and pipelines from the Indian Ocean to China and Central Asia. Although such a prospect seems many years off in the current security environment, its potential *economic* impact is significant.

India has responded to the Gwadar project by sponsoring an alternative North-South transportation corridor running from the Iranian port of Chahbahar to Afghanistan and the Central Asian republics, and to Russia via the Caspian Sea. India has offered to help construct a highway and rail links to Afghanistan (and the Afghani portion of the highway has been completed by India's Border Roads Organisation). The most significant strategic aspect of the project is the development of the port of Chahbahar, which is located on the Gulf of Oman, *between* Gwadar and the Strait of Hormuz. In 2012, India signed a trilateral agreement with Iran and Afghanistan under which it would contribute \$100 million to expand the port, which would then be operated by the Indian state-owned Jawaharlal Port Trust. Washington supports the project – the need for new transport routes to Afghanistan as an alternative to Pakistan apparently overcoming its desire to isolate Iran (Press Trust of India, 2012). Although unlikely in

the current environment, the port could potentially provide the Indian Navy easy access to the Strait of Hormuz, which would significantly increase China's sense of strategic vulnerability.

### ***Looking at the Pearls***

It is relatively easy to demolish the more unsophisticated claims about the so-called 'Pearls.' Among other things, the ports usually nominated as China's Pearls seem ill-suited for use as naval bases. According to Daniel Kostecka, a China analyst with the US Navy, converting Gwadar and Hambantota into naval bases would require billions of dollars worth of investment to ensure their viability in wartime and even then, their exposed position would make their wartime utility dubious against an enemy equipped with long-range precision strike capability (Kostecka, 2010a). Holmes and Yoshihara, senior analysts with the US Naval War College, also conclude that Gwadar is not readily defensible and would not prevent the interdiction of Chinese energy supplies inside the Persian Gulf (Holmes and Yoshihara, 2008). As one Chinese analyst commented, given the distances separating any Chinese interests in the Indian Ocean, these ports look more like 'sitting ducks' than a String of Pearls (Ye, 2009).

Other observers such as Robert Kaplan see the 'String of Pearls' concept more in terms of the development of Chinese strategic influence in the Indian Ocean region rather than as immediate plans to establish naval bases. According to Kaplan, the String of Pearls theory describes a commercial, political, strategic and lastly military venture, the constituent elements of which cannot be disaggregated. Kaplan argues that 'we live in a post-modern world of eroding distinctions: a world where coast guards sometimes act more aggressively than navies, where sea power is civilian as well as military, where access denial can be as relevant as the ability to engage in fleet-on-fleet battle and where the placement of warships is vital less for sea battles than for diplomatic ones' (Kaplan, 2013). But it is difficult to give much concrete meaning to this argument. While few would doubt that China's influence in the Indian Ocean

region is increasing, it is not clear how this differs from China's growing economic and political influence in many areas of the world. The development of infrastructure in several Indian Ocean states must also be seen in the context of Chinese investment in port infrastructure in ports as diverse as Los Angeles, Antwerp, Singapore, Piraeus, Nigeria, Suez and Djibouti.

Those suspicious of China's intentions in the Indian Ocean would say that China has targeted key states in the northern Indian Ocean that would act as partners in the event of military conflict. If this is part of a concerted strategy then it has not been terribly successful. China appears to be losing considerable strategic influence in Myanmar and while Bangladesh, Sri Lanka and Maldives have been happy to take Chinese investment in infrastructure (and in some cases, Chinese arms), they have also been at pains to counter any suggestions of any potential Chinese military presence. The only significant exception is Pakistan which, on the contrary, appears to have been seeking the development of a Chinese presence as a balance against India and a bargaining chip with the United States.

But what then is PLAN's strategy in the Indian Ocean? Daniel Kostecka argues that instead of building 'Pearls' the PLAN is instead pursuing a policy of 'places not bases' allowing PLAN vessels to receive logistical support at ports where China has friendly and stable relationships. He sees this as a natural outgrowth of PLAN's expanding presence in the region, particularly its counter-piracy patrols off the Horn of Africa. According to Kostecka, PLAN's logistical support network in the northwestern Indian Ocean is likely to include Salalah, Aden, Djibouti (which already provides support for the US, French and Japanese navies among others, and is therefore politically safe for China), and Karachi (which has substantial repair facilities and possible parts-commonalities with the Pakistan Navy's Chinese-built frigates). In the northeastern Indian Ocean, Kostecka believes that PLAN is likely to use Colombo and Singapore (both of which are used by many visiting navies). Although China will maintain positive relationships with Sri Lanka, Bangladesh and the Maldives, this does not mean China

will seek to establish a military presence in those countries or that such a presence would even be permitted as it would undermine those countries' security and do very little to enhance China's (Kostecka, 2010b). Indian strategist, Raja Mohan, endorses the 'places not bases' argument as a realistic basis for assessing China's plans in the Indian Ocean (Mohan, 2012, p.128).

Importantly, the 'places' identified by Kostecka (including Singapore, Colombo, Salalah, Aden, Djibouti and Port Victoria) are different from the ports that usually appear on the list of Chinese 'Pearls'. Indeed most of these are located in countries (e.g. Singapore, Sri Lanka, Oman and Seychelles) where India holds considerable strategic influence. They may be useful logistics nodes for the PLAN in conducting say its anti-piracy operations in conjunction with other interested states. However, none of them would appear to be terribly useful in the event of conflict between China and India as it is difficult to imagine these countries wishing to publicly side with China in those circumstances. In this respect, even the idea of PLAN 'places' in the Indian Ocean might not have a great deal of meaning. In short, the popularity of the 'String of Pearls' narrative among the Indian security community may say more about Indian insecurities than actual Chinese strategic intentions.

### **A Sino-Indian security dilemma in the Indian Ocean?**

Is there a Sino-Indian security dilemma in the Indian Ocean? As Mohan Malik colourfully describes it, 'Just as the Indian sub-continental plate has a tendency to constantly rub and push against the Eurasian tectonic plate, causing friction and volatility in the entire Himalayan mountain range, India's bilateral relationship with China also remains volatile, friction- and tension-ridden' (Malik, 2011, p.9). There are many unresolved issues between them, including a major border dispute in the Himalayas, Tibetan autonomy, China's *de facto* alliance with Pakistan and its relationships elsewhere in South Asia. Probably most infuriating of all for New Delhi is China's refusal to recognise India's claims to great power status. Some observers see a

material deterioration in the Sino-Indian strategic relationship in recent years, propelling the countries towards a wider strategic rivalry. Concerns about China appear to be broadly held by the Indian public. According to a 2013 opinion poll, some 82% of Indians considered China to be a threat to the security of India in the next 10 years (Medcalf, 2013, p.10).

Underlying competition in the Indian Ocean is Beijing's opposition to India's strategic aspirations to become the leading power in the region. As General Zhao Nanqi, Director of the Chinese Academy of Military Sciences, commented, 'we are not prepared to let the Indian Ocean become India's Ocean' (Hindustan Times, 1993). Many Chinese analysts argue that in coming years a 'Great Game' will be played out between China and India in the Indian Ocean, frequently (if inaccurately) quoting US sea power theorist Alfred Mahan as stating, 'Whoever controls the Indian Ocean dominates Asia. This ocean is the key to the Seven Seas' (Yoshihara, 2012). The Chinese commentariat, at least, appears to see significant potential for struggle over control of the Indian Ocean.

These feelings are reciprocated. While the Indian Navy's immediate objectives in the Indian Ocean involve countering Pakistan, enforcing control over India's exclusive economic zone, and protection of trade, the potential for China to project naval power into the Indian Ocean has become its principal long-term source of concern. Many in New Delhi see a significant risk that India and China will, as Arun Prakash, Indian Chief of Naval Staff (2004-2006), put it, 'compete and even clash for the same strategic space' (Prakash, 2007, p.99). As Prakash's successor, Admiral Suresh Mehta, claimed on Indian television:

[China] is shaping the maritime battlefield in the region. It is making friends in the right places. If you don't have the capability to operate in these waters, for a length of time, then you need friends who will support your cause, when the time comes, so definitely China is doing that, as there are Pakistan, Bangladesh,

Myanmar, Sri Lanka and down below Africa. So it is a known fact that we are ringed by states which may have a favourable disposition towards China (NDTV India, 2007).

Sino-Indian competition has the potential to spread beyond the Indian Ocean to the Pacific. India has responded to China's growing influence in the Indian Ocean by developing its own presence near the Malacca Strait. It has also tried to exert pressure on China to keep off its 'patch' by improving relations with Vietnam, which has led to speculation that India intends to establish a naval base in Vietnam as a tit for tat for Chinese activities in the Indian Ocean

Based on the categorisations used by Robert Jervis in understanding the security dilemma, one could conclude that the strategic environment in the Indian Ocean is 'doubly dangerous' and that there is considerable scope for an intense security dilemma between India and China. If the protection of trade and sea lines of communication is ranked as a primary maritime security concern in the Indian Ocean, then offensive and defensive naval build ups for this purpose could be difficult to distinguish. There is considerable overlap between the capabilities a state would require to protect its own maritime trade and the capabilities required to interdict another state's trade. In addition, given the disparity between the resources required to defend a commercial ship from interdiction as against the resources required to interdict that ship, one could argue that offensive behaviour in this respect has a considerable advantage over defensive behaviour. Arguably the behaviour of both India and China indicates an intense security dilemma as each takes actions at the expense of the other. Indeed, both states seem to be undertaking major naval build-ups with an emphasis on 'blue water' capabilities. India is aligning itself with the United States, apparently to balance against a stronger China, and is developing its capabilities at or around the choke points where it could most easily interdict Chinese vessels. The String of Pearls narrative also seems to be proof that China is preparing the ground for a naval build-up in the Indian Ocean. Even analysts such as Raja

Mohan, who reject the cruder versions of the String of Pearls theory, see a security dilemma existing between India and China in their overall relationship (Mohan, 2012, p.190).

But any analysis of Sino-Indian strategic competition also needs to take into account factors that cast considerable doubt on the value of understanding the relationship, at least in the Indian Ocean, through the lens of the security dilemma. First, the Indian Ocean is but one theatre of strategic interaction between India and China and it should probably be regarded a secondary theatre or dimension. Of greater significance is India's overwhelming geo-strategic advantage over China in the Indian Ocean. Indeed, unlike other areas of strategic competition, the Indian Ocean is the one area in which India holds a clear military advantage over China. As Admiral Mehta commented, 'The weak area for China today is the Indian Navy. We sit in the Indian Ocean and that is a concern for China and they are not happy as it is not so easy for them to come inside' (Zeenews.com, 2009). This is largely the result of geography. In strategic jargon, the Indian Ocean represents 'exterior lines' for China and 'interior lines' for India. That is, India has a natural advantage in the Indian Ocean, including short lines of communication to its own bases and resources, and China has corresponding disadvantages (Holmes, 2012). The proximity of maritime chokepoints around the Indian Ocean to Indian territory or facilities provide another major advantage for India that is difficult for China to counter. Indeed, it is difficult to see China ever being in a position to militarily defend the entirety of its SLOCs that run from the Strait of Hormuz around the Indian subcontinent and through the Malacca Strait. One should remember that from China's standpoint there is little value in having the capability of defending only a portion of the SLOCs – to reduce its vulnerability China must be capable of defending the SLOCs in their entirety against both state and non-state actors.

China's military options in the Indian Ocean are in fact very limited. Neither putative 'Pearls' such as Gwadar or Hambantota nor overland pipelines would do much to

affect the overwhelming balance in India's favour. Even a Chinese naval presence at Gwadar would seem to have limited *offensive* value. Could the PLAN realistically enforce some form of blockade of the Strait of Hormuz without the active participation of neighbouring states? Even if a blockade could be enforced, is it realistic to conceive that Chinese oil would be allowed to sail unhindered past India and through the Malacca Strait? Any Chinese blockade of the Strait of Hormuz would be merely cutting its own throat. It might be more useful to see a Chinese military presence at Gwadar, if it ever came to pass, as a *defensive* move by China.

Alternatively Beijing might be tempted to try to overcome China's strategic disadvantages through brute force. This could theoretically include building China's power projection capabilities so that it is able to match and surpass India's capabilities on its home turf; and using China's economic strength to suborn Indian Ocean states to support China's power in the Indian Ocean region. Whether or not this would be achievable, it would likely involve the diversion of substantial resources away from the western Pacific and seems unlikely before the status of Taiwan is resolved to China's satisfaction.

Another, more realistic, strategy would be for Beijing to minimise provocation of India in the Indian Ocean and employ its resources elsewhere where it possesses the strategic advantage. If China is not ultimately able to protect its Indian Ocean SLOCs from India then it would be better to act cautiously in that theatre, building its capabilities and relationships there slowly. This could potentially include developing political and economic influence to encourage India's putative partners in the region to remain neutral. For example, India's attempt in 2007 to establish a signals intelligence facility in northern Madagascar was rumoured to have been stymied by Chinese lobbying.<sup>5</sup> Even India's close partners in the Indian Ocean, such as Maldives and Mauritius, could become more cautious about their security links with India as their economic relationships with China grow. Despite occasional provocations to the contrary (e.g. a brief and essentially pointless naval exercise by the PLAN in the eastern

Indian Ocean in January 2014), China appears to be taking this tentative and cautious approach to any security presence in the Indian Ocean.

India also faces some difficult choices. It could choose to work with the United States and its allies to leverage China's strategic vulnerability. This could act as restraint on China's strategic behaviour elsewhere but could also easily lead to instability and strategic rivalry in the Indian Ocean. However, such a strategy may be relatively high risk and it may make greater sense for India not to play that card. Indeed, New Delhi has more often than not sought to hose down discussions of rivalry or the existence of a security dilemma. Shiv Shankar Menon, the Indian National Security Advisor, commented that he regretted that debate on the Indian Ocean was being 'framed solely in terms of a Sino-Indian rivalry. This is especially true of strategists in India and China themselves, though not their governments. The terms in which the argument is presented is limited and would be self-fulfilling predictions, were governments to act upon them. Nor are they based on an examination of the objective interests of the states concerned' (Menon, 2009). According to Menon, Delhi and Beijing will be able to rise above the rhetoric and keep strategic competition under control.

The real challenge for India may be how to maintain its overwhelming geographic advantage in the Indian Ocean without unnecessarily provoking China to take actions that would be to India's detriment. India should want to maintain its strategic trump card against China's SLOCs at the least possible cost. This was recognized long ago by the father of Indian maritime strategy, K.M.Panikkar, who suggested that Rangoon should be turned by international treaty into a 'free port' that would give China a trading outlet on the Indian Ocean and alleviate its fears of blockade of its Pacific ports (Panikkar, 1943, p.103).

Framing the analysis beyond the box of the security dilemma has considerable consequences for our understanding of the strategic relationship in the maritime realm. Despite much talk from the nationalist commentariats, in reality both India and

China have been cautious about developing any significant naval presence in each other's primary maritime sphere. Each has largely resisted attempts by partners such as Pakistan and Vietnam to draw them into disputes with their neighbours. China has been careful not to establish any significant military presence in the Indian Ocean beyond the anti-piracy deployment. Similarly, despite some talk, India has not established such a presence in the Western Pacific and according to Indian Naval Chief of Staff such a deployment is not on the cards (India Today, 2012). An understanding between China and India not to develop a permanent presence on each other's 'patch' may be helpful in reducing tensions. However, given the broader context of Sino-Indian strategic rivalry, it seems unlikely that China would be prepared to rely on India for its maritime security needs in the Indian Ocean region in the absence of a broader strategic understanding.

The larger issue is whether India and China can work together to help manage the complicated regional security environment in Asia. This would include finding ways to accommodate the legitimate interests of all powers and facilitating the development of China's role as a legitimate and responsible stakeholder in Indian Ocean security. There have been tentative suggestions from both Indian and Chinese sources about the desirability of reaching an understanding of their respective roles in the Indian Ocean. In 2009, Shiv Shankar Menon, proposed a cooperative security arrangement among major Asian powers (including the United States), that would encompass the Indian Ocean and the Western Pacific (Menon, 2009). As Menon later commented, for such a system to work, India, China and other rising Asian powers must be willing and capable of contributing to global public goods (Menon, 2010). India will also expect China to acknowledge India's special role in the Indian Ocean, if not perhaps that it is an 'Indian Lake'. Whether this can be achieved is a big question. But while the Sino-Indian relationship remains unstable, there are good reasons for both Beijing and Delhi to keep strategic competition in the Indian Ocean under control.

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<sup>1</sup> This view was echoed by Indian Chief of Naval Staff, Admiral Sureesh Mehta (Indian Navy, 2007).

<sup>2</sup> The term was first used in a 2005 report titled 'Energy Futures in Asia' prepared for the US Secretary of Defence by the private consultants, Booz-Allen-Hamilton and was quickly adopted by Indian analysts.

<sup>3</sup> The Sri Lankan President Rajapaksa also reportedly approached the United States several times to fund the project (Samaranayake, 2011, p.27).

<sup>4</sup> There are unsubstantiated claims that China has established a signals intelligence facility at Gwadar (The Times of India, 2002).

<sup>5</sup> Confidential interview with the author. Mauritius, May 2013.

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