

India in Asia: Rhetoric and Reality

By Sandy Gordon

This paper¹ will start from the premise that truly to understand India's rise to power in Asia, one must first locate it in its South Asia and Indian Ocean contexts. Indeed, as with any rising power, the analysis must draw upon domestic, neighbourhood and regional factors and the way they inter-relate. When seen in this context, India is still relatively strategically weak in wider Asia in conventional, hard power terms.

Moreover, in part because of India's necessary South Asian and Indian Ocean foci and new Delhi's long-standing proclivity for 'strategic independence', India does not so much 'Look East' as adopt what Raja Mohan has called an 'omnidirectional' approach to the other large powers (Raja Mohan 2006). And according to Muni, its 'Look East' policy "has not been pursued ... in a well-planned and structured manner" (Muni 2011). That is not to say, of course, India is not important in East and South East Asia for other reasons – mainly ones relating to soft power and to its long-term potential as an economic and strategic power – or that its role there has not become more prominent (Muni 2011).

This strategic weakness outside of India's own South Asian and Indian Ocean domains derives from a number of factors.

The most important is the 'continental' security posture that has been forced on India by the fact it is located in a difficult part of the world in which to grow up as a power – the 'wrong side of the tracks', as it were.

India also suffers from its own acute problems with governance and an incomplete economic reform process. Together these negatively affect New Delhi's efforts to achieve its core strategy of 'growth with balance' as a means of developing its human capital, alleviating poverty and compensating for globalisation.

This failure in turn contributes to civil unrest and leaves India vulnerable to cross-border interference. Indeed, throughout South Asia, internal and external dissonance washes back and forward across the region's porous borders like 'flotsam and jetsam', negatively affecting regional relations along the way in a negative feedback loop.

And finally, external powers, especially China, have been able to use these regional weaknesses, and the 'Kautilian dictum', to gain a foothold in South Asia's power equation.²

¹ A fuller version of this paper may be seen at <http://www.aspi.org.au/publications/publicationlist.aspx?pubtype=6>, and follow the links.

² According to the Kautilian dictum, India's much smaller neighbours naturally seek ballast against India from more distant large powers, most prominently in the current era China.

So viewed in its South Asian context, India must still be seen as an 'incomplete' power – one constrained by the negative feedback loop between its own polity and the equally difficult internal environments of its neighbours. (Stewart-Ingersoll and Frazier, 2010).

Other factors affecting India's foreign policy posture include its attitude to the Indian Ocean, its chronic shortage of energy and its declaratory policy of 'strategic independence', which to an extent mimics its earlier interest in nonalignment.

At least some of New Delhi's basic attitudes to the Indian Ocean were inherited from the Raj. According to these views, as expressed in India's two naval doctrine documents of 2004 and 2007, the Indian Ocean is seen as a kind of protective 'ring fence'; its SLOCs are regarded vital in terms of energy and trade links; and it is also viewed as a 'strategic backyard' – a natural operating domain for the Indian Navy.

Both documents also identify China (although the 2007 one does not explicitly refer to China) as a natural rival in the Indian Ocean and both seek sea denial and in some places sea control with a view to controlling the nature of China's presence. The Indian Navy is further seen as a torchbearer for New Delhi's wider ambition to field a nuclear triad, again citing China's possession of SSBNs in the case of the 2004 document (MoD 2004/5 and Mod 2007).

Although India has charted a comprehensive and ambitious schedule of naval construction to achieve these goals, the table below illustrates that it is likely to be somewhat deficient in conventional submarine power by 2022. It also suffers from infrastructure bottlenecks in naval construction, in part a reflection of its 'continental' security bias. It will, however, easily maintain and develop its position as the most powerful Indian Ocean littoral navy. And given its natural strategic advantage *vis-à-vis* non-Indian Ocean powers, it will be a powerful factor in the Indian Ocean region (IOR).

Table 1: Present and expected force development: Indian Navy

Type	Actual	Planned / comment	Number by 2022
Surface			
Aircraft carriers	1 (INS <i>Viraat</i> —was scheduled for retirement in 2009): Total: 1	1 ex-Russian, <i>Admiral Gorshkov</i> , delivered 2013, not complete till 2017; 2 indigenously built, first scheduled 2015 but slipping	Possibly 3
Destroyers	3 Delhi class; 5 Rajput class: Total: 8	3 'stealth' destroyers, contract issued, to be built indigenously, with option for a further 4	11
Frigates	2 Shivalik class (stealth); 3 Talwar class; 3 Brahmaputra class; 3 Godavari class; 2 Gori class: Total: 13	1 under construction; some say a total of 8 to be built. The Godavari and Gori frigates are old and are likely to be phased out by 2022 3 from Russia (Krivak III guided missile with Brahmos); 2 for delivery in 2012 and 1 in 2013	Possibly 20, likely about 14
Corvettes	4 Kukri class; 4 Kora class: Total: 8		8
Offshore patrol	6 Sukanya class	4 Saryu class constructed, being commissioned	10
Anti-submarine patrol	4	4 antisubmarine warfare corvettes under domestic construction for delivery in 2012–13	4
Minesweeper	9		
Landing platform/dock	Former USS <i>Trenton</i> acquired 2006: Total: 1	Tenders issued internationally for 4	1–5
Landing ship, tank (LST)	5		?
LST(m)	4		?
Landing craft, utility	39	8 under domestic contract (not yet commenced)	?
Missile boats	12		?
Training	3		3
Survey/research	9		?
Supply and replenishment	3		3
Submarines (conventional)	4 Type 209; 10 Kilo: Total: 14	6 Scorpène under construction for 2015–20 phase in; 6 'stealth' conventional submarines to be acquired, no dates. The final 3 Scorpènes might not be built due to lack of yard space.	10 (but possibly only 7)
Submarines (nuclear)			
Hunter-killer	1 Akula II (10-year lease with option to buy) Total: 1	1 Akula III, awaiting delivery	2
SLBM		1 launched, awaiting commissioning; 4 more planned, based on Russian Charlie III	2 or 3
Aircraft			
Carrier-borne	17 Sea Harrier	46 MiG-29K, purchased, delivery commences 2012	46
Maritime patrol	5 TU 142 (Bear), refurbished but not all operational; 15 Dornier 288-101; 12 UAV	12 P-8i (Neptune), ordered for delivery 2013—possibly 24 to be acquired in total	24

Sources: Various, as compiled by author and Aviatech, Indian naval acquisitions I: defense ship-building in India, 2011, available from www.aviatech.com/Aviatech_Thought_Leadership_Series_Naval_Shipbuilding_December_2011-2.pdf

Another key driver of India's foreign and security policy is its chronic energy shortage, particularly in liquid fuels. This gives it a substantial focus on energy rich neighbourhoods such as the Gulf – also a valuable source of currency from guest workers (keeping in mind India earns about US\$ 50 billion annually from such workers). The way this Gulf focus shapes wider security policy is evident from India's failure to join the 'coalition of the willing' in 2003 and its recent refusal to cease trading in oil with Iraq, despite the stern admonition to do so from Washington.

Lastly, there is the predominant declaratory foreign policy posture of so-called 'strategic independence', supplemented by a 'strategic tilt' to Washington, along with close dependence on Russia for modern weapons platforms. This policy of strategic independence is particularly marked in the Ministry of External Affairs and was recently given additional credence by a paper released in New Delhi titled *NonAligned 2.0* – the title itself suggesting it was in India's long-term strategic interest to remain separate from regional and great power tensions (Khilani et al, 2012).

What these factors dictating India's strategic posture mean in practice is that in terms of the actual allocation of resources, India has been moving away from any force projection capability and focusing more on internal and border security – and herein lies its 'continental' bias. (But, of course, this does not necessarily include strategic nuclear capability, which is constantly being developed – the recent testing of *Agni V* being a case in point. The strategic nuclear capability is of strictly limited utility, however.)

The extent of this 'continental' bias is illustrated by the fact that since the attacks of 9/11, the percentage share of overall defence and security spending on homeland security (not including the Coast Guard or state police) in relation to conventional defence spending borne by the Union government has risen from 11.76 per cent in 2000-01 to 18.5 per cent in 2009-10 (based on Government of India budget estimates). Of India's 5 divisions, 4.5 of them are focused on Pakistan and China. Moreover, India has recently decided to spend a further \$13 billion on raising two additional mountain divisions to counter China on the border and is placing two squadrons of its front line Sukoi 30 MKII fighters in Assam – again with a view to deterring China.

In terms of the carve-up of the defence budget, the Indian navy receives only 15%, which represents an upward shift over the last two decades of only two points, or one per decade. Compare this with the US, which is a global power, and spends 26% on its navy. Even within naval expenditure, the percentage on 'brown water' defence has risen following the marine-borne attacks on Mumbai of 26 November 2008.

Further, despite India's constant declarations about its 'Look East' policy, the disposition of its resources on the ground does not suggest such a policy is being actively pursued as is suggested by its name. But as Professor Muni points out, the policy has certainly resulted in greater engagement to India's East (Muni 2011).

In terms of India's trading profile, 72.5 per cent of its export trade is still to countries other than East/Southeast Asia and 67.53 of imports sourced from countries other than East/Southeast Asia (Data for April-October 2011, Department of Commerce, 2012). Even the hard-won FTA with ASEAN has not fulfilled its promise, with ASEAN now receiving 12.5 per cent of India's exports and supplying only 8.9 per cent of imports (April-October 2011, Department of Commerce, 2012). Placement of Ministry of External Affairs (MEA) cadre within the New Delhi headquarters also doesn't reflect a 'Look East' bias, being only 12 of 89 officers specifically servicing that region, or 13.5 per cent (MEA Annual Report, 2012). In terms of naval exercises in 2010, India exercised either bilaterally or multilaterally with 8 nations, including PASSEXs. Of these, only two were from the Asia-Pacific (Singapore and Indonesia) (Ministry of Defence, India, 2011 Annual Report – 2011 data are unavailable).³

None of the is surprising when we consider the policy of strategic independence, the continental disposition of resources forced on India by its difficult South Asian environment, the energy reliance on the Gulf, and the perceived importance of the Indian Ocean in India's overall strategy.

IMPLICATIONS FOR EAST AND SOUTH EAST ASIA

India's is relevant to the security of East and South East Asia in three main respects. The first is India's position as the dominant littoral power and sole power of potential in the Indian Ocean, which is, in turn, the 'great connector' governing flows of trade and energy to East Asia. A second, closely related, factor is India's potential role in the developing Asian security architecture, particularly in terms of a possible Asian concert of powers, but also in wider multilateral security and economic forums. Thirdly, and perhaps less positively, India is viewed in some quarters as a potential counterweight to China in the region.

It is impossible to gauge India's strategic role in East and South East Asia without developing an understanding of its Indian Ocean role. Although strategically weak in East and South East Asia (at least in conventional hard power terms), India is a power replete with opportunity in the IOR, situated as it is in a strategic 'box seat' in that part of the world – despite the continental restraints and bottlenecks in naval construction mentioned above. In this, the IOR differs substantially to the Asia-Pacific, where four great powers vie for power and influence.

India is also advantaged by its peninsula location athwart the major energy-carrying SLOCs that cross the Indian Ocean into East Asia and by its strategically located territory in the Andaman Sea – which brings it to within 80 nautical miles from Aceh.

³ We need to note, however, that in years in which the 'Milan' exercises are run the percentage of South East Asian navies exercising with India would be far higher.

Given India's strategic location in the Indian Ocean, Beijing fears New Delhi might one day – perhaps during times of acute stress or even war and perhaps in collusion with the US – seek to threaten or even interdict China's vital energy supplies. This is, if you like, China's 'soft underbelly'.

In actual fact, such interdiction would be difficult in several respects. First, in any situation short of all out war, it would be difficult to interdict vessels carrying oil to China, especially when they were not specifically China flagged. Secondly, if 'push were to come to shove', vessels carrying oil to China would have a good deal of sea room south of India and would also be able to bypass some of the more vulnerable 'choke points' such as the Straits of Malacca. But nevertheless, the stakes could be seriously raised for China, especially if India were to act in concert with the US.

It is this India Ocean role that constitutes India's main strategic importance for energy hungry East Asian powers – especially China – which must import their energy across the Indian Ocean. So although relatively weak in conventional terms in the Asia-Pacific, India is important in respect of its Indian Ocean role and growing soft power capabilities.

The potential of India's Indian Ocean location comes into sharp focus especially in terms of the developing India-US relationship. From its inception in 1991, this relationship has always had a strong strategic dimension and that dimension has always focused on the Indian Ocean. We see this from the fact that India first came into the sights of the US because of its mid-ocean role in terms of the need of the US for the so-called 'west about route' in to the Gulf in the context of the First Gulf War. It was thus CINCPAC – now USPACOM – that was charged with opening and developing the relationship. And although India is unlikely to become allied to any other power and will seek to maintain equidistance as far as possible, its US 'tilt' is strategic in nature in that both powers now use the relationship to hedge against a possible 'difficult' rise of China.

It is also noteworthy – and certainly would have been noticed in Beijing – that the core of the relationship is an extensive program of naval exercising. Moreover, transfer of sensitive defence technology, including in the areas of anti-ballistic missile defence and AWACs (albeit sometimes through Israel's proxy), has been an important component of the relationship, assisted by a number of end user agreements, which were in turn made possible by the nuclear agreement finally signed with the US in 2008.

For most of the other energy dependent East Asian powers, such as Japan and Korea, this key location of India athwart the energy SLOCS of the Indian Ocean is certainly noted, but is seen more as an opportunity than threat. This is especially true of Japan, which is developing a closer strategic relationship with India.

Unfortunately, however, a security dilemma of classic proportions is emerging in the IOR. As China seeks to build its interests (but not yet bases) to counter the perceived threat to its energy from India and protect its vital SLOCS and

investment around the littoral, India interprets these Chinese counter-moves as part of an effort to 'surround' and threaten it. And herein of course lies the makings of the security dilemma.

In view of these factors, there is an urgent need for interested parties to focus on the IOR and work to provide a more viable comprehensive security regime so all legitimate Indian Ocean users – whether littoral states or not – can 'rise on the same tide'. This is complicated, however, by the fact that, as already mentioned, the IOR is different structurally from the Asia-Pacific region, with India being the predominant littoral power. This causes India – as indeed it would *any* great power – to seek to dominate multilateral institutions in the IOR to ensure they develop according to its wishes, which presently seem to be to lock out what New Delhi sees as a potential China-Pakistan combine.

Fellow Indian Ocean powers such as Australia and Asia-Pacific powers dependent on the Indian Ocean for energy and trade have a strong incentive to nip this developing security dilemma in the bud. But this is greatly complicated by India's natural inclination to dominate regional multilateral institutions – such as they are – with a view to ensuring that they meet India's perceived security concerns. The only remedy is to work patiently through current India-dominated institutions to ensure that they achieve the maximum degree of inclusiveness. The equation here is: no India, no viable comprehensive security regime, given India's predominance. But this will be a long-term prospect and it is not at all clear it will be supported by Washington, which seems to be building India up as a competitor of China with a view to unsettling and unbalancing the latter's rise to power.

Turning now to the role of India in a possible Asian concert of powers, that otherwise highly positive future is jeopardised by two factors.

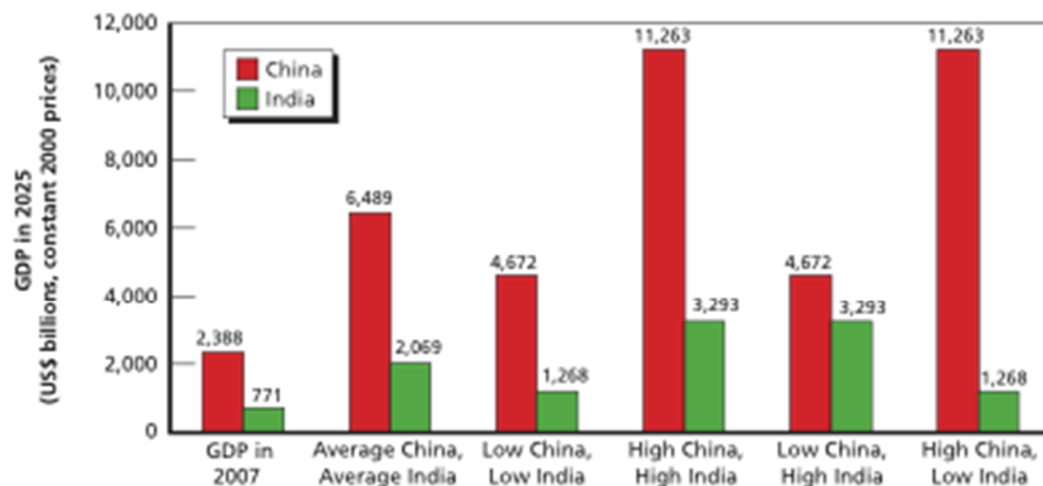
First, the idea of a concert is itself somewhat slippery, caught uncomfortably between the idea of a kind of 'gentleman's club' in which participants agree to maintain the status quo and the key role of power balancing.

Many proponents of the concert idea have failed to clarify whether power balancing can only ever be potential power balancing or whether there can be any element of a balance in being. This critique of the concert idea is conducted in greater detail in another article by the author and for reasons of space cannot be explored fully in this context (Gordon 2012). Acharya has also recently revisited the theme and questioned the efficacy of the concert idea in itself as a panacea for Asia's security problems (Acharya 1999, 2012).

More importantly for this paper, the chances of a stable concert of powers emerging in Asia are also likely to be diminished by the uncertain relationship between India and China, a point to be made while admitting that other factors – for example, the Sino-US relationship and the closely related issue of just how China chooses to rise to power – will be even more important in driving any Asian concert

As for the China-Indian relationship, it is an unfortunate fact that rapid shifts in power parities are not conducive to maintenance of stability in a concert of powers. Despite the fact that some commentators assert that India is in a process of 'catch up' with China, a recent paper by RAND Corporation, commissioned, significantly, by the US Department of Defense, argues that China-India power parities are likely to continue to shift in China's favour into the foreseeable future (see figure 1, below).

Figure 1 **Five scenarios: GDPs of China and India in 2025, market exchange rates**



NOTE: Conversion to market exchange rates based on the World Bank's World Development Indicators (World Bank, no date).

RAND MG1009-2.5

Source: RAND Corporation, *China and India, 2025: a comparative assessment*, Santa Monica, 2011, available from <http://www.rand.org/pubs/monographs/MG1009.html> (accessed 20 February 2011), Figure 3.5, p. 53.

What is noteworthy about these findings is that, even given a scenario in which India is accorded the highest growth option and China the lowest, China's economy will still be substantially larger by 2025.

Now, of course it must be admitted that there are many unknowns in this type of analysis, such as India's impending demographic advantage and the fact that some would say China must still cross the Rubicon of democratisation. However, India's demographic advantage will not be realised till 2027; and in any case China could well maintain an advantage by substituting its vast capital reserves for labour – which has already occurred in Japan and the other Asian tigers. We must also consider whether any demographic advantage is really to be had from India's vast numbers of poorly educated and undernourished people.

And as for the need of democratisation in China, exponents of the 'catch up' view must explain why risk is inherently greater in China than India, given the latter's enormous challenges of raising capital for infrastructural development and urbanisation, attending to urgent problems of water quality and supply and other environmental issues, and the challenges of managing a volatile,

poorly governed and heterogeneous democracy as identified by Guha and his colleagues at the London School of Economics (London School of Economics, 2012).

This issue of parities between India and China is not just academic. In circumstances in which China continues to grow more rapidly and in which it continues to be assertive on matters which India considers its core strategic interests – the border (and especially the situation in Arunachal Pradesh), South Asia and the Indian Ocean – India's policy of strategic independence might come under pressure and it might be inclined to call in its hedge in relation to the US.

None of these developments would be conducive to the maintenance of a stable concert of powers.

Thirdly, and finally, some have tended to see India as a potential balance against China's rise in Asia. For example, in 2007 former Prime Minister of Japan Abe and former US Vice-President Cheney attempted to construct a 'quadrilateral' from the current 'trilateral' consisting of the US, Australia and Japan. That effort quickly collapsed, however, with New Delhi and Canberra each concluding independently that the potential costs were not worth the benefits: the costs being the further alienation of China, which would make its 'peaceful' rise that much more difficult; and benefits being the limited capacity of India to act strategically in the Asia-Pacific in conventional terms, at least at this stage in its development.

True, Indian navy vessels periodically make ship visits in to the region, including to India's friend, Vietnam. But in purely strategic, as opposed to political, terms they have little value. Moreover, in any game of tit-for-tat in each other's back yards, India would surely be the loser, being vulnerable in the North East and also in respect of Pakistan.

None of which is to say, of course, that India may not develop one day into a more important strategic player in East Asia, or that we can truly separate economic and soft power factors from broader strategic ones. In particular, India can and does play a valuable role in Asia's multilateral institutions such as the ARF, EAS and hopefully in the not too distant future, APEC. Such institutions also provide valuable venues in which India can meet in the wings on crucial issues, such as occurred during the 2009 EAS when India and China met to diffuse a gathering set of negativities around Arunachal Pradesh and Kashmir. But certainly, for all the reasons cited above, India is unlikely to be a crucial strategic factor in East Asia in conventional military terms of several decades.

CONCLUSION

India's rise as an Asian, and eventually global, power should be viewed not just in pan-Asian or global terms, but rather in terms of the way India is embedded strategically in its neighbourhood, regional and global contexts.

When viewed in this way, India can be seen as a power of considerable potential, but not yet a fully-fledged strategic player in East and South East Asia. Further, in terms of India's much vaunted 'Look East' strategy, it does not yet truly look East. This is true in terms of the disposition of resources, trade and investment, and in terms even of its dominant strategic rhetoric, which is currently one of strategic independence, but with a US tilt – a tilt which is only likely to increase in salience despite inevitable hiccups in the relationship.

Where India does become extremely important to East and South East Asia is in terms of its occupation of a box seat strategically in the Indian Ocean. This factor is important to Beijing in the context of China's enormous hunger for energy and other resources carried across the Indian Ocean and especially when viewed in the context of India's strategic 'tilt' to the US.

Although a strong case can be made to include India in any Asian concert of powers that may emerge, the trajectory of the closely related Sino-Indian and Indo-US relationships may not favour the formation or continuation of a stable concert – although it must also be said that other factors will be more important in determining the viability of such a concert.

As to India's being injected in to the Asia-Pacific in any direct strategic context (short of its Indian Ocean role), this would benefit neither India nor the region. Rather, current policies and strategies – that is, India's continuing induction as a soft power participant in Asian trading and political forums – are the ones that offer best prospects.

But that said, it is in everyone's interest to provide greater focus on the troubling security dilemma developing in the Indian Ocean, an ocean that should have the more positive role of 'the great connector' between Asia and its markets and vital energy sources. This is demanding terrain, however.

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