

# The Long Littoral Project: Bay of Bengal

A Maritime Perspective on Indo-Pacific Security

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A handwritten signature in black ink, appearing to read 'Eric V. Thompson', with a long horizontal line extending to the right.

Eric V. Thompson, Ph.D.  
CNA Vice President and Director  
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This document contains the best opinion of the authors at the time of issue.

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# Introduction

This report addresses the major security issues associated with the Bay of Bengal. In this 838,600 square mile area, security threats to numerous countries, including the United States, range from disputes over exclusive economic zones to terrorism, piracy, poaching, over-fishing, and trafficking of humans, arms, and narcotics. A review of the full spectrum of threats in the Bay of Bengal reveals two dominant security challenges: nascent China-India competition and the likelihood of a natural disaster. This report explores these issues in order to assess U.S. policy options for addressing each of them. It concludes by recommending ways to manage the potential for China-India strategic rivalry and to mitigate the damage of an environmental catastrophe.

This is one in a series of five reports on each of the major maritime basins found along the greater Asian littoral that runs from the Sea of Japan in the east to the Arabian Sea in the west. This “long littoral” is the subject of a CNA project of the same name under the direction of CNA Senior Fellow RADM (ret.) Michael A. McDevitt. The Long Littoral project examines the five great maritime basins of the Indo-Pacific—the Sea of Japan, the East China and Yellow seas, the South China Sea, the Bay of Bengal and the Arabian Sea—in order to provide a different perspective, namely a maritime viewpoint, on security issues that the United States’ “rebalance” strategy must address as it focuses on the Indo-Pacific littoral. The project also aims to identify issues that may be common to more than one basin, but involve different players in different regions, with the idea that solutions possible in one maritime basin may be applicable in others.

## Findings

### **Nascent China-India competition in the Bay of Bengal**

**China’s economic and security interests have resulted in a greater Chinese presence in the Indian Ocean region, much to the concern of India.** China has cultivated economic relationships with Bay of Bengal countries through infrastructure projects such as port devel-

opment, power plant construction, and railway and road building in littoral countries. Indian strategic planners worry that Chinese influence in these Indian Ocean outposts could turn them into military bases that would enable China to “encircle” India.

However, a single-minded focus on these sites as likely nodes of Chinese influence does not capture the entire story, because the rationale behind these developments is more economic than strategic. Beijing is trying to connect its western provinces to the globalized economy by constructing lines of communication south to the Bay of Bengal. That said, there are strategic concerns at work as well which are addressed below.

**India is undertaking a major modernization of its navy and is increasing bilateral and multilateral naval ties in the Bay of Bengal.** Partly in response to China and partly as a power rising on the world stage, India has begun upgrading its tri-service Andaman and Nicobar (A&N) Command, allocating greater resources to the Eastern Naval Command (located along India’s Bay of Bengal coast), and increasing navy-to-navy ties through forums such as the Indian Ocean Naval Symposium and the MILAN exercise. In response to increasing Chinese presence, India has embarked on infrastructure development projects of its own in Bay of Bengal countries, including in Burma and Sri Lanka. If New Delhi’s intent is to make Beijing more aware of its own vulnerable sea lanes, it appears to have succeeded. Chinese strategists, already worried about China’s “Malacca Dilemma,” recognize that the A&N Command puts India’s naval and air power in a position to control access to the Strait of Malacca and, hence, to the South China Sea.

**The strongest manifestation of Sino-Indian rivalry in the Bay of Bengal has been in Burma.** This is due to the confluence of both countries’ domestic and strategic interests in a neighbor that both Beijing and New Delhi want as a friend: a political friend as well as a neighbor that can provide them with access to the Bay of Bengal (from Yunnan province in China and from India’s northeastern states). However, developments within the past year regarding Western engagement with Burma appear to have taken some of the wind out of the sails of burgeoning Sino-Indo competition. Burma now has more options. While strategic concerns still animate both China and India, both countries are actually pursuing the same objective—access

through Burma so that their landlocked underdeveloped areas can develop economically.

**India's strong ties with Sri Lanka, Bangladesh, and Maldives do not support the notion that a China-India competition is developing in these countries.** Pointing to China's infrastructure development projects in the smaller South Asian countries, some observers are concerned about China's increasing activity in an area that India has traditionally considered its sphere of influence. For example, discussion about a China-India competition in the Bay of Bengal often centers on China's development of a new port in Hambantota, Sri Lanka. Many Indian analysts fear the potential for China to use this port as a naval base. However, the reality is that Hambantota's geographic proximity to India would render it vulnerable as a Chinese naval base. Furthermore, Bangladesh, Sri Lanka, and Maldives depend too much on India for various diplomatic and military dealings that they cannot afford to sacrifice by seeking a privileged relationship with China. Examples include Sri Lanka's growing defense ties with India; and Bangladesh's recent improvement in border relations with India and bilateral agreements that are close to being signed over water-sharing and transit rights. Finally, territorial propinquity and ethnic and historical ties are such that these smaller neighbors of India, especially Maldives, are not keen to deliberately antagonize New Delhi.

## **Prospective natural disasters and environmental threats in the Bay of Bengal**

**Unlike the nascent security threat associated with the China-India rivalry, the non-traditional security challenge of natural disasters and climate change in the Bay of Bengal poses a more immediate threat.** This region is particularly vulnerable to sudden changes in the weather – including cyclones, flash floods, and landslides – as well as to long-term shifts in climate, leading to rising sea levels. Marine pollution and illegal fishing pose additional problems to Bay of Bengal countries. The U.S. military already has a long history of responding to natural disasters in this region of the world, and it is only a matter of time before a terrible earthquake or cyclone creates a new emergency that will call up U.S. involvement. Building on its relief efforts after the 2004 tsunami, India is currently putting in place capabilities so that it too can be a more effective immediate responder. As a re-

sult, U.S. military interactions with India should include an emphasis on coordinated responses.

## China-India competition in the Bay of Bengal

In recent years, India has become concerned about a greater Chinese presence in the Indian Ocean region. This section will review this dynamic with an emphasis on Indian policy decisions made in response to Chinese activities in the Bay of Bengal.

China has cultivated economic relationships with Burma, Sri Lanka, and Pakistan through infrastructure projects such as port development, power plant construction, and railway and road building in littoral countries. Certain sites on the Bay of Bengal are of particular interest to Chinese state-owned enterprises. These include, but are not limited to, ports along the coastline: Kyaukphyu, Burma; Hambantota, Sri Lanka; and Chittagong, Bangladesh. These Chinese activities often have been dubbed a “string of pearls” in an attempt to characterize them as a coordinated Chinese effort to establish strategic lodgments along the Indian Ocean littoral. Other sites – such as Kra Isthmus, Thailand – have been discussed as potential “pearls,” but plans have not materialized, due to technical and financial difficulties.

Indian strategic planners naturally worry that Chinese influence in these Indian Ocean outposts could turn them into military bases that would enable China to “encircle” India. In response to increasing Chinese presence, India has embarked on infrastructure development projects of its own in Bay of Bengal countries, including at Sittwe port in Burma, near Kyaukphyu, and at Sri Lanka’s Kankesanthurai (KKS) port.

However, the “string of pearls” narrative, based on anxiety, is limiting and linear, and does not capture the entire story – that is, there are multiple processes at work in the Bay of Bengal. One is China’s “Malacca Dilemma,” or fear of losing access to 80 percent of its oil im-

ports<sup>1</sup> that transit the major chokepoint of the Strait of Malacca. More broadly, China's entry into the Indian Ocean is fueled by economic drivers, specifically a direct way to connect western China to the sea and, hence, the globalized economy, by establishing lines of communication that go south into the Bay of Bengal rather than the current route to the eastern seaboard of China.

The military dimension of this rivalry focuses on the presence of the People's Liberation Army (PLA) Navy in the Indian Ocean. For over three years, the PLA Navy has been conducting counter-piracy efforts in the Arabian Sea. While the PLA Navy's current mission is counter-piracy, it also provides a tangible way to support or protect China's growing economic presence and investments along the Indian Ocean littoral, including those in Africa, and to ensure the safety of Chinese citizens abroad.<sup>2</sup> Because PLA Navy ships must cross the Bay of Bengal en route to and from the Arabian Sea, they have also taken the opportunity to show China's flag by conducting port visits in Bay of Bengal countries.

India's strategic response to anxieties over Chinese encirclement and the now-routine presence of the PLA Navy in what are Indian home waters has been to upgrade its tri-service Andaman and Nicobar (A&N) Command, and improve its naval facilities along the Bay of Bengal with greater resources allocated to the Eastern Naval Command (ENC). If New Delhi's intent is to make Beijing more aware of its own vulnerable sea lanes, it appears to have succeeded. Chinese strategists, already worried about China's "Malacca Dilemma,"<sup>3</sup> recognize that this command puts India's naval and air power in a posi-

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<sup>1</sup> Chen Shaofeng, "China's Self-Extrication from the 'Malacca Dilemma' and Implications," *International Journal of China Studies* 1, no. 1 (Jan. 2010), 2, <http://ics.um.edu.my/images/ics/IJCSV1N1/chen.pdf>.

<sup>2</sup> Murray Scot Tanner, Kerry B. Dumbaugh, and Ian M. Easton, *Distracted Antagonists, Wary Partners: China and India Assess their Security Relations*, CNA China Studies, Sep. 2011, CNA Research Memorandum D0025816.A1/Final, 35-37, <http://www.cna.org/research/2011/distracted-antagonists-wary-partners-china-india>.

<sup>3</sup> Ian Storey, "China's 'Malacca Dilemma,'" *China Brief*, The Jamestown Foundation, May 17, 2006, <http://www.asianresearch.org/articles/2873.html>.

tion to control access to the Strait of Malacca and, hence, to the South China Sea.<sup>4</sup>

Meanwhile, India's economic success has made Indian strategists and pundits more willing to ruminate on India's geography and civilizational ties with countries in the Indian Ocean region, especially along the Bay of Bengal. New Delhi is preoccupied with the question of how India should fulfill a leadership role in the region commensurate with its growing economic might. India is also expanding trade and investment ties begun in the early 1990s under its "Look East" policy with Bay of Bengal countries such as Thailand, Indonesia, and Malaysia, and into the rest of Southeast Asia.

With regard to the Bay of Bengal specifically, China's influential relationship with Burma has added urgency to India's need to develop its insurgency-plagued northeast. Much like China has tried to connect its underdeveloped western provinces to the world economy by gaining access to the sea, India wishes to give sea access to those of its northeastern states that are landlocked between Bangladesh, Bhutan, Nepal, Burma, and China: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura, also known as the "Seven Sisters." India's deepening ties with Burma, its broader "Look East" policy, and its relationships with Southeast Asian countries have been successful in focusing greater foreign policy attention eastward, as desired. However, attempts by New Delhi to consolidate a coherent strategy of response to Chinese ambitions in the Bay of Bengal are complicated by a combination of bureaucratic inefficiencies for which India is notorious and the need to satisfy domestic constituencies, such as those that border Bangladesh in West Bengal and Sri Lanka in Tamil Nadu. This will be discussed in further detail in the Bangladesh and Sri Lanka sections.

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<sup>4</sup>Gabe Collins and Andrew S. Erickson, "Energy Nationalism Goes to Sea in Asia," in Gabe Collins, Andrew S. Erickson, Yufan Hao, Mikal E. Herberg, Llewelyn Hughes, Weihua Liu, and Jane Nakano, *Asia's Rising Energy and Resource Nationalism: Implications for the United States, China, and the Asia-Pacific Region*, The National Bureau of Asian Research (NBR), NBR Special Report 31 (Sept. 2011), 24, <http://www.nbr.org/publications/issue.aspx?id=236>.

Rather than treading well-worn territory about China's entry into the Indian Ocean, the following section will examine key, sometimes under-examined, drivers associated with China-India rivalry in the Bay of Bengal: India's naval modernization in this basin; India's increased navy-to-navy ties with regional countries; and the confluence of Indian and Chinese domestic and strategic interests in Burma. Finally, it will look at the potential for Sino-Indian rivalry to emerge in Sri Lanka, Maldives, and Bangladesh.

## India's naval modernization in the Bay of Bengal

India is devoting substantial resources to naval modernization, and, as mentioned, to the Eastern Naval Command (ENC) and the A&N Command. Founded in 1968, the ENC is headquartered at Vishakhapatnam (see figure 1)<sup>5</sup> and has bases in Chennai and Kolkata. The ENC is responsible for India's security in the Bay of Bengal.

Figure 1: Eastern Naval Command at Vishakhapatnam



For years, the Indian Navy's Western Command, headquartered at Mumbai, received the most resources, due to the threat from Pakistan. However, in 2011, the ENC was expanded in various ways. Importantly, the rank of the commander was upgraded to vice admiral, following a similar move in the Western Naval Command a year earlier. The navy announced that it will improve the capabilities of the

<sup>5</sup> Figure 1 is from <http://i.infoplease.com/images/mindia.gif>.

fleet at Rajali, the ENC's naval air station at Arakkonam in Tamil Nadu state, by deploying unmanned aerial vehicles (UAVs) for reconnaissance and multi-mission maritime aircraft there. UAVs will also be deployed at another ENC naval air station in Tamil Nadu and at the A&N Command in Port Blair.

In addition to the 50 warships already with the ENC, the navy deployed one of its newest warships, the indigenously manufactured stealth frigate INS *Shivalik*, which is armed with anti-ship cruise missiles and a short range air-defense system. Incidentally, this frigate was recently escorted by a PLA Navy frigate through the South China Sea and paid a port call to Shanghai.<sup>6</sup> Two more indigenous stealth frigates (INS *Satpura* and INS *Sahyadri*) are now based at the ENC, in addition to a new fleet tanker (INS *Shakti*).

Formerly the U.S. Navy's USS *Trenton*, the landing platform dock INS *Jalashwa* is well suited for humanitarian and disaster relief missions and is assigned to the ENC. The ENC will also receive the P-8I Poseidon long-range maritime patrol aircraft. Most recently, in April 2012, India became the sixth nation in the world with a nuclear-powered submarine, when it inducted the leased Russian Akula-class attack submarine, INS *Chakra*, into the Indian Navy. Tellingly, it is homeported at Vishakhapatnam.<sup>7</sup>

At the eastern end of the Bay of Bengal, India's A&N Islands provide India with substantial strategic advantages. The 572 islands of the two island chains run roughly north and south: they begin at the mouths of the Irrawaddy River in Burma and stop just 90 miles from the province of Aceh on Indonesia's island of Sumatra. Therefore, they create a chokepoint for east-sailing maritime traffic bound for Rangoon in the north, and command the two major approaches (or exits) to the Strait of Malacca.

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<sup>6</sup> Ananth Krishnan, "In South China Sea, a Surprise Chinese Escort for Indian Ships," *The Hindu*, June 14, 2012, <http://www.thehindu.com/news/national/article3524965.ece>.

<sup>7</sup> Rajit Pandit, "INS Chakra Inducted on a 10 year Lease," *Times of India*, April 5, 2012, [http://articles.timesofindia.indiatimes.com/2012-04-05/india/31293793\\_1\\_akula-ii-ins-chakra-nerpa](http://articles.timesofindia.indiatimes.com/2012-04-05/india/31293793_1_akula-ii-ins-chakra-nerpa).

After its defeat by China in the 1962 border war, India examined security vulnerabilities at sea in its eastern territories. The result was the construction of a naval base and an army brigade at Port Blair and an air force base at Car Nicobar. Over the years, Indian defense experts were convinced that China had installed surveillance stations nearby, on Burma's Great Coco Island. It was not until 2005 that then-Chief of Naval Staff Admiral Arun Prakash flatly stated that India had "firm information that there is no listening post, radar or surveillance station belonging to the Chinese on Coco Islands."<sup>8</sup> While many Indian analysts continue to this day to make references to Chinese surveillance stations in Burma, no one has been able to refute Admiral Prakash's 2005 finding that none exist.

Due in part to India's worries about Chinese "bases" in Burma and Burma's strategic location, the tri-service A&N Command was created in October 2001 and is headquartered at Port Blair. During the 2004 tsunami, the command suffered significant damage, especially at the Indian Air Force's Car Nicobar base. In the past few years, the command has been repaired and expanded and the airstrips have been upgraded to support Su-30MKI operations, including night landings.

Notwithstanding the lack of a permanent PLA presence in Burma, the Indians' military presence on the A&N Islands, and their intention of improving the capabilities of the tri-service A&N Command, provide India with a credible military capability in the eastern portion of the Bay of Bengal. A number of fighter aircraft operate from the A&N Command, which is slated to become the home of an amphibious warfare training facility.<sup>9</sup> To improve its surveillance of the Strait of Malacca, India opened its newest and southernmost naval base in July 2012 in Campbell Bay, Nicobar. Plans also include moving three

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<sup>8</sup> Admiral Arun Prakash, quoted in Andrew Selth, *Chinese Military Bases in Burma: The Explosion of a Myth*, Griffith Asia Institute, Regional Outlook Paper 10 (2007), 9, [http://www.griffith.edu.au/\\_\\_data/assets/pdf\\_file/0018/18225/regional-outlook-andrew-selth.pdf](http://www.griffith.edu.au/__data/assets/pdf_file/0018/18225/regional-outlook-andrew-selth.pdf).

<sup>9</sup> "Andaman and Nicobar to Become a Major Amphibious Warfare Base," *Daily News and Analysis* (India), Feb. 8, 2010, [http://www.dnaindia.com/india/report\\_andaman-and-nicobar-to-become-a-major-amphibious-warfare-base\\_1345123](http://www.dnaindia.com/india/report_andaman-and-nicobar-to-become-a-major-amphibious-warfare-base_1345123).

additional army battalions to the command and deploying more warships, in order to prevent pirates and terrorists from using the A&N Islands.<sup>10</sup> If India's plans are realized, the A&N Command will become India's principal long-range operating base and position it to be able to exercise a degree of control over the western extremity of the Strait of Malacca. In short, India is putting improved capabilities into place on both the western and eastern extremities of the Bay of Bengal in order to optimize its ability to operate along the sea lanes to and from the Strait of Malacca.

China, of course, has been observing these improvements. American naval analysts have documented the emergence of a dynamic "in which Chinese strategic thinkers express concern over the potential for the Indian Navy to interdict China's maritime oil lifeline."<sup>11</sup> In other words, not only are China and its growing naval capabilities on the minds of Indian naval strategists; now, Chinese strategists are concerned over India's capabilities as well.

It is important to note that other factors played a role in the 2001 creation of the A&N Command. Protection of India's exclusive economic zone (EEZ) was also very important.<sup>12</sup> At the time, India was very concerned about poaching and piracy, in addition to gun running. Described as an upgrade to the naval station at Port Blair, the proposed command was described in the press as a way to expand on the "Look East" policy and cultivate ties with East Asian countries.<sup>13</sup>

Another factor in the creation of the A&N Command was the Indian military's desire to improve cooperation among the services. The A&N Command emerged as a recommendation from the Kargil Review Committee, which was tasked with identifying causes for the failure to foresee the 1999 Kargil conflict between India and Pakistan. As India's first tri-service command, the A&N Command was intended to

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<sup>10</sup> *IHS Jane's*, "Jane's World Navies: India," Oct. 21, 2011.

<sup>11</sup> Collins and Erickson, "Energy Nationalism," 24.

<sup>12</sup> Gilles Boquérat, *India's Confrontation with Chinese Interests in Myanmar*, Centre de Sciences Humaines de New Delhi, Mar. 2001, 1, <http://csh-delhi.com/publications/downloads/articles/India-Myanmar.pdf>.

<sup>13</sup> V. Jayanth, "Far Eastern Naval Command on the Anvil," *The Hindu*, Dec. 25, 2000, <http://hindu.com/2000/12/26/stories/0226000e.htm>.

act as “the flagship of integration.”<sup>14</sup> Yet, persistent deficiencies in jointness have plagued force levels of the A&N Command, in addition to the feeling among civilian support staff that “nobody wants to go there,” according to a parliamentary report.<sup>15</sup> Given the increase in Chinese capabilities and presence in the Indian Ocean since 2001, time will tell whether the A&N Command will begin to be seen as an important assignment, especially if more resources are devoted to it as the Indian Navy turns increasingly eastward in orientation.

## India’s increased navy-to-navy activities in the Bay of Bengal

India has been gradually increasing its bilateral and multilateral naval activities with all of the littoral countries of the Bay of Bengal, including Thailand. The Indian and Thai navies began conducting joint patrols in the Andaman Sea in 2006 and engage in Staff Talks/Executive Steering Groups.

The Indian and Indonesian navies have also conducted coordinated patrols near their International Maritime Boundary Line semiannually since 2004. India’s increased bilateral navy ties with other Bay of Bengal countries, such as Sri Lanka and Maldives, will be examined later in depth. Meanwhile, a review of Indian Ministry of Defence annual reports suggests that India’s bilateral naval ties with Burma and Bangladesh are mostly limited to disaster relief after cyclones in both countries and occasional visits by Chiefs of Naval Staff.<sup>16</sup> It is important to note, however, that other service interactions and weapons transfers occur. In describing the January 2012 visit of Indian Army Chief General V. K. Singh to Burma, *IHS Jane’s* mentions India’s army ties to Burma and its provision of two BN-2 Defender maritime surveillance aircraft, naval air-defense guns, and surveillance equip-

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<sup>14</sup> Anit Mukherjee, *Failing to Deliver: Post-Crises Defence Reforms in India, 1998-2010*, Institute for Defence Studies and Analyses, New Delhi, IDSA Occasional Paper no. 18 (Mar. 2011), 37, [http://www.idsa.in/system/files/OP\\_defencereform.pdf](http://www.idsa.in/system/files/OP_defencereform.pdf).

<sup>15</sup> *Ibid.*, 38.

<sup>16</sup> Government of India, Ministry of Defence, *Annual Report*, <http://mod.nic.in/reports/welcome.html>.

ment.<sup>17</sup> Through defense official visits, staff talks, exercises, and arms support – in other words, the full gamut of engagement tools – India is working hard to establish good security ties, especially naval, with all of its Bay of Bengal neighbors.

A key element of India's multilateral engagement effort has been the MILAN (Hindi for "meeting") exercise series. India hosted the most recent MILAN exercise at Port Blair in February 2012. This series, which dates back to 1995, has steadily grown to include a number of navies and coast guards from the Bay of Bengal: Bangladesh, Sri Lanka, Burma, Maldives, Indonesia, Thailand, and Malaysia. Also included have been naval forces from the wider region: Singapore, Brunei, Philippines, Vietnam, Australia, New Zealand, Seychelles, and Mauritius. The number of navies participating in MILAN has grown from five in 1995 to 13 in 2012.

Because MILAN's intent is to promote interoperability among indigenous navies in the region, the United States has so far not been invited to participate.<sup>18</sup> This is not a surprise, since MILAN is a venue which permits India to exercise a leadership role in the Indian Ocean. While smaller Indian Ocean states are accustomed to dealing with India in a manner that acknowledges India's preeminent security role in the region, Indian officials carefully avoid statements that suggest that India aspires to a leadership role in the region. For example, during MILAN 2010, when India's Chief of Naval Staff, Admiral Nirmal Verma, was asked about his country's options in the Indian Ocean given China's increasing presence in the region, he stated that India will not assume the role of "headmaster" there.<sup>19</sup> Nonetheless, India's regional ambitions are implied. After the South Asian Association for Regional Cooperation (SAARC) summit in the Maldives in November 2011, Prime Minister Manmohan Singh proclaimed that "this is our extended neighborhood. We wish to work with the Maldives and other like-minded countries to ensure peace and prosperity

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<sup>17</sup> *IHS Jane's*, "Indian Army Chief Returns from Myanmar Visit," *Jane's Intelligence Weekly*, Jan. 17, 2012.

<sup>18</sup> Discussions with U.S. officials, 2012.

<sup>19</sup> "India Not Taking Role of Headmaster," *The Asian Age*, Feb. 5, 2010, <http://www.asianage.com/content/%E2%80%98india-not-taking-role-headmaster%E2%80%99>.

in the Indian Ocean region.”<sup>20</sup> From Washington’s perspective, it wants India to become a “provider of security in the broader Indian Ocean region.”<sup>21</sup>

The Indian Ocean Naval Symposium (IONS) is another multilateral initiative, begun by India in February 2008 to gather the navy chiefs of the Indian Ocean, broadly defined. The first IONS meeting was held in 2008 in New Delhi with India as the chair; over 20 navy chiefs in the Indian Ocean region participated. By the second IONS meeting, held in May 2010 in Abu Dhabi with the United Arab Emirates (UAE) Navy as the chair, membership had grown to over 30 nations. The third meeting was held in Cape Town in April 2012, with South Africa as the chair. IONS members include navies and coast guards from a broad swath of Indian Ocean countries: Australia, Bangladesh, Bahrain, Comoros, Djibouti, Egypt, Eritrea, France, Indonesia, India, Iran, Kenya, Kuwait, Malaysia, Madagascar, Myanmar, Mauritius, Mozambique, Maldives, Oman, Pakistan, Qatar, Saudi Arabia, Seychelles, Singapore, Sri Lanka, South Africa, Sudan, Tanzania, Thailand, UAE, and Yemen. Once again, the United States is unsurprisingly not an invited participant or observer. Topics discussed at IONS meetings focus on issues such as disaster relief and counter-piracy operations and do not delve into controversial topics such as the presence of China in the Indian Ocean. The benefit of this forum is regular Indian Ocean navy chief interactions. Although different countries rotate chairmanship, India’s role as the convening force behind IONS is another example of India’s growing role as the leading naval power of the Indian Ocean region.

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<sup>20</sup> C. Bryson Hull, “Cold War in the Tropics: China, India Vie for Maldives,” Reuters, Nov. 16, 2011, <http://www.reuters.com/article/2011/11/16/us-maldives-china-india-idUSTRE7AF0DT20111116>.

<sup>21</sup> U.S. Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, Jan. 5, 2012, 2, [http://www.defense.gov/news/Defense\\_Strategic\\_Guidance.pdf](http://www.defense.gov/news/Defense_Strategic_Guidance.pdf).

## The Burma triangle: India's northeast and China's southwest, with Burma at the center

The potential for Sino-Indian rivalry in the Bay of Bengal is nowhere greater than in Burma. This is due to the confluence of both countries' domestic and strategic interests in a neighbor which can provide their landlocked regions with access to the Bay of Bengal. Until very recently, Burma was considered a client state of China because of China's role as a provider of vital economic and military assistance to the military regime. The 1988 roll-back of democratic elections by the military junta led to Western economic sanctions which isolated Burma. Many observers believe that this left the regime with no choice but to turn reluctantly to Beijing as a last-resort partnership, even though many in the Burmese military have lingering memories of China's support of Communist insurgents.<sup>22</sup>

Unlike China, India initially supported pro-democracy activists in solidarity with the international community. However, India began engaging the junta in 1993 under the ethos of the "Look East" policy, to avoid increasing Burma's dependence on China. India's "Look East" policy was originally conceived in the context of the liberalization of its economy in the early 1990s. As India sought to intertwine its economy with those of Southeast Asian states, it also sought the strategic gains associated with deeper economic ties. Prime Minister Singh has stated the holistic ambitions of the policy:

India's "Look East Policy" ... was not merely an external economic policy, it was also a strategic shift in India's vision of the world and India's place in the evolving global economy. Most of all it was about reaching out to our civilizational neighbours in South East Asia and East Asia.<sup>23</sup>

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<sup>22</sup> Jürgen Haacke of the London School of Economics and Political Science explains the spectrum of views on the China-Burma relationship since 1988. Jürgen Haacke, "The Nature and Management of Myanmar's Alignment with China: The SLORC/SPDC Years," *Journal of Current Southeast Asian Affairs* 30, 2 (2011), 113, <http://hup.sub.uni-hamburg.de/giga/jsaa/article/viewFile/447/445>.

<sup>23</sup> Prime Minister Manmohan Singh, "Keynote Address," Special Leader's Dialogue of ASEAN Business Advisory Council, Kuala Lumpur, Dec. 12,

After roughly two decades, India has succeeded in bolstering trade, investment, and security ties with the Association of Southeast Asian Nations (ASEAN) states.<sup>24</sup> The Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a vehicle for carrying out “Look East” objectives by connecting India with other Bay of Bengal countries (Bangladesh, Burma, India, Sri Lanka, and Thailand, plus Bhutan and Nepal) through a multilateral forum focused on development and attaining a free trade area within the next five years. BIMSTEC’s website explains:

BIMSTEC was initiated with the goal to combine the “Look West” policy of Thailand and ASEAN with the “Look East” policy of India and South Asia. So it could be explained that BIMSTEC is a link between ASEAN and SAARC.<sup>25</sup>

By cultivating ties with ASEAN and BIMSTEC states individually and collectively, India is increasingly recognizing that it must take advantage of economic opportunities in the Bay of Bengal, particularly in Burma, to address the intractable insurgency in the underdeveloped northeast. An additional strategic benefit is that such moves can provide India’s landlocked states with access to the sea and position India as a countervailing presence to China’s influence on their neighbor.

India’s 2008 “North Eastern Region Vision 2020” strategy acknowledged that the “Look East” policy begun in the early 1990s has neglected to develop the northeast of the country.<sup>26</sup> The preferred route of transporting goods to the northeast has been through the Bay of

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2005, <http://www.indianembassy.org/prdetail1003/-keynote-address-by-prime-minister-dr-manmohan-singh-at-special-leader's-dialogue-of-asean-business-advisory-council->

<sup>24</sup>Walter C. Ladwig III, “Delhi’s Pacific Ambition: Naval Power, ‘Look East,’ and India’s Emerging Influence in the Asia-Pacific,” *Asian Security* 5, no. 2 (2009): 87, 93-94, <http://www.tandfonline.com/doi/pdf/10.1080/14799850902886476>.

<sup>25</sup>Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, [http://www.bimstec.org/about\\_bimstec.html](http://www.bimstec.org/about_bimstec.html).

<sup>26</sup>C. S. Kuppuswamy, *India's Look East Policy - A Review*, South Asia Analysis Group, no. 3662, Feb. 12, 2010, <http://www.southasiaanalysis.org/papers37/paper3662.html>.

Bengal rather than by the narrow land route known as the Siliguri Corridor, which is sandwiched between Nepal, Bangladesh, and Bhutan, due to safety concerns and insufficient infrastructure and industrialization. Also, an estimated 25 to 40 percent of India's territory is affected by insurgency, including in the northeast, as described below.<sup>27</sup> For example, Prime Minister Singh described the severity of Naxalism, or Maoist rebellions, in the eastern part of the Indian subcontinent: "It would not be an exaggeration to say that the problem of Naxalism is the single biggest internal security challenge ever faced by our country."<sup>28</sup>

Some Indian policy-makers have accused China of aiding Indian insurgent groups that operate from inside Burma.<sup>29</sup> Indian media cite Indian intelligence assessments that claim Maoist leaders travel to China's Yunnan province for arms training and that China created a weapon manufacturing facility in Myanmar's Kachin state to supply weapons to Maoists.<sup>30</sup>

A variety of insurgent groups predominate in India's northeastern states, also known as the "Seven Sisters." The threat of arms trafficking by northeast insurgent groups in the Bay of Bengal and Andaman Sea has been a long-standing problem and, as a result, India's maritime services emphasize a "constabulary role" in ensuring "good intel-

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<sup>27</sup> "India's Quiet War: Maoist Insurgents Now Control One Quarter of Indian Territory," *Head Down Eyes Open* (blog), Jun. 21, 2009, <http://headdowneyesopen.blogspot.com/2009/06/indias-quiet-war.html>; "The Three Dangers That India Faces," *Rediff News*, Jun. 25, 2009, <http://news.rediff.com/column/2009/jun/25/bharat-verma-on-the-three-dangers-india-faces.htm>.

<sup>28</sup> Prime Minister Manmohan Singh, "PM's Speech at the Chief Minister's Meet on Naxalism," New Delhi, India, Apr. 13, 2006, <http://pmindia.nic.in/speech-details.php?nodeid=302>.

<sup>29</sup> Robert D. Kaplan, *Monsoon: The Indian Ocean and the Future of American Power* (New York: Random House, 2010), 132.

<sup>30</sup> Anurag Tripathi, "The Easy Way To Arms And Violence," *Tehelka Magazine* 5, no. 3, Jan. 26, 2008, [http://www.tehelka.com/story\\_main37.asp?filename=Ne260108the\\_easy.asp](http://www.tehelka.com/story_main37.asp?filename=Ne260108the_easy.asp); Strategy Page, "China And Pakistan Supply Indian Maoists," Jan. 11, 2012, <http://www.strategypage.com/htm/htproc/articles/20120111.aspx>.

ligence, keeping a check on such activities, in coordination with the Coast Guard and shore-based authorities.”<sup>31</sup> The Indian Navy has been conducting joint patrols with Indonesia and Thailand to monitor this trafficking by expanding Indian naval activities in the eastern Bay of Bengal.

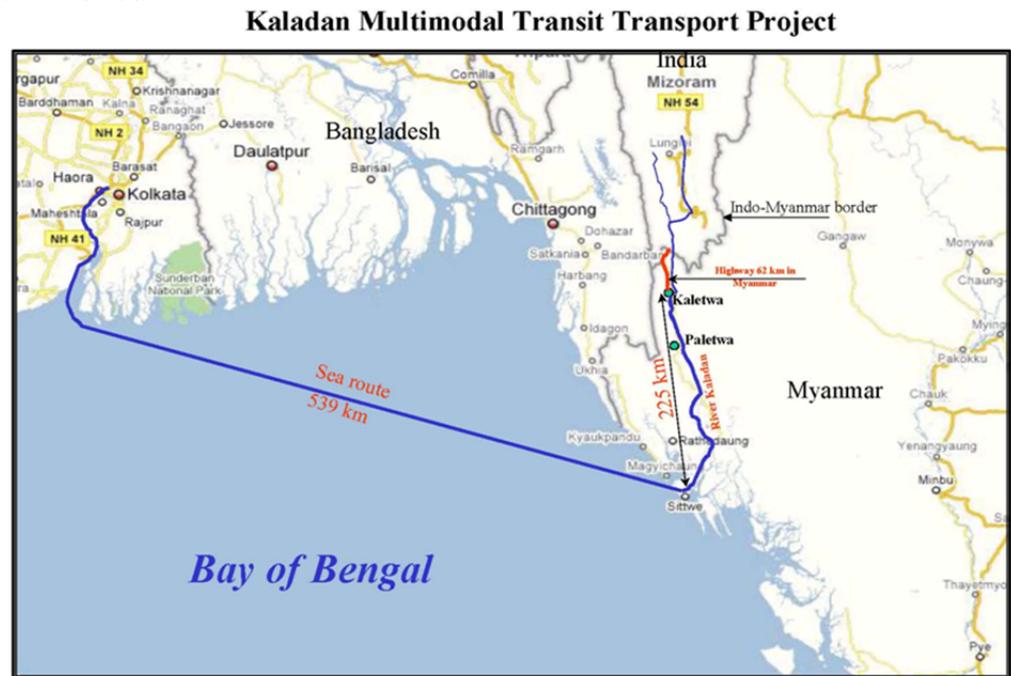
Not only is India increasing security ties in the Bay of Bengal due to its troubles in the northeast, it is also expanding its interests into Burma through a few economic projects. For example, the Kaladan Multi-Modal Transit Transport Project is designed to be a road and water network that will connect landlocked northeastern India with the eastern Indian mainland (in Kolkata) via the Bay of Bengal (see figure 2).<sup>32</sup> (The Kaladan River flows from India’s Mizoram state through Burma into the Bay of Bengal.) This project is necessary because Bangladesh has refused to sign an agreement with India to allow overland access to its northeastern part of the country due to a bilateral dispute over water-sharing rights. The Kaladan Project is a much-needed, new source of connectivity for India. This \$120 million government-funded project is expected to be completed by December 2013.

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<sup>31</sup> Indian Ministry of Defence (Navy), *Freedom to Use the Seas: India’s Maritime Military Strategy* (New Delhi: Integrated Headquarters, 2007), 94, <http://www.scribd.com/doc/31917366/India-s-Maritime-Military-Strategy>.

<sup>32</sup> Figure 2 is from the Inland Waterways Authority of India, Indian Ministry of Shipping, <http://iwai.nic.in/nit/KaladanPresentationprebidon220609.pdf>.

Figure 2: Kaladan River project in Burma connecting landlocked northeast India to the eastern Indian littoral in Kolkata



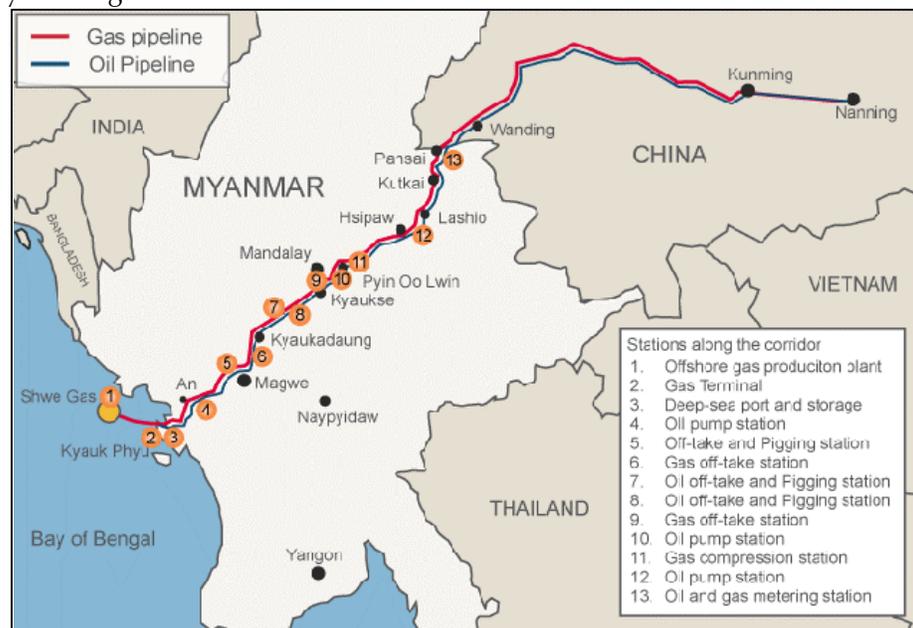
Burma and India are also examining the potential for the construction of a hydropower station in Burma to supply electricity to eastern India. In partnership with Thailand, also a Bay of Bengal country, India is committed to building a 1,360-km “trilateral highway” through Burma to enhance links within the region. In discussing his summit with Thai Prime Minister Yingluck Shinawatra in January 2012, Prime Minister Singh stated, “We see Thailand as playing a positive role in our efforts to develop our northeastern states and improve connectivity with the ASEAN region.”<sup>33</sup>

While India is slowly expanding economic and security ties in Burma to address its troubles in the northeast, upper Burma is beginning to be known as “Baja Yunnan” – referring to China’s southwestern Yunnan province. Burma constitutes only 2 percent of China’s trade, but

<sup>33</sup> “India, Thailand Sign Six 6 Key Accords, Talk of Strategic Partnership,” *The Economic Times*, Jan. 25, 2012, <http://economictimes.indiatimes.com/news/economy/foreign-trade/india-thailand-sign-six-6-key-accords-talk-of-strategic-partnership/articleshow/11631810.cms>

it constitutes roughly 50 percent of Yunnan's trade.<sup>34</sup> Since the establishment of border trade in 1988 and subsequent transfers of military hardware, China and Burma have a nearly two decades old economic relationship that is quite close. China's flurry of infrastructure development around the globe has hardly bypassed Burma. In 2009, the governments of China and Burma agreed to build two pipelines – one for crude oil, the other for gas – from Kyaukphyu in Rakhine state, Burma on the Bay of Bengal, to Kunming in China's Yunnan province (see figure 3).<sup>35</sup> Construction began in June 2010 and is expected to be completed in 2013. According to estimates, an investment of roughly \$1 billion was required for each pipeline. Future goals include connecting Kunming to domestic pipelines in other southwestern provinces such as Guangxi and Guizhou.

Figure 3: Oil and gas pipelines project in Burma connecting landlocked Yunnan province in China to the Bay of Bengal



The costly crude oil pipeline project represented the culmination of a national entreaty by President Hu Jintao to try to circumvent Chi-

<sup>34</sup> Discussion with Burma expert, Alexandria, V.A., Sep. 2011.

<sup>35</sup> Figure 3 is from <http://offshore-asia.blogspot.com/2010/11/china-myanmar-oil-and-gas-pipeline.html>; adapted from *Reuters*, "China to Build 3 Pipelines to Deliver Myanmar Oil-Report," Aug. 26, 2010.

na's "Malacca Dilemma."<sup>36</sup> However, while importing Persian Gulf oil via this pipeline would enhance China's energy security by avoiding the Strait of Malacca and U.S. naval forces in East Asia, traffic via this route is estimated to cost double the amount of transporting crude to eastern China (roughly \$4 vs. \$2 a barrel).<sup>37</sup> This price does not reflect the additional cost of transporting the oil to eastern China, where most of China's oil is consumed. The U.S. Energy Information Administration's *International Energy Outlook 2011* estimates that the natural gas pipeline to Kunming will carry a sizable 32 percent of China's daily projected gas imports, whereas the oil pipeline will transport only 400,000 barrels per day or 5.8 percent of China's projected oil imports in 2013.<sup>38</sup> In one sense, Chinese interest in this project represents a strategic imperative to at least partially alleviate its "Malacca Dilemma" by shipping oil from the Bay of Bengal; however, the primary rationale is economic—promoting the underdeveloped province of Yunnan and other southwestern provinces in the future.

To some people, the subsequent emergence of the Kaladan Multi-Modal Project in Sittwe appears to represent India's strategic response to the pipeline project by China. However, like China's project, strategy does not appear to be the driving concern. In fact, if this project is India's strategic response to China's growing ties with the Bay of Bengal littoral, it is weak by comparison. The Sittwe project has been described as "India's consolation prize":<sup>39</sup> China beat India for the chance to develop natural gas from Burma's Shwe offshore

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<sup>36</sup> Bo Kong, "The Geopolitics of the Myanmar-China Oil and Gas Pipelines," in Edward Chow, Leigh E. Hendrix, Mikal E. Herberg, Shoichi Itoh, Bo Kong, Marie Lall, and Paul Stevens, *Pipeline Politics in Asia: The Intersection of Demand, Energy Markets, and Supply Routes*, The National Bureau of Asian Research, NBR Special Report, Sep. 2010, 58, <http://www.nbr.org/publications/element.aspx?id=456>.

<sup>37</sup> *Ibid.*, 63.

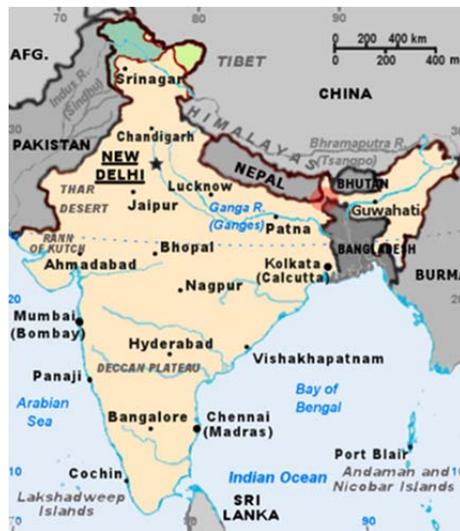
<sup>38</sup> Jared Bissinger, "Foreign Investment in Myanmar: A Resource Boom but a Development Bust?" in *Contemporary Southeast Asia* 34, no. 1 (2012), 45, <http://bookshop.iseas.edu.sg/ISEAS/EbookDetails.jsp?cSeriesCode=CS34/1&cCategoryType=Journal>.

<sup>39</sup> William Boot, "Burma's Neighbors Line Up for Three Port Deals," *The Irrawaddy*, Apr. 24, 2008, [http://www2.irrawaddy.org/print\\_article.php?art\\_id=11529](http://www2.irrawaddy.org/print_article.php?art_id=11529).

blocks, despite the fact that India and Burma had already signed a 2006 memorandum of understanding covering the same territory for a proposed India-Burma-Bangladesh pipeline.<sup>40</sup>

If the project in Sittwe is a consolation prize, it is a good one for India's domestic needs. The Kaladan project represents an alternative to the time-consuming, land-based transit route, known as Siliguri Corridor or Chicken's Neck, which connects India's "Seven Sisters" to the rest of the country. (See the red highlighted circle between Nepal, Bhutan, and Bangladesh in figure 4.)<sup>41</sup> The corridor is known for its "hilly terrain with steep roads and multiple hairpin bends that make transporting goods very difficult."<sup>42</sup> Through the Kaladan project in Burma, expanded connectivity between mainland India and its northeast will help increase economic development of this often neglected region and perhaps reduce insurgency in the long term.

Figure 4: Siliguri Corridor



<sup>40</sup> Kong, "The Geopolitics," 65; Jared Bissinger, "The Maritime Boundary Dispute Between Bangladesh and Myanmar: Motivations, Potential Solutions, and Implications," *Asia Policy* 10, 2010, The National Bureau of Asian Research, 121, <http://www.nbr.org/publications/element.aspx?id=449>.

<sup>41</sup> Figure 4 is from <http://en.wikipedia.org/wiki/File:Chickensneckindia.jpg>.

<sup>42</sup> "Tripura Welcomes Investment from Bangladesh: Sarkar," *The Assam Tribune*, Jan. 19, 2012, <http://www.assamtribune.com/scripts/detailsnew.asp?id=jan1912/at044>.

India's policy of engaging Burma is also paying immediate dividends regarding internal security. When Burmese President Thein Sein visited New Delhi in October 2011, he met with Prime Minister Singh and discussed improving the effectiveness of coordinated operations on the border through greater intelligence sharing. Burma is providing some measure of assistance in helping India combat its north-eastern insurgencies, while India provides a way for Burma to diversify its international partners and reduce its dependence on China.

To some Indian observers, the Obama administration's recent breakthrough in engaging President Thein Sein represents an acknowledgment of the merits of India's earlier opening to the regime and vindication of its Burma policy. What initially appeared as a potential obstacle to deepening U.S.-India diplomatic relations now appears to be facilitating a gradual convergence of their views on Burma.<sup>43</sup>

With the United States in the mix, the rivalry in the Bay of Bengal that has Burma as its nexus has become more complicated, and Burma appears to be the beneficiary. The full set of details behind the dramatic turn of events in Burma in 2011–2012 is beyond the scope of this report, but Burma's relationship with the United States and Western democracies has moved rapidly from isolation to engagement. In short, this evolution lay in political developments inside Burma. President Thein Sein welcomed Aung San Suu Kyi and the National League for Democracy back into politics in Burma, resulting in her victory in a parliamentary by-election. The government also made a cease-fire agreement with the Karen National Union, an ethnic insurgency that had been fighting for decades, authorized the release of 651 Karen prisoners, and signed peace agreements with other armed ethnic insurgencies. These measures were seen as attempts by President Thein Sein to signal a new direction to the international community.

The United States responded favorably to these moves, beginning with Secretary of State Hillary Clinton's visit to Burma – the first by

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<sup>43</sup> Shyam Saran, "The Pivot of Change in Asia," *The Indian Express*, Dec. 2 2011, <http://www.indianexpress.com/news/the-pivot-of-change-in-asia/883097/0>.

the top U.S. diplomat since 1955. Furthermore, the United States will restart assistance efforts by installing a U.S. Agency for International Development mission in Burma and supporting a normal United Nations (UN) Development Program country program.<sup>44</sup> Burma's engagement with the West provides it with many more options for development than its 20-year relationship with China or its late-blooming courtship with India. Only weeks before Clinton's visit, opposition to Burma's chairmanship of ASEAN in 2014 was dropped.

Following these developments, China became even more anxious to bolster its relationship, especially after Burma suspended a Chinese-led project to build the hydroelectric Myitsone Dam in northern Myanmar during September 2011. In addition, after Secretary Clinton's visit was announced, China issued a statement that it should increase military ties with Burma. It is unclear why the leadership in Burma decided to move in the direction that the West has long hoped for, but what seems certain is that Naypyidaw is increasingly willing to diversify its international partners beyond China.

In conclusion, the developments over the last year regarding Western engagement with Burma appear to have taken some of the wind out of the sails of burgeoning Sino-Indo competition. While strategic concerns still animate both New Delhi and Beijing (after all, Burma is the traditional invasion route to the underbelly of China), both countries are actually seeking the same thing—access through Burma so that landlocked underdeveloped areas in China and India can become more economically viable. This seems to be a win-win situation for Burma as well as its two giant neighbors. China's significant investment in Burma's railways, roads, hydropower transmission networks, and pipelines will only benefit the country, which could become "China's California," in the words of former UN official Thant Myint-U.<sup>45</sup>

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<sup>44</sup> U.S. Department of State, Bureau of East Asian and Pacific Affairs, "U.S. Relations with Burma: Fact Sheet," Aug. 1, 2012, <http://www.state.gov/r/pa/ei/bgn/35910.htm>.

<sup>45</sup> Thant Myint-U, "Asia's New Great Game," *Foreign Policy*, Sep. 12, 2011, [http://www.foreignpolicy.com/articles/2011/09/12/asias\\_new\\_great\\_game](http://www.foreignpolicy.com/articles/2011/09/12/asias_new_great_game).

## Sri Lanka and Bangladesh: open to all, but no real contest

### Sri Lanka

The most discussed aspect of a Sino-Indian rivalry in the Bay of Bengal is centered on the Chinese development of a new port at Hambantota in southern Sri Lanka. Not long ago, Hambantota was an undeveloped fishing village. Now after an investment roughly estimated at \$1 billion, it is being turned into a port, bunkering terminal, refinery, and international airport. This southern town is virtually astride the main east-west Indian Ocean shipping lanes.

China was not the first country approached by Sri Lanka to develop the Hambantota area. Discussing his vision of developing the harbor located in his home district, Sri Lankan President Mahinda Rajapaksa asserts that he offered India the first chance to develop Hambantota.<sup>46</sup> However, New Delhi passed on the opportunity “due to reasons of decision making,”<sup>47</sup> thus leaving the door open for China. There is reasonable speculation that the Tamil constituency in the Indian state of Tamil Nadu may have influenced New Delhi’s decision to back away from Hambantota because of Sri Lanka’s civil war against the Liberation Tigers of Tamil Eelam (LTTE). New Delhi needs vital support from Tamil Nadu state in its coalition government, so this reason seems highly plausible.

What is undeniable (and not speculative) is that high-level defense relations between India and Sri Lanka virtually ground to a halt from 2007 through 2009 – the last year of civil war.<sup>48</sup> However, defense ties between New Delhi and Colombo have significantly increased since 2010. Activities include mutual visits by senior defense officials and training. Concerns about China’s growing influence on Sri Lanka

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<sup>46</sup> Mahinda Rajapaksa, quoted in Ravi Velloor, “A Man Who Loves His Country,” *Straits Times Blogs*, Mar. 18, 2010, <http://blogs.straitstimes.com/2010/3/17/sri-lanka-as-a-regional-hub>.

<sup>47</sup> *Times Now*, “Almost a Revelation by Rajapaksa?” Nov. 2011, <http://www.timesnow.tv/Did-India-let-the-Chinese-in/videoshow/4388691.cms>.

<sup>48</sup> Government of India, Ministry of Defence, *Annual Report*, <http://mod.nic.in/reports/welcome.html>.

certainly played a part for India to reconnect with Sri Lanka on defense. On the Sri Lankan side, the post-war availability of ships to participate in an exercise allowed the resumption of the five-day SLINEX exercise between the Indian and Sri Lankan navies in September 2011 – their first joint naval exercise since 2005.<sup>49</sup> In January 2012, India and Sri Lanka launched their annual defense dialogue in New Delhi, with maritime security among the top issues discussed by their defense secretaries. A few months later, the Sri Lanka Coast Guard was invited to participate in the two decades-old bilateral DOSTI exercise between the Indian and Maldivian coast guards.

Sri Lanka is trying to maintain a relationship that is balanced between China and India, as evidenced by its awarding them equal tracts for oil exploration in the Mannar Basin. As a developing country seeking assistance from external sources, Sri Lanka generally tries to avoid giving the impression that it wishes to play China and India off each other. Its geographic proximity and civilizational ties to India are too strong. A senior Sri Lankan government official put Sri Lanka's relations with China into perspective: "India is an elder brother in the family; China is a longstanding friend."<sup>50</sup>

To prevent the appearance of favoring China, because of the Hambantota project, Sri Lanka offered India the opportunity to rehabilitate and expand the Kankesanthurai (KKS) port on the northern end of Sri Lanka, which was damaged in the civil war. (KKS is just across the Palk Strait from India.) India accepted the offer. Its wish to regain some influence in Sri Lanka was one of New Delhi's motivations; however, other considerations were probably more influential. For example, India's Tamil Nadu constituency is interested in rebuilding the predominantly Tamil northern end of the country, which was devastated during the civil war. At present, work is underway with dredging and breakwater construction on the immediate agenda.

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<sup>49</sup> Interviews with Sri Lanka Navy officers, 2012.

<sup>50</sup> Interview with a senior Sri Lankan government official, 2009.

Nevertheless, Sri Lanka continues to accept the major construction activities and loans that China offers (\$1.2 billion in 2009<sup>51</sup> and \$829 million in 2010<sup>52</sup>) for building an airport in Hambantota, expanding the port in Colombo, building a power plant, undertaking a railway project, and repairing war-torn roads in the north. Chinese loans are substantially greater than those from India (\$20 million in 2009 and \$484 million in 2010<sup>53</sup>) to rehabilitate the KKS port and construct railway lines. Sri Lanka has so far prevented itself from being carved into a northern sphere of influence for India and a southern one for China, by receiving infrastructure development funds from both countries for projects in the other halves of the country.

In the security realm, the potential for Chinese-built Hambantota to serve as a naval base for China has been a topic of discussion among Indian and American analysts concerned about the rise of China. China's weapons support to Sri Lanka was critical to the government's defeat of the LTTE when Western countries and India refused to supply arms. This military support, against the backdrop of greater economic and diplomatic ties, has caused analysts to wonder whether Sri Lanka has become strategically obligated to China.<sup>54</sup> President Rajapaksa has been forceful in trying to squelch this speculation, saying, "I know that China is not interested in putting a naval base here. I will not allow this country to be used against any other country. Whether it is China, India, Pakistan... we are a non-aligned country."<sup>55</sup> In January 2012, President Rajapaksa again rejected such talk about a

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<sup>51</sup> Sri Lanka Ministry of Finance and Planning, *Annual Report: 2009*, 131, <http://www.treasury.gov.lk/reports/annualreport/annualreport2009-eng.pdf>.

<sup>52</sup> Sri Lanka Ministry of Finance and Planning, *Annual Report: 2010*, 245, <http://www.treasury.gov.lk/reports/annualreport/AnnualReport2010-eng.pdf>.

<sup>53</sup> Ibid.

<sup>54</sup> For further analysis of Sri Lanka's bilateral ties with China, please see Nilanthi Samaranyake, "Are Sri Lanka's Relations with China Deepening? An Analysis of Economic, Military, and Diplomatic Data," *Asian Security* 7, no. 2, 2011, 119–146, <http://www.tandfonline.com/doi/abs/10.1080/14799855.2011.581603#preview>.

<sup>55</sup> Rajapaksa, quoted in Velloor, "A Man."

Chinese naval base.<sup>56</sup> Still, observers remain curious with every new Sri Lankan-Chinese interaction, most recently in Chinese Defense Minister Liang Guanglie's late August 2012 visit to Colombo – the first time a Chinese defense minister visited Sri Lanka.<sup>57</sup> Dismissing the “China threat theory,” General Liang stated that China's deepening ties with South Asian countries are “intended for maintaining regional security and stability and not targeted at any third party,” referring to India.<sup>58</sup>

The reality is that Hambantota's geographic proximity to India would render it vulnerable as a Chinese naval base. It would require “substantial air defenses, command-and-control facilities, and hardened infrastructure.”<sup>59</sup> Even with these, it would not be a viable base in war time due to India's air power and submarine force. Of course, Hambantota might be used by the PLA Navy during peacetime operations in the Indian Ocean – not as a formal “base” but as a “place” where PLA Navy warships could stop for fuel, fresh food, and liberty for its crews. Still, it is worth noting that a 2009 *Jane's* satellite imagery analysis finds that Hambantota is “ill-suited for military application.”<sup>60</sup>

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<sup>56</sup> C. Bryson Hull, “Sri Lanka Is No Pearl on China's String, Rajapaksa Says,” Reuters, Jan. 31, 2012, <http://in.reuters.com/article/2012/01/31/srilanka-china-idINDEE80U0CC20120131>.

<sup>57</sup> After Sri Lanka, General Liang visited India to discuss confidence-building measures, which appears to have blunted potential blowback among Indian observers over a Chinese defense official visit to Sri Lanka. In fact, the visit to Sri Lanka was hardly analyzed in the Indian press given the focus on General Liang's upcoming visit to India.

<sup>58</sup> “Defence Chiefs Offers India Assurance on China's Growing South Asia Ties,” *South China Morning Post*, September 2, 2012, <http://www.scmp.com/news/china/article/1027879/defence-chiefs-offers-india-assurance-chinas-growing-south-asia-ties>.

<sup>59</sup> Daniel J. Kostecka, “Places and Bases: The Chinese Navy's Emerging Support Network in the Indian Ocean,” *Naval War College Review* 64, no. 1, 2011, 72, <http://www.usnwc.edu/getattachment/0ecf6fde-e49e-485a-b135-c240a22e8a13/Places-and-Bases-The-Chinese-Navy-s-Emerging-Supp>.

<sup>60</sup> Urmila Venugopalan, “Harbouring Ambitions: China Invests in Indian Ocean Ports,” *Jane's Intelligence Review*, Oct. 15, 2009, 20.

Hambantota may turn out to be a very expensive white elephant, if the desire to use it as a base was indeed Beijing's motivation. Regardless, Sri Lankan officials often point to the ultimate goal of Hambantota becoming South Asia's transshipment hub and competing with Singapore someday. The final phase of port construction is expected to be completed in 2021.<sup>61</sup>

## Bangladesh

Discussion about Bangladesh's role in a Sino-Indian competition should be contextualized given Bangladesh's fluctuating ties with India, which have been troubled in recent years. Disagreements have taken place over water management, illegal immigration across contested land borders, and a long-standing EEZ dispute with India in the Bay of Bengal. Nearly all of Bangladesh's 54 rivers pass through India, and India's use of the water upstream reduces the amount of water available to Bangladesh. The issue of illegal immigration over enclaves astride the land border was settled during Prime Minister Singh's visit to Dhaka in September 2011. This success created momentum for trying to reach a water-sharing agreement over the Teesta River. At the last minute, New Delhi pulled out because of domestic political considerations in its West Bengal state, which lies adjacent to Bangladesh. Essentially, the state's Chief Minister Mamata Banerjee was not willing to sign the agreement. New Delhi needs her party's support in its coalition government, so it backed out. In response, Bangladesh refused to sign a transit agreement to allow overland shipment of goods, thereby bypassing the narrow Siliguri corridor that connects much of India from its northeastern states.

On the other hand, China is Bangladesh's largest trade partner, and defense ties with Bangladesh are strong. China is providing staff training, patrol craft, two frigates, and possibly Z-9 helicopters.<sup>62</sup> Prime Minister Sheikh Hasina went to China in March 2010 to encourage China to use Chittagong – Bangladesh's largest port – and link it to Kunming, China, via a road or railway link through Burma. Apparently, Beijing did not accept the offer; the Joint Bangladesh-China Statement released after Hasina's visit did not mention Chittagong.

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<sup>61</sup> Conversation with port official, Hambantota, Sri Lanka, 2012.

<sup>62</sup> *IHS Jane's*, "Jane's World Navies: Bangladesh," May 11, 2011.

Nevertheless, the issue is still alive. In June 2011, Wan Daning, president of Yangshan Deepwater Port Authority of China, restated China's interest in a deepwater port at Sonadia – south of Chittagong port – as did the outgoing Chinese ambassador to Bangladesh in January 2012. It is important to note that two months before Prime Minister Sheikh Hasina visited Beijing to request assistance with port development, she visited New Delhi, in January 2010. She made it clear that India, China, as well as Burma and Nepal, are all welcome to use Chittagong.

With regard to counterterrorism, bilateral ties between Dhaka and New Delhi have significantly improved since the arrest and extradition to India of top figures in an Indian separatist group, the United Liberation Front of Assam. The Indian Ministry of Defence's 2009-2010 annual report pointedly states: "India is appreciative of the increasing cooperation with Bangladesh in security matters, especially vis-à-vis Indian insurgent groups operating from its territory."<sup>63</sup> The report goes on to express India's interest in intensifying ties with Bangladesh. Bilateral defense ties appear to involve mostly the army and air force services of the two countries. Routine navy-to-navy cooperation has been limited to the annual MILAN exercises.

The boundary dispute between Bangladesh and Burma was one of the Bay of Bengal's most intractable problems: it lasted 40 years before it was resolved in March 2012 by the International Tribunal for the Law of the Sea (ITLOS). Given similar intractable boundary and sovereignty issues in East Asia, many experts have expressed hope that this ITLOS precedent – the tribunal's first boundary case – might encourage the disputants in the South China or East China Seas to seek this avenue for resolution.

But all sovereignty disputes are unique, and the Bangladesh-Burma case was no exception. Unlike the South China Sea boundary disputes, this dispute had no more than two claimants and did not involve busy shipping lanes or competing sovereignty claims over

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<sup>63</sup> Government of India, Ministry of Defence, *Annual Report: 2009-2010*, 7, <http://mod.nic.in/reports/AR-eng-2010.pdf>.

islands.<sup>64</sup> In addition to the absence of a claimant hegemon – China – these factors facilitated a peaceful resolution via ITLOS.

The ITLOS decision should decrease tensions in the Bay of Bengal. As a result, the Bangladesh Navy and Coast Guard now face increased responsibilities for defending the country's EEZ.<sup>65</sup> Even before the ITLOS decision, the Bangladeshi government's increased defense spending was due to its need to protect its EEZ. The Bangladeshi EEZ:

is emerging as a strategic driver of military procurement as the country increasingly competes for energy resources in the Bay of Bengal. Bangladesh has identified substantial unexploited offshore oil and gas reserves inside its EEZ and has often accused neighbours Myanmar and India of infringement. For instance, in 2008 Bangladesh accused Myanmar of sending six vessels (two of them naval) into the EEZ, prompting a stand-off.<sup>66</sup>

India and Bangladesh also have disputed EEZ claims in the Bay of Bengal. Rather than pursuing ITLOS adjudication, India and Bangladesh are engaged in arbitration through Annex VII of the United Nations Convention on the Law of the Sea (UNCLOS), in which five arbitrators oversee dispute settlement. Both ITLOS and Annex VII, in addition to two other methods, are suggested by UNCLOS as ways to resolve disputes. While the Annex VII arbitration is a bilateral process, and India prefers this – much as China does in the South China Sea – Bangladesh is now seeking ITLOS adjudication in the hope of another favorable outcome.<sup>67</sup>

Across the Long Littoral, these settlement options may not hold as much appeal in East Asia due to the fact that parties involved in disagreements over the Senkaku/Diaoyu and Takeshima/Dokdo islands, for example, refuse to agree that ownership is actually in dispute.

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<sup>64</sup> Bissinger, "Maritime Boundary Dispute," 140-141.

<sup>65</sup> Interviews with Bangladesh Navy and Coast Guard officers, 2012.

<sup>66</sup> Jon Grevatt, "Bangladesh Confirms Russian APC Purchase," *Jane's Defence Industry & Markets*, Nov. 22, 2011.

<sup>67</sup> Khurshid Alam, "Delimitation of the Bangladesh-Myanmar Maritime Border in the Bay of Bengal," *South Asia Journal*, Jul. 2012, 30.

Fortunately for Bangladesh and Burma, the issue of sovereignty was not a concern, and ITLOS was accepted by both parties as a viable path to resolution. If the decision between India and Bangladesh also goes Bangladesh's way, then Bangladesh's EEZ responsibilities will become even greater.

It is difficult to imagine Sino-Indian competition materializing in Bangladesh in the near term. Certainly, a transfer of power from the current Bangladesh Awami League to the Bangladesh Nationalist Party (BNP) in elections next year could see a difference in approach to relations with India. The BNP, which is critical of India, is seen as being more pro-China. However, Bangladesh appears to be on the cusp of negotiating vital accords with India over water-sharing rights and transit routes. Furthermore, relations with China have not markedly progressed in recent years.

The upcoming national elections in late 2013 or early 2014 will result in one of two extremes for Bangladesh: the reemergence of the BNP leadership, or a continuation of the current Awami League rule, which is seen as more favorable to India than the BNP. For U.S. and Indian policy-makers' interests, as much progress as possible should be made prior to the election in order to cement these improved ties with Bangladesh and make it more difficult for a BNP victory to reverse bilateral successes under the Awami League.

## **Maldives: no contest between India and China**

Maldives is situated in the Laccadive Sea, which is closer to the Arabian Sea than to the Bay of Bengal; however, due to its close ethnic and cultural ties with South Asian countries in the Bay of Bengal, it is included in this assessment. China is interested in improving its relationship with Maldives, and used the occasion of the November 2011 SAARC summit on Addu atoll to make its case in a very visible fashion. On the eve of the meeting, China opened a new embassy in Maldives, becoming the only country outside of South Asia to have a diplomatic presence in the country (for example, the U.S. ambassador to Sri Lanka is accredited to Maldives as well).

Observers commented on China's "charm offensive" during the summit, in which it circulated gifts of notebooks and bags adorned with the slogan, "China-SAARC friendship!"<sup>68</sup> What China wants is a position in SAARC beyond that of observer, seeking at a minimum dialogue partner status. China is most likely lobbying for a "SAARC+1" summit, akin to the ASEAN+1 framework with Southeast Asian nations. In addition to diplomatic relations, Maldives and China share strengthening economic ties. For instance, Maldives now gets its largest share of tourists from China. Most recently in August 2012, Maldivian President Mohamed Waheed announced on the eve of his trip to the China-Eurasia Expo in western China that Male will receive \$500 million in loans from China for infrastructure and housing projects.

Despite Maldives' deepening economic relations with China, it is unwilling to sacrifice significant defense support from New Delhi, which it needs to secure its territory and tourist-based economy from pirate attacks and terrorism. The Maldives National Defense Force (MNDF) does not have enough indigenous capacity to patrol its EEZ of nearly one million square kilometers.<sup>69</sup> In fact, Indian naval assistance to the MNDF has increased in the last two years.<sup>70</sup> Areas of assistance include counter-piracy operations, maritime surveillance, training, and surveys.

Moreover, after the SAARC summit, Prime Minister Singh made a point in a speech to the Maldivian parliament which asserted India's sphere of influence: "This is our extended neighborhood. We wish to work with the Maldives and other like-minded countries to ensure peace and prosperity in the Indian Ocean region."<sup>71</sup> China is likely to pursue a more significant role in SAARC; this is going to be a long-term diplomatic task in South Asia. However, with regard to Maldives,

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<sup>68</sup> Manish Chand, "China Unleashes Charm for SAARC-Plus One Summit," Indo-Asian News Service (IANS), Nov. 14, 2011, <http://in.news.yahoo.com/china-unleashes-charm-saarc-plus-one-summit-105259095.html>.

<sup>69</sup> Interviews with MNDF officers, 2012.

<sup>70</sup> Government of India, Ministry of Defence, *Annual Report*, <http://mod.nic.in/reports/welcome.html>.

<sup>71</sup> Hull, "Cold War in the Tropics."

China appears to realize that its strategic interests currently would not be suited by competing with India over its southern neighbor. Thus, we should not be surprised that there have been no bilateral visits by senior defense officials from China to the Maldives since 2007 and only one visit by the Maldivian minister of defense to China, in February 2009.<sup>72</sup>

## Implications for U.S. national security

The United States should monitor Sino-Indian competition in the Bay of Bengal, but it has little direct impact on current U.S. policy in the region. If anything, Washington wants New Delhi to be a “provider of security in the broader Indian Ocean region.”<sup>73</sup> Given that India is not interested in drawing the United States into the region any more than necessary, it is unlikely to seek U.S. support in influencing Chinese activities in the Bay of Bengal.

Furthermore, the United States risks causing resentment in India if it acts with too much design or too proactively in the Indian Ocean,<sup>74</sup> including in the Bay of Bengal. This is a region in which Indian policymakers consider the United States to be an extraregional player, whereas India is a resident power.

Nevertheless, it will be important for the United States to monitor escalation of rivalry between India and China in the Bay of Bengal, which would most likely occur in Burma among the countries in the region. At present, this possibility, however, seems increasingly remote given the warming climate of Burma’s relations with the international community.

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<sup>72</sup> Information Office of the State Council of the People's Republic of China, “China's National Defense: 2010 and 2008,” Beijing, Mar. 31, 2011, and Jan. 20, 2009.

<sup>73</sup> U.S. Department of Defense, *Sustaining U.S. Global Leadership*, 2.

<sup>74</sup> Michael J. Green and Andrew Shearer, “Defining U.S. Indian Ocean Strategy,” *The Washington Quarterly* 35, no. 2 (2012), Center for Strategic and International Studies, 186, <http://csis.org/files/publication/twq12springgreenshearer.pdf>.

## Non-traditional security: natural disasters and environmental threats

It is important to note that while the potential for China-India rivalry in the Bay of Bengal comprises the matter to which security analysts are drawn, it is just that – a *potential* issue. In contrast, it seems inevitable that the United States will have to contend with the non-traditional security challenges of natural disasters and climate change there. A natural disaster in the Bay of Bengal is a matter of “when,” not “if.”

The Bay of Bengal region is particularly vulnerable to sudden changes in the weather – including cyclones, flash floods, and landslides – as well as to long-term shifts in climate, leading to rising sea levels. Earthquakes and resulting damage, including tsunamis, are additional concerns for natural disasters in the region. Contributing to this tinderbox is the fact that most of the population inhabits low-lying land in this region, and thus is especially vulnerable to environmental disasters. Roughly one-quarter of the world’s population resides in the Bay of Bengal region, with three countries (India, Indonesia, and Bangladesh) ranking among the top 10 most-populated nations. Moreover, as Bangladesh is the world’s most densely populated large country, any natural or man-made disasters there have the potential to affect a significant number of people.

Natural disaster statistics for India alone are grim: from 1974 to 2003, worldwide, India ranked third in sheer number of disaster events, second in total number of disaster victims, and fifth in amount of economic damage caused by disasters.<sup>75</sup> From 2006 to 2008, the region

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<sup>75</sup> P. G. Dhar Chakrabarti, “Challenges of Disaster Management in India: Implications for the Economic, Political, and Security Environments,” in *Nontraditional Security Challenges in India: Human Security and Disaster Management* by Mallika Joseph and P.G. Dhar Chakrabarti, NBR Special Report No. 34, The National Bureau of Asian Research, Nov. 2011, 11, <http://www.nbr.org/publications/issue.aspx?id=243>.

was affected by 128 natural disasters, which resulted in 8,000 fatalities. Of these events, 93 percent were water related. India suffered the most events, while Bangladesh lost the most lives.<sup>76</sup>

By far the most devastating natural disaster in the region was the 2004 earthquake in Aceh and the resulting tsunami, which caused significant damage to Indonesia, Sri Lanka, Thailand, India, Maldives, Malaysia, and Burma. In total, 240,000 people are estimated to have died, and over a million people displaced.<sup>77</sup> Economic costs of the tsunami for Sri Lanka, India, and the Maldives totaled \$3 billion.<sup>78</sup> Other prominent examples of natural disasters in the Bay of Bengal are Cyclone Marian in 1991, which killed 140,000 people and left 5 million people homeless in Bangladesh; Cyclone Sidr in 2007; and Cyclone Nargis in 2008.

Due to the success of mitigation efforts, Cyclone Sidr inflicted significantly less damage on Bangladesh than Cyclone Marian. But the following year, Cyclone Nargis killed 85,000 in Burma. In the case of Nargis, many more people than necessary likely suffered, because the junta delayed relief efforts for fear humanitarian assistance would act as a cover for a U.S. invasion. As a result, the United States will need to take into account countries' nervousness about accepting U.S. aid that is dispatched by military forces, especially to authoritarian countries. This will be a case where U.S. actions in the region will speak louder than words, but historically Washington's humanitarian actions in the region have been well received. For example, nearly eight

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<sup>76</sup> Farooq Sobhan, "Nontraditional Security Challenges in South Asia," in *Ecological and Nontraditional Security Challenges in South Asia*, by Dennis Pirages, Farooq Sobhan, Stacy D. VanDeveer, and Li Li, The National Bureau of Asian Research, NBR Special Report 28, Jun. 2011, 19, <http://www.nbr.org/publications/issue.aspx?id=231>.

<sup>77</sup> UN Office for the Coordination of Humanitarian Affairs, "Coordination and the Indian Ocean Tsunami," 2006, [http://ochaonline.un.org/ocha2006/chap6\\_1.htm](http://ochaonline.un.org/ocha2006/chap6_1.htm).

<sup>78</sup> Syed Rifaat Hussain, "Non-Traditional Security (NTS) Challenges in South Asia," Consortium of Non-Traditional Security Studies in Asia, 2008, p. 19,

<http://www.rsis-ntsasia.org/resources/publications/policy-briefs/inaugural-meeting/rcss.doc>.

out of ten Indonesians reported having a more favorable opinion of the United States due to its disaster relief after the 2004 Aceh tsunami.<sup>79</sup>

Water security issues loom large in this region. India possesses 16 percent of the world's population, but only 4 percent of the global supply of fresh water – and disputes over water-sharing rights can affect food production and political stability. Nearly all of Bangladesh's rivers pass through India, which has occasionally restricted water allocation. India is upstream, so does not share Bangladesh's feelings of insecurity over water. Yet further upstream is China, which has begun diverting water from the upper Brahmaputra in the Himalayas through dams, thus preventing it from flowing south into India and Bangladesh.<sup>80</sup> Even Li Li of the China Institutes of Contemporary International Relations – a Chinese government think tank in Beijing – acknowledges the “severe water scarcity in China,” thus exemplifying the China-India dimension of water security issues in this region.<sup>81</sup> If a phenomenon of “dam-racing” develops between China and Bay of Bengal countries including India and Bangladesh,<sup>82</sup> the United States should be deeply concerned over the potential for these states to use water as a weapon and the consequences for millions of people in lower riparian areas.

In addition to natural disasters, rising sea levels caused by climate change pose a long-term security threat to countries in the Bay of Bengal. Most of Bangladesh's 156 million people live in low-lying are-

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<sup>79</sup> Pew Global Attitudes Project, “U.S. Image up Slightly, But Still Negative: American Character Gets Mixed Reviews,” June 23, 2005, <http://www.pewglobal.org/2005/06/23/us-image-up-slightly-but-still-negative/>.

<sup>80</sup> Brahma Chellaney, *Water: Asia's New Battleground* (Washington, D.C.: Georgetown University Press, 2011), 168.

<sup>81</sup> Li Li, “Nontraditional Security and China's Relations with South Asia,” in *Ecological and Nontraditional Security Challenges*, 39.

<sup>82</sup> Brahma Chellaney, *From Arms Racing to “Dam Racing” in Asia: How to Contain the Geopolitical Risks of the Dam-Building Competition*, Transatlantic Academy Paper Series, May 2012, [http://www.transatlanticacademy.org/sites/default/files/publications/Chellaney\\_DamRace\\_May12\\_complete\\_web.pdf](http://www.transatlanticacademy.org/sites/default/files/publications/Chellaney_DamRace_May12_complete_web.pdf).

as on the coastline at sea level. An eight-inch rise in sea levels could result in 10 million environmental refugees by 2030.<sup>83</sup> *Monsoon* author Robert Kaplan augurs: “The U.S. Navy may be destined for a grand power balancing game with China in the Indian and Pacific Oceans, but it is more likely to be deployed on account of an environmental emergency.”<sup>84</sup> Furthermore, the entire population of the Maldives could become environmental refugees, as the country is gradually sinking into the rising ocean. This will be a slow-motion crisis, and there is every reason to expect that the UN would become involved early on and attempt to organize an international response that will likely include the United States. The United States is especially equipped to contribute some aspect of its amphibious shipping capability because these ships are well suited for disaster relief missions.

Besides the hazards of climate change, marine pollution is harming Bangladesh, as is overfishing. The country has become one of the world’s leading ship-breaking nations – that is, old ships are dismantled and recycled there. The scrap often contains hazardous chemicals which pollute the waters of the Bay of Bengal and harm fish stocks. During conversations with Bangladeshi Navy and Coast Guard officers, concerns emerge about marine pollution due to ships from outside the region dumping toxic substances and accidents involving oil discharge.<sup>85</sup> Furthermore, illegal, unreported and unregulated (IUU) fishing poses a problem to Bay of Bengal countries – especially Bangladesh, to which the European Union sent a counter-IUU mission in early 2012.

It will be interesting to see whether China-India rivalry manifests itself in a natural disaster scenario. China provided token disaster relief contributions after the 2004 Indian Ocean tsunami and Bangladesh’s cyclone in 2007. Some Chinese analysts suggest greater multilateral activity between China and SAARC through a cooperative mecha-

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<sup>83</sup> Atiq Rahman of the Bangladesh Centre for Advanced Studies, cited in Kaplan, *Monsoon*, 139.

<sup>84</sup> Kaplan, *Monsoon*, 139.

<sup>85</sup> Discussions with Bangladesh Navy and Coast Guard officers, 2011 and 2012.

nism.<sup>86</sup> This action would probably irk India, which prefers to limit China's role in SAARC to that of observer. On balance, it seems that, rivalry aside, when another devastating natural disaster strikes the Bay of Bengal countries, as it inevitably will, there likely will be room for assistance from all neighboring states, as well as the region's major powers.

## Implications for U.S. national security

The U.S. military response to natural disasters in this region has for the last 20 years been a focal point for planning at Pacific Command (PACOM) Headquarters in Hawaii. When a disaster strikes, the Pacific Commander assigns to one of the staffs the mission of forming a Joint Task Force (JTF) to command and coordinate U.S. military responses. For example, JTF Caring Response was formed following the 2008 cyclone that hit Burma. These JTFs also work closely with many civilian humanitarian agencies. These procedures are routinely exercised, and PACOM also devotes considerable effort in helping regional militaries think through their actions in case of disasters.

The United States does not preposition forces specifically for disaster relief. Instead, given there are always forward-deployed U.S. forces nearby, U.S. ships or aircraft that are in the region at the time of a disaster are quickly reassigned to a JTF under PACOM authority.

In the event of a natural disaster, U.S. naval and air assets in the region would be expected by the international community to be involved in any humanitarian assistance/disaster relief (HA/DR) efforts. Historically, this has been the norm, and it is unlikely the United States would *not* participate unless the affected country was not willing to accept U.S. assistance. In fact, the 2007 maritime strategy document published by the U.S. Navy, Marine Corps, and Coast Guard – *A Cooperative Strategy for 21st Century Seapower* – added HA/DR to the traditional core capabilities of U.S. naval forces.<sup>87</sup> This effectively formalized a long-standing tradition of HA/DR as a mis-

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<sup>86</sup> Li Li, "Nontraditional Security," 41.

<sup>87</sup> U.S. Navy, Marine Corps, and Coast Guard, *Naval Operations Concept 2010: Implementing The Maritime Strategy*, 2  
<http://www.navy.mil/maritime/noc/NOC2010.pdf>.

sion for the U.S. naval forces. Notable HA/DR missions by the U.S. Navy and Marine Corps in the Bay of Bengal include Operation Unified Assistance after the 2004 tsunami, Operation Sea Angel in 1991, and Operation Sea Angel II in 2007 – the latter two of which followed cyclones in Bangladesh.

The *Naval Operations Concept 2010*, which articulates the ways in which the 2007 strategy will be pursued, discusses the importance of proactive HA/DR and building partner capacity, as well as reactive HA/DR.<sup>88</sup> For example, the Bangladesh Navy and Coast Guard could use better weather forecasting technologies from the United States, which will only help U.S. relations with a South Asian, Muslim nation that has a population nearly the same size as Pakistan.

Essentially, HA/DR remains a valuable engagement tool due to its immediate, positive contributions and relatively non-controversial nature. If the United States draws down its forces in the future due to declining resources, HA/DR remains a way for the U.S. military to display its relevance and primacy to mostly grateful nations.

Despite tightening resources available for U.S. defense, U.S. policymakers should not be overly concerned about the potential strain to U.S. forces when responding to future natural disasters in the Bay of Bengal. This is due to the low frequency of events requiring major HA/DR efforts, the short duration of HA/DR missions, and the fact that forces from the continental United States are not likely to be called up, but rather forces that are already deployed in the region so they can respond immediately.

Given that the United States wants India to be its “strategic partner,”<sup>89</sup> the United States will increasingly seek to partner with India on

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<sup>88</sup> Ibid., 47-48.

<sup>89</sup> Secretary of State Hillary Rodham Clinton, “Interview with Rajdeep Sardesai of CNN-IBN,” Washington, D.C., July 17, 2009, <http://www.state.gov/secretary/rm/2009a/july/126197.htm>; Assistant Secretary, Bureau of South and Central Asian Affairs Robert O. Blake, Jr., “The Current State of U.S.-India Cooperation and Prospects for the Future (As Prepared),” Center for Strategic and International Studies, Washington, D.C., May 13, 2011, <http://www.state.gov/p/sca/rls/rmks/2011/163312.htm>.

HA/DR missions in the Bay of Bengal. HA/DR cooperation was discussed as a priority in the 2011 U.S.-India Defense Policy Group, and the Indian Navy remains proud of its coordination with the United States as a first responder after the 2004 tsunami.<sup>90</sup> Working with India will also go toward a growing, longer-term U.S. goal of coordination on Indian Ocean missions that promotes burden-sharing on some of the responsibilities for maintaining security in the region. This goal is best represented in President Obama's January 2012 strategic guidance that calls on India to serve as a "provider of security in the broader Indian Ocean region."<sup>91</sup> Despite difficulties faced by policymakers in New Delhi for Indian foreign policy activities that appear to be sometimes too closely aligned with the United States, HA/DR is an area on which traditionally intractable domestic constituencies in India that are reluctant to engage with the United States can even agree on its utility.

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<sup>90</sup> Discussions with retired and current Indian officials, 2012.

<sup>91</sup> U.S. Department of Defense, *Sustaining U.S. Global Leadership*, 2.

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## Conclusions and policy options

Compared to the other maritime basins along the Long Littoral, the Bay of Bengal has no sovereignty-related maritime security flash-points. To the contrary, it is the one place along the vast Asian littoral in which conflict resolution mechanisms are being used to reconcile problems associated with conflicting maritime claims.

The most important security issue in this basin is how the Sino-Indian rivalry will play out. Burma had been the nexus of this competition until the Burmese government effectively mitigated the rivalry by widening the competitive playing field, providing itself with the opportunity to choose among many more potential suitors. In effect, Naypyidaw has transformed a bipolar competition into a multipolar framework. With the restoration of full diplomatic relations in January 2012, the United States is positioned to be a player in this new framework, provided the regime does not backslide. The gradual removal of sanctions will be a key step in modulating the Chinese and Indian competition for influence. With regard to Bangladesh, Sri Lanka, and Maldives, China continues to make economic inroads, but these efforts have not translated into strategic gains despite concerns by India. In the meantime, this growth in infrastructure across these Bay of Bengal countries will contribute to the long-term development of the region.

The other major issue associated with the Bay of Bengal is the probability of one or more weather-created humanitarian crises. Whereas it is unknown how Sino-Indian rivalry will play out, it seems certain that a natural disaster, such as a cyclone, will strike the Bay of Bengal and that marine pollution, overfishing, water rights, and climate-change issues will continue to pose gradual, long-term threats to the region.

### China-India competition

China needs to spread the economic success of its east coast farther inland to its western regions in order to address the growing economic imbalances internally. One major initiative it has undertaken in order to meet this national requirement is the attempt to provide

north-south infrastructure links to the Indian Ocean. This naturally requires establishing and maintaining good relations, including good military-to-military relations, with its southern neighbors.

China claims that it has no intention of encircling India, just as the United States argues that it has no intention of containing China. But for many Indian security analysts, Chinese political, military, and economic initiatives in Burma, Bangladesh, and Sri Lanka are seen as more strategic than economic. As military planners would argue, benign intentions can change in a moment and that is why keeping a close eye on military capabilities is important. There is no doubt that China is gradually putting into place impressive naval capabilities and attendant infrastructure options along the Bay of Bengal littoral that could become useful in a confrontation with India over the disputed Himalayan frontier.

For Washington, the most difficult issue will be dealing with Indian anxieties regarding Chinese encirclement, because it is not evident that it shares India's suspicions about China's long-term motivations. It is clear that Washington has been happy to see the PLA Navy's ongoing contribution to counter-piracy operations. This positive attitude is not shared in many places in New Delhi. From India's perspective, the counter-piracy mission provides the pretext for the PLA Navy to keep arriving in what are India's home waters. The PLA Navy has learned well the value of naval diplomacy and is knitting itself into the military fabric of the region through long deployments that routinely include port calls in the Indian Ocean region.

The most interesting long-term problem associated with this rivalry is how India and China choose to deal with the potential threat that each poses to the other's oil shipments that come from the Persian Gulf and Africa. It is commonplace to recognize that China's oil sea lane is long and potentially vulnerable to interdiction. The U.S. Navy is the usual suspect that Chinese commentators point to; the reality, however, is that, in terms of geography and forces available, India is far better positioned to try to interrupt Chinese oil shipments.

As discussed in this report, the combination of India's location astride the main sea lanes and its A&N bases provides impressive geo-strategic advantages should India wish to interrupt maritime traffic transiting west to east from the Persian Gulf to East Asia. For their

part, Indian strategists worry that India's slow naval buildup cannot keep pace with China's and that eventually India's oil sea lanes will be interdicted by a PLA Navy that has aircraft carriers, submarines, and surface ships with access to Pakistan, and potentially other Chinese friends along the littoral, for bases.

It is also important to note that India and China have a common interest in preserving the safety and security of the sea lines of communication. Economics are drawing China into the Indian Ocean, and this will be a fact of life for the foreseeable future. Because of this and the fact that Indian leadership in New Delhi is generally very cautious, it is wise not to place too much credence in what some have called India's "chatterati" who comment on competition with China.

In Sri Lanka, Bangladesh, and Maldives, the specter of India-China rivalry does not loom large, despite discussions about them being somewhat complicit in a putative encirclement of India by China. These three countries are intent on developing vital infrastructure in order to promote internal and external connectivity and overcome South Asia's handicap of being, as the World Bank labeled it, "the least integrated region in the world."<sup>92</sup> In order to expand trade and investment, they will accept as much assistance from external powers – India, China, the United States, etc. – as possible.

## **U.S. interests and policy options in Maldives, Sri Lanka, and Bangladesh**

It is important to see these three countries in a context beyond Sino-Indian rivalry. Maldives, for instance, is a "pro-American, majority Muslim" country that deserves U.S. assistance since it "is situated on the front lines of common threats including Somali piracy, narco-trafficking and the recruitment and training grounds of Al Qaeda

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<sup>92</sup> "South Asia's Growth and Regional Integration: An Overview," in *South Asia: Growth and Regional Integration*, ed. Sadiq Ahmed and Ejaz Ghani, The World Bank (Macmillan India, Ltd.: 2007), 4, <http://siteresources.worldbank.org/SOUTHASIAEXT/Resources/Publications/448813-1171648504958/SouthAsiaGrowthandRegionalIntegration.pdf>.

and Lashkar-e-Taiba” (LeT).<sup>93</sup> Nearly 40 Somali pirates are in Maldives’ police custody,<sup>94</sup> and Maldivian officials are concerned about their country’s tourism-based economy being damaged because of fears over pirates.<sup>95</sup>

On the terrorism front, no LeT extremists have been found in Maldives. Still, both U.S. officials and Indian analysts fear the potential for Maldivians to be recruited into such activity, based on the arrests of some Maldivian citizens in Pakistan. A major concern is that pirates and terrorists could seek refuge in any of Maldives’ 1,200 islands, of which only 200 are inhabited. They are too numerous for the MNDF to adequately patrol. U.S. policymakers are rightly pursuing capacity-building in Maldives with deep consideration for enhancing counterterrorism strategies. However, they should also consider the potential for the United States and India to coordinate on the provision of security assistance to Indian Ocean states. Maldives is ripe for such coordinated capacity-building.

Sri Lanka deserves specific mention. In the words of Assistant Secretary of State Robert Blake, it “remains of strategic interest to the U.S.” because it is a “capable and willing partner to effectively combat violent extremism, trafficking and piracy, and thereby help to ensure the maritime security of the region.”<sup>96</sup> The impediment to closer relations is the U.S. concern that the Sri Lankan government was unnecessarily brutal in its final campaign that ended the country’s multi-decade civil war. This issue continues to strain bilateral ties, including the perception that the Colombo government is not making adequate progress either with ethnic and religious minorities or with opposition figures. The December 2011 report from the government-

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<sup>93</sup> Robert O. Blake, Jr., Assistant Secretary Of State, Bureau Of South And Central Asian Affairs, “Testimony Before The House Foreign Affairs Committee, Subcommittee On The Middle East And South Asia,” Apr. 5, 2011, <http://foreignaffairs.house.gov/112/65627.pdf>.

<sup>94</sup> Hawwa Lubna, “Piracy Threat Prevents Passenger Line from Leaving Maldives,” *Minivan News*, Jan. 8, 2012, <http://minivannews.com/politics/piracy-threat-prevents-passenger-line-from-leaving-maldives-30505>.

<sup>95</sup> Discussions with Maldivian officials, 2011 and 2012.

<sup>96</sup> Blake, “Testimony.”

appointed Lessons Learnt and Reconciliation Commission did not go far enough for some observers regarding the issue of accountability for civilian casualties.

In the security sphere, the long Sri Lankan civil war, during which the LTTE became masters of suicide tactics, has lessons for the United States today, especially in the naval realm. The Sri Lanka Navy was particularly successful in learning how to defeat the swarm attacks by the LTTE Sea Tigers during the war. The United States faces similar threats from Iran in the Strait of Hormuz region. The United States could also learn from the Sri Lanka Navy's experience with semi-submersibles.<sup>97</sup> It is important to note that as personnel from the Sri Lankan Navy move on from their positions, the institutional memory on the successful lessons learned from swarm tactics will eventually dry up. Accessing this knowledge base sooner rather than later would benefit the U.S. Navy. Moreover, keeping Sri Lanka at arm's length makes little sense, since both China and India will continue to engage with Colombo, and the party that will suffer from not having a closer security relationship will be Washington, not Colombo.

A modest first step would be to invite the Sri Lanka Navy to participate in the annual rolling series of bilateral naval exercises called Cooperation Afloat Readiness and Training (CARAT), which the U.S. Seventh Fleet conducts in Southeast Asia. There is a precedent for expanding this exercise into the Bay of Bengal: in 2011, Bangladesh became the first South Asian country to participate in CARAT.

In the case of Bangladesh, Washington has an "excellent" relationship with Dhaka<sup>98</sup> – easily its best in South Asia, including India. U.S.-Bangladesh relations are soaring, as seen most recently in the establishment of the first bilateral security dialogue in April 2012. The United States is providing assistance to the Bangladesh Navy in counterterrorism and maritime interdiction.<sup>99</sup> This is important because

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<sup>97</sup> Discussion with a former senior U.S. defense official, Alexandria, V.A., 2011.

<sup>98</sup> U.S. Department of State, Bureau of South and Central Asian Affairs, "Background Note: Bangladesh," Mar. 6, 2012, <http://www.state.gov/r/pa/ei/bgn/3452.htm#relations>.

<sup>99</sup> *IHS Jane's*, "Jane's World Navies: Bangladesh," May 11, 2011.

fears persist about the potential for the force of militant Islam to overthrow the democratically elected government. For example, the Bangladesh Army announced it had thwarted a coup organized by Islamic extremist soldiers in January 2012. Given that national elections will likely be held in late 2013 or early 2014, the United States should continue to foster improved bilateral ties achieved with Bangladesh. More generally, it is in U.S. interests to promote solid relations with as many Muslim countries as possible, such as in Bangladesh and Maldives.

## **Humanitarian assistance/disaster relief**

Finally, it is inevitable that the U.S. military will find itself involved in an HA/DR mission in the Bay of Bengal. Operation Unified Assistance following the 2004 tsunami and Operations Sea Angel I and II in 1991 and 2007 after cyclones in Bangladesh were major HA/DR contributions by the U.S. Navy and Marine Corps in the Bay of Bengal. For a number of years, PACOM has sponsored regional workshops on this topic, as has ASEAN.

In the coming era of reduced resources for U.S. security engagement initiatives throughout the world, it will be important that HA/DR training and capacity-building resources not be sacrificed. A natural disaster is the most likely threat that the Bay of Bengal region faces, and it is one area in which the United States has significant capability and experience. Increasingly, the United States will seek to partner with India on HA/DR missions in the Bay of Bengal to advance Washington's goal that India serve as a "provider of security in the broader Indian Ocean region."<sup>100</sup> The Indian Navy will likely look forward to building on its HA/DR coordination with the U.S. Navy after the 2004 tsunami, as it seeks to expand its capabilities and power projection in the Bay of Bengal region and beyond.

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<sup>100</sup> U.S. Department of Defense, *Sustaining U.S. Global Leadership*, 2.

## Glossary

A&N	Andaman and Nicobar
ASEAN	Association of Southeast Asian Nations
BIMSTEC	Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BNP	Bangladesh National Party
CARAT	Cooperation Afloat Readiness and Training
EEZ	exclusive economic zone
ENC	Eastern Naval Command
HA/DR	humanitarian assistance/disaster relief
IONS	Indian Ocean Naval Symposium
ITLOS	International Tribunal for the Law of the Sea
IUU	illegal, unreported, and unregulated
JTF	Joint Task Force
KKS	Kankesanthurai
LeT	Lashkar-e-Taiba
LTTE	Liberation Tigers of Tamil Eelam
MNDF	Maldives National Defence Force
PACOM	U.S. Pacific Command
PLA	People's Liberation Army
SAARC	South Asian Association for Regional Cooperation
UAE	United Arab Emirates
UAV	unmanned aerial vehicle
UN	United Nations
UNCLOS	United Nations Convention on the Law of the Sea

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