



# PATHFINDER INDIAN OCEAN SECURITY CONFERENCE 2020

November 10 – 12 , 2020

conducted as a Webinar

Organized by the Pathfinder Foundation

*Sponsored by the U.S. Embassy and the Embassy of Japan*





## TABLE OF CONTENTS

	Page
<b>Members of the International Advisory Group</b>	<b>05</b>
<b>Concept Note of Pathfinder Indian Ocean Security Conference</b>	<b>06</b>
<b>Agenda</b>	<b>09</b>
<b>Inaugural Session</b>	<b>12</b>
Address by the Chairman of Pathfinder Foundation – Amb. Bernard Goonetilleke	
Address by the Chair of PFIOSC – Amb. Shivshankar Menon	
Keynote Speech – Admiral Prof. Jayanath Colombage, Foreign Secretary, Sri Lanka	
Speech by Ambassador of the U.S. – H.E. Alaina B. Teplitz	
Speech by Ambassador of Japan – H.E. Akira Sugiyama	
Secretary General of PFIOSC – Amb. Geetha de Silva	
<b>Session One: Maritime Security and Freedom of Navigation</b>	<b>28</b>
Maritime Security and Freedom of Navigation – Admiral Sunil Lanba (Retd.)	
Major Issues in the Indian Ocean. A glimpse from Moscow – Amb. Gleb Ivashentsov	
U.S. View on Maritime Security in the Indo – Pacific – Ms. Nilanthi Samaranyake	
Discussion	
<b>Session Two: Enhancing Connectivity</b>	<b>45</b>
Weaponizing Connectivity: Exploring Connections and Coercion in Indo – Pacific - Dr. Yogesh Joshi	
Connectivity in an Age of Volatility, Uncertainty, Complexity and Ambiguity (VUCA): Realizing SDG 9 amid the COVID Pandemic – Mr. Jaimal Anand	
Connecting World Trade – Mr. Rohan Masakorala	
Discussion	
<b>Session Three: Identifying and Addressing Major Issues Including "Trust" and "Trust Deficiency"</b>	<b>70</b>
Identifying and Addressing Major Issues Including "Trust" and "Trust Deficiency" – Dr. Liu Zongyi	

Maintaining Peace and Stability in the Indo – Pacific: Japan's Approach – Dr. Michishita Narushige

Trust, Mistrust and the Chagos Archipelago Sovereignty Dispute - Mr. Samuel Bashfield

Discussion

**Concluding Session**

**89**

Remarks by Mr. Dean Thompson, Principal Deputy Asst. Secretary of State, US State Department

Remarks by Mr. Endo Kazuya, Deputy Director-General, Ministry of Foreign Affairs, Japan

Report of Secretary General of PFIOSC

**Outcomes of the Conference**

**95**

**Recommendations**

**96**

## Members of the International Advisory Group



**Amb. Shivshankar Menon**  
Former Ambassador, Foreign Secretary and  
National Security Advisor of India  
Chairman of IAG



**Prof Rory Medcalf**  
Head of the National Security  
College, Australia National University



**Dr. Liu Zongyi**  
Secretary of the Center of South Asia  
and China Cooperation, Shanghai  
Institutes of International Studies



**Dr. Frederic Grare**  
Advisor, Indian Ocean  
Center for Analysis, Planning and Strategy  
French Ministry of Foreign Affairs



**Dr. Michishita Narushige**  
Vice President  
National Graduate Institute for Policy  
Studies, Tokyo



**Mr. Christian Holmboe Ruge**  
Programme Director,  
Norwegian Center for Conflict  
Resolution (NOREF)



**Ms. Ksenia Kuzmina**  
Program Manager  
South Asia and Asia Pacific, Russian  
International Affairs Council



**Dr Raja C Mohan**  
Director,  
Institute of South Asian Studies,  
National University of Singapore



**Admiral Ravindra Wijegunaratne**  
Former Commander of the Navy and  
Chief of Defense Staff



**Dr Rahul Roy Chaudhury**  
Senior Fellow for South Asia,  
International Institute for Strategic Studies  
(IISS)



**Amb. Robert Blake. Jr**  
Senior Director, McLarty Associates,  
Washington D.C. and Former Ambassador  
of the United States to Sri Lanka

## CONCEPT NOTE

### PATHFINDER INDIAN OCEAN SECURITY CONFERENCE – 2020

---

#### 1. Background

The Indian Ocean Region is now at the centre of global geopolitics. Its strategic location, at the crossroads of global trade is significant in connecting the major drivers of the international economy in the West and Asia-Pacific. The Indian Ocean is now more significant than ever, being the main channel for international trade and energy, and its littoral comprises of some of the world's fastest growing economies. The Ocean also produces valuable fishing and mineral resources but non-state actors such as pirates, drug and human traffickers and terrorists constantly undermine security and governance in this region. Power play in the Indian Ocean due to its strategic location and resources has also become a threat to regional stability.

However, this densely populated region that is rich in natural resources is also vulnerable to natural or environmental disasters, which warrants cooperation of all nations to address this issue. This, together with other challenges such as ensuring the free and secure passage of trade and energy, securing equitable distribution of fisheries and mineral resources and managing humanitarian operations in the ocean remains a daunting task.

#### 2. Objective

Following up on several successful bilateral and trilateral regional dialogues and the broader Trincomalee Consultations on the Bay of Bengal, the Pathfinder Foundation considered it opportune to conduct a more comprehensive and wider forum focusing on the whole of the Indian Ocean Region. The Indian Ocean Security Conference will be conducted with a view to discuss and study/review the unfolding geo-strategic significance of and assess the regional security cooperation demands in the Indian Ocean Region. The main purpose of the conference is to address multifaceted security issues impacting on the Indian Ocean with the two main areas of focus being Maritime Security and Maritime Governance.

This track 1.5 event is expected to create a platform for all stakeholders i.e. policy makers, relevant government officials, researchers, scholars, subject matter experts, think-tank representatives etc. to engage in a constructive discussion, sharing expertise on relevant topics with a view to contribute to maintain the Indian Ocean free of power rivalry, and facilitate free and unimpeded navigation for all interested parties, without exception and exclusion.

The final objective of the conference will be to contribute to the discourse on the freedom of navigation and overfly in accordance with the International Public Law governing the oceans (UNCLOS) and reach an understanding on these principles and contribute to the collective development of the countries in the Indian Ocean region. Agreeing upon a new Indian Ocean Order or establishing a Regional Maritime Security Network could also be discussed in this forum.

#### 3. Benefits

The platform provided by the conference for an open and free discussion is expected to create a conducive environment to address existing mistrust and rivalry among the regional and extra-regional states; the impact on environmental

security arising from climate change and global warming; and transnational maritime crime among others. It is the expectation of the Pathfinder Foundation that an open discussion on the above and other related issues would result in mutually beneficial win-win situation for the littorals as well as other users of the Indian Ocean, major and minor.

The space provided by the conference could also be used to enhance bilateral, regional and multilateral cooperation and collaboration to address common threats in this global maritime common. It will also provide opportunities for networking and fellowship among participants and policy makers.

#### **4. International Advisory Group (IAG)**

An International Advisory Group (IAG) was established as a prelude to this conference which conducted its first meeting in March 2019 in Colombo. The aim of creating the IAG was to obtain expertise on substantive and organizational aspects of the proposed Indian Ocean Security Conference. Development of themes for discussion, identification of speakers and other participants will be done in consultation with the Advisory Committee.

#### **5. Date of the Conference**

Considering the prevailing situation, the first round of the 'Pathfinder Indian Ocean Security Conference' is proposed to be conducted as a webinar at 1.30 pm (Indian Standard Time) on 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> November 2020. Pre-registered participants will join the meeting virtually. There will be a 2-hour session each day comprising a brief introduction, three presentations and a discussion.

#### **6. Participating Countries**

Participants would comprise littoral and hinterland countries of the Indian Ocean including member countries of IORA and its Dialogue Partners, permanent members of the Security Council, regional and international organizations, partner organizations of the Pathfinder Foundation, Colombo based diplomatic missions of participating countries and local participants.

Representatives from the following countries will be invited for the conference: Australia, Bangladesh, China, Comoros, Egypt, France, Germany, India, Indonesia, Iran, Italy, Japan, Kenya, Madagascar, Malaysia, Maldives, Mauritius, Mozambique, Myanmar, Nepal, Norway, Oman, Pakistan, Republic of Korea, Russia, Seychelles, Singapore, Somalia, South Africa, Thailand, Tanzania, Turkey, UAE, USA, UK and Yemen.

Regional and International Organizations that would be invited will include SAARC, BIMSTEC, ASEAN, African Union, EU, Indian Ocean Naval Symposium (IONS), Western Pacific Naval Symposium, United Nations Office on Drugs and Crime (UNODC), UN Division of the Ocean Affairs and the Law of the Sea (DOALOS).

#### **7. Participants**

This being a 1.5 conference, participants, whether they represent government institutions, think-tanks, academic institutions etc., will be identified by the Conference Secretariat, and where necessary with the assistance of the International Advisory Group (IAG).



Nine senior resource persons will be identified by the Conference Secretariat and invited to present papers under specific themes. They will be requested to make presentations on the chosen themes at the conference, when those themes are taken up for discussion.

## **8. Main Themes**

Three main themes will be discussed:

- I. Maritime Security & Freedom of Navigation.
- II. Enhancing Connectivity.
- III. Identifying and addressing major issues including 'mistrust' and 'trust deficiency'.

## **9. Report of Conference and Future Consultations**

As a follow up to the Conference, the Pathfinder Foundation will prepare a report comprising papers submitted by presenters, essence of discussion and conclusion/recommendations. Contributing to the wider discourse on policy governing the Indian Ocean, it is the intention of the Foundation to convene the Pathfinder Indian Ocean Security Conference at regular intervals.

## AGENDA

### **DAY 1 – NOVEMBER 10, 2020**

#### **INAUGURAL SESSION**

- 12:15 – 12:20 Welcome by Amb. Geetha de Silva – Secretary General, PFIOSC  
Opening Remarks by Co – Chairs
- 12:20 – 12:30 Amb. Bernard Goonetilleke – Chairman, Pathfinder Foundation
- 12:30 – 12:40 Amb. Shivshankar Menon – Former National Security Advisor of India & Distinguished Fellow of the Centre for Social and Economic Progress
- 12:40 – 12:55 Keynote Speech  
Adm. Prof. Jayanath Colombage – Foreign Secretary  
  
Remarks
- 12:55 – 13:05 H.E. Alaina B. Teplitz – Ambassador of USA to Sri Lanka and Maldives
- 13:05 – 13:15 H.E. Akira Sugiyama - Ambassador of Japan to Sri Lanka
- 13:15– 13:25 Secretary General – PFIOSC

#### **SESSION I - MARITIME SECURITY AND FREEDOM OF NAVIGATION**

- 13:25 – 13:35 Moderator – Prof. C. Raja Mohan  
Director, Institute of South Asian Studies, National University of Singapore
- 13:35 – 13:45 Admiral Sunil Lanba PVSM, AVSM, Chairman, National Maritime Foundation
- 13:45 – 13:55 Ambassador Gleb Ivashentsov, Vice President of the Russian International Affairs Council, Russia
- 13:55 – 14:05 Ms. Nilanthi Samaranyake, Research Program Director, CNA, Arlington, Virginia, USA
- 14:05 – 15:05 Open Discussion including Recommendations
- 15:05 – 15:10 Wrap up by Secretary General

## **DAY 2 – NOVEMBER 11, 2020**

### **SESSION II – ENHANCING CONNECTIVITY**

- 13:30 – 13:35 Overview of previous day's discussions and Program for the day by Secretary General - PFIOSC
- 13:35 – 13:45 Moderator – Dr. Frederic Grare  
Advisor, Indian Ocean, Center for Analysis, Planning and Strategy, French Ministry of Foreign Affairs
- 13:45 – 13:55 Dr. Yogesh Joshi, Research Fellow, Institute of South Asian Studies, National University of Singapore
- 13:55 – 14:05 Mr. Jaimal Anand, Research Associate, Department of International Relations and Co-operation (DIRCO), Pretoria, South Africa
- 14:05 – 14:15 Mr. Rohan Masakorala, Chief Executive Officer, Shippers Academy, Colombo, Sri Lanka
- 14:15 – 15:15 Open Discussion including Recommendations
- 15:15 – 15:20 Wrap up by Secretary General

## **DAY 3 – NOVEMBER 12, 2020**

### **SESSION III – IDENTIFYING AND ADDRESSING MAJOR ISSUES INCLUDING 'MISTRUST' AND 'TRUST DEFICIENCY'**

- 13:30 – 13:35 Overview of previous day's discussions and Program for the day by Secretary General - PFIOSC
- 13:35 – 13:50 Moderator – Amb. Robert O. Blake, Jr.  
Senior Director, McLarty Associates, Washington D.C.
- 13:50 – 14:00 Dr. Liu Zongyi, Senior Fellow & Secretary General, South Asia and China Center, Shanghai Institutes for International Studies, China
- 14:00 – 14:10 Dr. Michishita Narushige, Vice President, National Graduate Institute for Policy Studies, Tokyo, Japan
- 14:10 – 14:20 Dr. David Brewster,  
Senior Research Fellow, National Security College,  
Australian National University, Australia\*
- 14:20 – 15:20 Open Discussion including Recommendations

## **CONCLUDING SESSION**

- 15:20 – 15:30 Concluding Remarks by Amb. Shivshankar Menon
- 15:30 – 15:40 Concluding Remarks by Amb. Bernard Goonetilleke
- 15:40 – 15:50 Address by Mr. Dean Thompson, Principal Deputy Asst. Secretary of State, South and Central Asian Affairs, US State Department
- 15:50 – 16:00 Address by Mr. ENDO Kazuya, Deputy Director-General, Southeast and Southwest Asian Affairs Department, Ministry of Foreign Affairs, Japan
- 16:00 – 16:10 Vote of Thanks by Amb. Geetha de Silva - Secretary General, PFIOSC

*\*On behalf of Australia, although the paper was prepared by Mr. Samuel Bashfield, Research Officer, National Security College, Australian National University, he was unable to present at the conference due to unavoidable circumstances.*

## **INAUGURAL SESSION**

## OPENING REMARKS



**Amb. Bernard Goonetilleke**  
**Chairman - Pathfinder Foundation**

### **Sri Lanka and Indian Ocean**

The Pathfinder Foundation is pleased that it was able to conduct this meeting amidst difficult circumstances. Originally, we planned to have the meeting in April this year with personal attendance of littoral countries in the IOR, for which purpose we held a preparatory meeting in March 2019. However, it had to be postponed due to the ongoing pandemic, which made us to conduct this gathering in virtual format.

Sri Lanka's interest in the Indian Ocean is not new. Almost half a century ago, with the support of the non-aligned countries, Sri Lanka succeeded in getting Res. 2832 adopted by the 26th Session of the UN General Assembly. That task was undertaken with the intention of declaring the IO as a Zone of Peace. However, the intensity of the Cold War prevailed around that time prevented further negotiations to bring that Declaration closer to reality.

During the past several years, the Pathfinder Foundation has done considerable work on the IO. We first focused on the Bay of Bengal, on which we held two regional meetings, one in 2017, and the other in 2018. And now, our focus is the wider Indian Ocean. Also, in 2018, our Foundation proposed a draft 'Code of Conduct for the Indian Ocean', to get the attention of the regional and extra-regional countries for mutually agreed rule-based arrangement for the IO.

### **Trade led to conquest**

For millennia, IO has been a place famous for maritime trade, - and, conquest was not the norm. However, with the arrival of the European powers since the beginning of the 16th century, first for trade and later conquest, majority of L & H countries of the IO ended up becoming colonies of - one or the other European powers. Decolonization process that commenced since the end of the Second WW, saw the withdrawal of colonial powers dominated by the British from their possessions, which vacuum was quickly filled by the USA. The Great Power rivalry that was at its height around this period, led to the establishment of new military bases, and forced countries in the region to throw their lot in favour of one or the other ideological camps. The emergence of the NAM, since the Belgrade Conference, enabled the newly independent countries, to take shelter from the super-power rivalry.

## **Rationale for the IO Security Conference**

Let us briefly consider reasoning for this Conference to be convened by the Pathfinder Foundation. Almost 3 decades after the end of the Cold War dominated by a unipolar world, we are currently witnessing signs of another change. That is, emergence of a multi-polar world, yet again. In this scenario, there are emerging global powers such as China and India, and the former, is said to be challenging the current hegemon, with consequential reaction by the US. Meanwhile, both China and India are expected to reach the heights of their new-found economic power by the middle of the century. What has not been clearly assessed is whether China is seeking to replace the US as the leading power in the Indo-Pacific, or merely looking for its rightful place in the global system.

To achieve the predicted economic growth, emerging economic powers will require unimpeded access to energy and other resources and markets for finished goods. Each rising global power would consider that - it is their right to have unhindered access to the desired natural resources, and it would be their duty to protect the conveyance of such resources to their countries. Securing international sea lanes and ensuring the vital choke points in the IO will not be blocked by hostile forces, will be a responsibility that no major industrial power could ignore.

Meanwhile, no one should be surprised by the determination of the current dominant power in the IO to hinder the progress of the challenger, notwithstanding the fact it will be a harbinger for confrontation. In the colonial era, European powers fought against each other using cannons mounted on sail-ships. Any naval confrontation in the 21st century will rely on submarines, cruise missiles and a wholly new generation of weapons with devastating results, disrupting the global economy and security.

We have also witnessed extra-regionals getting involved in regional armed conflicts such as the 'Tanker War' during the 8-year long Iran-Iraq war. As the confrontations escalated, the USA, its allies and the Russian Federation deployed their naval vessels to protect movement of oil tankers. In that process, firing of missiles against ships, deploying of mines in the Gulf resulting in hits that nearly sank 'USS Samuel B. Roberts', attacking Iranian oil platforms, and accidental downing of an Iranian civilian airliner by a missile occurred in quick succession. Fighting raged until July 1988, when the UN Security Council Resolution 598 was adopted resulting in a ceasefire. That confrontation was not an isolated incident, as similar confrontations occurred in the Gulf, during 2019 and 2020, with attacks, counter attacks and seizure of oil tankers etc. drone attacks against Aramco owned oil processing facilities in Saudi Arabia etc., which threatened the security of the Gulf region and the global economy.

Looking at the larger picture, confrontations between the dominant power and the challenger, may or may not decide, who the winner is. However, consequential fallout will be detrimental to the interests of the littoral countries, whose priority would be uninterrupted economic development leading to wellbeing of their populations. According to the ADB, the infrastructure development needs of the Asian countries would be in the range of massive 26 trillion dollars from 2016 - 2030! Consequently, priority of the countries in the region would be to realize their development goals, and that will not be possible by choosing to become party to military confrontations of others.

Meanwhile, we also note the steady expansion of navies by regional states, such as India, Iran, Pakistan etc. while other countries such as Bangladesh and Myanmar have acquired submarine capability demonstrating their interest in safeguarding their national security.

Countries in the region also have to face security threats emanating from non-state actors, who engage in piracy, drug and gun running, people smuggling, IUU fishing etc. Piracy around the Horn of Africa necessitated establishment of a

tripartite coalition consisting of the NATO, the EU and the US combined Maritime Forces, with others, such as India and China joining in anti-piracy patrolling, in response to the call made by the UN Security Council.

We have to accept the fact that the Indian Ocean is a common heritage of the global community, and as in the past, its sea lanes will continue to provide accessibility to regional as well as extra-regional states. Meanwhile, non-state actors too will make use of the ocean to carry out illegal activities, as Sri Lanka had experienced during the separatist war that ended in 2009. What is needed therefore is an arrangement to maintain 'good order at sea'. Ensuring the ocean is 'open and free' for all, without exception, in keeping with the Convention on the Law of the Sea and finding ways and means of addressing any shortcomings in that Convention, through discussion and negotiation, and taking steps for domain awareness are among the solutions to the problem.

Let me conclude by asking, is it practical to expect removal of naval and other military assets of the extra-regional powers from the IO? Is it pragmatic to expect emerging naval powers not to establish such facilities, which in their opinion, are necessary to ensure supply energy and other resources? Finally, what specific arrangements are available or necessary to address the prevailing mistrust, which may result in miscalculations leading to armed confrontation? Perhaps we should concentrate more on confidence building measures and give high priority to domain awareness.

It is the expectation of the Pathfinder Foundation that the papers submitted by the eminent academics and professionals would enable the participants to address the broad issues during our 3-day discussion.

Thank you.



## OPENING REMARKS



**Amb. Shivshankar Menon**  
**Chair of PFIOSC 2020**

I would like to join Ambassador Bernard Goonetilleke in welcoming you all to the Pathfinder Foundation Indian Ocean Security Conference. It is a particular pleasure to welcome (back) Admiral Colombage, who made this conference possible in his previous avatar, and whom we have the privilege of hearing today.

It is good to see so many old friends at once, though virtually. I am particularly happy to see the number and high level of participants in the conference — we have over a hundred participants from business, think tanks, government, diplomatic missions and academia. This is tribute to the reputation and expertise of the speakers and the excellent papers that they have prepared.

It is also due to the importance of the subject of this conference, Indian Ocean security, and its topicality.

The Indian Ocean has always been an ocean of peace, an ocean of trade and human contact and migration. It has avoided the fate of some closed seas of being primarily a battle space or a domain of contention. It did so largely due to its geography, though the inhabitants of the littoral can claim some credit. Its open geography and predictable winds made it so.

But today our life has been complicated by several factors: by advances in technology which make contention in large open ocean spaces like the Indian Ocean and the western Pacific possible; by the contention between great powers that characterises the geopolitics of today; and, by the very high stakes that we all have in the flow of trade and energy across the Indian Ocean sea lanes. Today, the Indian Ocean is ringed by rising and rapidly developing states and is significant to the security and prosperity of several extra-regional powers. The size of the arms build up in the Indo-Pacific in the last two decades has no parallel anywhere in history. The central geopolitical fault line in the world today is in the Asia-Pacific, not in Europe as it was in the Cold War, and the Indian Ocean, or the larger body of water known as the Indo-Pacific, is at the heart of that. As a consequence, when the world is between orders, great powers are bringing their contention to the Indian Ocean. Security has thus become an issue in forms that are new and different from what we were used to.

I speak here of security in the broadest sense — not just of the safety of mariners, fishermen and their vessels but of everything up to ecological security, including the effects that climate change and human actions are having on the ocean that is critical to our livelihoods. This is why we have sessions not just on the traditional hard security issues

later today, but also on enhancing connectivity tomorrow and on identifying and addressing major issues day after tomorrow.

But lest by speaking of complicated geopolitics and ecological threats I leave you with the wrong impression, let me hasten to say that I am an optimist about the future of Indian Ocean security, despite the complications of contemporary geopolitics and the prospect of sustained great power rivalries. That is because we have the skills and experience of working together and cooperating to deal with emerging security threats. In the past, we cooperated in new and imaginative ways to successfully deal with piracy off the Horn of Africa and earlier around the Strait of Malacca. If we put our minds to it, and realise our common interest in keeping this a free and open ocean of peace, trade and travel, I am confident that we will succeed.

And that is what I hope this conference will result in — that our discussions over these three days will identify what is missing, and what more can be done, not just by the states and navies but also by the other actors who affect Indian Ocean security, broadly defined. What we suggest will have to be inclusive, to serve the common interest, and to provide the maritime security and public goods in these commons that we have so far taken for granted but that are today at risk not just from geopolitics but from environmental and other factors.

I do hope that we are able through our discussions to arrive at a common understanding and a set of recommendations that would be of use to the governments, navies and others in our countries, around the Indian Ocean and beyond, build on UNCLOS to create a free and open Indo-Pacific.

With these few words, let me welcome you again and wish you success in the conference.

## KEYNOTE ADDRESS



**Admiral. Prof. Jayanath Colombage**  
**Foreign Secretary, Sri Lanka**

Good morning, good afternoon, Excellencies, ladies and gentlemen,

I am truly humbled to be among such a distinguished gathering of eminent personalities. I am proud to say that this was part of my dream starting in 2017 with the first Trincomalee Consultations focusing on the Bay of Bengal.

Ladies and gentlemen, the sea has always been instrumental in defining the destiny of the world by bringing people closer, melting down cultures and supporting the global economy. Seaborne trade has been an engine for inclusive and sustainable growth. Maritime connectivity is the key to substantive economic development for many nations. We all know, that the Indian Ocean which is the third largest ocean in the world, covering approximately 70 million sq. kms, and spans a vast geographical area stretching from the eastern shores of Africa to the west coast of Australia, and most importantly, home to nearly 2.7 billion people resident in the littoral countries, which is roughly one third of the world population.

Asia's growing economic and political importance is undeniable. With the rise of Asia, the political and economic balance is increasingly shifting towards the Indo Pacific. This region is fast becoming key to shaping the international order in the 21st century. One of the latest strategies regarding the Indian Ocean come from Germany, which is Policy Guidelines for the Indo-Pacific - shaping the 21<sup>st</sup> Century Together. One line stood out from that document, "Prosperity of our society depends on freedom of shipping". This is true for many countries in the world, especially for developing countries like Sri Lanka and many other littorals in the Indian Ocean. The same document addresses the need to participate in functioning growth markets. We all know that the global supply chains or the value chains are intertwined across the Indian Ocean and historically, it has been a well-connected ocean for trade, culture, religion and is a key Global Maritime Common in the 21<sup>st</sup> century.

Half of the world's container ships, one third of the world's bulk cargo traffic and 72% of global oil shipments depend on this water body for transit purposes. Security of shipping will remain a primary concern during times of peace as well as conflict. We very well know what happened during Somali Piracy, when a small group was able to take the Indian Ocean merchant shipping to ransom. This is one clear example of the importance maritime shipping in the Indian Ocean. After an interval of nearly three decades, there are signs that the IOR is once again entering into another phase of big power rivalry with potential for military confrontation. The question is should the littoral countries get dragged into a superpower confrontation that is not of their making or in their interest? Shouldn't we be focusing of economic and social development and achieving the SDGs by the target year of 2030? The ADB report has estimated that infrastructure needs of Asia and the Pacific would exceed \$ 22.6 trillion through 2030 and if not, there will be difficulty

in achieving sustainable development goals. May I pose the question, can this money come from donors, bilateral and multilateral lenders, or should there be viable Foreign Direct Investment?

Amidst Covid-19, old certainties are questioned. Are we heading for a dangerous Recession? We can witness a slowing down of economies and socio-economic tensions and human emotions rising high and creating a fear and insecurity. This also results in extreme forms of nationalism. There is and there will be interruptions to Global Supply Chains. Multilateral Health governance may be the way forward with health diplomacy being at its best. There is requirement for food and medicine security to be maintained in every country. We may see a future where countries choose to invest more on hospitals and laboratories.

The Geo-Political, Geo- Economic and Geo- Strategic landscape of the Indian Ocean has become significant in the 21<sup>st</sup> Century. There are two very significant strategies:

- i. The Indo Pacific Strategy the basics of which are, a free and open Indian and Pacific Ocean.
- ii. The Belt and Road Initiative is maritime trade and infrastructure related development across the Indian Ocean.

A littoral country like Sri Lanka wishes for a free and open Indian Ocean with a rules based maritime order for maritime commerce, development of maritime related infrastructure and connect to the global supply chain across the ocean. The present-day Indian Ocean has become a stage for strategic competition for regional and global powers. I like to call it a competition for RMB - Resources, Markets and Bases. More and more governments, organisations and institutions worldwide are making the Indo-Pacific their conceptual frame of reference and thus the basis of their policies. However, they differ, in terms of their objectives and emphasis on different policy fields.

Today, we see the re-emergence of Quad (India, Japan, US, and Australia) being institutionalised with a special focus on upholding the rules-based order for a free and open Indo-Pacific. Quad's resolve to dominate Indo-Pacific high seas is being questioned as 'Is Quad the principle driver of Indian Ocean maritime security?' No single country can be the net-security provider in the IO as clearly evidenced by the Piracy of the Gulf of Eden and Western Indian Ocean. Will the Quad lead to a Maritime 'Cold War' or rather 'Cool War' is a question and we do see insecurity of one country leading to insecurity of others. Therefore, the IO Region is rapidly characterised by increasing of arms dynamics. And we all know that this is one of the most militarised oceans in the world. From 2008-2020, 575 warships from 29 different countries have visited Sri Lanka.

We have a huge 'mistrust' and 'trust deficiency' in the Indian Ocean. South Asia is a very complex security construct. It is militarily, politically and economically a dynamic region but lacks a common security consensus lack of interdependence in the region and strategic ambiguity is prevalent. This is a nuclearized region with two nuclear powers, India and Pakistan who have a conflicting border for the last 72 years and China, which is bordering some countries in South Asia, is also a nuclear power. We witness regional and national security interplay in this region. The impact of geographic proximity to large nuclear powers is a dilemma that smaller countries such as Sri Lanka which is an adjacent state to nuclear India experience in the Indian Ocean. Hence, security of an innocent state can be impacted in someone else's war. India's geographical centrality, size, population and economy are key factors here. When we speak of a free and open Indian Ocean, we have to ask for which purpose. Unless there is trade, investment, development and cooperation, there is no need for such a strategy.

So, ladies and gentlemen, moving on to Sri Lanka in the Indian Ocean, we believe that we are in a centrality in the ocean, equidistance from either side with close proximity to key sea lanes of communication and close geographical

proximity to India. We are also amidst the spheres or axis of influence of India, USA, China, Japan and Australia, EU and the UK. We believe that we need a rules-based order as Survival of the state is most important for Sri Lanka as this is one way to overcome the asymmetry. We are a small state and do not have any hegemonic intentions. We believe in Multilateralism and not in Unilateralism and do not like to see securitization of maritime trade and development. Conversely, we wish to see a 'balance of power' and not a mighty hegemonic power. We also would like to convey that Sri Lanka is not a piece of 'Real Estate' and to please respect Sri Lanka's national interests.

With regard to Sri Lanka's Economy and Foreign Policy directives, there is a brewing economic crisis amidst the Covid-19 induced global economic meltdown. In this backdrop, President Gotabaya Rajapaksa has a three-pillar strategy of National Security at the top; Economic Development and Empowerment through the Foreign Policy. In order to overcome being caught in the great power rivalry in the Indian Ocean, Sri Lanka has five pillars to its foreign policy. One is Neutrality. Technically, we are a non-aligned country, but we wish to remain neutral at the same time maintaining friendly relations with everyone, which is number two. Third, is not to be caught up in major power game. We do not like to 'hedge' or 'choose' between states or 'Band Wagon' with one against the other. We need to maintain "Strategic Autonomy" in the Indian Ocean. The fourth point is, that Sri Lanka will not cede control of its strategic assets to foreign concerns. Investment according to Sri Lanka's vision articulated in Presidents' 'Vistas of Prosperity and Splendour', FDI and joint ventures are welcome but not to take control. Fifth point is, not wanting to be a strategic security concern to India, especially in maritime and air domains.

Ladies and gentlemen, in this background, what do the Indian Ocean Littorals wish to see discussed and focused in the next three days? We need critical retrospect of the Indian Ocean from within. We wish to insulate the Indian Ocean from great power rivalries as in the 1971 Declaration of the Indian Ocean as a Zone of Peace. We need to make this ocean free from Nuclear weapons, no great power rivalries and no bases to support such rivalries and maintain peace and stability in the Indian Ocean to spread goodwill to allow littoral states to develop economically. It is also necessary to strengthen economic cooperation to attain SDGs as per the UN 2030 Agenda. Create wealth for people ethically and by environment friendly means. Strengthen Global supply chains; strengthen defence cooperation; strengthen maritime security cooperation; technology cooperation on education and health and work towards mutual respect and mutual benefit.

We wish the Indian Ocean to be an open, inclusive, transparent, rules-based operative ocean with a spirit of shared 'Global Responsibilities'. We need to strengthen multilateral cooperation, for security, diplomatic and an economic architecture for cooperative, collaborative Regional collective security mechanism. We need alliances and partnership for the IOR to convert from Maritime Asia into Continental Asia. There is a critical need for an Indian Ocean narrative, an Indian Ocean maritime security strategy and IORA may be the way forward.

Ladies and Gentlemen, in these turbulent times, the essence of foreign policy is the relationship with the 'other': the ally; the foe; and the friend. International diplomacy should work at its best in the IOR. There is a Chinese saying that a journey of a thousand miles start with the first step. I believe, we, today under the Pathfinder Foundation's IOSC and all the scholars have taken another 'first step' in a long journey and I wish the conference success. I like to end my speech with a quotation I picked up from President Elect of the United States, Joe Biden who stated during his victory speech "You can be opponents, but you do not have to be enemies."

Thank you very much. I am honoured to be with you, and I wish you all the best.

## REMARKS



**H.E. Alaina B. Teplitz**  
**Ambassador of the United States to Sri Lanka and the Maldives**

Thank you, very much and good afternoon. Excellencies, distinguished panelists, participants, Foreign Secretary, I'm very pleased to be able to join everyone at the opening of this conference to discuss the complexities of security in the Indian Ocean region, particularly at this moment after Secretary Pompeo's successful visit to India, Sri Lanka and Maldives, and the announcement of U.S. intentions to establish an embassy in Maldives.

I want to recognize the Pathfinder Foundation and conference co-chairs Ambassador Goonetilleke and Ambassador Menon for gathering us for this important conversation and I appreciate the opportunity to briefly discuss in these opening remarks the concept of a free and open Indo-Pacific and how that contributes to enhanced security for all nations.

The Indian Ocean's geostrategic importance is clear. It is a vital lifeline for the world's trade with major sea lanes that carry half of the world's container ships; a third of the world's bulk cargo traffic; and two-thirds of the world's oil shipments. It is, however, not immune to the challenges afflicting other regions and of course has challenges unique to itself. These include navigational security, human and wildlife trafficking, narcotics trafficking, environmental degradation, and illegal fishing. These are some of the issues that other speakers have raised, and I hope that panelists will have a chance to delve into some of these challenges in their discussions.

The Indo-Pacific also harbors some of the fastest growing economies in the world but also has the greatest demand for economic growth as youth populations swell. It is a complex region and the challenges are equally complex.

So, I suggest that we look to fundamental principles and international norms that our nations share and that are essential for the prosperity for all in thinking about a framework for addressing some of these challenges. Key among them, of course, is ensuring the freedom of the seas and skies in accordance with the Law of the Sea and the Convention on International Civil Aviation. We need to insulate sovereign nations from external coercion, promote market-based economics, an open investment climate, fair and reciprocal trade consistent with international law, and principles of fair competition. We need to support good governance, rule of law and respect for civil liberties and human rights. These are shared values and policies that have underpinned the dynamic growth and burgeoning prosperity of this region for decades.

The United States has a goal in this region and that is to support a free and open space in which sovereign and independent nations and diverse cultures can prosper side by side. And importantly, that these nations can exist together peacefully to achieve this vision and this goal.

As Secretary Pompeo said during his recent visit to Sri Lanka, this is not a vision that is about imposing America's will on Sri Lanka or any other partner in the region. In fact, it's quite the opposite. As a friend and partner, the United States seeks to promote an inclusive approach to national sovereignty, independence, and sustainable development. This is a call to rally around principles rather than a request to make an alliance. Nonetheless, cooperation with partners and regional institutions is at the center of this approach. No country can shape the future of the region in isolation and no vision for the region is complete without a robust network of sovereign countries cooperating to secure their collective interests.

Therefore, all of our initiatives in the Indo-Pacific are open platforms for new and expanded collaboration.

The United States provides more than half a billion dollars in security assistance to the Indo-Pacific region to strengthen maritime security and maritime domain awareness, to support humanitarian assistance and disaster relief, to fund peacekeeping and to counter transnational threats. We also hold military exercises in the Indo-Pacific that are planned and executed with allies, friends and partners to build trusting relationships, increase interoperability and expand partner capability and capacity so that we're all better able to respond to the challenges posed by the region. Our Bay of Bengal Initiative, as an example, helps countries build the capabilities and information sharing networks necessary to effectively address some of these security challenges and national disasters.

Our objective is to protect the maritime domain, maintain freedom of navigation and other lawful uses of the sea so that all nations can access and benefit from the maritime commons in accordance with the Law of the Sea Convention.

We also work with our partners in the International Civil Aviation Organization to assure that the freedoms of the air established in the Convention on International Civil Aviation are respected.

And because maritime security is inextricably linked to economic security, I want to say a few words about the economic components of our vision.

The United States believes that the role of government is to enable free enterprise while protecting individual rights and empowering people. We do this by improving market access and competitiveness, by facilitating business to business ties, and promoting free, fair and reciprocal trade.

I want to echo Foreign Secretary Colombage and make the same observation about the region. Developing countries in the Indo-Pacific need at least 1.7 trillion if not trillions more dollars in infrastructure investment every year. The second thing I will say about this is that no government has this much money. And third, there is 70 trillion stockpiled in the world's financial centers. The United States has a goal to help steer more of this capital to the Indo-Pacific region and to ensure the funds go to sustainable projects that bring a genuine return on investment.

Secretary Pompeo highlighted during his visit to Colombo that every country will need the power of private industry to regain its economic footing after this pandemic. The United States looks forward to working with our partners to achieve a post-pandemic recovery. Already U.S. foreign direct investment in the region is substantial. It has more than doubled in the past decade reaching close to a trillion dollars. American investment creates jobs and not debt, with U.S. investment supporting over five million jobs in the region.

American foreign assistance and U.S.-supported institutions such as the Asian Development Bank have made foundational contributions to the region's growth and prosperity for decades. In keeping with our vision for the Indo-

Pacific in recent years the U.S. government has provided about \$2 billion annually in assistance. This has included new initiatives that spur private investment in the infrastructure, energy, and digital economy sectors.

We're also committed to expanding private sector participation as an alternative to state-dominated financing that impinges on national sovereignty and local autonomy, that saddles economies with debilitating debt and encourages corrupt practices. American companies are transparent, they are reliable, and they're accountable to the law including the U.S. Foreign Corrupt Practices Act.

Sustainable economic development is ultimately strongly rooted in good governance, and the United States support citizen-responsive governance and light tough regulation that fosters entrepreneurship and the efficient allocation of capital. And we support institutions that promote transparency, fairness, and the sanctity of contracts.

We're also steadfast in our efforts to champion human rights, religious freedom, and democratic ideals as enshrined in international instruments such as the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights. We urge all nations to join us in upholding these commitments.

To be sustainable, economies must be open, transparent, and rules based. Infrastructure must not just be built but also maintained. Public contracts should be transparent to high standards and ensure high quality projects that last — a goal established by the G20. Anything less risks corruption and poor construction as corners are cut.

As Secretary Pompeo has also noted, only if countries make themselves welcoming to private investment will those trillions of dollars get off the sidelines, into their economies and into productive enterprises that bring jobs and prosperity to their people. For that to happen Indo-Pacific leaders must prioritize transparency, anti-corruption, and responsible financing.

In closing, I hope that today's conference will explore and expand upon these norms and shared principles to lay out a vision of a free and open Indo-Pacific region in which all states and their people can prosper. We must champion the values that have served the Indo-Pacific so well including respect for the sovereignty and national independence; free, fair, and reciprocal trade based on open investment and transparent agreements and connectivity; and adherence to international law including freedom of navigation and overflight. These are values we have in common. Values that are codified in international covenants to which we have shared commitments, and it's around these norms and principles that we can build trust between and among our countries.

Thank you very much for the time this morning and I look forward to learning more from the panel discussions throughout the event.

Thank you.



## REMARKS



**H.E. Akira Sugiyama**  
**Ambassador of Japan to Sri Lanka**

First of all, let me begin by expressing my heartfelt appreciation to the Pathfinder Foundation (PF) for organizing this conference most efficiently despite having had to face numerous challenges due to the prevailing pandemic of COVID-19. In this regard, I would like to commend the ablest team of the PF led by Mr. Milinda Moragoda, the Founder of the Foundation and Ambassador Bernard Goonetilleke, Chairman, as well as Ms. Ameera Arooz, Director-Programmes, among other staff, for working tirelessly to bring us together on the common platform once again to discuss the pressing topics on the security of the Indian Ocean.

Ladies and Gentlemen,

The meeting of the International Advisory Group (IAG), which was convened on March 18th last year, had aimed at hammering out the multifaceted issues impacting on the security of the Indian Ocean, and prepared ground for the current PF-IOSC. The meeting thus conducted under skillful chairmanship of Ambassador Shivshankar Menon has successfully distilled the differing views and ideas into three essential issues upon which the distinguished participants are going to discuss over the course of the next three days.

The IAG meeting identified; a) Maritime Security and Freedom of Navigation, b) Enhancing Connectivity, and c) Addressing 'Mistrust' and 'Trust Deficiency' which resonate very closely with the three principles of the vision of a Free and Open Indo-Pacific, that is, a) Strengthening the Rule of Law, especially Freedom of Navigation, b) Enhancing Connectivity through "Quality Infrastructure", and c) Maintaining peace and prosperity of the Indo-Pacific Region and beyond.

A Free and Open Indo-Pacific, whose acronym is FOIP that the Government of Japan envisages and promotes, is a vision that upholds the Indo-Pacific Oceans to be "Global Commons," or "international public goods," which would benefit all the countries, littoral and non-littoral alike, and is an inclusive concept open to all countries that share its basic principles. Such universal nature of FOIP, in my view, may have led the IAG to reach the basic affinity in its approach, which also reflects the common aspirations being long pursued in the history of the Indian Ocean - in the form of mare liberum or the free sea.

Ladies and Gentlemen, Sri Lanka, located at the strategic position on the east-west sea lanes, is an important partner in realizing a "Free and Open Indo-Pacific". Our Foreign Minister MOTEGI Toshimitsu, during his visit to Sri Lanka last

December, shortly after the inauguration of the new government under H.E. President Gotabaya Rajapaksa, renewed Japan's commitment to assisting Sri Lanka's development as a hub in the Indian Ocean. The foundation of the present maritime cooperation between Sri Lanka and Japan, however, was laid back in 2014 when the then Prime Minister Abe paid an official visit to Sri Lanka. On that occasion, the then Prime Minister Abe and the then H.E. President Mahinda Rajapaksa issued a Joint Statement, which was appropriately titled "A New Partnership between Maritime Countries". In this Joint Statement, the two leaders expressed their determination to elevate Japan-Sri Lanka relations, which have matured and diversified based on the long-standing friendship, into "a new partnership between maritime countries"; and to further strengthen the cooperative relations to play significant roles in the stability and prosperity of the Indo-Pacific Ocean regions. Under the leadership of new Prime Minister SUGA Yoshihide, Japan continues to pursue a Free and Open Indo-Pacific, and I would like to add that, as Prime Minister SUGA stated during the recent maiden Prime Ministerial visit to Vietnam and Indonesia, ASEAN's vision for the Indo-Pacific, that is, ASEAN Outlook on the Indo-Pacific (AOIP) shares many fundamental commonalities with the FOIP.

Based on the agreed framework, Japan and Sri Lanka have made steady progress in the area of maritime cooperation. On the maritime safety and security, to begin with, Japan has extended assistance to Sri Lanka by, a) granting two new patrol vessels to Sri Lanka Coast Guard, b) extending technical assistance for improving oil spill management to Sri Lanka Coast Guard, in view that Sri Lanka faces heavy traffic of oil tankers off the coast every day, and c) supporting VBSS (Visit, Board, Search and Seizure) Training Courses conducted by Global Maritime Crime Programme of UNODC closely supported by Sri Lanka Navy, to tackle the mounting challenge of illegal drug trafficking plaguing the regions, among others. Recently, the same patrol vessels also played an active role in contributing to the joint effort carried out by Sri Lanka and India in successfully extinguishing the fire that broke out on a distressed oil tanker steering off the coast of Sri Lanka.

In addition, Japan has been strengthening exchanges between the Japanese Maritime Self Defense Force (JMSDF) and the Sri Lanka Navy through regular port calls by JMSDF, especially on their way to and from the Gulf of Aden to engage in the counter-piracy operations.

With regard to enhancing the connectivity and maintaining the peace and prosperity in the region, Japan has been promoting "Quality Infrastructure" development in accordance with international standards, with particular emphasis on a) open access, b) transparency, c) economic efficiency including life-cycle cost, and d) financial viability of recipient countries. Japan continues to engage in the development of quality infrastructure in Sri Lanka most diligently, with special focus on ports, airports, power supply, water supply, and irrigation, among others, to correspond to the needs of the Government and people of Sri Lanka.

Finally, the importance of Confidence-building cannot be over-emphasized for realizing the vision of a Free and Open Indo-Pacific. The present conference of the Pathfinder Foundation will help create a conducive atmosphere for confidence-building among different stakeholders. As I stressed last year, Pathfinder Foundation's initiative to hold this important conference has particular significance because of Sri Lanka's unique geographical location, as I mentioned earlier, and the prominent role Sri Lanka has been playing in promoting the peace and prosperity of the region. I strongly hope that today's conference will provide a valuable opportunity for close and constructive exchange of views of prominent experts, which will lay a precious foundation for common understanding on the way forward.

On this note, I would like to express our great pleasure of being a partner of PF-IOSC, and once again, appreciate the Pathfinder Foundation for organizing this iconic conference.

Thank you very much for your kind attention.

## SECRETARY GENERAL OF PFIOSC



**Amb. Geetha De Silva**

Ambassador (Retd.) Geetha de Silva is the Executive Director of the South Asia Policy and Research Institute (SAPRI) based in Colombo. She was a member of the Sri Lanka Foreign Service and her last diplomatic assignment was as High Commissioner of Sri Lanka to Canada.

During her Foreign Service career spanning over 25 years she served as Deputy Chief of Mission with Ambassador rank at the Sri Lanka Embassy in Washington D.C., Counselor at the Sri Lanka Embassy in Japan, Deputy Permanent Delegate of Sri Lanka to UNESCO, and Counselor, Sri Lanka Embassy, Paris, amongst other assignments. At the Ministry of Foreign Affairs, she held the positions of Additional Foreign Secretary/Political Affairs; Director General/ South Asia and SAARC; and Director, United Nations/Human Rights; in addition to others.

She has participated in and contributed to international and regional conferences while she was at the Ministry of Foreign Affairs and after retirement from the Ministry, during her tenures at the Regional Centre for Strategic Studies (RCSS), Sri Lanka, as Associate Director (2007-2010), at One Text Initiative (OTI), Sri Lanka, as Director (2010-2012) and during her present assignment (2012 onward).

A graduate of the University of Colombo, she holds a Masters degree in Conflict and Peace Studies from the University of Colombo and a Diploma in International Relations of the Bandaranaike Centre for International Studies. She is an alumna of the Harvard, Kennedy School, USA and the Near East & South Asia Centre for Strategic Studies (NESA) of the National Defense University of USA.

## SESSION ONE

### MARITIME SECURITY AND FREEDOM OF NAVIGATION

#### Moderator



**Prof. C. Raja Mohan**

Director of the Institute of South Asian Studies,  
National University of Singapore

Chilamkuri Raja Mohan is an Indian academic, journalist and foreign policy analyst. He is the Director of the Institute of South Asian Studies, National University of Singapore.[1] Previously, he was the founding Director of Carnegie India.[2] He has also been a Distinguished Fellow at the Observer Research Foundation, New Delhi[3] and Senior Fellow at the Centre for Policy Research, New Delhi, and prior to that, a professor at the S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore and Professor of Centre for South, Central, Southeast Asian and Southwest Pacific Studies, School of International Studies at Jawaharlal Nehru University, New Delhi, India.[4] He was the Henry Alfred Kissinger Scholar in the John W. Kluge Center at the Library of Congress, Washington, D.C. during 2009-10.[5]. He began his academic career at the Institute for Defence Studies and Analyses, New Delhi.

Dr. Mohan has had a number of stints in journalism as well. He was Strategic Affairs Editor of the Indian Express, New Delhi, and before that, served as Diplomatic Editor and the Washington Correspondent of The Hindu newspaper. He is a columnist for the Indian Express.

## Maritime Security and Freedom of Navigation

Admiral Sunil Lanba PVSM, AVSM, (Retd.)

*Chairman, National Maritime Foundation, and Former Chief of the Naval Staff (CNS), Indian Navy, India*

There is little dispute over the assertion that the world today is characterised by multi-layered and multi-faceted diversity from political, demographic, economic, environmental and strategic viewpoints. Everything around us seems to suggest that the world is in another period of historical transition. In addition to these, the world is living in a period of 'strategic uncertainty' manifesting itself as a complex interplay between nations across multiple domains.

### Global drivers

There are three global drivers which are of particular concern to us as they would shape the world, and our collective futures in profound ways. The first of these pertains to the ongoing shift in the technological centre of gravity from West to East. As a result, the technological superiority enjoyed by the West is under challenge from the East. In fact, the technological gap is narrowing between the West and East, particularly in the field of advanced technologies, many of which also have military applications<sup>1</sup>. Coupled with the technological driver is the economic matrix and by that, I mean the on-going rebalancing of the global economies which is leading to a major shift in global economic clout. In fact, in a recent analysis published by the World Economic Forum, by 2050, six of the seven largest economies are projected to be emerging economies<sup>2</sup>. These will be led by China and followed by India at the second place. The next driver pertains to the increasing world population and rising living standards. In addition to the social aspects, the growing military aspirations of major powers and its corresponding impact on quest for resources cannot be overemphasised. These factors are leading to a steep increase in the demand on all resources, including food, water, energy and rare earth materials. On the military front, as can be seen around us, this quest for gaining access and control over resources is manifesting itself, particularly in the global commons<sup>3</sup>, be it the oceans, polar regions, space or even the cyber world. Maintaining freedom of action in the global commons will thus be a vital objective. The third and last driver would be the impact of climate change, particularly from the prism of environmental, security and economic aspects. The implications of these drivers are broad and varied, and they will present us with tremendous opportunities, as well as extremely dangerous risks which will need to be mitigated.

### Strategic trends

There are three important strategic trends, which emerge out of these drivers, either as a direct outcome or an enmeshed output of more than one of them.

The first of these pertains to the ongoing Power Transition and Diffusion. As the economic and technological power of China rises, it may rival that of the USA. A crucial question is whether the current institutions, mechanisms and norms of the international system can adapt to accommodate this shifting balance of power. If it cannot, disputes will be more

---

<sup>1</sup> Source – Reuters, Article titled 'Trade war or not, China is closing the gap on U.S. in technology IP race', available at <https://www.reuters.com/article/us-usa-trade-china-intellectualproperty/trade-war-or-not-china-is-closing-the-gap-on-u-s-in-technology-ip-race-idUSKBN1HK187>, accessed on 18 Feb 2019.

<sup>2</sup> Source – Official Website of World Economic Forum, available at <https://www.weforum.org/agenda/2018/04/the-worlds-biggest-economies-in-2018>, accessed on 04 Feb 19.

<sup>3</sup> Global Strategic Trends – The Future Starts Today (Sixth Edition 2018), p 14,18 UK MOD, available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/771309/Global\\_Strategic\\_Trends\\_-\\_The\\_Future\\_Starts\\_Today.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/771309/Global_Strategic_Trends_-_The_Future_Starts_Today.pdf), accessed on 04 Feb 2019.

difficult to resolve, and these could escalate into conflict. As global power becomes more contested, it will become harder to forge internationally-binding treaties, and non-compliance and subversion of international laws are likely to increase.<sup>4</sup>

The next trend pertains to the potential for Increased Competition. Given the increasing quest for resources, particularly in the global commons, the extant powers may seek to enhance their position in the global order which may trigger conflict.<sup>5</sup> Essentially, the question is, would the increasing resource aspirations lead to more inter-state and intra-state conflicts? If yes, then we need to prepare for these scenarios and mitigate their potential implications on global as well as regional peace and security. As a result of increasing competition, there is wide scope for Regional Instability. As is being seen around the world, the ability of individuals and groups to have a larger impact than ever before, politically, militarily, economically, and ideologically, is undermining traditional institutions.

The Indian Ocean Region (IOR) is defined by multi-layered and multi-faceted diversity from political, demographic, economic, environmental and strategic viewpoints. In security terms, issues relating to the IOR are best addressed in terms of two overlapping regional systems. The first one embraces Indian Ocean centric issues, that is issues that, are specific to the Indian Ocean and its littoral. The second system sees the Indian Ocean as part of a wider Indo Pacific 'strategic system', that embraces the trade routes and sea lanes that cross the Indian Ocean. All issues challenging the security quotient of IOR could be seen through the prism of these two systems.

Maritime trade in the Indian Ocean has always been integral to economic, cultural and civilisational linkages. Today, the Indian Ocean is the world's pre-eminent energy and trade seaway and a large percentage of the oil and trade that emanates in the IOR is headed for countries outside this region. Obviously, safety, security and stability in the Indian Ocean Region is not a local or regional issue but a matter of the global geo-strategic agenda.

Resource competition, energy security and expanding strategic interests are witnessing increased attention from regional states and external powers. The region no longer remains on the fringes of a global agenda but firmly occupies centre-stage, particularly from the perspective of 'competing' interests.

The strategic importance of the Indian Ocean which is land-locked on the three sides cannot be overemphasised. Access to the IOR is through the ISLs that pass through certain choke points located at the eastern and western approaches to the Indian Ocean. Unhindered flow of maritime trade through these choke points assumes tremendous significance for the entire world. Given the importance of the Indian Ocean Region, it is hardly a surprise that more than 125 warships from close to 22 extra regional navies maintain a near continuous presence in the Indian Ocean.

Compounding the security matrix of the region, is the advent of numerous challenges that have come along with increasing globalisation. It could be said with a reasonable degree of conviction that two factors have significantly contributed towards setting a 'new security agenda' as a result of increasing globalisation.

### **Maritime security challenges**

Maritime resources will be key to sustained growth and development of nations across the Indian Ocean Region in the ongoing century. We have already seen the negative impact of conflicting claims, in some maritime areas of the world. We must, therefore, ensure that the maritime expanse of the Indian Ocean is optimally harnessed for the benefit of all

---

<sup>4</sup> Global Strategic Trends – The Future Starts Today (Sixth Edition 2018), p 12 UK MOD, available.

<sup>5</sup> Global Strategic Trends – The Future Starts Today (Sixth Edition 2018), p 122 UK MOD.

nations in the region. To do so, there is a need to overcome a wide range of security challenges that exist in the maritime domain. These range from traditional challenges, which arise from state-on-state issues, as well as a slew of non-traditional challenges. Over the last few decades, these have significantly expanded in diversity and scale.

Whilst, the conventional and traditional end of spectrum continues to be relevant, the sub-conventional and non-traditional end of the spectrum has also posed serious challenges. Maritime piracy, human and drug trafficking, as well as Illegal, Unreported and Unregulated (IUU) fishing, have kept several maritime forces constantly engaged. In addition to these challenges, global terrorism continues to acquire new colours by the day. The reach, access to technology, organisational flexibility and financing avenues that terrorist organisations enjoy today is unprecedented.

In addition to the challenges highlighted, we also face the prospect of large-scale human migration from conflict zones, environmental degradation and climate change that will be highly disruptive, particularly in many of the highly populated and sea-dependent littoral zones of the region. Also, the right to Freedom of Navigation under UNCLOS is under challenge by claims made in violation to international laws. The United Nations Convention on the Law of the Sea (UNCLOS) of 1982 distinguishes between the territorial sea, an exclusive economic zone and the high seas.

In the high seas, vessels of all flags enjoy unrestricted freedom of navigation as one of the freedoms of the high seas. This also applies to an area declared as an exclusive economic zone by a coastal state up to 200 nautical miles from the coast. Within this zone, however, due regard must be given to the justified use of economic resources by the coastal state. Coming to the South China Sea which is home to some of the world's most important shipping lanes, ships carrying goods between markets in Asia and Europe, Africa, and the Americas must transit through the South China Sea. Circumnavigating the region would involve both considerable expense and time delay in the delivery. As a result, most nations have a direct stake in ensuring that freedom of navigation and overflight is respected in the South China Sea.

Unfortunately, however, the South China Sea is home to a number of longstanding territorial disputes. China, Indonesia, Brunei, Malaysia, Philippines, Taiwan, and Vietnam have overlapping sovereignty claims to various maritime features and areas of water in the South China Sea. Most of these are centred on features located in the Paracel and Spratly island groups. In order to reinforce territorial claims, several states occupy features in the South China Sea, and some have reclaimed land, built infrastructure and stationed troops and military hardware on these features. Their actions have raised the possibility of conflict and the increased capabilities of states to limit navigation in the region. Although several states have engaged in such activities, the amount of reclamation and construction undertaken by China, as well as the degree of militarization of features it occupies, far outweigh the others.

The Indo-Pacific region is becoming widely recognised as the global centre of gravity, whether in terms of economic interaction, demographics, transnational security challenges or the strategic balance. Unhindered flow of maritime trade through the Indo Pacific region is one of the primary security concerns of global energy consumers. From a maritime security perspective, the unprecedented development of the Indo Pacific could not have been possible in an insulated environment. The region's critical role as the prime mover of global economic progress makes it a strategically important agenda for regional as well as extra-regional powers.

India has always supported the very essence of 'freedom of the seas' and upheld its attribute as a global common. Implicit in India's policies and maritime strategy has been the desire for free movement of people, goods, services and investments across the region. Security of Sea Lines of Communication (SLOCs), freedom of navigation, availability of



port infrastructure and non-discriminatory access to markets are some of the issues that ensue from this definition of interests.<sup>6</sup>

The geo-political eminence of the Indo Pacific region is here to stay. In the foreseeable future, the maritime construct of the region would continue to shape the economic and security paradigms. This leads on to the strategic need to preserve peace, promote stability and maintain security across the waters of the Indo Pacific. The inclusive approach and strategic vision for the Indo-Pacific was best summed-up by the Honourable Minister for External Affairs of India, while speaking at the Indian Ocean Conference in Male on September 19, at which he remarked that “the Indo-Pacific naturally means different things to different powers but it is undeniably a priority for all of them. For India, it is the logical next step after the Act East and break out from confines of South Asia”.<sup>7</sup>

---

<sup>6</sup> Nitin Pai, 'India and the Indo-Pacific Balance', pp 85, Australian National University Journal, July 2016.

<sup>7</sup> EAM'S Address at the Indian Ocean Conference, Maldives, 03 Sep 2019, available at [https://www.mea.gov.in/Speeches-Statements.htm?dti/31915/Keynote\\_Speech\\_by\\_External\\_Affairs\\_Minister\\_at\\_Indian\\_Ocean\\_Conference\\_in\\_Maldives\\_September\\_03\\_2019](https://www.mea.gov.in/Speeches-Statements.htm?dti/31915/Keynote_Speech_by_External_Affairs_Minister_at_Indian_Ocean_Conference_in_Maldives_September_03_2019), accessed on 03 December 2019



**Admiral Sunil Lanba. PVSM, AVSM, (Retd.)**  
**Chairman - National Maritime Foundation, and**  
**Former Chief of the Naval Staff (CNS), Indian Navy**

The Chairman of the National Maritime Foundation (NMF), Admiral Sunil Lanba, PVSM, AVSM, IN (Retd.), is an alumnus of the National Defence Academy, Khadakwasla, the Defence Services Staff College, Wellington, the College of Defence Management, Secunderabad, and, the Royal College of Defence Studies, London. In his illustrious naval career, spanning four decades, the Admiral, who is a specialist in Navigation and Aircraft Direction, served as the Navigation, Direction and Operations Officer aboard several ships in both, the Eastern and Western Fleets of the Indian Navy. With multiple tenures on the training staff of India's premier training establishments, Admiral Lanba has been deeply engaged with professional training, the shaping of India's future leadership, and, the skilling of the officers of the Indian Armed Forces. He assumed command of the Indian Navy, as the 23rd Chief of the Naval Staff, on the 31st of May 2016. He was appointed Chairman of the Chiefs of Staff Committee on the 31st of December 2016 and his contribution to tri-Service synergy is legendary. For his exceptional services to the nation, the President of the Republic of India awarded Admiral Lanba the 'Ati Vishist Seva' Medal, followed thereafter by the 'Param Vishist Seva' Medal. The Admiral retired on the last day of May 2019, and, a week later, on 07 June 2019, took over as the Chairman, NMF.

## Major issues in the Indian Ocean: A Glimpse from Moscow

Amb. Gleb Ivashentsov

*Vice President, Russian International Affairs Council*

The changes in the global political landscape require a new look at the role that the world oceans, especially the Indian Ocean, play in global politics and economy. The situation in the Indian Ocean region today is quite turbulent. Globalization is intertwined there with the struggle for spheres of influence, and financial tensions - with territorial disputes. The region accounts for half of the global volume of container cargo delivered by sea routes and about 70% of global sea transportation of hydrocarbons. Equally important is the military and political role of the Indian Ocean region. It is home of major armed conflict zones in Afghanistan, Iraq, Syria and Yemen, as well as of Iran, which has been under attack by the West for more than three decades. The Indian Ocean also washes the shores of Africa, the struggle for resources which is a matter of the near future.

Between the 1960s and 1990s, the United States clearly dominated the Indian Ocean militarily. However, today, with all its naval power, the United States can no longer count on the rights of a monopoly administrator in this region. New players are entering the "big game" in this region. These are primarily China and India, which have significantly increased their naval capabilities in the wake of the economic recovery, as well as Iran, which is now perhaps the only country in the Greater Middle East that is steadily increasing its economic, scientific, technical and military potential.

The processes developing in the Indian Ocean region have a significant common denominator – that is the US-China rivalry. Some people often draw a parallel between it and the Soviet-American confrontation during the Cold War, missing a profound difference between the two. The Soviet-American confrontation involved not just two superpowers, but two ideologically opposed global systems, whose peaceful coexistence seemed, both to Moscow and Washington, just a short respite on the eve of the last and decisive battle.

China, unlike the former Soviet Union has risen in the existing system, the inherent globalization of which, has been a major source of China's economic miracle. Accordingly, Beijing is interested not in breaking the current West-dominated global system but in carving in it an appropriate safe niche for itself. Hence there will be no global US-China bipolarity to divide the world.

As for China and India, the two powers presently play somewhat differing roles in international affairs. China is already showing its global ambitions. Its accumulated power allows it to project influence around the world - in Asia, Eurasia, Africa, Eastern Europe, and Latin America. India has not yet put forward a global agenda. At the same time, New Delhi is undoubtedly thinking of extending its influence beyond the purely regional framework, which is confirmed inter alia by India's active interest in the concept of the "Indo-Pacific" in partnership with the United States, Japan and Australia. At the same time, if the United States, Japan and Australia expect to use the Indo-Pacific "Quad" primarily to create an arc of global containment of China, India seems to view that as a tool for increasing its own global weight. The age of Europe ended 100 years ago. The age of America is ending before our eyes. The twenty-first century will be the century of Asia, and India is determined to secure a leading position in it.

For both China and India, with their rapidly growing economies, it is crucial to protect their economic security, which in both cases depends heavily on energy imports. India meets more than 80% of its oil needs and more than 40% of its liquefied natural gas needs through imports by sea via the Indian Ocean routes. China receives up to 90% of its oil imports via the Indian Ocean. At the same time, China cannot do without sea communications in the Indian Ocean to

deliver its goods to the European market. All this objectively determines in many ways, the common interest of both China and India in the safety of transport routes passing through the Indian Ocean.

China's "One belt, one road" initiative plays a strategic role for Beijing. Its goal is to build an infrastructure axis between Asia and Europe as well as to give a powerful impetus to the development of China's South Western provinces. In this regard, Beijing is looking for additional access to the Indian Ocean, in particular by building oil and gas pipelines from the Myanmar coast of the Bay of Bengal, to Yunnan province, and starting construction of a high-speed railway from China to Bangkok. The possibility of building a Panama type canal from the Bay of Bengal to the South China Sea through the narrow Isthmus of Kra in Thailand is also under consideration.

Washington took notice of these efforts by Beijing, as well as of its attempts to gain access for its Naval vessels to ports in a number of friendly countries in the Indian Ocean region, such as Myanmar, Bangladesh, Maldives, Sri Lanka and Pakistan. Experts of the American consulting firm "Booz Allen Hamilton", (in which, the well-known E. Snowden once worked), in a report prepared in January 2005 by the US Department of Defense interpreted these attempts as a Chinese strategy for military development of the Indian Ocean Region. The Yankees gave this strategy the name "string of pearls", which was launched in international media. The fact that neither Chinese officials nor journalists used the term "string of pearls" in public, gave foreign commentators reason to talk about the extreme secrecy of this strategy.

Indians traditionally consider the Indian Ocean to be a determining factor in the country's politics and its history. Therefore, it is not surprising that China's concept of the "Maritime Silk Road" that runs through the Indian Ocean caused a mixed reaction in India. For New Delhi, the China-Pakistan economic corridor (CPEC), a part of the Chinese Belt and Road Initiative, is unacceptable as it passes through the disputed territory of Kashmir, which is under the control of the Pakistani military.

As for Russia, according to its Maritime doctrine, the Indian Ocean regional direction is one of its priorities, and not just because the sea route connecting European Russia with the Russian Far East passes through the Indian Ocean. The situation in South and South-West Asia, located along the Northern contour of the Indian Ocean facing the Central Asian and Transcaucasian underbelly of Russia, directly affects its security. Hence Moscow's desire to ensure its naval presence in the Indian Ocean is reasonable in view of the interest of global players, and above all, the United States. Moscow took into account the renaming in 2018 of the US Pacific Command, to the Indo-Pacific Command, as well as the fact that the US concept of the strategy for the development of the Indo-Pacific region in 2019 described Russia as an "activated malign actor."

The US-promoted the "Indo-Pacific Quad", and the Chinese their "One Belt, One Road" project to bring new nuances and accents to the overall balance of power in the Indian Ocean Region, to the bilateral regional confrontations between India and China, India and Pakistan, and to the conflict situation around Afghanistan and Iran. In these circumstances, almost all interested parties have a kind of demand for political interaction with Russia. The United States and China, in the face of growing mutual contradictions, would like Moscow at least not to enter into an alliance with the opposing side. India, fearing the growing influence and military power of China, expects that Russia will not play along with Beijing in case of a conflict situation. Pakistan, in turn, is interested in Russia not playing along with India, in its confrontation with New Delhi. Without Russia, it is impossible to resolve the situation around Afghanistan, to settle the issue of Iran's nuclear dossier, and to counter international terrorism.

The Indian Ocean region, like the world as a whole, needs not a new leader, but a new non-bloc architecture of international cooperation that should ensure a balance between the various centers of political, economic, and military

power. In these circumstances, it is in Russia's interests to follow a kind of non-aligned policy in relation to the region, without interfering in either the US-China or inter-Asian proceedings. Perhaps it would be worth thinking about a kind of qualitatively new non-aligned movement, in which, along with Russia, India, the ASEAN states and other regional powers, such as Iran and Pakistan, could participate in.

It is not about joining forces in opposing the American "unipolar world." The American "unipolar world" did not take place and will not take place. The United States will certainly never be displaced from either the global or the Indian Ocean arena. But neither the level of economic interdependence between the United States and the countries of the region, nor the large number and influence of Asian diaspora in America, nor the attractiveness of American technology and investment can force the Indian Ocean countries today to build their future according to the templates made in Washington. They intend to manage their region themselves.

Reducing tensions between its two strategic partners in Asia, India and China, is of paramount importance for Russia. In the West, especially the United States, there is a popular thesis that India and China are strategic rivals, and a conflict between them, including an armed one, is inevitable. Russia, on the other hand, is of a different opinion. Neither China nor India is going to be content with the status of a regional power. Both of them see themselves among the world's leading states. Therefore, in fact, they are natural allies in the fight for equality and fair play in global affairs. By building a bilateral partnership with both India and China, Moscow is simultaneously working to strengthen the structure of the RIC (Russia — India — China), to ensure coordination of foreign policy initiatives in the trilateral format. On many issues of the international and regional agenda, positions of Russia, India and China coincide or are close; on others, there are non-fundamental differences, and in some cases the three countries compete with each other. However, in general, both the relations between China and India and the relations between all three members of the RIC correspond to the position of "different, but together."

The Shanghai Cooperation Organization (SCO), the world's largest non-Western international organization, could play a growing role in addressing security problems of the Indian Ocean region, especially those related to Afghanistan and Iran. The expansion of the SCO through inclusion of India and Pakistan, on the one hand, removed any suspicions about its possible transformation into a Russian - Chinese military-political alliance, and on the other, balanced the growth of China's power, placing it in a broad international framework. This is beneficial to China itself, as it avoids rallying against its neighbors who are concerned about its power.

A significant contribution to trade and economic relations between Russia and the states of the Indian Ocean region could be the development of the "North-South" International transport corridor (ITC) from the Iranian port Bandar Abbas on the Indian Ocean through the territory of Iran, Transcaucasia and Central Asia on both sides of the Caspian Sea with access to Russia. The inter-governmental agreement on the North – South ITC was signed in 2000 by Russia, Iran, and India. As of today, Azerbaijan, Armenia, Belarus, Kazakhstan, Oman and Syria have joined the agreement.

COVID-19 has changed everyday life everywhere in the world and challenged the very global order as a whole. However, the word "crisis", written in Chinese, consists of two characters. One means "danger", the other — "opportunity". Like any global crisis, the COVID-19 pandemic not only creates additional risks and threats to any country's foreign policy, but also opens up new prospects for interaction, including on security in the Indian Ocean Region. The task is to identify and implement these opportunities.



**Ambassador Gleb Ivashentsov**  
**Ambassador Extraordinary and Plenipotentiary of Russia,**  
**Vice President of the Russian International Affairs Council**

Ambassador Gleb Aleksandrovitch Ivashentsov is Vice-President, Russian International Affairs Council. He graduated from Moscow State Institute of International Relations and the Diplomatic Academy, USSR Ministry of Foreign Affairs. He has previously held appointments at the USSR Ministry of Foreign Trade; International Department, Central Committee, Communist Party of the Soviet Union; USSR/Russia Ministry of Foreign Affairs and Director, Third, Second Asian Department (South and Southwest Asia), Russia Ministry of Foreign Affairs. His diplomatic postings include appointments as Consul General of USSR/ Russia in Bombay, India; First Deputy Director, Third Asian Department (South and Southwest Asia), MFA; Ambassador of Russia to the Union of Myanmar and Ambassador of Russia to the Republic of Korea. Amb. Ivasgentsov has been bestowed the State awards of “The Order of Friendship” (Russia) in 2003 and “Khanhwa Medal for diplomatic merits” (Republic of Korea) in 2009. His publications include, (In Russian) “India” (1989 – circ.100 thousand) “India – basics in brief” (2009), “Behind the fortifications of 38th parallel” (2012), “Korean tiger” (2017), “On South Korea” (2019), in English – “The tiger of the land of morning calm” (2014), in Korean – “The other Korea” (2012). He is a Special Research Fellow of the China Center for Contemporary World Studies.

## A U.S. View on Maritime Security in the Indo-Pacific

Ms. Nilanthi Samaranyake  
*Research Program Director, CNA, Arlington, Virginia*

The purpose of this paper is to provide an American point of view on maritime security in the Indo-Pacific.<sup>1</sup> The United States has taken nearly a decade to change its articulation of U.S. interests in this region, expanding its vision from the “Asia-Pacific” to the “Indo-Pacific.” This evolution can be traced to recognition of the increasing importance of India, and by extension the Indian Ocean, in U.S. strategy. Yet, despite this shift, U.S. interests are still firmly entrenched in the Pacific, with the Indian Ocean remaining a secondary area of focus.

### From the Asia-Pacific to the Indo-Pacific

For decades, the United States has characterized its strategic interests in Asia as being in the “Asia-Pacific.”<sup>2</sup> This conception reflected the United States’ proximity to the Pacific Ocean and its historical interests in continental East Asia. In 2012, the Obama administration began experimenting with a new articulation of its regional interests as extending beyond the Asia-Pacific. The State Department began referring to the potential for an “Indo-Pacific economic corridor” to connect South and Southeast Asia.<sup>3</sup> The following year, the commander of U.S. Pacific Command (PACOM) ADM Samuel Locklear began referring to this region as the “Indo-Asia-Pacific” to characterize the expanse of U.S. interests in his area of responsibility (AOR).<sup>4</sup>

The term Indo-Asia-Pacific finally acknowledged the fact that the AOR had long included the Indian Ocean. However, this shift in terminology also reflected an ongoing U.S. policy effort to emphasize the elevated importance of India to U.S. strategic interests. The U.S. Defense Strategic Guidance issued in January 2012 had discussed India and characterized U.S. hopes for the country to exert leadership in the Indian Ocean.<sup>5</sup> Following this lead from PACOM, the U.S. Navy, Marine Corps, and Coast Guard adopted the conceptualization of the region as the Indo-Asia-Pacific in their 2015 strategy document, *A Cooperative Strategy for 21<sup>st</sup> Century Sea Power*.<sup>6</sup> Yet, a lag still existed in U.S. policy. A strategy document released by Pentagon leadership that same year was titled *Asia-Pacific Maritime Security Strategy* and referred prominently to U.S. interests in the “Asia-Pacific.”<sup>7</sup>

Under the Trump administration, the “Indo-Pacific” phrase entered U.S. policy documents. The White House’s *National Security Strategy*, released in December 2017, discusses the importance of this region to U.S. national interests and prioritized keeping it “free and open.”<sup>8</sup> The “Indo-Pacific” is also referenced in the U.S. Defense Department’s January 2018 summary of the *National Defense Strategy*.<sup>9</sup> In May 2018, PACOM was renamed Indo-Pacific Command (INDOPACOM), further synchronizing the characterization of U.S. policy interests in this region. In November 2019, the U.S. State Department released *A Free and Open Indo-Pacific: Advancing A Shared Vision*.<sup>10</sup> This report described in detail Washington’s efforts to work with its allies and partners toward this normative goal for the region. The

---

<sup>1</sup> Please note this is one American analyst’s point of view; the ideas expressed are solely those of the author and not of any organization with which she is affiliated.

<sup>2</sup> [https://www.eastwestcenter.org/system/tdf/private/apb105\\_6.pdf?file=1&type=node&id=32835](https://www.eastwestcenter.org/system/tdf/private/apb105_6.pdf?file=1&type=node&id=32835)

<sup>3</sup> <https://2009-2017.state.gov/secretary/20092013clinton/rm/2012/11/200664.htm>

<sup>4</sup> <https://www.indiaamericatoday.com/article/us-commander-locklear-calls-for-indo-asia-pacific-cooperation/>

<sup>5</sup> [https://archive.defense.gov/news/defense\\_strategic\\_guidance.pdf](https://archive.defense.gov/news/defense_strategic_guidance.pdf)

<sup>6</sup> <https://news.usni.org/2015/03/13/document-u-s-cooperative-strategy-for-21st-century-seapower-2015-revision>

<sup>7</sup> [https://dod.defense.gov/Portals/1/Documents/pubs/NDAA%20A-P\\_Maritime\\_Security\\_Strategy-08142015-1300-FINALFORMAT.PDF](https://dod.defense.gov/Portals/1/Documents/pubs/NDAA%20A-P_Maritime_Security_Strategy-08142015-1300-FINALFORMAT.PDF)

<sup>8</sup> <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

<sup>9</sup> <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

<sup>10</sup> <https://www.state.gov/wp-content/uploads/2019/11/Free-and-Open-Indo-Pacific-4Nov2019.pdf>

Pentagon's June 2019 Indo-Pacific Strategy Report similarly reiterated the U.S. vision for a "Free and Open Indo-Pacific" and detailed the Defense Department's efforts with countries in the region. Notably, the report began by emphasizing that "the Indo-Pacific is the Department of Defense's priority theater."<sup>11</sup>

## Change and continuity

The introduction of the term Indo-Pacific in U.S. policy has included some notable changes and continuities. First, the reference to continental "Asia" has been dropped. Certainly, U.S. interests will continue on land, but the adoption of this primarily maritime conception of this region and its importance is striking in a national strategy document. Second, it suggests that the U.S. maritime services will assume an increasing role in U.S. defense policy, whereas U.S. ground and air forces have arguably wielded more influence among U.S. policymakers and defense planners historically. The name change of the long-standing PACOM—a joint military command—is also striking.

Yet, despite this broader focus on the maritime domain, including now the Indian Ocean, U.S. priorities under the "Indo-Pacific" concept remain mostly the same. To begin with, even though PACOM was renamed INDOPACOM, the geographic responsibilities for this command have not changed.<sup>12</sup> The command's focus aligns with the National Security Strategy, which defines the geographic scope of the Indo-Pacific as "stretch[ing] from the west coast of India to the western shores of the United States." INDOPACOM's AOR thus continues to exclude the western half of the Indian Ocean. As many U.S. policy documents state—including the 2019 Department of Defense Indo-Pacific Strategy Report—the United States is "a Pacific nation." Until policy-level change realigns military planning responsibilities, the Pacific will remain the priority for the United States, despite the shift to the Indo-Pacific articulation of U.S. strategic interests.

Washington's normative priorities are also long-standing and will continue to emphasize the right of U.S. forces to fly and sail wherever international law allows. Both the State Department and Pentagon Indo-Pacific reports discuss the importance of adhering to international law and norms, including freedom of navigation and overflight, under the Free and Open Indo-Pacific strategy. While much attention now focuses on U.S. freedom of navigation operations in the context of rising threat perceptions from China, the 2019 Department of Defense report highlights how President Ronald Reagan discussed the importance of this priority as far back as 1983: "We will not acquiesce in unilateral actions of other states designed to restrict the rights and freedoms of the international community in navigation and overflight."<sup>13</sup>

This means that the United States will maintain its long-standing freedom of navigation program, including by contesting China's claims to disputed features in the South China Sea. In fact, the United States also challenges claims by important strategic partners such as India. An examination of the Pentagon's 2019 Annual Freedom of Navigation Report reveals many U.S. operational challenges of claims that the United States finds to be excessive—not only by China in the East and South China Seas but also by many Indian Ocean countries, including India, Bangladesh, Sri Lanka, Myanmar, Maldives, Oman, Pakistan, and Iran in 2019.<sup>14</sup>

---

<sup>11</sup> <https://media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF>

<sup>12</sup> [https://archive.defense.gov/news/UCP\\_2011\\_Map4.pdf](https://archive.defense.gov/news/UCP_2011_Map4.pdf)

<sup>13</sup> <https://media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF>

<sup>14</sup> <https://policy.defense.gov/Portals/11/Documents/FY19%20DoD%20FON%20Report%20FINAL.pdf?ver=2020-07-14-140514-643&timestamp=1594749943344>



## Future outlook

The 2017 National Security Strategy and 2018 summary of the National Defense Strategy announce the threat confronting the United States as “the reemergence of long-term strategic competition.” China and Russia are described as posing threats to neighboring countries as well as U.S. forces in the region. Of note, both documents emphasize the threat to stability in the South China Sea, and the resulting policy approach to China has become understood as a new case of great power competition in Washington circles. Various policy statements issued under the Obama administration identified threats from China, but the Trump administration has placed greater emphasis on the country’s challenge to the United States and the wider rules-based international order. Washington took the additional step in July 2020 of aligning its policy with the 2016 international arbitral tribunal ruling on the China-Philippines dispute in the South China Sea.<sup>15</sup>

In response to this threat from China, the National Security Strategy prominently calls for the United States to increase quadrilateral cooperation in the Indo-Pacific with India, Japan, and Australia. U.S. threat perceptions have long converged with allies Japan and Australia. In the past two years, China’s assertiveness along its land border with India has magnified threat perceptions in New Delhi and deepened India’s willingness to participate in the Quad. All four countries are now actively engaging in Quad consultations, most recently at the foreign ministerial level in October 2020 and soon at the MALABAR exercise.<sup>16</sup> But whereas U.S. and Australian<sup>17</sup> visions are aligned in their more limited view of the geographic scope of the “Indo-Pacific,” Japan’s and India’s views of the region encompass the entire Indian Ocean. This broader focus in India’s 2015 maritime strategy, Ensuring Secure Seas: India’s Maritime Security Strategy, makes sense because the country is centrally located in that body of water.<sup>18</sup> Meanwhile, Japan’s conception of the region as a “confluence of the two seas” (Pacific and Indian Oceans) was articulated by Japanese prime minister Shinzo Abe more than a decade ago during his first administration.<sup>19</sup> Consistent with their expansive vision of the Indo-Pacific, Japan and India have discussed developing an Asia-Africa Growth Corridor extending across the Indian Ocean to provide a transparent, economically sustainable alternative to China’s Belt and Road Initiative.<sup>20</sup>

Yet, as discussed earlier, even though U.S. interest in the Indian Ocean has been growing for the past decade, the Pacific will remain the area of primary interest to Washington. The United States has more historical legacies, military basing and access needs, and economic interests in that segment of the Indo-Pacific. If anything, the Trump administration has increased U.S. attention to the Pacific by calling out China so prominently in its national security documents. Regardless of political leadership beyond 2020, the United States is undeniably on a course of great power competition with China for the coming decade. Washington will continue to demonstrate its active interests in the security of the Indo-Pacific region through the Quad, freedom of navigation military operations, and maritime capacity-building efforts such as the Maritime Security Initiative. Moreover, the United States’ emphasis on the Pacific in the Indo-Pacific concept may ultimately prove to be a positive source of continuity for Indian Ocean countries, which are wary of greater militarization and heightened competition in their region.<sup>21</sup>

(The views expressed are solely those of the author and not of any organization with which she is affiliated.)

---

<sup>15</sup> <https://www.state.gov/u-s-position-on-maritime-claims-in-the-south-china-sea/>

<sup>16</sup> <https://www.brookings.edu/blog/order-from-chaos/2020/10/05/what-you-need-to-know-about-the-quad-in-charts/>

<sup>17</sup> [https://www.defence.gov.au/StrategicUpdate-2020/docs/2020\\_Defence\\_Strategic\\_Update.pdf](https://www.defence.gov.au/StrategicUpdate-2020/docs/2020_Defence_Strategic_Update.pdf)

<sup>18</sup> <https://www.indiannavy.nic.in/content/indian-maritime-security-strategy-2015>

<sup>19</sup> <https://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>

<sup>20</sup> <https://aagc.ris.org.in/about-aagc>

<sup>21</sup> <https://menafn.com/1100902669/President-Gotabaya-reiterates-Lankas-plea-to-make-the-Indian-Ocean-a-Zone-of-Peace>



**Ms. Nilanthi Samaranayake**

**Research Program Director, CNA, Arlington, Virginia, USA**

Nilanthi Samaranayake is Director of the Strategy and Policy Analysis program at CNA, a non-profit research organization in the Washington area. She has led several studies at CNA on Indian Ocean security, including the U.S.-India naval relationship. Prior to joining CNA in 2010, Samaranayake completed a fellowship at the National Bureau of Asian Research (NBR), where she investigated Sri Lanka's deepening economic, military, and diplomatic ties with China. Her findings were published in the journal, *Asian Security*. She has authored book chapters on the Indian Navy; the smaller countries of South Asia and their relations with China; the U.S.-China-India "strategic triangle" in the Indian Ocean; and island states in the Indian Ocean. Samaranayake's analysis has been featured in *The Diplomat*, *East Asia Forum*, and *Hindustan Times*, among other outlets. She has appeared in media such as *Al Jazeera*, *New York Times*, *South China Morning Post*, and *Nikkei Asian Review*. Samaranayake analyzed public opinion for a decade at Pew Research Center in Washington, D.C. While there, she twice directed the quadrennial survey, "America's Place in the World." She holds an MSc in International Relations from the London School of Economics and Political Science.

## **DISCUSSION**

### **1. Creating a security architecture for the Indian Ocean**

Attention was drawn to the threat posed by the ongoing power rivalry and competition among great powers in the Indian Ocean. The power competition was unfolding in a negative way, impacting beyond the security and economic spheres. Therefore, a new security architecture needs to be developed.

However, such a task cannot be undertaken overnight. There were fundamental capacity problems in the entire IOR, as well as a lack of political will and capability.

Although it was noted that a dialogue was already existing in forums such as IORA, BIMSTEC and SAARC (although currently under-functional), increasing of issues in the Indian Ocean (IO), called for the necessity of a security architecture covering the entire region.

A regional security architecture must take into account the inability of the resident powers to provide security to those outside the region. There should be more dialogue between bigger and small countries with more emphasis on economic cooperation within the region.

The importance of having a Rules-Based International Order, following international norms was stressed, to work together, to design the new security architecture.

It was also highlighted that security is a multipronged issue. Therefore, a process to establish security could begin with matters related to practical requirements i.e. energy security or transportation security and form partnerships in IOR. Cyber security is another area that can be pursued in a practical sense. The partnerships to be formed in this manner could develop mutual trust, leading to the higher target of overall security in the IOR.

### **2. Maritime threats in the IOR: Challenges for smaller countries**

It was stated that smaller countries in the region are faced with fundamental economic challenges, capacity challenges, and geo-political challenges among others. Therefore, they do not have the luxury of choosing between major powers for maximum gain. Competition among large countries results in much pressure on small countries.

As regards maritime challenges that small states encounter, the mishaps involving a bulk carrier in Mauritius and an oil tanker off the coast of Sri Lanka in the recent past demonstrated the difficulties in meeting challenges when faced with unexpected situations. Although maritime capacity-building activities do take place in small countries, the effectiveness of operationality can be ascertained only when crises occur, when that training is put to test.

As far as natural threats are concerned, there is focus on climate change, and ongoing programs are in place for building capacity in small countries.

A lack of capacity also exists, particularly in island states. Their fishing industry continues to be challenged by illegal, unreported and unregulated (IUU) fishing.

### **3. Indian Ocean regional institutions**

The importance of regional institutions was noted, as they play a key role in the region and the desirability of expanding opportunities to non-regional states to participate in IOR institutions, was emphasized.

Currently, a number of multilateral arrangements are visible in the IOR. The question arises as to whether there are too many institutions, particularly considering that not all are effective. On the other hand, although the IO institutions are relatively few compared to those in the Pacific, it appears that resident countries in the IO desire to work together to improve security, governance and norms in the region, which is a positive development. Prospects for greater cooperation in this background needs consideration.

Models such as BIMSTEC and IORA have emerged in the recent past. The trend towards greater participation, is a positive sign which was lacking for a while.

Reference was made to QUAD, which includes Australia, India, Japan and the USA, which has interaction at Foreign Ministerial level. There was suggestion that Quad might be a first step towards IO security architecture, with a new name and expansion. However, it was noted that there would be reservation on the part of some IOR countries to an initiative led by four major powers with leanings to one ideological camp.

#### **4. Impact of European countries' interest in the IOR**

It is important to note that European countries have been in the IOR historically. In fact, the Indian Ocean Commission (IOC) was created by France. They have continued to play a role in the west IO. More ships of European origin i.e. non-Indian Ocean countries are now coming into the IO. Due to the Indo-Pacific strategy, Germany and the UK are paying increasing attention to the IO.

It was highlighted that having more stakeholders in the region, paying attention to economic development, would help uplift the region and deactivate tensions associated with great power rivalry. The active role of European countries, among others on counter-piracy activities in the west IO should be noted, as well as the fact that they are providers of development assistance. There is plenty of space for European countries to play a role in the IO.

The growing interest of European states, France and Germany in particular, towards a region geographically not too far away from them, is a new and positive development. It also indicates their willingness to rebalance relations with China.

#### **5. Bases of Extra-regional states in the IOR**

Reference was made to foreign military bases, highlighting the fact that countries provide bases mostly due to their feeling of insecurity. More countries in the IO are likely to provide facilities for bases of major powers and the reality is that there will be more bases in the region in time to come.

The issue really is not the appropriateness of having bases or not, but the manner in which IO countries should respond to the development and consequences of having more bases of competing military powers. Would that increase security? It is necessary to initiate a discourse on how the region will deal with the situation, and the consequences.

Sovereign nations in the IOR can decide the best way to make use of their resources and choose the best plausible support, when deciding on establishing bases. Countries provide bases to others, not because they like it, but due to security and economic factors, and to manage and mitigate overall threats against them.

Reference was made to the US base in Diego Garcia and concerns expressed in connection to the security of the Indian Ocean, in the context of the Cold War period having ended and the current situation being different. Explaining the US position, it was articulated that Diego Garcia provided an answer to the access need of the US, which has bases in Bahrain and Singapore, but there were no bases in South Asia. Therefore, Diego Garcia was the US point of access to the IO.

## SESSION TWO

### ENHANCING CONNECTIVITY

#### Moderator



**Dr. Frederic Grare**

Advisor, Indian Ocean

Center for Analysis, Planning and Strategy

French Ministry of Foreign Affairs

Frédéric Grare is “Chargé de mission”, in charge of the Indian Ocean at the Center for Analysis, Planning and Strategy of the French Ministry of Foreign Affairs. He is also a non-resident senior associate in Carnegie’s South Asia Program. At Carnegie, his research focuses on South Asia Security issues and the search for a security architecture. Prior to joining Carnegie, Grare served as the Asia bureau at the Directorate for Strategic Affairs in the French Ministry of Defense. He also served at the French embassy in Pakistan and, from 1999 to 2003, as director of the Centre for Social Sciences and Humanities in New Delhi. Grare has written extensively on security issues in Asia, in particular South Asia. His recent book *India Turns East: International Engagement and US-China Rivalry* has been published in 2017 by Hurst Publishers.

# Weaponising Connectivity: Exploring Connections and Coercion in the Indo-Pacific

Dr. Yogesh Joshi

Research Fellow, Institute of South Asian Studies, National University of Singapore

**Abstract:** *If connectivity makes economic sense, creates absolute gains for all, engenders welfare benefits and reduces the likelihood of the use of force, why are we witnessing so much contestation over the nature of connectivity projects and the intent of connectivity entrepreneurs in the region? Why do we see the diversity and proliferation of connectivity projects, with both regional and extra-regional powers contesting over the same physical, financial, and digital space to connect? And finally, why is there so much concern over the upward and downward linkages of connectivity chains? In other words, who is getting connected to whom and why does it matter? If connectivity is such a globalising force, as its purveyors argue, then why, rather than creating new alliances and networks, is the issue of connectivity being pursued through old alliances and strategic partnership networks? I argue that connectivity is a contested space because it can be weaponised. States have and will use inter-connectedness as an instrument of influence and coercion to achieve their material and status goals. I explain how countries may use connectivity for coercive purposes and outline the implications for the Indo-Pacific.*

The world has, indeed, achieved tremendous economic integration in the last century. This process of economic integration or economic globalisation has, however, not reached its true potential. If Trade to GDP ratios are an indicator of economic integration, the world has only reached a high of 26.23 per cent in the last 200 years of globalisation. The record of the South Asian region is even worse: only Bangladesh has Trade to GDP ratio of 18 per cent. Though economists give many reasons for this gap between the promise and reality of global economic integration, home country bias remains a predominant explanation: on average, constituents consume more of the goods, information and finances produced within the state than from outside. However, even when governments have actively intervened to eliminate tariff barriers and therefore reduce the home country bias accruing out of price fluctuations and arbitrage, distances – physical, social, financial, and informational barriers – continue to hinder the process of global economic integration.

As James Frankel has argued, “distance remains the most important barrier to trade.” Physical space matters: multiple econometric analysis have shown the inverse relationship between trade and geographical distances. Greater economic integration, therefore, requires better connectivity. Increased connectivity would not only shrink the physical space, but it will also facilitate a reduction in social, financial, and digital divide among regional and global geographies. Therefore, if free trade were the driving force behind economic globalisation in the 1990s and early 2000s, connectivity has now become the new swan song of global entrepreneurs. And if connectivity would expand the project of economic integration, it would by default also expand the political implications of greater economic integration. As liberal economists and political scientists would claim, trade promotes peace and prosperity and so should connectivity.

## Connecting states with peace (or not)?

We see similar arguments about connectivity today. The Americans claim that a free and open Indo-Pacific is central to the economic integration of the region. President Xi Jinping can only see the “road to peace” in Eurasia and the Indian Ocean through his Belt and Road Initiative (BRI). New Delhi’s connectivity initiative is also very adroitly titled Security and Growth for all (SAGAR). Implicit in these declarations are beliefs that connectivity and trade can promote amity between nations. First, insofar there exists a serious demand for infrastructure, financial and digital connectivity in the region, greater connectivity will support the economic rejuvenation of national and regional economies. In other

words, there appears to be a perfect balance between demand and supply of connectivity in the Indo-Pacific, and states enter into these agreements willfully.

Recipient countries should also not worry if some states monopolise the supply of connectivity in the region. Insofar monopolies provide for economies of scales, demands for connectivity will be met efficiently. Second, trading nations or in this case, highly connected states will not fight each other because they will lose the welfare gains accruing out of inter-connectedness. Connectivity promotes monetary and social welfare; as rational actors, countries value such improvements. Second, what is essential to observe is that it is not the existence of connectivity or trade that deters aggression or conflict but the threat of losing economic and social benefits accruing out of such inter-connectedness. In other words, states are locked in a state of connectivity interdependence. And since governments care more for absolute gains over relative gains, the size and the asymmetry of such interdependence will not hamper the prospects of peace. States in a relationship of connectivity interdependence will also be less prone to the use of force in settling disputes. Better connectivity will foster greater diplomatic, commercial, and private linkages among states, thus providing multiple channels of communications for resolution and negotiation of conflict. Regional connectivity equals “shared prosperity”.<sup>1</sup>

However, if connectivity makes economic sense, creates absolute gains for all, engenders welfare benefits and reduces the likelihood of the use of force, why are we witnessing so much contestation over the nature of connectivity projects and the intent of connectivity entrepreneurs in the region? Why do we see the diversity and proliferation of connectivity projects across the region, with both regional and extra-regional powers contesting over the same physical, financial, and digital space to connect? And finally, why is there so much concern over the upward and downward links of these connectivity chains? In other words, who is getting connected to whom and why does it matter? If connectivity is such a globalising force, as its purveyors argue, then why, rather than creating new alliances and networks, is the issue of connectivity being pursued through old alliances and strategic partnership networks?

I argue that connectivity is a contested space because it can be weaponised. States have and will use inter-connectedness as an instrument of influence and coercion to achieve their material and status goals. Following are the strategies which states use in weaponising connectivity.

### **Connectivity and instruments of coercion**

Connections – physical, social, digital, financial – are a source of power and influence. Our networked social space – Twitter, Facebook, LinkedIn - is perhaps the best example of the power of connections. Connectivity or the strength of one’s connections vis-à-vis others is a resource providing both gains and influence. Connectivity engenders power for the following reasons.

First, connectivity entrepreneurs or the states who have the resources to connect others can regulate both demand and supply of physical, social, financial and information resources in other countries. Influence or coercion would engender out of the relationship of absolute dependence between the provider and the consumer, just as direct market sanctions work in the case of trade. Moreover, unlike trade dependence, connectivity dependence is more challenging to unshackle, especially if the critical infrastructure of a state is at stake. Such one-sided dependencies are rare and will mostly occur among countries which have robust security dependencies already in place. Pakistan, China, and the

---

<sup>1</sup>[https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session9/1ConnectivityESCAPThemeStudyExecSummary\\_eng.pdf](https://www.unece.org/fileadmin/DAM/SPECA/documents/gc/session9/1ConnectivityESCAPThemeStudyExecSummary_eng.pdf)



China-Pakistan Economic Corridor (CPEC) is an excellent example of such connectivity dependencies. Though China and Pakistan maintain an alliance relationship, it is not as if Pakistani leaders have internalised all the costs associated with the Chinese monopoly of connectivity in the Pakistani state. The opportunity costs for Pakistan may not exist in foreign and security policy (although they do); but it indeed does in domestic politics. CPEC has only exacerbated the hold of the Pakistani army in its domestic politics. At the same time, it has also unleashed bitter divides between political parties. Another example of such control and coercion were the Chinese investments in the Maldives during President Abdullah Yameen's administration. Domestic pluralism and accountability are the first and foremost victims of such one-sided dependencies. However, rampant use of such dependencies may also result in a blowback for the coercing state. The Maldives again is a good example though it took the threat of an India-China confrontation for domestic politics to take its ordinary course of democratic transitions. Target states, having suffered such coercive tactics, would like to diversify their connectivity providers. Nepal's avid participation in the BRI is helped immensely by New Delhi's constant use of trade blockades as instruments of coercion.

Second, connectivity interdependence is hardly symmetric. Never are any two states connected to one another in equal measures; nor are the investments in connectivity networks. Asymmetry of connectivity interdependence, therefore, provides certain leverage. If one state in the dyad depends heavily on the other for connectivity projects – infrastructure (physical and digital), its finances and expertise – it remains susceptible to coercion and influence. Instruments and elements of connectivity – ports, data centres, supply chains, financial loans – may translate into points of liability. If the provider also controls and manages such critical infrastructure (or has access through backdoors, especially in the case of cyber-infrastructure), connectivity may translate into vulnerability. We have seen this happening extensively in the region. Debt-loan traps are a function of the asymmetry of connectivity interdependence. Similarly, supply-chain disruptions, especially of strategically important goods, can be used to coerce the dependent states into submission (rare earths in 2012 against Japan; raw pharma products during recent pandemics). Often, connectivity projects have been ramrodded without extensive deliberation on viability and usage. The Hambantota port project is a good example of problems arising from excessive supply rather than demands for connectivity. However, the worst-case scenario of such supply-driven connectivity projects is their possible use for military purposes in peacetime (surveillance, reconnaissance and sustenance of military presence) and active military use during moments of crises.

The point here is not to claim that this is so in reality, but insofar as it is plausible; it will affect the perceptions of threats and rivalries in the region. Therefore, we are witnessing a security dilemma over connectivity in the Indian Ocean. China's intentions may be entirely peaceful. However, the strings of pearls provide her with capabilities to influence the region during peacetime and impose military costs during periods of crises. Therefore, New Delhi will continue to feel alarmed. Interdependent relationships, howsoever asymmetric, do provide some leverage to both sides. Recipients of connectivity aid can also use market access to their advantage. Also, unlike trade, investments in connectivity projects involve a lot of sunk costs. Connectivity providers can leverage their advantages and force smaller states to follow their dictated diplomatic and security policies. However, this may engender domestic opposition, leading to complete dismantling of the relationship altogether. The transition in the Maldives between President Yameen and President Solih is a good example. The leverage of recipient states will also dramatically improve if there are multiple providers available and especially if they are competing with one another.

Lastly, beyond direct costs of connectivity and the asymmetry of connectivity interdependence, what matters is who holds the keys to such connectivity networks. As Farrell and Newman have argued, states that are at the hub of such network structures have unprecedented access to information and hence, the ability to monitor others. However, they can also choke the movement of goods, finances, and information if they so desire. This has been one of the significant reasons why Beijing has been so adamant in developing alternative financial and data networks which do not intersect

with Western systems. However, the BRI will provide unprecedented network advantages to Beijing in the Indo-Pacific and the Indian Ocean. First, under BRI, Beijing will become the most critical hub of all connectivity networks – physical, financial, and digital – in the region.

Moreover, it would be able to create new observation posts and barriers for both partners and rivals. The string of pearls is not only a strategy to escape the Malacca dilemma but to develop new maritime chokepoints. China's massive capital investments would make Chinese financial institutions the preferred network for financial transaction, providing decision-makers in Beijing truckloads of financial information on allies and partners as well as rivals. The point here is not to single out China but to argue that if states do have such leverage, they will find their use highly appealing. US weaponised SWIFT against Iran because it could. The contestation over the 5-G network providers again relates to the network-effects of connectivity. The concern regarding data storage and backdoors to digital infrastructure becomes critical to national security only because the physical jurisdiction of such data centres and availability of backdoors can provide significant surveillance benefits to the adversaries. Simply put, states less connected to such networks are less vulnerable to reconnaissance and intervention and vice-versa.

## **Implications**

This paper does not make a case against connectivity; it only intends to highlight a side of the connectivity debate which is often either ignored for convenience or covered up for the sake of ideological commitments to the project. Connectivity, just like any strategic interaction, engenders both opportunities and vulnerabilities. This paper aims to focus on the latter. Exposing the dark underbelly of connectivity also has a normative agenda; it will allow states to make more informed decisions. Two implications are significant.

First, there is no direct correlation between connectivity and peace, nor does connectivity come without costs. Diplomatic niceties notwithstanding, the battle over connectivity is fundamentally a battle over influence not because of status concerns but because it provides states with instruments of coercion. For example, the principal aim of Quad countries in challenging the workings of the BRI is not out of benevolent concerns for the purported victims of its lack of transparency, but because it allows Beijing an ability to coerce. The Quad states just cannot allow China to have a monopoly in such instruments of coercion.

Second, given that the regional balance of power will ultimately depend on how the states in the Indo-Pacific swing towards one or the other coalition, the battle over connectivity will only intensify. The smaller states will find it extremely difficult to navigate such highly polarised waters. The space for smaller states is inversely proportional to the intensity of the adversarial relationship between strategic rivals. Multiple factors – from Covid-19 to Sino-Indian military crisis to US domestic politics – have exacerbated these strategic rivalries. Connectivity networks will be split along the lines of strategic alliances in the Indo-Pacific.

## **References**

Dale C Copeland, *Economic Interdependence and War*, (New Jersey: Princeton University Press, 2015)

Katherine Barbieri, *The Liberal Illusion: Does Trade Promote Peace?* (Ann Arbor: The University of Michigan Press, 2002)

Henry Farrell and Abraham L. Newmann, "Weaponised Interdependence: How Global Economic Networks Shape State Coercion," *International Security*, Vol. 44(1), 2019, pp. 42-79.

Robert Gilpin, "The Nature of the Political Economy," in Robert J Art and Robert Jervis(eds.) International Politics: Enduring Concepts and Contemporary Issues, (London: Pearson, 2017) pp. 282-299

Jeffrey Frankel, "Globalization Today," in Robert J Art and Robert Jervis(eds.) International Politics: Enduring Concepts and Contemporary Issues, (London: Pearson, 2017), pp. 314-330

G John Ikenberry, "The Future of the Liberal World Order," in Robert J Art and Robert Jervis(eds.) International Politics: Enduring Concepts and Contemporary Issues, (London: Pearson, 2017), pp. 522-530.



**Dr. Yogesh Joshi**

**Research Fellow, Institute of South Asian Studies, National University of Singapore**

Dr Yogesh Joshi's research focuses on contemporary Indian foreign and national security policy, with an emphasis on Indo-Pacific's balance of power, evolution of India's military power and its approach to use of force in international relations. Before joining ISAS, Dr Joshi was a MacArthur and Stanton Nuclear Postdoctoral Fellow at the Center for International Security and Cooperation, Stanford University, USA. He is also an alumnus of Summer Workshop on the Analysis of Military Operations and Strategy, Columbia University and the International Nuclear History Boot Camp, Woodrow Wilson Center. He has a doctorate in International Politics from Jawaharlal Nehru University, New Delhi. Dr Joshi is co-author of three books: *India and Nuclear Asia: Forces Doctrines and Dangers* (Georgetown University Press, 2018), *Asia's Emerging Balance of Power: The US 'Pivot' and Indian Foreign Policy* (Palgrave Macmillan, 2016) and *India's Nuclear Policy: A Short Introduction* (Oxford University Press, 2018). His research has been published in *Survival*, *Asian Security*, *India Review*, *US Naval War College Review*, *International Affairs*, *Contemporary Security Policy*, *Diplomacy and Statecraft*, *Asia Policy*, *International History Review* and *Harvard Asia Quarterly*.

## **Connectivity in an Age of Volatility, Uncertainty, Complexity and Ambiguity (VUCA): Realising SDG9 and 17 amid the COVID Pandemic**

Mr. Jaimal Anand

*Research Associate, Department of International Relations and Co-Operation (DIRCO), Pretoria, South Africa*

*“As we begin the task of reconstruction in the wake of the coronavirus pandemic, financing for development becomes all the more critical. The overarching principle of Agenda 2030 and the Sustainable Development Goals is that we leave no country behind, and that those furthest behind receive our full support.”<sup>1</sup> – President Cyril Ramaphosa*

### **The context of connectivity in the cge of COVID-19**

This paper is presented in the context of the looming ‘global reset’ which, in many ways resembles the global reform agenda that has been a priority for the nations of the South for decades. The reality is that developing nations continue to bear the economic brunt of underdevelopment. This gap has been brutally exposed during the COVID pandemic in recent months.

To reverse the effects of this crisis we need to realise a few practical objectives, which are fundamental and include among others, ensuring that medicine and healthcare reach rural communities, to ensure education is minimally disrupted, to protect populations from future pandemics such as COVID, to facilitate tourism, to maintain trade and investment flows and secure all vital arteries of the international system.

We should avoid treating infrastructure development as merely an issue of economic growth. It is a developmental issue and, in many respects must be treated as a public good. We have learnt in this era of COVID, that in order to rebuild humanity we must ensure the realisation of SDG 9 which demands inclusive and sustainable industrialization, together with innovation and infrastructure. SDG 9 is crucial to allow for a dynamic and competitive economic environment to generate employment and livelihoods. Connectivity plays a key role in introducing and promoting new technologies, facilitating international trade and enabling the efficient use of resources.

SDG 17 provides for the cultivation of international partnerships that aim to secure a peaceful, prosperous and reformed world order. The goal is to enhance development through multi-stakeholder partnerships that are critical to efficiently share knowledge, expertise, technology and financial resources. Partnerships are a necessary pillar to support the achievement of the SDG’s, especially for nations of the South. As a number of developing nations continue to emerge economically, they become engines of growth and development which in turn drives development.<sup>2</sup>

The late 20<sup>th</sup> and 21<sup>st</sup> centuries have been characterised by the steady rise of Asia, which has impacted on the world in numerous ways. Transnational relationships and new flows of finance, trade, technology, information, energy and labour have created multiple geopolitical formations which are reshaping the world as we know it. Interestingly, all of these developments are taking us to a pre-colonial era. The decolonising of history, trade and even geopolitical maps

---

<sup>1</sup> Ramaphosa, CR 2030 Agenda for Sustainable Development in the Era of Covid 19 Ramaphosa, CR Statement, 2030 Agenda for Sustainable Development in the Era of Covid 19 Virtual High Level meeting, 29 September 2020.

<sup>2</sup> Based on discussions with Amb (Prof) Anil Sooklal-DDG Asia and the Middle East, DIRCO South Africa, responsible for Asia and the East as well as Sherpa for BRICS, IORA, IBSA and former G20 Sherpa

that reflect the historic, age old and natural trade route that ranges from the Silk Road to the Spice Route, the Trans Saharan Route in Africa and increasingly the strategic placement of the Indian Ocean as an enabler of trade and commerce for centuries are again coming to the fore.<sup>3</sup>

There are usually two disciplines that have traditionally fed our perceptions of interstate relations. We can either look at interstate relations as either economic or political. The idea of a complex and multidisciplinary world order, to explain our current context is probably a more accurate tool. When we examine events in this way, the zero-sum logic is easily displaced by an interest-driven mutually beneficial logic that plays out as states strive to maintain equilibrium between political, security and economic realities, at any given time.

It is estimated that China's Belt and Road Initiative is likely to boost world GDP by \$7.1 trillion per annum by 2040. This raises world GDP by 4.2% of likely GDP in 2040 (or 8.3% of GDP in 2019). The benefits of the BRI are widespread. As many as 56 different countries are forecast to have their annual GDP in 2040 boosted by more than \$10 billion as a result of the project. China is Africa's largest trade partner, with Sino-African trade topping USD 200 billion per year. Over 10,000 Chinese-owned firms are currently operating throughout the African continent, and the value of Chinese business since 2005 amounts to more than USD 2 trillion, with USD 300 billion in investment currently on the table. Africa has also eclipsed Asia as the largest market for China's overseas construction contracts. In 2019, China announced a USD 1 billion Belt and Road Africa Infrastructure Development Fund.

Chinese President Xi Jinping and South African President Cyril Ramaphosa, co-chaired the Beijing Summit of the Forum on China-Africa Cooperation (FOCAC) in September 2020. The summit drew representation from a large number of Heads of State and Heads of Delegation of other African states. The Summit announced a USD 60 billion African aid package, further strengthening Africa's very crucial economic ties and friendship with China.

Similarly, India's development partnership in Africa has acquired new energised momentum in recent years. Historically, India had developed close partnership with African counterparts through its bilateral, regional and multilateral initiatives. Japan, on the other hand, has been engaged in various development projects in Africa as part of its official development assistance including the Tokyo International Conference on African Development (TICAD).

Both India and Japan's development cooperation with Africa is in line with Agenda 2063 which aims to accelerate Africa's economic growth. Some of those key areas of cooperation that Japan and India currently focus on in the framework of AAGC are education, human resource development and skills enhancement, agriculture, infrastructure, information technology and health. This reflects that there are many parallels between India and Japan's approach towards establishing strong connection with the African countries.

Both India and Japan have also been forging strong development cooperation connections with African countries. As is evident, there is a convergence in the development cooperation approach of both the countries in Africa, and they offer possibility of triangular cooperation. Japan is not a stranger to India. It has been a valuable development partner for several years, and has been involved in the development of industrial corridors in India and has invested in automobile, telecommunications, pharmaceutical, electrical equipment development in the country.

---

<sup>3</sup> Frankopan, Peter. *The Silk Roads: a new history of the world 2016* (6th ed), Bloomsbury; Robert D. Kaplan, *The Revenge of Geography: What the Map Tells Us About Coming Conflicts and the Battle Against Fate*, 2014 Random House.

There has been a flurry of activity between India and Africa since the first India–Africa Forum Summit (IAFS) was hosted in New Delhi, from 4-8 April 2008. Shortly thereafter the second Summit was convened in Addis Ababa, Ethiopia from 24-25 May 2011, and most recently 28-29 October 2015.

In July 2018, Prime Minister Narendra Modi addressed the Ugandan Parliament during his visit. He outlined a vision for both bilateral and multilateral partnerships through ‘10 guiding principles for India-Africa engagement.’<sup>4</sup> This came as a welcome development for Africa, as India had not articulated a clear vision or strategy for Africa until the IAFS 2015 and the announcement of the Guiding Principles for India-Africa engagement in 2018.

What is clear is that in order for these objectives to be realised through China, Japan and India or any other international partnership reliant, and durable infrastructure is crucial.

### **SDG 9 in a world order dominated Volatility, Uncertainty, Complexity and Ambiguity (VUCA)**

I must first point out that the world has always endured uncertainty and complexity. The initial spread of the COVID virus was rapid, resulting in a threat of collapse for the current global architecture. With states closing borders, restricting travel and confining citizens to their homes, at least during the hard lockdown. By October 2020 the world counted over 40 million Cases, and 1.16 million deaths, the virus has dictated the way in which we live and the methods we use to organise our communities, families, education, work and our most basic daily routines. The logistics and tourism sectors are critical job creators among developing nations, and this sector has been hard hit as it is dependent on strong networks and connections.

Future planning will require a more detailed look at risk mitigation. If we had to take an objective and scientific approach to analysing the current state of Volatility, Uncertainty, Complexity and Ambiguity (VUCA) we would understand that there has never been a decade that the world has not known this. However, what varies is the level of intensity and the response of the international community to a crisis. The acronym VUCA emerged out of the leadership theories of Warren Bennis and Burt Nanus in their 1985 article *Work Leaders: Strategies for Taking Charge*<sup>5</sup>. The U.S. Army War College introduced the concept of VUCA to describe the more volatile, uncertain, complex and ambiguous world order perceived as resulting from the end of the Cold War.

In a recent Deloitte article on *Connectivity Resilience in a VUCA world - Enhancing Communication Infrastructure amidst COVID-19*, the VUCA notion emerges as a means to describe the current environment in which the world is trying to recommit to rebuild its severely injured economies. This acronym, captures the stark reality of these challenging, complex but also exciting environment, riddled with change and transformation globally. What we can be certain of, is that the unpredictable nature of the COVID-19 pandemic, and a return to previously known ‘normal’ is not likely until a vaccine is developed and universal access ensured.

Connectivity and the infrastructure development are central to the global development agenda. Improving global connectivity is fundamental and modelling this connectivity as a public good is vital. In October 2020, President Ramaphosa announced the South African Economic Recovery Plan where he stated that infrastructure will be the “linchpin of South Africa’s economic reconstruction and recovery, aimed at helping South Africa come back from the

---

<sup>4</sup> Outward Direct Investment from India: Trends, Objectives and Policy Perspectives”, Occasional Paper No. 165. Export-Import Bank of India, 2014. In ORF Online [https://www.orfonline.org/research/indian-investment-africa-scale-trends-and-policy-recommendations/#\\_ednref17](https://www.orfonline.org/research/indian-investment-africa-scale-trends-and-policy-recommendations/#_ednref17); <https://www.orfonline.org/research/the-ten-guiding-principles-for-india-africa-engagement-finding-coherence-in-indias-africa-policy/>

<sup>5</sup> Warren Bennis and Burt Nanus in their 1985 work *Leaders: Strategies for Taking Charge* in Collins Business Essentials

devastation wrought by the Covid-19 pandemic.” President Ramaphosa announced that a “huge” build programme is aimed at unlocking more than R1 trillion in infrastructure investment over the next four years and will be one leg in the broader package that the state hopes will raise growth to about 3% on average over the coming decade.

This logic is supported by the report of the G20 Global Infrastructure Outlook<sup>6</sup>, forecasting infrastructure investment needs and gaps. The report suggests that countries worldwide are on the verge of launching the biggest round of infrastructure investment since the post-2008 financial crisis, and the stimulus measures adopted in the successive years. The world is facing a \$15 trillion gap between the infrastructure investment that is required, and financial provisions made available by 2040. According to the same report, when 1% of GDP is invested in infrastructure, economic output increases by about 0.4% in the same year and by 1.5% four years later.<sup>7</sup>

Geographical location and distance are fixed; however, the nature and extent of infrastructure, connectivity and logistics are variables that can be controlled and managed. Firstly, resilience but also durability and reliability of internationally connected networks for trade and movement, in an age of disruption and with the persistent COVID pandemic. This threat lurks in an environment in which an event in one part of the world can potentially impact on the global supply chain. The building of resilient and durable connected networks is in reality an issue of economic survival for such countries; Secondly, an efficient global supply chain and the associated global value chains (GVCs) are a prerequisite for economic activity in the 21<sup>st</sup> Century. The reliability and links that connect markets are vital to ensure that disruption to the efficient movement of goods and services is minimised. The World Bank’s Logistics Performance Index<sup>8</sup> for example, demonstrates that poor connectivity results in higher cost and inefficiencies meeting demand and therefore constraining market potential and growth. Durable and resilient infrastructure is also crucial to inclusive participation of GVCs. Thirdly, economic growth, the persistent global financial crisis, and the chaos created by the COVID – 19 pandemic has forced many states to increase public expenditure on infrastructure development, to improve connectivity as a means to ensure future development and prosperity. States have increasingly started to borrow and channel that deficit to invest in infrastructure that would ensure the efficient movement of goods and services.

### **Africa, connectivity and the pandemic agenda 2063 and SDG 9**

The African Union’s Agenda 2063, ‘the Africa we want’ is our initial reference point when defining Africa. Agenda 2063’s seven aspirations were launched at the African Union’s 50th anniversary celebration in Addis Ababa, Ethiopia, in May 2013. In terms of the plan, African leaders made a pledge to accelerate growth, development and prosperity on the continent going forward to 2063.<sup>9</sup>

Africa’s population of nearly 1.3 billion and growing, with people distributed throughout all 55 African Union member states is indicative of Africa’s current position as being poised for growth and development. Sub-Saharan Africa, in particular, is expected to reach a GDP of \$29 trillion by 2050, however, further development of our economies in the areas of industrialisation; infrastructure development; (which includes ICT); development of Special Economic Zones (SEZs) and industrial parks; developing the energy sector; the ocean economy; development finance; and human resource and skills development is hampered by a lack of Industrial capacity as well as massive infrastructure backlogs.

---

<sup>6</sup> <https://outlook.gihub.org/>; <https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-sustainable-infrastructure-investments-aid-recovery>

<sup>7</sup> <https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-sustainable-infrastructure-investments-aid-recovery>

<sup>8</sup> <https://www.worldbank.org/en/news/press-release/2019/06/19/42-trillion-can-be-saved-by-investing-in-more-resilient-infrastructure-new-world-bank-report-finds>

<sup>9</sup> <https://au.int/en/agenda2063/aspirations>



The potential to be unleashed through the African Continental Free Trade Area (AfCFTA) agreement will create the largest free trade area in the world. The AfCFTA connects 1.3 billion people across 55 countries with a combined GDP valued at US\$ 3.4 trillion. It is expected to lift 30 million people out of extreme poverty. However, realising its full potential will depend on a number of significant policy measure to ensure trade facilitation. Foremost will be the ability to boost intra-regional trade supported by a resilient and reliable infrastructure network to ensure connectivity.<sup>10</sup>

Africa's developmental vulnerabilities have been exposed by the economic crisis triggered by the COVID-19 pandemic. The International Monetary Fund (IMF) is projecting -3.2% GDP growth in Sub-Saharan Africa, while the World Bank also projects GDP growth rates between -2.1% and -5.1%.

According to the African Development Bank (AfDB), Africa is currently facing an infrastructure deficit of approximately US\$ 130 billion a year. The current financing gap rests at between US\$ 68-108 billion, which traverse energy, transportation, water and sanitation infrastructure needs. A recent study shows that road densities in Sub-Saharan Africa (SSA) are approximately a third of that of South Asia's, and only a quarter of all roads are paved. This implies more expensive transport costs and that travel times are longer with more risk than the average for such corridors. Energy generational capacity in Africa is approximately half of that in Southeast Asia, and 50% of the population of 24 countries in SSA lack access to grid-based energy.

However, the nature of any kind of crisis is such that where there is destruction there is creation. For Africa in particular, investment in technologically advanced, resilient and sustainable infrastructure will have a significantly positive impact on development and growth thereby allowing for improved economic activity in the future. On a global scale, it is reported that low and middle-income countries alone could see a net benefit of US\$ 4.2 trillion from investing in infrastructure that prioritizes future-focused resiliency. That's a US\$ 4 return for every \$1 spent. These challenges reinforce barriers for market entry and regional integration while simultaneously increasing national-level vulnerability to macroeconomic shocks.

Integrating new technologies during the design, construction and operational phase of an infrastructure asset can significantly lower the cost while improving functionality. Artificial intelligence (AI), analytics, fintech, cloud computing, 5G, new materials, renewable energy technology and 3D printing are just a few of the innovations changing the global infrastructure landscape. When used, they can decrease project cost, compress construction time, reduce community disruption, minimize environmental harm and increase safety. Future planning on infrastructure should start incorporating such tech advances to prevent falling back.

The pandemic has disrupted the way in which we communicate and connect ourselves physically and virtually to the world. According to Deloitte, the communications technology industry has been confronted with unprecedented global demand, and this has concentrated demand on the need for fast, efficient communications and data.<sup>11</sup>

On 29 April 2020, in what was still the early stages of the COVID 19 pandemic, Makhtar Diop<sup>12</sup> made some interesting observations in a World Bank Blog, presenting the case for digital connectivity. Makhtar suggests that connectivity is a public good and should be treated as such. The suggestion is based on some startling facts. Firstly, 1.5 billion children need online schooling due to the coronavirus pandemic (COVID-19) and policy measures were formulated by the World Health Organisation (WHO) and adopted by states to prevent the worst-case scenarios associated with the pandemic.

---

<sup>10</sup> <https://www.worldbank.org/en/topic/trade/publication/the-african-continental-free-trade-area>

<sup>12</sup> <https://blogs.worldbank.org/voices/covid-19-reinforces-need-connectivity>

Secondly, as social distancing is increasingly becoming a norm, digital connectivity became the only real tool to keep us informed and employed. For those without, or with limited internet access, the economic and social impact of this pandemic will continue to be detrimental.

Thirdly and critically, Makhtar cites the Broadband Commission report, which estimates that around US\$ 100 billion will be needed to achieve universal access to broadband connectivity in Africa. The World Bank Group has launched the Digital Economy for Africa Initiative, in support of Agenda 2063, digitally connecting every individual, business, and government in Africa by 2030. But the pandemic has demonstrated that we cannot afford to wait.

The battle against COVID-19 has exposed the inherent vulnerability of countries that do not have the infrastructure for widespread digital connectivity. In Sub-Saharan Africa, it is estimated that 60 percent of the population remains out of reach of 4G networks, in many parts of the world, mainly in Africa, Asia and Latin America limited access remains the norm and perpetuated by both financial and regulatory challenges. Reducing and relaxing of internet costs, using technology such as balloons, drones or other mechanisms to create hotspots and open up much need spectrum to ensure faster and more efficient, reliable and affordable, communication are examples of policy interventions that have helped to alleviate some of the burden.

As the crisis continues, and as pandemics of this kind become more common, some countries will be left behind. For a start, being able to deploy digital health care solutions for detecting COVID-19 can save lives, and this will also be important to protect countries against future pandemics.

## **Conclusion**

The COVID Pandemic presents us with a unique global challenge, the very foundations of a humane, interdependent world order seem to be threatened by an increasing trend toward unilateralism and the undermining of multilateral structures. The United Nations, the World Trade Organisation (WTO) and the global financial and political architecture may well be experiencing the opportune moment in history where we can drive a new version of humanity in a relevant global architecture. Connectivity is directly linked to SDG 9 and this must be treated as such by all states.

Every leader has been clear, the world is due for a reset, we can no longer continue on the tradition of growth led economic models, the time for a rethink is upon us and we should choose the path that serves the interests of humanity and not just growth.

During the 4 May 2020 Virtual NAM,<sup>13</sup> PM Modi called for a “new template for globalisation, and international institutions that are more representative of the world today.” PM Modi reaffirmed that “During this crisis we have shown how democracy, discipline and decisiveness can come together to create a genuine people’s movement,” He also highlighted the need to “promote human welfare and not focus on economic growth alone.”

These reflections are not dissimilar to the collective, consistent view that we cannot continue as we have, and we must earnestly begin to seek new methods of economic and social development. In the pursuit of solutions in our existing environment, we must be willing to accept that change is the only real means to ensure and enhance connectivity in the 21<sup>st</sup> Century. Education, health, tourism, commerce, development and many other important sectors cannot be the

---

<sup>13</sup> 4 May 2020 Virtual NAM Summit

victims of weak connectivity as the human cost will be devastating. The COVID Pandemic has indeed given us a disaster, the question is how do we respond to that disaster?

## References

<https://www.worldbank.org/en/topic/trade/publication/the-african-continental-free-trade-area>

<https://blogs.worldbank.org/voices/covid-19-reinforces-need-connectivity>

<https://au.int/en/agenda2063/aspirations>

<https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-sustainable-infrastructure-investments-aid-recovery>

<https://outlook.gihub.org/>

<https://www.businesslive.co.za/bd/economy/2020-10-15-the-linchpin-of-sas-recovery-plan-is-infrastructure-cyril-ramaphosa-says/>

<https://chinaafricaproject.com/analysis/the-impact-of-the-covid-19-pandemic-on-infrastructure-development-in-africa/>

<https://www.oecd.org/g20/summits/osaka/G20-DWG-Background-Paper-Infrastructure-Connectivity.pdf>

<https://www.theafricareport.com/32519/china-africa-its-the-politics-stupid/>

[https://www2.deloitte.com/content/dam/Deloitte/ng/Documents/technology/ng-connectivity-resilience-amidst-COVID-19\\_07052020.pdf](https://www2.deloitte.com/content/dam/Deloitte/ng/Documents/technology/ng-connectivity-resilience-amidst-COVID-19_07052020.pdf)

<https://www.itu.int/en/myitu/News/2020/09/16/19/22/UN75-Partnership-Dialogue-for-Connectivity-Doreen-Bogdan-Martin>

<https://www.worldbank.org/en/news/press-release/2019/06/19/42-trillion-can-be-saved-by-investing-in-more-resilient-infrastructure-new-world-bank-report-finds>

<https://chinaafricaproject.com/analysis/the-impact-of-the-covid-19-pandemic-on-infrastructure-development-in-africa/>

<https://www.worldbank.org/en/news/press-release/2019/06/19/42-trillion-can-be-saved-by-investing-in-more-resilient-infrastructure-new-world-bank-report-finds>

<https://www.orfonline.org/research/the-ten-guiding-principles-for-india-africa-engagement-finding-coherence-in-indias-africa-policy/>

Ramaphosa, CR. Statement, 2030 Agenda for Sustainable Development in the Era of Covid 19: Virtual High Level meeting, 29 September 2020.

Robert D. Kaplan, *The Revenge Of Geography: What the Map Tells Us About Coming Conflicts and the Battle Against Fate*, 2014 Random House

Frankopan, Peter. *The Silk Roads: a new history of the world* 2016 (6<sup>th</sup> ed), Bloomsbury

Harm de Blij: *Why Geography Matters Study Guide* Steven Alan Samson (2006)

Chekin, L. 2002. "The world ocean in medieval cartography". Moscow: S. I. Vavilov Institute of the History of Science and Technology of the Russian Academy of Sciences; thesis for Museum of the World Ocean congress.

"Ocean". *The Columbia Encyclopaedia*, 6th ed. 2003. New York: Columbia University Press;

Outward Direct Investment from India: Trends, Objectives and Policy Perspectives", Occasional Paper No. 165. Export-Import Bank of India, 2014. In ORF Online [https://www.orfonline.org/research/indian-investment-africa-scale-trends-and-policy-recommendations/#\\_ednref17](https://www.orfonline.org/research/indian-investment-africa-scale-trends-and-policy-recommendations/#_ednref17)

<https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-sustainable-infrastructure-investments-aid-recover>



**Mr. Jaimal Anand**

**Research Associate, Department of International Relations and Co-Operation (DIRCO), Pretoria, South Africa**

Mr. Jaimal Anand works for South Africa's Department of International Relations and Co-Operation (DIRCO) since 2005. He is attached to the Office of the Deputy Director General Asia and the Middle East and is responsible for Research and Analysis. His areas of professional focus are on the Geostrategic and Geopolitical developments in the 21st Century. Mr. Anand has also served at the South African Embassy in Bern, Switzerland between 2006 and 2010, he has held a variety of regional portfolios during his diplomatic career, and he has also participated and attended a large number of international conferences and meetings. Mr. Anand has written extensively on key strategic and policy issues.

## Connecting World Trade

Mr. Rohan Masakorala  
*CEO, Shippers' Academy Colombo*

A ninety trillion-dollar global economy, project to be doubled in a few decades with a population of nine billion people by the year 2050 will indeed need enhanced sustainable connectivity to optimise resources. Modern day connectivity can be defined by two key factors, which are, remote connectivity (people to people/services) and physical connectivity (merchandise/ raw material/ commodities). Remote connectivity is based on telecommunications, linked through satellites and undersea cables whilst physical linkages will be through the four main modes of transport which are rail, road, waterways, and air. Basic principles of economics such as competitive and comparative advantages in international trade in production will continue to be the way forward, enhanced by new by technology. The post Covid 19 environment will have an impact on global value chains and supply chains on production which will have some gradual shifts to enhance supply chain security to diversify sourcing. It is expected that some correction on trade flows will take place and concepts such as nearshoring, in-shoring and offshoring may change the landscape of trading due to political and economic reasons, but the overall distribution of logistics services will continue to grow in the world where populations are dense and economic growth will continue to flourish. Therefore, Asian and African continents and the Indian Ocean which is in such a geography linked to the Pacific and the Atlantic Oceans, will play a significant role in global trade movements in the coming decades. This paper will focus on the global maritime trends specifically to the growing container industry and port development in the Indian ocean for crucial connectivity for merchandise trade.

The twentieth century saw the world witness a massive cross-border trade flow and growth as more and more nations joined the free market and the concept of a global village, that produced, processed and shipped commodities and merchandise under bilateral and multilateral trading arrangements under GATT/ WTO agreements, where production centres and markets connect for the need of raw material, finished goods and semi-finished merchandise. All these are linked today through modern supply chain solutions as we entered the twenty first century with the birth of the fourth industrial revolution making the consumer a global customer, creating changes to the patterns of trading across borders. We are now in the era of accelerated e-commerce, and Covid 19 has pushed the international community to revolutionize the way trading is done and has fast forwarded the technological revolution by manifold. Today retail businesses are being challenged by new concepts such as business to customer (B2C) models. However, one thing has not changed, long-distance highways and railways as well as international ports and airports are needed to move products and people around in a connected world.

### **Ocean shipping will dominate international transport industry**

The transportation industry is dominated by four major modes of transport which are, ocean (waterways), air, road and rail (land). However, the cheapest mode of transportation that provides connectivity across continents is none other than the ocean shipping industry. As a result, nearly ninety percent (90%) of global trade, connects through a merchant shipping fleet which now consists of over 55,000 ocean vessels. These ships carry bulk cargo, break bulk cargo, liquid cargo, gas and of course containerised cargo as commodities and finished and semi-finished cargo. The merchant shipping fleet is therefore structured into different types of vessels to service the demand of global trade (figure 1).

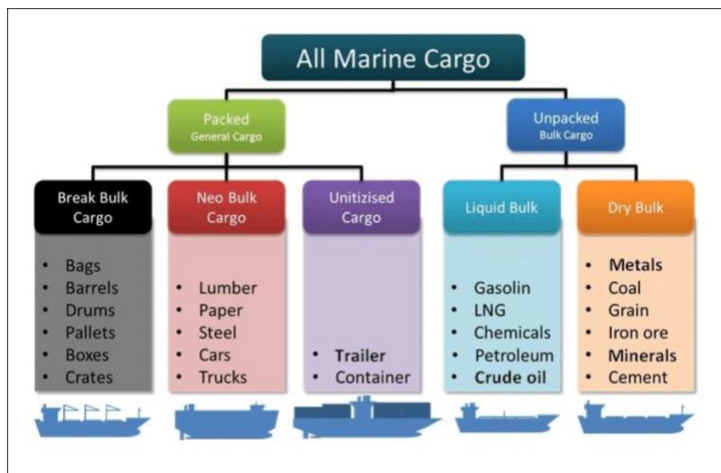


Figure 1: Types of ships <https://safety4sea.com/> Credit: Shutterstock/google

The shipping industry itself is a very capital-intensive enterprise. It is not an easy task for all countries to own and operate major shipping fleets with scalable output and profit. As a result, there are about 10 major shipping lines today, that operate through alliances, controlling eighty percent (80%) of the global merchandise trade transportation in containerised cargo. There are also feeder services operating smaller vessels to facilitate global transportation hubs to connect to major shipping trade routes which creates the global network of maritime transportation.

## Origins of major shipping trade routes and ports

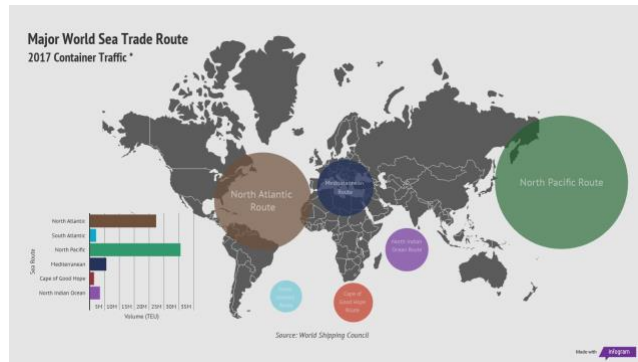


Figure 2: IMAGE DATA: Major World Trade Routes- 2017 Container Traffic/ <https://www.worldtradia.com/global-sea-trade-routes/>  
 North Atlantic Route – 22,322,000/South Atlantic – 2,054,000/North Pacific – 30,550,000  
 Mediterranean – 5,504,000/Cape of Good Hope – 1,344,000/North Indian Ocean – 3,340,000  
 Data Source: World Shipping Council

When tracking global shipping traffic, major trunk lanes can be identified as well as sub routes throughout the oceans of the world along with a port network. It is the market size that first determines the global maritime traffic allocations. Bigger economies such as, USA, Europe, China and Japan, for obvious economic reasons carry through large volumes of maritime cargo through a number of mega ports to connect a large number of populations to facilitate global supply chains. Today, global supply chains are highly advanced and competitive in carrying production from manufacturers to consumers across the world. The purchasing power of consumers have increased, and as a result trade volume too has increased with emerging new markets (figure 2).

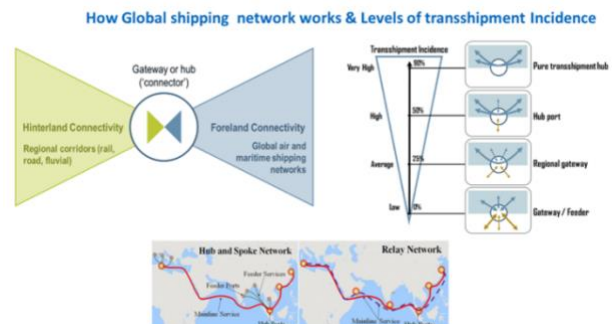


Figure 3: The nature of container shipping business & ports selection: R & D Shippers Academy Colombo



The containerised shipping industry has developed its own model to optimise cargo collection through selective models across the global cargo catchment areas. Over decades, the container shipping industry has evolved from mega ships to mega ports and has adapted the hub and spoke models and the relay models to link global hubs with regional ports. The above (figure 3) illustration shows the categorization of ports according to shipping services provided by liner shipping companies. The ports of call are designed to optimise scale and capacity.

Depending on four critical factors, shipping lines would do route planning, fleet allocation and port selection. The factors are as follows:

1. Availability of commercial cargo in volumes  
Cargo volumes/ tonnage is a vital element a shipping company would consider when deploying a fleet of vessels to a region of the world. Among many factors, this is one of the key decisions that would decide port calls.
2. Availability of infrastructure  
The availability of suitable infrastructure and capacity of each port and its location would be another key factor to allocate vessels to call on international ports.
3. Efficiency and technology to handle modern ships  
This includes factors such as turnaround time, congestion and diversion time from major maritime corridors.
4. Availability of ship's main cost factor, which is bunker at reasonable price: On average when operating a vessel, 40% of its running cost would be energy based and ports that could provide ships bunker at competitive prices would also attract more services, thereby creating more connectivity/ capacity options for such ports and trade.

The combination of above factors, will decide on what kind of a fleet is allocated to a country, depending on its geography and proximity to major shipping lanes. The current logical shipping transportation model in the Indian Ocean Region for containerized cargo is based on coastal shipping services linking to regional gateway ports and connecting feeder services to international shipping hubs. Therefore, investments on ports of the Indian ocean littoral should be very strategically planned to support connectivity enhancement of shipping companies related to the four factors mentioned above.

Spatial planners of ports should not invest believing they could attract mega ships into every port and build infrastructure that would not reap the desired result, becoming white elephants in the long run. Instead what should be focused on is, developing suitable infrastructure that is required by vessel operators depending on fleet allocation. For example, the coastal port connectivity network will have container ships ranging from 250 TEUs to 2000 TEUs, whereas a regional port needs to develop capacity for ships carrying between 2000 TEUs to 6000 TEUs to accommodate modern feeder ships. Such port authorities will have to upscale technology, increase turnaround times and remove congestion to be competitive in order to attract better connectivity and services. On the other hand, ports that expect 6000 to 13000 TEU direct callers will continue to need to invest on new infrastructure and expand port basins to facilitate trade as well as ship owners to consider connectivity. Transshipment ports will have to provide 10000 TEU to 25000 TEU vessel handling capacity to compete with other transshipment hubs. It's all based on economies of scale.

## The increasing importance of the Indian Ocean for global supply chains

Due to two key factors, global trade flows have been increasingly moving towards Asia and Africa. The first being economic growth led by Japan, China, ASEAN and now increasingly expanding towards India and Africa. Secondly, the Indian Ocean Rim nations connecting Africa, Middle East, Indian subcontinent and Australasia having the world's largest population and coastal communities with increased GDP growth creating demand for merchandise, raw materials and energy (figure 4).

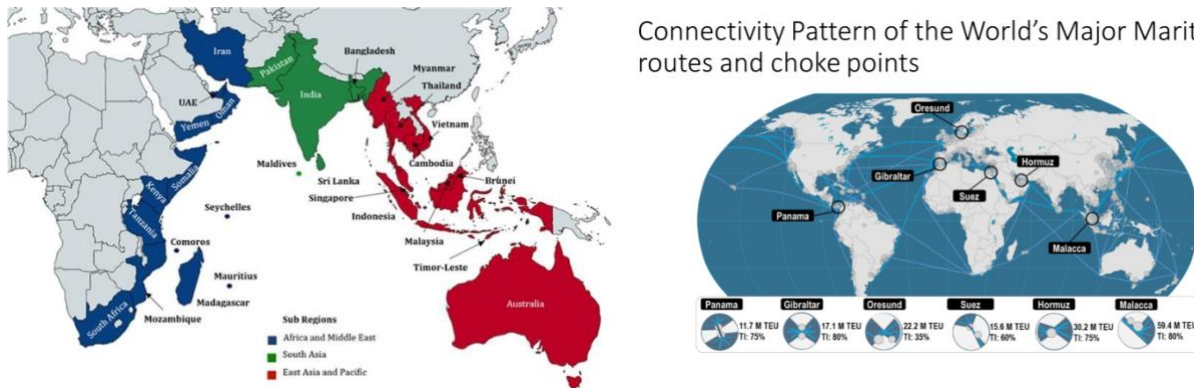


Figure 4: Iki.lk & world maritime choke points

## Indian Ocean and Sri Lanka's role in connectivity enhancement

The Indian Ocean has well over one hundred major and minor ports falling into different categories of ports. However, from the choke points of Malacca and Hormuz and the Suez Canal, there are only six major trans-shipment locations that services the Indian ocean. Namely Singapore, Malaysia, Sri Lanka, UAE, Oman and South Africa. Interestingly, the major East-West maritime trunk network that connects the Atlantic and Pacific Oceans and the Mediterranean regions moves through the Indian Ocean carrying nearly fifty percent of global trade. Crude oil to refined petrochemicals, commodities and finished merchandise to consumer markets pass through this important strategic ocean to reach millions of consumers carrying billions of tones of tradeable goods throughout the year. In addition to developing ports in the Indian Ocean Region for ocean shipping, other transport corridors such as air, inland waterways, road, and rail links will have to be upgraded to cater to the increasing demand for multi modal transport depending on the geography itself to enhance connectivity.

Interestingly Sri Lanka is in the heart of the Indian Ocean, advantageously sitting between the Arabian sea and the Andaman sea, adjacent to the East-West shipping corridor of the Indian Ocean. Linking major ports and trans-shipment hubs of the Far East, Indian subcontinent, Middle East and Africa, the island has an enviable maritime location that can deliver much efficiency to global trade and logistics cost management. It boasts of three major deep draught seaports, namely Trincomalee, Colombo and Hambantota, which are ideal to service different types of ships and commodities. Indeed, Sri Lanka is a gateway nation to many continents that provides attractive connectivity options. Improving transport connectivity helps reduce trading cost, manufacturing cost and is crucial to connecting developing countries and help them boost trade, growth, and regional integration.

## **The maritime landscape of Sri Lanka - Ports of Colombo, Hambantota and Trincomalee**

The port of Colombo has been among the top ranked of the world in terms of container volume handling and connectivity indices and is a well-established deep draught port on South Asia. The regional hub (ranked 22<sup>nd</sup> - 2018) in the world is the main transshipment port of the Indian subcontinent and provides world class services and connectivity to the international liner shipping industry. The objective of the adjacent Port City is to create a world class financial centre in the centre of the Indian sub-continent. Shipping and shipping related services will be a key factor to succeed toward this goal. The port of Hambantota, another deep draught port has the potential to attract non containerised cargo (at this stage) and serve as a key energy port in the Indian Ocean, whilst Trincomalee is a natural deep draught port, which can service the Bay of Bengal littorals for numerous maritime services and act as a distribution centre for energy and bulk services for the east coast of India.

### **Conclusion**

The maritime domain of the Indian Ocean remains vibrant and important for future trade growth and trade shifts and for world sea born transportation. The shipping, logistics and trade activity will continue to increase in the Indian Ocean and is paramount that the region remains secured and free of international dominance over sea routes, where maritime security will be a key for stability and growth as well as to ensure smooth global supply chains.

However, if Sri Lanka needs to attract the global shipping industry for greater commercial activities and move beyond that of a transshipment hub to a maritime state, it needs massive policy reforms and re-structuring of laws and regulations and its foreign policy to avoid risk of political fallout. The country must ensure a level playing field for its international partners and be a neutral maritime nation that embraces and facilitates global trade flows for its own economic prosperity.

*(Note: The contents of this paper were collected by references from multiple sources via the internet and presentations done at the Colombo International Maritime Conference (CIMC) in 2015 & 2016 and author presentations done for numerous think tanks during the period 2015-2019.)*

### **References**

- 1.Papers submitted to Colombo International Maritime conference 2015.[www.cimc.lk](http://www.cimc.lk)
  - 2.Papers submitted to Colombo International maritime conference 2016. [www.cimc.lk](http://www.cimc.lk)
  - 3.Presentation & ORF paper submissions by author
  - 4.Shippers' Academy Colombo – Research and development
  - 5.<http://www.ipcs.org/article/india/short-sea-shipping-in-bay-of-bengal-takes-baby-steps-5386.html>)
  - 6.worlds shipping council/ internet google assist
- Photo credit: Shippers academy Colombo/internet



**Mr. Rohan Masakorala**

**Chief Executive Officer, Shippers Academy, Colombo, Sri Lanka**

Mr. Rohan Masakorala is Chief Executive Officer, Shippers Academy, Colombo, Sri Lanka. He is an Honors Graduate in Economics with a second major in Business Administration and Marketing from Connecticut State University U.S.A. He also holds a Diploma in Business Management from Houston University Texas, USA and certified in Supply Chain Management from Cranfield University U.K. Mr. Masakorala counts twenty-eight years of experience in policy development and process formation in both government and private sectors. His expertise is in global supply and value chains. He is also founder partner of Singapore Shippers' Academy and the Shippers' Academy Colombo, Consultant logistics/exports to UN International Trade Centre Geneva, and currently holds the positions of chairman of the National Exports Strategy on Logistics to the Export Development Board of Sri Lanka and the Director General of Sri Lanka Association of Manufacturers and Exporters of Rubber Products and a consultant to the National Export Strategy to Myanmar through ITC. A former chairman of the Sri Lanka Shippers' Council & Association of Shipper's Councils of Bangladesh, India, Pakistan & Sri Lanka (ASCOBIPS), he served as the first Secretary General of the Asian Shippers' Council representing 16 countries in Asia.

## **DISCUSSION**

### **1. Creating a level playing field in the IOR to enhance connectivity**

Connectivity provides space for partnerships, market accessibility and new technologies for the process of creating sustainable development. A level playing field is required for connectivity to bring positive results. Competing interests in the IO is not a negative phenomenon. When there is competition among suppliers, the consumer gets a better deal and the bargaining power increases, especially regarding ports.

For instance, instead of competing with each other for strategic power in the IOR, major powers can invest in connectivity for the benefit of IOR states. The reality is that rivalries will not go away, therefore it is necessary to make the most of the existing situation.

Cooperation, collaboration, security and stability were considered necessary to create a situation conducive for success in connectivity efforts, leading to sustainable development.

### **2. Impact of COVID 19 on connectivity**

As a result of the economic downturn caused by the COVID-19 pandemic, the increased need arose for post-pandemic economic recovery. Protectionism and reaction against over interdependence that followed could affect both the global trend and connectivity.

The COVID-19 situation changed consumer patterns and dependence on technology and E-commerce. The change to online trading led to online connectivity. There was a shift in trading and supply chains changed and diversified as a result. New opportunities were created for production centers. New storage facilities were developed, and connectivity changed from sea to air. Technological connectivity took a new turn due to COVID-19, fast forwarding the 4<sup>th</sup> Industrial Revolution.

With technology coming to the fore, its role in efficient and smoothly run ports required for connectivity, will be an important factor. The ports' technology must be improved and updated. Currently, the region lacks this requirement. For ports to be economically viable enterprises, they should be equipped with the latest technology that would attract ship owners.

### **3. Connectivity and sustainable development**

Sustainable development requires better connectivity. Developing states need to pay urgent attention in order to ensure better connectivity; facilitate e-commerce and modern methods of communication and trade.

As regards UN Sustainable Development Goals (SDGs), SDG 9 refers to the necessity to focus on 'industry, innovation and infrastructure' while SDG 17 advocates 'partnerships for the goals.' Put together, they become fundamental that in order to achieve certain goals, certain requirements need to be fulfilled. One of the requirements is to establish strong partnerships.

During the pandemic, states were willing to engage with a self-interest perspective or with a sense of solidarity. Currently, the trend seems to be to cooperate better with some degree of solidarity and mutual trust, balancing the two.

With the change of government in the USA, protectionism may be seen in a different way. States will be encouraged to open up more, diversify their own economies and expand partnerships for infrastructure development.

Infrastructure projects require very high expenditure. Governments and very large companies are those, who could provide funds for infrastructure development, i.e. China providing infrastructure assistance through its BRI connectivity programme. In order to minimize problems, it is important to design rules and regulations for the development of connectivity.

#### **4. Safeguards to ensure that connectivity is used for benign purposes**

Infrastructure associated with connectivity can be used for benign as well as malign purposes. The danger is from potential military users, through the creation of targets for terrorists, becoming locations to be defended etc. Governments should have mechanisms to monitor them. It is always not those who built the infrastructure, who will benefit from them.

Infrastructure is value free for certain categories, such as pirates. As far as connectivity facilities are concerned, it is not possible to predict who would use them. As such, they are not good economic prospects all the time.

The economic calculus of connectivity projects must be transparent, otherwise there will be negative speculation. There must be clear economic justification that people will benefit from the projects. On the other hand, there will be resistance to certain types of infrastructure projects. Such problems are not confined to the IOR only, they are global problems as well.

Therefore, it is necessary to work together to minimize adverse impact. Connectivity creates opportunity as well as vulnerability. There is intentional vulnerability and unintentional vulnerability. Intentional vulnerability must be addressed. Also, concerns and negatives must be addressed. There must be better ways to address those issues.

#### **5. Ensuring the viability of connectivity initiatives**

For infrastructure initiatives, investment is more appropriate than loans.

In order to ensure the success of an infrastructure project, a business feasibility study including an assessment of the demand the project will generate is an absolute must, prior to the commencement of the project. A project feasibility study only is not adequate.

In order to develop a facility such as a port, the geographical location alone is inadequate. Other requirements should also be in place, i.e., an energy hub, appropriate local conditions, availability of the cargo volume, efficiency and infrastructure, etc. and all of them must be taken into consideration. Investment promotion should be ideally linked to those conditions. In the case of the Singapore port, all efficiencies were ensured before the project took off the ground and Singapore is now the hub in South East Asia.

In the process of receiving and providing connectivity, the negativity should be minimized. National interests, domestic interests as well as domestic polarization should be addressed.

For this to happen, all actors must be involved. Transparency is very important. Lack of transparency leads to a perception of malignity. A good business environment should be maintained for better results considering that ports are of national significance.

**SESSION THREE**  
**IDENTIFYING AND ADDRESSING MAJOR ISSUES INCLUDING ‘MISTRUST’ AND**  
**‘TRUST DEFICIENCY’**

**Moderator**



**Amb. Robert O. Blake, Jr.**

Senior Director, McLarty Associates, Washington D.C.  
and Former Ambassador of the United States The United States to Sri Lanka

Ambassador Blake served for 31 years in the State Department in a wide range of leadership positions. From 2013-2016, he served as the US Ambassador to Indonesia, where he focused on building stronger business and educational ties between the US and Indonesia, while also developing cooperation to help Indonesia reduce greenhouse gas emissions. In 2009, he was nominated by President Obama to be Assistant Secretary of State for South and Central Asia, serving from 2009-2013, for which he was awarded the State Department’s Distinguished Service Award. From 2006-2009, he served concurrently as US Ambassador to Sri Lanka and the Maldives. Prior to that, he served as Deputy Chief of Mission in India from 2003-2006, where he was named the worldwide DCM of the Year by the State Department.

Most recently, Ambassador Blake has held a wide variety of key State Department positions as well, including Executive Assistant to the Under Secretary for Political Affairs from 2001-2003, Deputy Executive Secretary for the Department of State from 2000-2001, and Senior Desk Officer responsible for economic and political relations with Turkey from 1998-2000. He has also served in Tunisia, Algeria, Egypt, and Nigeria.

He is currently Chairman of the Board of the US-Indonesia Society, and he is a member of the board of the Asia Foundation and the Bhutan Foundation.

Ambassador Blake holds a BA from Harvard College, and an MA from the Johns Hopkins School of Advanced International Studies in Washington, DC.

# Identifying and Addressing Major Issues including Mistrust and Trust Deficiency

Dr. Liu Zongyi

*Senior Fellow & Secretary General, South Asia and China Center, Shanghai Institutes for International Studies, China*

## Major Issues in Asia and Indian Ocean Region

At present, in the short term, the most urgent issue for the whole world is how to deal with Covid-19. The pandemic situation not only poses a serious threat to the health of people in the world, including those in Asia and Indian Ocean region, but also seriously affects the development of the world economy. Many countries in Asia and the Indian Ocean region are facing economic recession, and people's daily lives are greatly affected. How to control the pandemic is the most urgent challenge for the whole world, including Asia and the Indian Ocean Region.

In the long run, the biggest issue facing Asia and the Indian Ocean is the unprecedented change. It has been occurring in around the world, including the shift of the world economic center of gravity, transfer of wealth, transfer of the world power center, a new round of scientific and technological revolution, the impact and transformation of national and social governance in the information age, the thought of anti-globalization, the rise of populism and the challenge of democratic and liberal values. Global governance and national governance are facing unprecedented challenges, and the international economic and political order is undergoing disorder and reorganization. At the same time, the natural environment in which human beings live is also changing, especially with climate change and the spread of epidemic diseases. The Covid-19 pandemic is the latest example, which is a common challenge faced by mankind.

From the political and economic point of view, the unprecedented changes in the world are mainly reflected in the “the rise of the East and the decline of the West” (Dongsheng Xijiang) as well as “the ascent of the South and the fall of the North” (Nanshang Beixia), that is, the overall rise of developing countries, especially Asia, and the relative decline of the West. From the perspective of civilization, it is the revival of Eastern civilization such as China and India and the relative decline of the West. From the perspective of geopolitics, it is the geopolitical competition between China and the United States. Asia, the Pacific Ocean and the Indian Ocean are the central stages of this unprecedented change. In the view of some strategic scholars, the Indian Ocean is of special significance. They call the Indian Ocean region “the geographical pivot of the 21st century”.<sup>1</sup> Now, the Covid-19 pandemic has accelerated this unprecedented change. The international economic, technological, cultural, security and political structures are undergoing profound adjustment, and the world is entering a period of turbulence and change.

## Major challenges facing Asia and Indian Ocean Region

1) With the increasingly fierce geopolitical competition, the United States hopes to maintain its global hegemony, and the Trump Administration has resorted to every conceivable means to achieve “America First”. The United States put forward the “Indo-Pacific” strategy to promote a regional security bloc, constantly stir up dissension, and create regional tensions. On the basis of consolidating the old bilateral military alliance, the United States tries to promote some regional powers to form new bilateral, trilateral and multilateral military alliances and exclusive security and military cooperation, including the US-India, India-Australia, Japan-Australia, US-Japan-Australia, US-Japan-India, and QUAD, etc. Britain and France, and some other traditional Western powers are not willing to decline, therefore hoping to

---

<sup>1</sup> Robert D. Kaplan, *Monsoon: The Indian Ocean and the Future of American Power*, New York: Random House, 2010.



intervene in the regional security affairs. The maintenance of the old exclusive security framework and the establishment of a new exclusive security framework are contrary to the call of most countries in the region for the establishment of an open, inclusive, democratic, and equal regional security architecture. ASEAN has put forward its own "Indo-Pacific Outlook".

2) Secondly, trade protectionism, anti-globalization and geopolitical competition hinder regional economic cooperation. With China's continuous development and growth, the mentality of some countries has changed: on the one hand, some countries have increased expectations for China, hoping to share more of its development dividend and let China take more responsibility; on the other hand, some countries are more concerned about China, afraid that it will be "dominant" in Asia. Some countries, such as the United States and India, are trying to reconstruct the industrial chain, value chain and supply chain in Asia, and then change the current global political and economic pattern. China's "Belt and Road" Initiative was hedged by the US, Japan, and India. After the outbreak of Covid-19, countries such as the United States, Japan, Australia and India are accelerating the so-called "De-Sinicization" process, but the effect is very limited.

3) Western powers are dissatisfied with the choice of different political systems suitable for their own national conditions by some countries in the region. Especially when the instability of the so-called democratic system in the West is increasing and the superiority of the political system of the countries in the region is becoming more and more obvious, the great powers outside the region attempt to stir up the debate on ideology and values. Some countries in the region echo the Western powers, and the Cold War atmosphere has risen. In this context, some of the remaining ethnic and religious issues in the region are also on the rise. The Rohingya crisis in Myanmar has aroused extensive attention of the international community under the hype of Western media. The political stability of some countries carrying out economic cooperation with China is under threat.

4) Due to the economic backwardness of some countries in the region and the lack of national governance capacity, illegal activities such as drug smuggling, transnational crime, terrorism, and piracy are rampant. The development of information technology has intensified the speed of information dissemination and the difficulty of governance, encouraged these illegal activities, put forward new challenges to national sovereignty, security and development interests, and posed a serious threat to regional stability. In April 2019, there was a terrorist attack in Sri Lanka. With the increase of climate change and economic activities, ecological and environmental problems have become increasingly prominent, and the spread of epidemic diseases has intensified. The outbreak of Covid-19 has exposed some serious deficiencies in national governance and social governance capacity. In addition, due to glacier melting, river pollution, regional inequality of water resources distribution, and the cross-border water resources problem is increasingly becoming a serious issue affecting regional peace and tranquility. The above issues and challenges urgently need the international community and countries in the region to seriously address and seek common governance.

Generally speaking, the region is at a critical crossroads. At present, there are two dominant trends in the region: one is the geopolitical competition and even confrontation led by the United States and other foreign powers, represented by the Cold War style exclusive regional security architecture and the QUAD; the other is the Belt and Road and other economic cooperation projects. Only through cooperation can we avoid geopolitical competition and confrontation, and achieve peace, stability, and prosperity in the region.

## **Building an Asian community of shared future**

In order to solve these challenges faced by Asian and Indian Ocean countries, we must have new ideas and new thinking. Chinese leaders put forward the concept of building a community of shared future for mankind, which has been paid wide attention and highly recognized by the international community and has been written into the UN resolution. The 19th Communist Party of China National Congress has put the construction of the community of shared future for mankind into the constitution of the CPC and has become an important part of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era. It has also been written into the preface of the Constitution of People's Republic of China. This shows the firm determination of the Chinese Communist Party and the government to make greater contributions to shaping a new international and regional order of peace, development, cooperation and a win-win situation.

Compared with the traditional western political philosophy and international relations theory, which emphasizes the dominance and control of a single country or a group of countries over the whole international system, and emphasizes the "hierarchical order" in the international community, the concept of "community of shared future for mankind" takes the whole human being as the basic unit and transcends some differences and conflicts between narrow ideologies, countries or between different civilizations, cultures and religions. It has made in-depth thinking on major issues such as "what kind of world to build and how to build this world", and has formed a scientific, complete, rich and profound ideological system.

First, build a world of lasting peace. We should respect each other, discuss issues as equals, resolutely reject the Cold War mentality and power politics, and take a new approach to developing state-to-state relations with communication, not confrontation, and with partnership, not alliance. Second, build a world of universal security. All parties should establish a common, comprehensive, cooperative and sustainable security concept. Third, build a world of common prosperity. We should work together cohesively, promote trade and investment liberalization and facilitation, and make economic globalization more open, inclusive, and balanced so that its benefits are shared by all. Fourth, build an open and inclusive world. We should respect the diversity of civilizations. In handling relations among civilizations, let us replace estrangement with exchange, clashes with mutual learning, and superiority with coexistence. Fifth, build a clean and beautiful world. We should be good friends to the environment, cooperate to tackle climate change, and protect our planet for the sake of human survival.<sup>2</sup>

Specific to Asia and the Indian Ocean region, the basic goal of the Asian community of a shared future is to establish a new regional political order of harmonious coexistence, a democratic and equal regional security order, and a win-win regional economic order.

To establish these new orders, countries in the region need to make their own choices. At present, there is lack of trust among countries in the region and outside the region. But in fact, it is exceedingly difficult to achieve complete mutual trust between countries, especially among big powers. Even if there is no complete trust between the United States and its allies, for example, the United States has been monitoring German leaders for many years. Trust in the psychological sense involves three different meanings: predictability, credibility, and good intentions.<sup>3</sup> Specifically, trust may simply mean that we believe that the actions of others are predictable. During the Cold War, trust between superpowers was also based on the predictability of each other's behavior. Secondly, trust may also refer to credibility,

---

<sup>2</sup> Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era, Delivered at the 19th National Congress of the Communist Party of China, October 18, 2017

<sup>3</sup> Deborah Welch Larson, "Trust and Missed Opportunities in International Relations", in *Political Psychology*, Vol.18, No.3, 1997, p.714.

that is, we believe that others will keep their promises. Third, trust may mean that we expect others to have charitable intentions and will not "exploit" us.

In any sense of trust, China's goal is building a community of a shared future for mankind and a trustworthy Asia for countries in the region. The so-called China's plot to trap regional countries into debt or the "debt trap" only exists in the Western and Indian media and in the articles of certain strategic scholars. The predictability, credibility, and goodwill of China's behavior are in sharp contrast to the unpredictability, unreliability, and malice of the Trump Administration of the United States. At present, China is cooperating actively with regional countries to help them deal with the pandemic, maintain the stability of the industrial chain and supply chain, and restore the economy.

### **The Constructive Approaches of Asian Community of Shared Future**

1. To establish an open economic structure and a new framework for regional cooperation: Regional countries should promote RCEP to reach a consensus as soon as possible and promote the synergy of B&R with national development strategies and regional economic integration plans. China should join hands with South Asian and Southeast Asian countries in climbing to the top of global value chain and industrial chain. China should not only develop itself well, but also give other countries opportunities for full development.
2. Establish a non-group, open, inclusive, democratic and equal regional security framework. China and Asian countries should make use of the existing bilateral and multilateral mechanisms such as the United Nations, East Asia Summit, Lancang-Mekong Cooperation (LMC), Shanghai Cooperation Organization and CICA, and create new mechanisms to establish a regional security framework including foreign powers, instead of jointly formulating a set of rules with foreign countries to impose on other countries in the region. China adamantly opposes the establishment of military blocs in Asia and the Indian Ocean Region.
3. We should promote people to people exchanges and dialogue among Asian civilizations, especially among young people, and build a bridge for people to people exchanges.

### **The Role of Central States**

Within the community, members enjoy equal status and follow democratic principles. However, the community needs some "central countries" with political, economic and social capabilities, such as France and Germany in the European community, Indonesia and Singapore in ASEAN. China should strive to play the role of central state, share international responsibilities with regional and foreign powers such as the United States, Russia, Japan, India, Indonesia, and play a leading and coordinating role. In view of the various problems facing Asia, China should start from the foundation and provide more material, security, and ideological and cultural public goods for the construction of Asian community of shared future.

In Asia and the Indian Ocean region, small and medium-sized countries should also play a leading role. The Indian Ocean is an international trade and energy channel, not the lake of any country. The peace and tranquility of the Indian Ocean is very important not only to the countries in the region, but also to the great powers outside the region. Therefore, stakeholders inside and outside the region should establish an inclusive mechanism to maintain regional peace and tranquility. In history, Sri Lanka and other countries have advocated the "Indian Ocean Zone of Peace." Such a proposal can still be discussed under the new historical conditions.



**Dr. Liu Zongyi**

**Senior Fellow & Secretary General, South Asia and China Center, Shanghai Institutes for International Studies**

Liu Zongyi, Senior Fellow at the Institute for International Strategic Studies and Centre for Asia-Pacific Studies, Secretary-General of South Asia and China Center (SACC), Shanghai Institutes for International Studies (SIIS). His research interests mainly focus on India's Economy and Foreign Policy, China's Foreign Policy, BRI, BRICS, and G-20. In recent years, Dr. Liu published a lot of papers in Chinese and overseas journals on these subjects and published about 300 pieces of commentation articles in Chinese or English in newspapers in recent several years. Dr. Liu got a B.A. in Economics from Shandong University of Finance and Economics and a diploma for Chinese and American Studies from The Johns Hopkins University Nanjing Centre. He obtained Master and PhD degrees in International Relations from China Foreign Affairs University. He ever studied at German Development Institute (D.I.E), OECD, Centre for Strategic and International Studies (CSIS) in Washington D.C., Indian National Institute of Public Finance and Policy (NIPFP), and Institute of Strategic Studies of Islamabad (ISSI) as visiting fellow.

## Maintaining Peace and Stability in the Indo-Pacific: Japan's Approach

Dr. Michishita Narushige

*Vice President, National Graduate Institute for Policy Studies (GRIPS)*

One of Japan's most important strategic goals is to create an environment in which China's rise will be peaceful and cooperative. In strategic terms, maintaining balance of power in the region, and creating crisis prevention and management mechanisms are the most effective means of achieving that goal.

The balance of power has been shifting rapidly due largely to the rise of China's military might. According to the Stockholm International Peace Research Institute (SIPRI), while the US defense expenditure declined by 15 percent and Japan's increased by only 2 percent between 2009 and 2019, China's defense spending increased by 85 percent in the same period. In absolute terms, the United States still remained in first place globally, with \$732 billion spent in 2019, and China was in second place with \$261 billion. Japan spent \$47.6 billion and was in ninth place.<sup>1</sup>

Against the backdrop of rapidly growing defense expenditure, China's activities at sea and in the air keep growing. Chinese naval vessels and bombers frequently advance into the Western Pacific across Japan's Southwest Islands—lying between Kyushu and Taiwan—presumably to enhance their ability to deny US forces' access to the areas surrounding Taiwan.

Japan's position is not easy. While Japan's Self-Defense Forces retain a qualitative edge over their Chinese counterparts in conventional capabilities, quantitative superiority matters much more in a peacetime cat-and-mouse game of "presence." In FY2019, Japan flew 947 scrambles to intercept Chinese military aircraft approaching Japanese airspace. The frequency of scrambles in recent years has already gone beyond the Cold War peak of 944 per year.<sup>2</sup> Chinese government-operated vessels continue to enter Japan's territorial waters around the Senkaku Islands—at the average of 10.5 ships per month in 2019.<sup>3</sup>

### Japan's response

The National Defense Program Guidelines (NDPG) - the document guiding Japan's defense policy since 1976 - has been serving as the most important security strategy directive of the Japanese government since it was revised in December 2018. The 2018 NDPG stated that the balance of power was changing rapidly, and the level of uncertainty was rising. In addition, the importance of newly emerging domains - outer space, cyberspace, and electromagnetic spectrum - was growing according to the new NDPG. In order to meet those challenges, the NDPG suggested that

---

<sup>1</sup> "The 40 countries with the highest military expenditure in 2019," in Nan Tian, Alexandra Kuimova, Diego Lopes da Silva, Pieter D. Wezeman, and Siemon T. Wezeman, "Trends in World Military Expenditure, 2019," SIPRI Fact Sheet, April 2020, p. 2, [https://www.sipri.org/sites/default/files/2020-04/fs\\_2020\\_04\\_milex\\_0\\_0.pdf](https://www.sipri.org/sites/default/files/2020-04/fs_2020_04_milex_0_0.pdf) (accessed on June 27, 2020).

<sup>2</sup> Self-Defense Force Joint Staff, "Statistics on scrambles through FY2019," April 9, 2020, [https://www.mod.go.jp/js/Press/press2020/press\\_pdf/p20200409\\_02.pdf](https://www.mod.go.jp/js/Press/press2020/press_pdf/p20200409_02.pdf) (accessed on June 27, 2020).

<sup>3</sup> Japan Coast Guard, "The numbers of Chinese government and other vessels that entered Japan's contiguous zone or intruded into territorial sea surrounding the Senkaku Islands," available at Ministry of Foreign Affairs, "Trends in Chinese Government and Other Vessels in the Waters Surrounding the Senkaku Islands, and Japan's Response: Records of Intrusions of Chinese Government and Other Vessels into Japan's Territorial Sea," June 2, 2020, [https://www.mofa.go.jp/region/page23e\\_000021.html](https://www.mofa.go.jp/region/page23e_000021.html) (accessed on June 27, 2020).

Japan make efforts in three areas: enhancing its defense capabilities; reinforcing the US-Japan alliance; and strengthening security cooperation with non-US partners.<sup>4</sup>

First, Japan is strengthening its defense capabilities. Since the cumulative government debt that Japan has is larger than 200 percent of its gross domestic product, which makes it difficult for the country to spend much more on defense, the Japanese government seeks to improve efficiency of its security policy. As such, the Japanese government has undertaken initiatives such as establishing a National Security Council as a system for more effective and coherent national security policymaking. It has loosened self-imposed ban on arms export and participation in international joint arms development and production, which would make it possible for Japan to acquire cutting-edge military equipment at more reasonable prices.

The Japanese government's decision to reinterpret the constitution in 2014 and the Diet's decision to enact the new security legislation in 2015 enabled Japan to start exercising the right of collective self-defense. With that change, the Self-Defense Force can now operate more closely together with foreign armed forces including those of the United States. Moreover, the Japanese government revised the Development Cooperation Charter in 2015 so that Japan could use the official development assistance (ODA) fund for not only economic purposes but also security purposes. Put simply, the aim of the new Japanese security policy is to improve defense capabilities in real terms without a significant increase in defense spending.

The 2018 NDPG called for developing defense capabilities encompassing both traditional and newly emerging domains. It also argued that Japan's defense forces must be able to respond flexibly to different contingencies such as "gray-zone situations"<sup>5</sup> and full-fledged armed attacks. Japan will bolster intelligence, surveillance and reconnaissance activities, and prepare flexible deterrent options in order to enhance its ability to deal with gray-zone situations. Also, the decision to operate F-35B fighters on the light aircraft carriers Izumo and Kaga is expected to improve operational flexibility in gray-zone situations.

The Japan Coast Guard devotes some 600 personnel and 12 large patrol vessels to protect the five small islands of Senkaku. China can send its aircraft and ships at the time and to the place of its own choosing. To that, Japan has to maintain a high level of readiness at all time. Faced with those challenges, Japan has started to make an asymmetric region-wide response, defying China's attempts not only in the East China Sea but also in the South China Sea and the Indian Ocean. For example, Japan's Maritime Self-Defense Force (JMSDF) has been making so-called "strategic port visits" since 2017.<sup>6</sup> The JMSDF ships including the 26,000-ton JS Izumo and JS Kaga have made port calls in the places such as Klang in Malaysia, Muara in Brunei, and Colombo, Hambantota and Trincomalee in Sri Lanka. Those are the ports where China's influence is already visible or is expected to grow. With those strategic port visits, Japan seeks to strengthen security cooperation with the countries in the region and prevent China from monopolizing those ports.<sup>7</sup> Japan has also taken actions to demonstrate its security commitment in the region. In September 2018, five

---

<sup>4</sup> Government of Japan, "National Defense Program Guidelines for Fiscal Year 2019 and beyond," National Security Council Decision, Cabinet Decision, December 18, 2018, [https://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/20181218\\_e.pdf](https://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/20181218_e.pdf) (accessed on June 27, 2020).

<sup>5</sup> China seeks to effect changes in the status quo by using force in a low-key but sustained manner in the areas such as the East China Sea and the South China Sea. Such an approach is called "gray-zone coercion," or "salami-slicing" or "cabbage-leaf" tactics. Scott W. Harold, et al., *The U.S.-Japan Alliance and Detering Gray Zone Coercion in the Maritime, Cyber, and Space Domains* (RAND, 2017), pp. 17 and 24. "Gray-zone situations" can mean (a) a precarious peacetime situation with China's sustained effort to unilaterally alter the status quo, or (b) crises resulting from the culmination of China's coercive actions or from inadvertent clashes among the countries involved.

<sup>6</sup> Foreign Minister Taro Kono used the term, "strategic port visits," in his speech in New York in September 2017. Taro Kono, "Diplomacy in Creeping Crises," Speech by Foreign Minister Kono at Columbia University, September 21, 2017, [https://www.mofa.go.jp/na/na1/us/page3e\\_000749.html](https://www.mofa.go.jp/na/na1/us/page3e_000749.html) (accessed on June 27, 2020).

<sup>7</sup> Japan Maritime Self-Defense Force (JMSDF), "Goeikan 'Izumo' 'Sazanami' no Chouki Koudou (2017) (Long Deployment of Escort Ships Izumo and Sazanami in 2017)," <https://www.mod.go.jp/msdf/operation/cooperate/izumo-sazanami/> (accessed on June 27, 2020); JMSDF, "Indo Southeast Asia Deployment 2018," <https://www.mod.go.jp/msdf/en/operation/operation2018.html> (accessed on June 27, 2020); and JMSDF, "Indo-Pacific Deployment 2019."

JMSDF ships including helicopter carrier JS Kaga and submarine JS Kuroshio conducted an anti-submarine warfare exercise in the South China Sea.

In the meantime, positive steps have been taken for crisis prevention and management between China and Japan. In December 2018, the two countries reached an agreement in principle to set up a hotline designed to prevent incidents at sea and in the air in the East China Sea. The two sides also agreed on annual assessment meetings and standardized communication protocols between their law enforcement vessels.<sup>8</sup>

Second, Japan is strengthening its security relationship with the United States—including through the revision of the US-Japan Defense Cooperation Guidelines in 2015. In response to China's anti-access/area denial strategy, the United States is developing the Third Offset Strategy and the Joint Concept for Access and Maneuver in the Global Commons (JAM-GC). Japan, for its part, is paying attention to the defense of the Southwest Islands in order to contribute to the new strategy developed by the United States.

The United States and Japan will work closely together in areas such as space and cyber, air and missile defense, training and exercises, intelligence, surveillance, and reconnaissance operations, and the development of flexible deterrent options. The two countries will develop and/or update combined operation plans and enhance the quality of extended deterrence. Japan will play a larger role in providing logistic support and protection to US forces. Finally, the United States and Japan will work together on capacity building, humanitarian assistance/disaster relief, and counter-piracy.

In 2017, the United States expressed its willingness to contribute to the realization of a free and open Indo-Pacific in accordance with Japan's Free and Open Indo-Pacific Vision. In 2018, the US Government renamed the Pacific Command to the Indo-Pacific Command. The United States and Japan will also work together to maintain the balance of power in the East China Sea, the South China Sea, the Taiwan Strait, and the Indian Ocean.

Finally, Japan is strengthening security cooperation with the countries in the region, especially Australia, India, Southeast Asian nations, and South Korea. As mentioned above, while the United States remains the largest spender on defense in the world, China is quickly catching up. The United States no longer holds a predominant position in the Indo-Pacific region, and even if the United States and Japan work together very closely, they might not be able to maintain the balance of power given the rapid growth of China's military expenditure. The idea, therefore, is to borrow the strategic weight that non-US regional partners can bring to bear in maintaining the regional balance of power.

Unlike during the Cold War, the countries of Asia are coming to possess considerable military capabilities of their own. According to SIPRI, India's defense spending increased by 37 percent over the last decade, to a total of \$71.1 billion in 2019, making India the world's third largest spender on defense. In tenth place globally, South Korea's spending on defense increased by 36 percent over the same time, for a total of \$43.9 billion.<sup>9</sup> Australia is in 13<sup>th</sup> place in defense outlays; its spending went up by 23 percent, to \$25.9 billion. If added up, defense expenditures of India, Japan, South

---

<https://www.mod.go.jp/msdff/en/operation/IPD19.html> (accessed on June 27, 2020); and "Kouno Tarou Gaishou Burunei Kikouno Jieitaishisatsu (Foreign Minister Taro Kono Inspects Self-Defense Force units visiting a port in Brunei)," *Sankei Shimbun*, February 12, 2018, <https://www.sankei.com/politics/news/180212/pl1802120004-n1.html> (accessed on June 27, 2020).

<sup>8</sup> "Nicchuu Boueitoukyokusyakanno Kaikuurenaku Mekanizumuno Gaiyou (Summary of the Communications Mechanism between Defense Authorities of Japan and China)," *Nihon Keizai Shinbun*, May 9, 2018, <https://www.nikkei.com/article/DGXMZQ30263850Z00C18A5905M00/> (accessed on June 27, 2020).

<sup>9</sup> Given South Korea's significant strategic weight, the ongoing row between Japan and South Korea poses one of the most daunting challenges to the success of Japan's security strategy. South Korea's economic dependence on China is another challenge. More than 10 percent of South Korea's gross domestic products comes from the country's export to China. South Korea would join the United States and Japan in balancing with China only if South Korea's leaders and people find the cost of bandwagoning with China exceeds that of balancing.

Korea, and Australia would amount to \$188.5 billion, only \$72.5 billion short of China's expenditure. Also, defense expenditures of India, South Korea, and Australia have grown significantly - if not as much as China's defense expenditure did. If the US defense efforts are taken into account, Japan and its partners in the Indo-Pacific region might be able to maintain the balance of power fairly effectively.

In the meantime, Japan has been providing capacity-building assistance to small powers such as the Philippines, Vietnam, Cambodia, Malaysia, Sri Lanka, and Djibouti. By May 2020, Japan has provided 27 patrol vessels, 13 high-speed boats, and 11 coastal monitoring radar equipment to the countries in Southeast Asia, and offered different types of opportunities for human resource development for maritime law enforcement.<sup>10</sup> Those activities have two major objectives: empowering those countries so that they can resist China's pressure especially in the South China Sea and the Indian Ocean; and enhancing their ability to cope with drug trafficking, piracy, illegal, unreported, and unregulated fishing, and other challenges.

In that context, Japan's ability to exercise the right to collective self-defense has a level of importance that is difficult to exaggerate. Collective self-defense affords the opportunity for Japan to conduct more robust combined training and exercises with its security partners. Furthermore, if the countries in the region including Japan can work closely together to conduct patrol and surveillance, as well as intelligence gathering missions, unilateral actions by China to change the status quo can be more effectively checked in both the South China Sea and the East China Sea.

---

<sup>10</sup> Ministry of Foreign Affairs, "Japan's Effort for a Free and Open Indo-Pacific," May 2020, p. 7.





**Dr. Michishita Narushige**

**Vice President, National Graduate Institute for Policy Studies, Tokyo, Japan**

Narushige Michishita is vice president and professor at the National Graduate Institute for Policy Studies (GRIPS) in Tokyo. He has served as a member of the National Security Secretariat Advisory Board of the Government of Japan, a global fellow at the Woodrow Wilson International Center for Scholars in Washington DC, senior research fellow at Japan's National Institute for Defense Studies (NIDS), Ministry of Defense, and as assistant counsellor at the Cabinet Secretariat for Security and Crisis Management of the Government of Japan. He acquired his Ph.D. with distinction from the School of Advanced International Studies (SAIS), Johns Hopkins University. A specialist in Japanese security and foreign policy as well as security issues on the Korean Peninsula, he is the author of "The US Maritime Strategy in the Pacific during the Cold War," in Sebastian Bruns and Sarandis Papadopoulos, eds., *Conceptualizing Maritime and Naval Strategy: Festschrift for Peter M. Swartz, Captain (USN) retired* (Baden-Baden: Nomos, 2020); *Lessons of the Cold War in the Pacific: U.S. Maritime Strategy, Crisis Prevention, and Japan's Role* (Woodrow Wilson Center, 2016) (co-authored with Peter M. Swartz and David F. Winkler), and *North Korea's Military-Diplomatic Campaigns, 1966-2008* (Routledge, 2009).

# Trust, Mistrust and the Chagos Archipelago Sovereignty Dispute

Mr. Samuel Bashfield

*National Security College, Australian National University*

## Introduction

Trust and mistrust in Indian Ocean security affairs are not only an issue between major powers, but also between major and minor players in asymmetric relationships. The Chagos Archipelago dispute highlights the complex interplay between trust, sovereignty and power projection capabilities in this contested ocean. This short article will examine the Chagos Archipelago case study to identify points of mistrust between parties to the dispute, and identify several ways to build mutual trust, which may contribute to a dispute resolution.

Britain's decision in 1965 to detach the Chagos Archipelago – then part of the Colony of Mauritius – and create the British Indian Ocean Territory (BIOT) still has ramifications for Indian Ocean security some 55 years subsequent. This dispute between Mauritius and the United Kingdom (UK) (plus the United States indirectly) has increased in profile in recent years. In 2019, the International Court of Justice opined that British sovereignty of the territory is unlawful.<sup>1</sup> In the same year, the United Nations General Assembly passed Resolution 73/295 which demanded the UK “withdraw its colonial administration from the Chagos Archipelago unconditionally” no later than 22 November 2019, thus enabling Mauritius to complete its decolonisation.<sup>2</sup> The UK decided against complying and the dispute continues into 2020.

This dispute is complicated by the presence of a major military installation on Diego Garcia – the largest island in the Chagos Archipelago. While nominally a ‘joint’ US/UK base, but in reality, primarily US-run – Naval Support Facility Diego Garcia (NSFDG) – is critical for staging US (and allied) operations in the Indian Ocean, Middle East, South Asia and Africa. The base's four primary functions are hosting one third of the US' Afloat Prepositioning Force, tending to naval platforms including submarines and surface vessels, and hosting long-range and tactical aircraft and telecommunications functions.<sup>3</sup> This strategically located base (see Figure 1) has become a critical enabler for US power projection into the Indian Ocean Region and beyond.

Based on the premise that Britain ceding the Chagos Archipelago to Mauritius, while retaining the US presence on Diego Garcia, is in the collective interest of Indian Ocean security players, this article will assess the role of trust and mistrust in this dispute and identify various solutions. In public statements,<sup>4</sup> Mauritian decision makers explicitly stated that they are willing to grant the US (and UK if desired) a 99-year lease for Diego Garcia and will allow “unhindered” military operations. Despite these assurances, the UK, and by extension the US, have shown no indications of a willingness to cede the territory to Mauritius. This paper will assess the role of trust and mistrust in the Chagos Archipelago sovereignty dispute – which acts as a hurdle to the transfer of sovereignty from the UK to Mauritius.

---

<sup>1</sup> Legal Consequences of the Separation of the Chagos Archipelago from Mauritius in 1965, Advisory Opinion, No. 169 (International Court of Justice February 25, 2019).

<sup>2</sup> “A/RES/73/295 - Advisory Opinion of the International Court of Justice on the Legal Consequences of the Separation of the Chagos Archipelago from Mauritius in 1965,” United Nations, 2019, <https://undocs.org/en/A/RES/73/295>.

<sup>3</sup> Walter C. III Ladwig, Andrew S. Erickson, and Justin D. Mikolay, “Diego Garcia and American Security in the Indian Ocean,” in *Rebalancing U.S. Forces: Basing and Forward Presence in the Asia-Pacific*, ed. James Lord and Andrew S. Erickson (Annapolis: Naval Institute Press, 2014), 145.

<sup>4</sup> “UN General Assembly Proceedings Resolution A/RES/73/295,” § UN General Assembly (2019), <https://undocs.org/en/A/73/PV.83>; Jagdish Koonjul, “Diego Garcia: The US Has a Clear Choice,” Blog, The Interpreter, August 14, 2020, <https://www.lowyinstitute.org/the-interpreter/clear-choice-us-diego-garcia>.

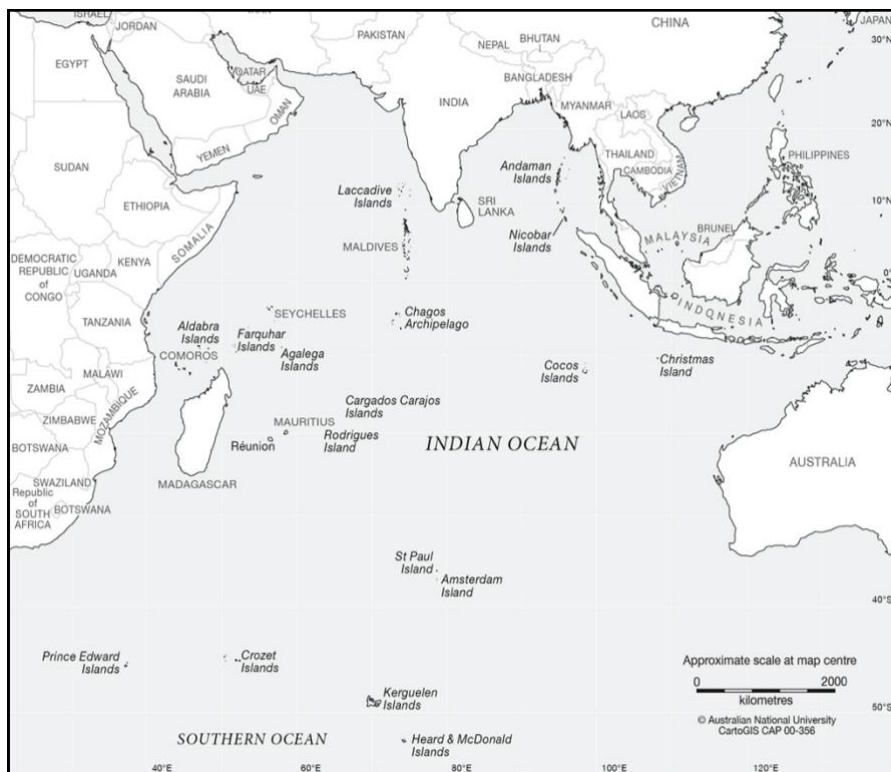


Figure 1: The Chagos Archipelago is located in the centre of the Indian Ocean (Map provided by CartoGIS Services, ANU College of Asia and the Pacific, The Australian National University).

This paper does not seek to defend or legitimise British retention of the BIOT – which is accurately characterised as a “illegal colony”<sup>5</sup> – an aberration of international law. Ideally, the onus should not be on Mauritius to right this historic wrong. However, as the UK has shown no indications of a willingness to cede the territory, the task falls on Mauritius to agitate for sovereignty transfer. The US also has a role in building trust with Mauritius, although it has not publicly declared that it will support sovereignty transfer, yet. In this sense, trust and mistrust is an apt lens for analysis.

Further, it must be noted that this is a dispute principally between the UK and Mauritius. However, the US is the prime beneficiary of UK sovereignty of the Chagos Archipelago. Analysts contend that if the US deems Mauritian sovereignty of the Archipelago is in its national interest, the US could persuade the UK to cede the territory to Mauritius. Indeed, ceding the territory would relieve the UK of a decades-long headache, one which is perpetuated by the US preferring London over Port Louis as the landlord. The political and diplomatic costs for the UK and US for perpetuating the BIOT are mounting. As such, if Port Louis and Washington are able to establish themselves as mutually trustworthy, the rationale for British retention of the Chagos may become irrelevant. Thus, trust and mistrust may play a role in ending this decades long dispute.

### The role of trust and mistrust

Various Diego Garcia base security issues highlight why US policymakers may lack trust in Port Louis to accommodate US interests should the territory be ceded. Under British sovereignty, US Diego Garcia access terms were robustly

<sup>5</sup> Peter Harris, “A Footprint of Unfreedom: The Future of Naval Support Facility Diego Garcia,” *Journal of Indo-Pacific Affairs* 3, no. 2 (2020): 90, <https://media.defense.gov/2020/Jun/08/2002311975/-1/-1/1/HARRIS.PDF>.

negotiated, and are now stable, practiced and favourable to the US military. This is compounded against the “special relationship” – characterised in the modern era by “a political and ideological superstructure and an embedded military and intelligence substructure”<sup>6</sup> – that the UK and US share. Should Mauritius gain sovereignty over Diego Garcia in future, various factors may create tension between the landlord and lessee.

Firstly, long term territory exclusivity – both in terms of foreign power basing and local populations – may become problematic for US interests in the event Mauritius gains sovereignty of the Chagos. Currently, the UK and US have exclusive access to the entire strategically located 640,000 square kilometre area. The prospect of Britain allowing another foreign power to establish a military presence in this territory in the coming decades is remote. However, as the Indian Ocean region becomes more contested, US exclusivity of the entire Archipelago under Mauritian sovereignty for a period of 99 years is less certain. Similarly, under British sovereignty, the territory is void of a local population on Diego Garcia and the outer islands. While the human rights and international legal implications of forcibly removing the Chagossian population (both historic and ongoing) are reprehensible, from a hardnosed US base security perspective, the lack of a local population is optimal. Mauritius has indicated that should it gain sovereignty, Chagossians and Mauritians will be allowed to return to the Chagos, and expects the US military to employ some of these returnees on Diego Garcia as civilian workers.<sup>7</sup> How exactly Mauritius plans to repopulate the Archipelago, considering the secretive military base, has immense consequence for trust and mistrust between Port Louis and Washington.

Secondly, the degree of oversight Port Louis expects as regards US military operations in Diego Garcia has the potential to generate mistrust. Mauritian Prime Minister Pravind Kumar Jugnauth stated at the UN General Assembly in 2019 that his government would allow the US military to operate from Diego Garcia “unhindered,”<sup>8</sup> and Mauritius’ ambassador to the UN noted in 2020 that the “Government of Mauritius has made it clear that it has no desire to impose itself in the running of the base.”<sup>9</sup> In reality however, Port Louis will need to oversee to some degree the sensitive military operations run from Diego Garcia, and the degree to which such operations from Mauritian soil will be palatable in the eyes of Mauritians is uncertain. Whether or not Washington can trust Mauritius to allow unhindered operation of the military facility is of consequence in resolving this dispute.

Lastly, how Mauritius plans to comply with its obligations under the Africa Nuclear-Weapon-Free-Zone (Pelindaba) Treaty, while allowing the US to continue to use Diego Garcia for nuclear capable and powered platforms is another important factor in this dispute. Again, on the issue of the Pelindaba Treaty, Mauritian decisionmakers noted that “we are certain that constructive negotiations will lead us to a solution that will satisfy both Mauritius’ obligations under the treaty and US national security interests.”<sup>10</sup> While exactly how Mauritius can placate its fellow African Union members while permitting US nuclear capable and powered platforms to use Diego Garcia is unclear, this sensitive issue will require immense trust between Port Louis and Washington.

---

<sup>6</sup> William Wallace and Christopher Phillips, “Reassessing the Special Relationship,” *International Affairs* (Royal Institute of International Affairs 1944-) 85, no. 2 (2009): 263.

<sup>7</sup> Koonjul, “Diego Garcia: The US Has a Clear Choice.”

<sup>8</sup> UN General Assembly Proceedings Resolution A/RES/73/295.

<sup>9</sup> Koonjul, “Diego Garcia: The US Has a Clear Choice.”

<sup>10</sup> Koonjul.

## Overcoming mistrust

### Reassurances from Mauritius

As Mauritius' Prime Minister noted at the UN in 2019 after outlining his government's offer of a 99-year lease, "it is therefore difficult to understand the United Kingdom's position, unless it is one whereby Mauritius is not considered to be a trusted partner – a position that is deeply offensive to Mauritius and every member of the African continent."<sup>11</sup> Since this statement, Mauritius has taken bold steps to reassure the US and UK that it will be a fiduciary for their military interests and Indian Ocean security objectives. In 2020, Mauritius' UN representative penned that "there is no basis for any doubts about our reliability. As a stable democracy with strong ties to the UK, US, Australia and especially India, Mauritius can offer the necessary guarantees that the US requires to ensure its long and unimpeded use of Diego Garcia."<sup>12</sup> By also noting that Mauritius "fully understand[s] the key role the base has played in ensuring stability in the region,"<sup>13</sup> Mauritius demonstrated to the international community its commitment to perpetuation of the base. By positing this sentiment in the public domain through international institutions and think tanks, pressure will mount on the UK and US to cede the territory to Mauritius. In lieu of formal negotiations between Mauritius and the UK and US, these public reassurances are an effective tool to increase the trustworthiness of Mauritius in the eyes of the fellow parties to this dispute.

### Confidence building

While the above recommendation pertains only to Mauritius, there are efforts both Mauritius and the US can make to increase trust and confidence in furtherance of settling this dispute. While Mauritius does not have a military, cooperation in environmental security, Illegal, Unreported and Unregulated fishing and even counter-smuggling between Mauritius' coast guard and US assets could increase trust. Further participation in regional maritime security exercises could also be a means of promoting Mauritius' resolve to increase trust with regional security players. This dispute provides the US an opportunity to build its relationship with Mauritius into a trusted and mutually beneficial partnership.

### Prospects for change?

While the prospect of Mauritius attaining the same 'special relationship' status with Washington is remote, practical steps can be taken by Port Louis and Washington to increase mutual trust. Indeed, many US military bases are hosted on the sovereign territory of other nations, with which US relations fall variously on the spectrum of trust and mistrust. While the UK has no ethical or legal right to perpetuate the BIOT, the realpolitik considerations this paper outlined indicate the barriers to sovereignty transfer – hurdles which perhaps could be overcome by reassurances and confidence building initiatives in the medium term. This case study demonstrates that Indian Ocean security dynamics are not solely dependent on trust and mistrust between great powers, but also by other asymmetric relationships, such as between Mauritius, the UK and the US. While settling the Chagos Archipelago sovereignty dispute will not end great power competition in the Indian Ocean, it will ensure the US presence on Diego Garcia is based on consent rather than colonialism.

---

<sup>11</sup> UN General Assembly Proceedings Resolution A/RES/73/295.

<sup>12</sup> Koonjul, "Diego Garcia: The US Has a Clear Choice."

<sup>13</sup> Koonjul.



**Mr. Samuel Bashfield**

**Research Officer**

**National Security College, Australia**

Sam joined the Australian National University in 2016 and the National Security College (NSC) in April 2018. He is a Research Officer, supporting the NSC's Indo-Pacific Strategy: Undersea Deterrence Project, the Indo-Pacific Strategy: Indian Ocean Project and the Futures Hub. He has a research interest in the history, present and future of the Chagos Archipelago.

Sam completed his Master of National Security Policy degree at the ANU and received an ANU Professional Staff Scholarship and the National Security College Award. He was most recently Course Coordinator in the NSC Professional Studies team, and Project Officer in the Strategic Partnerships and International Office at the ANU College of Asia and the Pacific. Prior to joining the ANU, Sam interned at the Jakarta Globe newspaper in Indonesia, worked at the Sydney Southeast Asia Centre at the University of Sydney, and at Australia's Attorney General's Department. He completed his honours degree in Indonesian Studies at Monash University and undertook a flexible immersion program at Gadjah Mada University in Yogyakarta. During his studies, Sam was awarded an Anne Wallace Memorial Travel Grant, as well as a Victorian Government Hamer Scholarship.

## **DISCUSSION**

### **1. Pillars for creating 'stable coexistence' in the region**

Attention was drawn to the inadequacy of focusing exclusively on trust and managing mistrust, while looking at the IOR security environment. The principal need would be 'stable coexistence' among great powers and on terms acceptable to the interests and values of middle tier and smaller countries.

Five pillars/principles associated with creating stable co-existence in the IOR in the 21<sup>st</sup> century were presented.

- i. There is a role for deterrents in the co-existence in the region.
- ii. Development -There is a dire need of infrastructure and development, and, during post COVID-19, support to societies and health systems. Conditions around which development occurs, through BRI or various other initiatives, and whether conditions attached to development are sustainable.
- iii. The role of diplomacy - diplomacy in bilateral, mini-lateral and multilateral dialogue.
- iv. Solidarity - Small and middle powers sharing their own insights, experiences, even their own influences and powers. This helps to manage any existing disruption and dysfunction.
- v. To bring in national resilience - national resilience affected by the impact of COVID-19, should help to withstand coercive diplomacy.

Some combination of above will help achieve stable coexistence leading to peaceful and mutually respectful coexistence of small countries. They should recognize the value of the conditions of international laws and rules, as a foundation to trust and cooperate in this challenging era.

### **2. Addressing trust deficiency**

It was pointed out that, at this point of time, there was no trust and while attempts are being made to build trust, it is necessary to maintain peace and stability in the region by other means. For this, a combination of defense capability, joint development activities, people -to-people interaction, efforts to understand each other etc. were suggested.

Good relations with neighbouring countries and negotiation were also proposed as helpful elements in this respect.

Major powers should enter into negotiations, if not, there could be security dilemmas. A negotiation process for all countries in the region and beyond, in which everyone should sit together and discuss current issues, would be helpful.

Balance of power between big powers is important. In the coming multi-polar world, a lot of stability can be provided by middle and small powers, by taking responsibility, working with each other, and sometimes with big powers to address the issue of stability in the region.

Through prolonged working together, that 'trust' can be built.

### **3. Economic cooperation towards trust building**

On the issue of building trust, a main basis could be developing economic situations and progress from that point in a bottom-up approach. In this respect the European experience of 50 years ago was referred to, and the conflict between Warsaw Pact and NATO countries in the 1960's.

USSR took the initiative to build pipelines to West Europe, and West European companies started building industrial enterprises in the USSR. This helped to build economic trust between the USSR and West Europe, which helped develop political trust and confidence, finally, resulting in the Helsinki conference.

A similar process can take place in the IOR. Economic endeavours could be made use of, to develop trust among the stakeholders leading to security and stability in the region.

### **4. Potential for addressing 'mistrust' and 'trust deficiency' in the IO, during the new administration in the US**

The new Biden administration is expected to adopt a more multilateral approach, in its engagement with international organizations, with the WHO, UN Human Rights organizations, matters related to the COVID-19 vaccine, WTO, and the UN itself. A senior person will be sent as the US Ambassador to the UN. Changes of a high magnitude are expected.

The new administration is likely to look for ways to work with China. They could be on issues such as climate change and COVID-19.

It is expected to re-establish the White House-National Security Council Directorate for Global Health Security and Biodefense to focus on viruses, pandemics etc. to handle effectively possible catastrophes such as the one caused by COVID-19.

It was mentioned that China looked forward to co-operating in these endeavours with the hope that relations would improve for the better.

In this background, it is hoped that tensions in the IOR will be reduced and states will work to improve economic and security prospects.

### **5. The approach of the new US Administration towards allies and multilateralism as a way forward for the region**

The policies of the outgoing US Administration had limitations on interaction with the allies and multilateral approaches, which had negative outcomes for the IOR. Therefore, the region is looking forward to a new US policy of close relationship with traditional allies and partners, which will lead to confidence building among the states in the region.

In the endeavor to develop the security situation in the IOR, allies and partners are expected to take a broader approach on security in the region.



President-elect Biden has emphasized the strengthening of relationships by the US. It also has to be taken into account that President-elect Biden having been Vice-President before, is knowledgeable on issues of international dimension.

The bottom line is that all countries look for peace and stability. This sentiment is shared by the countries in the Indian Ocean Region. Therefore, it is hoped that with the political changes in the USA, big powers would work together for people in the region to achieve development and move forward.

## **CONCLUDING SESSION**

## REMARKS



**Dean Thompson**  
**Principal Deputy Assistant Secretary, Bureau of South and Central Asian Affairs**  
**U.S. Department of State**

(As Prepared)

It is a pleasure to join you all virtually to discuss the complexities of security in the Indian Ocean region, particularly at the moment after Secretary Pompeo's successful visits to India, Sri Lanka, and Maldives – and the announcement of our intent to establish an embassy in Maldives. I want to congratulate Sri Lanka and the Pathfinder Foundation on putting together such an amazing conference with such robust participation across governments, international organizations, academia and non-governmental organizations. Critical forums like this help build a shared understanding of how to address common challenges in order to allow shared prosperity and security to thrive.

Last month, Deputy Secretary of State Biegun spoke of a Pax-Indo-Pacific. By that he meant a region where peace prevails, where sovereignty is upheld, and where every nation can prosper.

The United States understands that prosperity is not possible without good governance, security, and above all, cooperation. We also understand the threats we all face on the high seas of the Indian Ocean—such as natural disasters, piracy, illegal fishing, and transnational organized crime—impact us all, and that partnerships, cooperation, and shared information and resources in the maritime space is imperative to our collective prosperity and security.

The United States maintains a robust presence and supports information sharing networks throughout the Indo-Pacific, including so many of the participants in this conference. We have strong partnerships with countries throughout the Indian Ocean Region based, as always, on our shared concerns about security and interest in good stewardship of the global commons.

Your final two sessions of this conference were devoted to enhancing connectivity and addressing mistrust and trust deficiencies. Ensuring we have the equipment in place to identify threats, the networks and partnerships in place to share critical information when we need to, and, as you so aptly highlight, the trust to share information with each other, is instrumental.

We acknowledge we can only respond to threats we see, which is why we invest deeply in building maritime domain awareness capabilities and developing information sharing networks and partnerships throughout the region to improve capabilities to detect maritime threats, share information, and respond individually or collectively with likeminded partners.

We wholeheartedly support critical information sharing initiatives such as India's Information Fusion Center for the Indian Ocean Region and fusion centers in Bahrain, Madagascar, Singapore and beyond, and are working with partners across the entire Indian Ocean to develop and enhance maritime domain awareness and increase information sharing, from the Gulf of Aden to the Pacific Islands.

Beyond detecting and sharing information on the myriad maritime threats in the region, we support partners' ability to respond to those threats to protect and safeguard their own maritime security interests.

Through our flagship Bay of Bengal Initiative, we have provided more than \$148 million dollars to Bangladesh, Sri Lanka, and Maldives to build maritime security and domain awareness capabilities through coastal radar stations, data links, maritime patrol aircraft, and training.

Our bilateral and multinational humanitarian assistance and disaster relief exercises across the region build interoperability and the habits of cooperation necessary to respond together when disaster strikes. Whether it is through our bilateral Cooperation Afloat Readiness and Training exercises with partners throughout the region, or our multilateral military exercises such as the MALABAR naval exercise which includes India and Japan, and this year, Australia, we work with partners throughout the region to practice and solidify the habits of cooperation necessary to address shared threats.

U.S.-provided equipment and training such as patrol ships provided to Philippines, Vietnam, Bangladesh, Sri Lanka and others elevate partner deep-water naval capabilities and extend their deployment capabilities. These assets enable Indo-Pacific nations to address transnational threats, interdict illicit materials, and patrol their exclusive economic zones.

In April 2020, the Sri Lankan Navy, employing former U.S. Coast Guard vessels, seized nearly 300 kgs of heroin and 50 kgs of methamphetamine valued at over \$17 million and in July executed the largest drug interdiction in Sri Lankan Navy history, seizing 400 kgs of heroin and 100 kilos of methamphetamine valued at \$33.5 million. Sri Lanka is not alone in working to keep the Indian Ocean safe and secure, for the benefit of all of us.

We stand by our partners in preserving freedoms of navigation and overflight and other lawful uses of the sea and ensure our partners have the tools and skills needed to safeguard their autonomy and maritime interests. We welcome further opportunities to deepen partnerships and networks across the Indian Ocean Region, and, in the spirit of President Trump's commitment to sovereign states working together to achieve the administration's vision for a free and open Indo-Pacific region.

## REMARKS



**Mr. Endo Kazuya**  
**Deputy Director-General**  
**Southeast and Southwest Asian Affairs Department, Ministry of Foreign Affairs, Japan**

Distinguished delegates,

Ladies and Gentlemen,

First of all, I would like to extend my congratulations on the success of this Conference, which was realized by the combined efforts of the Pathfinder Foundation, the Government of Japan and the Government of the United States. Frankly speaking, I was looking forward to visiting beautiful country, Sri Lanka, but it is my great pleasure and honour to participate in this online conference today. The pleasure of visiting Sri Lanka was postponed but it's always nice to have something to look forward to.

The spread of COVID 19 has triggered a dramatic change in our world. As a result, the power balance change and ideological division both seem to have accelerated. Some regional conflicts have escalated tensions, while, in some conflicts, on the contrary, the parties concerned joined hands to break away from great difficulties. Ways to conduct people-to-people exchange in our societies are changing due to the development of digital technology and the improvement of institutional arrangements, which naturally affects the regional connectivity. We must properly grasp the changes and act accordingly.

However, some things never change. One of them is the importance of the beautiful Indian Ocean. I believe the overall direction of the rapid growth in South Asia remains utterly unchanged despite the difficulties of COVID 19.

Although the exchange of people across borders has temporarily decreased, the Indian Ocean is and always will be a major corridor that connects Asia and Africa. It is in our common interest to find the path toward cooperation to make this Ocean free, open and prosperous.

From an early stage, Japan has been stressing the importance of a "Free and Open Indo Pacific", known to many in its acronym, FOIP, F, O, I, P. The base of this idea is that in a world where the power balance is changing, unreliability and uncertainty is increasing, proactive efforts to realize rule-based international order becomes more and more important.

Through realizing a rule-based free and open maritime order in the Indo-Pacific region, and by connecting the Indian Ocean and the Pacific Ocean, Japan aims to secure the stability and prosperity in this region and the world.

This can only be achieved through the cooperation of the countries involved. We can realize a “Free and Open Indo-Pacific” only by broadening cooperation. In that sense, the Indo Pacific Strategy of the U.S. is extremely important. Last year, ASEAN also announced the “ASEAN Outlook on the Indo-Pacific (AOIP)” and India announced the “Indo-Pacific Ocean Initiative”. In addition, Germany released the “Policy Guidelines for the Indo-Pacific” September this year. They are all epoch-making movements and Japan intends to realize synergies between these initiatives and Japan’s FOIP.

Foreign Minister Motegi hosted the Second Japan-Australia-India-U.S. Foreign Ministers’ Meeting in Tokyo at the beginning of last month. At the meeting, the four Ministers concurred on further developing practical cooperation in various areas such as quality infrastructure and maritime security towards realizing a “Free and Open Indo-Pacific”, the importance of which is increasing in the post-COVID world. Ministers also confirmed the importance of broadening cooperation to more countries.

It was also last month that Prime Minister Suga visited Indonesia and Vietnam as his first overseas trip since assuming office. This visit clearly expressed Japan’s intention to continuously contribute to the peace and prosperity of the region as an “Indo-Pacific country”.

The concept of a “Free and Open Indo-Pacific” is open to all countries that share its basic ideas. I think that it is important to share the idea of a FOIP with many countries again and deepen the discussion over a rule-based free and open maritime order through opportunities like this conference. Sharing ideas will lead to the progress of specific policies, while materializing policy measures will also help deepen ideas.

I understand that three themes were discussed in this conference: 1) freedom of navigation and security, 2) enhancing connectivity, and 3) ‘mistrust’ and ‘trust’ deficiency. All of these are important elements in realizing a rule-based free and open maritime order, and I would like to take this opportunity to very briefly share my views.

First, on the freedom of navigation and security. Only when all countries are guaranteed their rights, such as freedom of navigation, can the Indian Ocean region enjoy genuine prosperity as the sea lane.

For that, one of the basic infrastructure is international maritime law order including United Nations Convention on the Law of the Sea (UNCLOS). In order to maintain fair law order, it is important to satisfy the basic requirements, such as to provide legal ground when a country claims something, and to be able to solve disputes in a fair manner based on dispute settlement procedures.

Second, on enhancing connectivity. Its importance goes without saying. Japan has been working to enhance connectivity for the stability and prosperity of the entire Indian Ocean region for many years. This refers to “physical connectivity” including ports, railroads, and roads; “people-to-people connectivity” through human resource development; and “institutional connectivity” through facilitation of customs procedures and so on. We have simultaneously promoted their improvement to facilitate the flow of people and goods.

Regarding physical connectivity, Japan has contributed to the development of infrastructure in Sri Lanka. Japan believes it is important that ports in Sri Lanka, vital points in the Indian Ocean, are developed in accordance with international standards and operated openly and transparently. In this sense, Japan intends to promote the development and operation of Colombo South Port East Container Terminal based on MoC signed by India, Sri Lanka and Japan.

In each country of the Indo-Pacific region, relatively high-speed economic growth is being achieved. We would like to promote the success of Asia throughout the Middle East, Africa and the Pacific island countries, to unleash the potential that these regions have. Improving the “connectivity” between the Asia-Pacific, the Middle East and Africa will contribute greatly to that goal. Furthermore, by expanding economic zones through the encouragement of the private business and improvement of the business environment, we aim to promote the stability and prosperity of the wider region.

As an example of Japan’s efforts, we have been cooperating with Bangladesh to develop bridges and a commercial port under the Bay of Bengal Industrial Growth Belt Initiative (BIG-B initiative).

Third, on trust building and safety. The Indo-Pacific region is facing a variety of uncertainties that threaten the free and open maritime order based on the rule of law. The international community must be one where a country does not unilaterally force its ideas upon other countries by brandishing its power. Applicable rules should be maintained and strengthened. New rules are to be developed based on needs of the times. At the same time, we have to promote trust building and capacity building in order to avoid contingencies. Japan will continue to play its role in this effort.

For example, from 3<sup>rd</sup> to 6<sup>th</sup> of November, Japan’s Maritime Self Defense Force, together with the U.S., Indian, and Australian navy, conducted the joint exercise “Malabar 2020” in the Bay of Bengal. This joint exercise was held for capacity building and strengthening partnership. The agreement which stipulates the procedure for the Japanese Self Defense Force and Indian Armed Forces to provide goods and services to each other was signed last September. In addition, Japan has dispatched Japan Coast Guard specialists as JICA experts to the Sri Lanka Coast Guard for capacity building in oil spill response since 2015.

In terms of trust building among Indian Ocean countries, the roles of regional international organizations including IORA and SAARC are also important. Japan intends to continue its support as an observer country.

The “Free and Open Indo-Pacific” is not targeted to any specific countries or initiatives. It is a policy to overcome such mindsets. We are eager to collaborate and cooperate with all countries that share our vision.

I believe that the Indian Ocean Security Conference is another important step towards deepening mutual understanding and strengthening the relationship among us. In my final remark, I would like to reiterate my appreciation to the efforts of the Pathfinder Foundation.

Thank you very much.

## PFIOSC - OUTCOMES OF THE CONFERENCE

1. Three days of deliberations conducted on 3 themes related to IO security brought together a group of government officials from a number of countries; representatives of regional organizations, think tanks, academics, diplomats and private sector participants, amongst others from the Indian Ocean Region (IOR) and extra regional states, to focus on Indian Ocean (IO) security and conduct discussions in a cordial and friendly environment. The conference was attended by over 120 participants on the first day, 94 and over 80 on the second and third days, and the quality of the discussions was testimony to their interest in the IO in general and vital security and economic interests in particular.
2. The meeting identified the need to continue the dialogue in the process of building and ensuring security of the IO, with the participation of extra-regional states present having an interest in the region. Extra-regional powers in the region are there to ensure their interests and their presence also served a purpose to counter piracy and other illegal activities of non-state actors, for example.
3. The discussion on military bases of extra-regional states in the IO concluded that the issue was not demanding removal of such bases but initiating a process on how to manage the security situation without leading to confrontation based on power rivalry and infringing sovereignty of the littoral states.
4. The interest demonstrated by some European countries, France and Germany for example, to engage with the IOR was considered a positive development, inter alia, contributing to the economic development of the countries in the region.
5. The means of utilizing the opportunities generated by the COVID-19 pandemic - with the drastic changes caused by it, the revelation of technology coming to the fore; changes in supply chains, production centers, transportation etc., - should be grasped by the regional states.
6. The conference created awareness of unresolved issues that need to be addressed in the IOR. For example, the Chagos Archipelago's sovereignty issue demonstrates that there is room for resolving the matter amicably, only if the parties concerned would discuss available options.
7. The need for creating new power blocs to wade off future security threats, due to the NAM being obsolete, to meet current challenges received attention. The meeting concluded that the IO community could come up with its own solutions to look after its interests without aligning themselves with either power, while respecting the legitimate rights of all extra-regionals, without exception.
8. Due to wide participation and interest demonstrated by participants, it was decided that the platform created to discuss issues involving the Indian Ocean should be continued, and meetings be held at regular intervals, either annually or once in two years, depending on the requirements, to focus on multifaceted issues confronting the littoral and hinterland countries and major maritime users of the Indian Ocean.



## RECOMMENDATIONS OF PFIOSC – 2020

- i. Design a new security architecture for the Indian Ocean aimed at a rules-based international order, based on international conventions and norms to facilitate creating a cooperative operational atmosphere.
- ii. Major powers to engage in a dialogue with small countries in the IOR on security related issues, while placing emphasis on economic cooperation within the region.
- iii. IO is a vast expanse of water and keeping an eye on such a stretch requires expansion of the current arrangement for Maritime Domain Awareness (MDA), supplementing what is already operational.
- iv. Initiate a discourse on how to address the situation relating to military bases in the region, and deal with the consequences that may arise.
- v. Major maritime powers to develop cooperative partnerships with countries in the IOR that are seeking maritime cooperation.
- vi. Devise means of ascertaining what and where the indicators of intentional vulnerability, concerns and negatives related to connectivity are, in order to address them.
- vii. In view of the importance of private sector investment in connectivity projects, the private sector to be more involved in such projects.
- viii. In addition to project feasibility assessments, conducting financial feasibility assessments of major infrastructure projects are of paramount importance. In the case of port development, financial feasibility should include bunkering facilities and cargo handling; if no in-depth studies are undertaken, shipping companies will see no reason to use such ports and the countries concerned will end up with major infrastructure projects, minus business to sustain them.
- ix. In order to realize the full potential of ports, up-to-date technological requirements should be fulfilled to satisfy the needs of shipping companies, which requires prior consultations involving such companies.
- x. Resolve issues amicably, including those that seem to be intractable, through discussion, which is mutually beneficial to all parties concerned.
- xi. Engage in confidence building, which is sine-qua-non for resolving difficult issues, in order to benefit from a peaceful environment to pursue economic and development objectives.
- xii. Engage in developing an instrument to govern the conduct of all the parties in the Indian Ocean: the discussions of the conference emphasized the need for a mechanism for maintaining good order at sea, those deliberations must continue until a common understanding is reached on a mechanism i.e. 'A Cooperative Security Architecture for the Indian Ocean'.

- xiii. The Pathfinder initiative of focusing on Indian Ocean Security would not be an one-off event; meetings will be continued at regular intervals with a view to focusing on multifaceted issues confronting the Indian Ocean community and consultations will be conducted to determine whether they should be held on an annual basis or once in two years.



*Pathfinder Foundation – No 339/6, Negombo Road, Peliyagoda, Sri Lanka. 11830*

*Tel : 011 4529954 , Email – [pm@pathfinderfoundation.org](mailto:pm@pathfinderfoundation.org)*