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The end of India's strategic ambiguity?

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## *The end of India's strategic ambiguity?*

### *Abstract:*

*The world's geopolitical center of gravity is shifting towards the Indian Ocean Region (IOR), where Modi's India has claimed its leadership role as security provider in response to China's regional aspirations. Aware of the latter's superiority, Delhi resorts to strategic hedging against Beijing –by balancing the latter while cooperating in common multilateral platforms–, which gives India greater leverage to project its influence on the region while avoiding an undesirable confrontation. In recent years, India's foreign policy in the IOR has combined a limited alignment with the West and its traditional strategic autonomy, i.e. engaging with multiple actors on tactical convenience. However, in view of the need for a long-term strategy, there are now calls for greater realism. India's foreign policy should seek convergences instead of conveniences, while leading security cooperation with the IOR neighbours and middle powers to contain China's assertiveness.*

### *Keywords:*

*Indian Ocean Region (IOR), China, India, geopolitics, power, security, strategy.*

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## Introduction

The Indian Ocean is the third largest ocean in the world, after the Pacific and the Atlantic Oceans. However, in terms of global geopolitical significance, “the Atlantic Ocean could be viewed as the ocean of our grandparents and parents; the Pacific Ocean as the ocean of us and our children; and the Indian Ocean as the ocean of our children and grandchildren”<sup>1</sup>. As Alfred Mahan (1840-1914) once said: “Whoever controls the Indian Ocean dominates Asia. The ocean is key to the seven seas. In the 21st century, the destiny of the world will be decided in these waters”<sup>2</sup>. Indeed, the Indian Ocean Region (IOR) has become one of the most important –if not the most– geopolitical scenarios in the world.

Maritime transport is the backbone of the world's economy, since more than 90% of the international trade is carried by sea<sup>3</sup>, and today's globalized world largely depends on the Indian Ocean. Almost two-thirds of total merchandise trade transits these waters<sup>4</sup>, making the Indian Ocean one of the world key sea lines of communication (SLCO). In 2018, the Indian Ocean connected 12 of the 16 members of the trillion-dollar club. By 2033, it is expected to connect 21 of the 25 global members of the projected trillion-dollar club. On the other hand, the Pacific will only connect 13, and the Atlantic will barely connect 12<sup>5</sup>.

Four critically strategic chokepoints enable waterway access to the IOR: Bab-el-Mandeb, Strait of Malacca, Strait of Hormuz and the Suez Canal. An estimated 65% of the world's maritime oil trade flows through these narrow passages of water<sup>6</sup>. But the

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<sup>1</sup> JEFFREY, Craig. “Why the Indian Ocean Region Might Soon Play a Lead Role in World Affairs”, Australia India Institute, January 2019. Available at: <http://www.aii.unimelb.edu.au/blog/why-the-indian-ocean-region-might-soon-play-a-lead-role-in-world-affairs/>

<sup>2</sup> SCOTT, David. “India's ‘Grand Strategy’ for the Indian Ocean: Mahanian Visions”, Asia-Pacific Review, 2006, Volume 13 (2), p. 98.

<sup>3</sup> United Nations. “International Maritime Organization Profile”. Available at: <https://business.un.org/en/entities/13> (Accessed 11 January 2020)

<sup>4</sup> KAPUR, Lalit. ‘An Indian Ocean Agenda for Modi 2.0’, AMTI, Center for Strategic and International Studies (CSIC), June 2019. Available at: <https://amti.csis.org/an-indian-ocean-agenda-for-modi-2-0/>

<sup>5</sup> Ibid.

<sup>6</sup> US Energy Information Administration. ‘World Oil Transit Chokepoints’, July 2017 (Update: October 2019). Available at: [https://www.eia.gov/international/analysis/special-topics/World\\_Oil\\_Transit\\_Chokepoints](https://www.eia.gov/international/analysis/special-topics/World_Oil_Transit_Chokepoints) (Accessed 19 February 2020)

importance of IOR goes beyond transit and transportation. Around 40% of the world's offshore oil production comes from the Indian Ocean and the IOR fisheries are the third most important in the world<sup>7</sup>. For all these reasons, the Indian Ocean has become of great strategic value and plays a decisive role in facilitating and boosting international interaction by bringing all the continents together.

Although the Indian Ocean falls under the “natural” sphere of influence of India, the latter's role has been largely overshadowed by China's String of Pearls. In 2013, President Xi Jinping announced China's strategy called the “Belt and Road Initiative” (BRI) or “One Belt, One Road” (OBOR). This strategy consists of a route by land and sea. The latter is known as the Maritime Silk Road, the sea route of the historical Silk Road that the BRI intends to emulate. The String of Pearls refers to the alleged attempt of China to contain and encircle India, while gaining control over the key SLOC of the IOR, as shown in Figure 1. This paper intends to analyze India's response to the Chinese strategy, as well as the future outlook of Modi's foreign policy in the Indian Ocean.



**Figure 1. The String of Pearls and key SLOC in the IOR.**

Source: European Foundation for South Asian Studies (2019)

<sup>7</sup> CIA. Central Intelligence Agency: 'The World Factbook: Indian Ocean', (Update: February 2020). Available at: <https://www.cia.gov/library/publications/resources/the-world-factbook/geos/xo.html> (Accessed 19 February 2020)

## SAGAR, the security pillar

When PM Narendra Modi came to office in 2014, he made SAGAR Doctrine (Security and Growth for All in the Region) the cornerstone of India's engagement with the IOR. Since then, the strategic goal of India is to become the "net security provider" in the region. In other words, India is willing to address the security challenges of not only itself, but also the ones of the IOR neighbours and all the countries in the world that have any connection with the region. It is a subtle way of asserting regional leadership on security grounds.

India's emphasis on security is no coincidence. First, India's reliance on the Indian Ocean has increased dramatically. India depends on the SLOC for external trade – amounted to 43,4% of India's GDP in 2018<sup>8</sup>– and the country's oil dependence is estimated to be higher than 80%, which is expected to increase dramatically in the coming years<sup>9</sup>. Today, India is the third largest oil consumer in the world, after the US and China<sup>10</sup>; by 2024, India's oil consumption growth will surpass that of China<sup>11</sup>. But besides energy security, addressing non-conventional security challenges of the IOR – such as piracy, maritime terrorism, natural disasters, arm and drug trafficking or illegal fishing– is also of paramount importance for the IOR and consequently for the prosperity of global economy.

Many external powers have joined this quest along with India's leadership, as acknowledged, for instance, by President Trump's National Security Strategy (NSS): "We will deepen our strategic partnership with India and support its leadership role in Indian Ocean security and throughout the broader region"<sup>12</sup>. The US sees India as a decisive buffer to the growing expansionism of China and, during Trump's first state visit to India in February 2020, he emphasized the importance of engaging with India in the

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<sup>8</sup> World Bank Data. "Trade (% of GDP): India", 2018. Available at: <https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?locations=IN> (Accessed 11 January 2020)

<sup>9</sup> International Energy Agency. "Energy Policy Review: India 2020". Available at: <https://www.iea.org/reports/india-2020> (Accessed 19 February 2020)

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> The White House. "US National Security Strategy (NSS)", 2017, p. 50. Available at: <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

areas of defense and security of the Indo-Pacific region. The term "Indo-Pacific" projects a joint vision of both regions as a continuum, although it has been challenged due to its alleged underlying intention of containing and even excluding China from the region<sup>1314</sup>.

The Chinese factor is also important to understand India's security-oriented strategy. The String of Pearls and the growing presence of the People's Liberation Army Navy (PLAN) pose a great challenge to the Indian national security. Moreover, Pakistan's friendship with China represents a direct threat to India as the Pakistan Navy (PN) is undertaking a modernization process with China's support<sup>15</sup>. The Sino-Pakistani nuclear cooperation is also worth mentioning. In response, India has developed the Agni-V missile –as a nuclear deterrent–<sup>16</sup> that can threaten the production and power centers of China's coast. Besides, India launched the "Maritime Capability Perspective Plan" (MCPP), a region-wide military mega-plan to enhance its naval capabilities by 2027<sup>17</sup>. The enhancement of naval power is also reflected in "Milan 2020: Synergy across the Seas" (to be held in March but cancelled due to the COVID-19 crisis), the Indian Navy's major naval exercise in history and the biggest multilateral naval exercise in the IOR, with more than 40 invited countries –among them Russia, Iran or the US–, which showcases the strategic ambiguity of India.

As one would expect, China and Pakistan were excluded from the event. In January 2020, both countries participated in their sixth bilateral naval exercise –called "Sea Guardians 2020"<sup>18</sup>– in the Northern Arabian Sea, on India's west coast. Hard power is therefore indispensable for India. India's defense expenditure is increasing in absolute

<sup>13</sup> CHEN, Dingding. "What China thinks of the Indo-Pacific strategy", The Diplomat, April 2018. Available at: <https://thediplomat.com/2018/05/what-china-thinks-of-the-indo-pacific-strategy/>

<sup>14</sup> SHARMA, Ashok. "Russia says Indo-Pacific strategy is to contain China", The Diplomat, January 2020. Available at: <https://thediplomat.com/2020/01/russia-says-us-indo-pacific-strategy-is-to-contain-china/>

<sup>15</sup> ROMANIUK, Scott. "Pakistan's new generation of Chinese warships", The Diplomat, January 2019. Available at: <https://thediplomat.com/2019/01/pakistans-new-generation-of-chinese-warships/>

<sup>16</sup> GADY, Franz-Stefan. "India Test Fires Agni V Nuclear Capable ICBM", The Diplomat, December 2018. Available at: <https://thediplomat.com/2018/12/india-test-fires-agni-v-nuclear-capable-icbm/>

<sup>17</sup> The Economic Times. "Indian Navy aiming at 200-ship fleet by 2027", July 2018. Available at: <https://economictimes.indiatimes.com/news/defence/indian-navy-aiming-at-200-ship-fleet-by-2027/articleshow/48072917.cms>

<sup>18</sup> PILLAI RAJAGOPALAN, Rajeswari. "China-Pakistan naval drills: more than just symbolism", The Diplomat, January 2020. Available at: <https://thediplomat.com/2020/01/china-pakistan-naval-drills-more-than-just-symbolism/>



terms every year –for 2020-2021, the total Defense Budget represents 15.49% of total Government expenditure<sup>19</sup>–, but military modernization is still a pending issue<sup>20</sup> and although India is trying hard to enhance its naval capabilities, the progress is too slow<sup>21</sup>, possibly due to the fact that the Navy has the smallest share (15%) of the Total Defense Budget 2020-2021, compared to the Army (56%) and the Air Force (23%)<sup>22</sup>.

### Neighbourhood First policy

Under Modi, the IOR has become a priority in the Indian foreign policy and the Neighborhood First initiative is a pillar of Delhi's maritime strategy. This new approach explains why the Indian PM is strengthening ties with ASEAN and BIMSTEC, while he chose the Maldives and Sri Lanka as first official trip destinations after winning the elections of May 2019.

The former President of Maldives –Abdulla Yameen– was pro-Beijing, so throughout his term of office (2013-2018) bilateral relations with India were almost non-existent, while China seized the opportunity to make large investments in infrastructure projects within the framework of the OBOR strategy. However, such investments have allegedly led to an accumulation of debt<sup>23</sup>, which nowadays accounts for 25% of the Maldivian GDP –in 2015, the debt amounted to 16%<sup>24</sup>. In fact, China has been accused of non-transparent and unsustainable practices, as well as of developing debt-trap projects in some countries of the Indo-Pacific region<sup>25</sup>. Despite China's denial of such accusations, India-friendly Mohammed Solih eventually won the 2018 elections with a vast majority.

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<sup>19</sup> Ministry of Defence, Government of India. "Defense Budget 2020-2021". Available at: <https://pib.gov.in/newsite/PrintRelease.aspx?relid=197859> (Accessed 17 March 2020)

<sup>20</sup> PERI, Dinakar. "Budget 2020: Meagre Defence hike threatens military modernization", The Hindu, February 2020 Available at: <https://www.thehindu.com/business/budget/337-lakh-crore-allocated-for-defence-budget/article30712444.ece>

<sup>21</sup> PILLAI RAJAGOPALAN, Rajeswari. "The trouble with India's slow naval buildup", The Diplomat, October 2019. Available at: <https://thediplomat.com/2019/10/the-trouble-with-indias-slow-naval-buildup/>

<sup>22</sup> Institute for Defence Studies and Analyses. "India's Defence Budget 2020-2021", p.5, February 2020. Available at: <https://idsa.in/system/files/issuebrief/def-bgt-2020-21-040220.pdf> (Accessed 17 March 2020)

<sup>23</sup> HILLE, Kathrin. "The Maldives Counts the Cost of Its Debts to China", Financial Times, February 2019. Available at: <https://www.ft.com/content/c8da1c8a-2a19-11e9-88a4-c32129756dd8>

<sup>24</sup> Maldives Monetary Authority. "External Debt". Available at: <http://www.mma.gov.mv/#/statistics/externalsector> (Accessed 19 February 2020)

<sup>25</sup> GREEN, Mark. "China's Debt Diplomacy", Foreign Policy, April 2019. Available at: <https://foreignpolicy.com/2019/04/25/chinas-debt-diplomacy/>

Relations with India have been reborn. In December 2019, while both Presidents were inaugurating development and security projects for the maritime country, Modi stated: “My Government’s ‘Neighborhood First Policy’ and your government’s ‘India First’ have strengthened our bilateral cooperation in all sectors”<sup>26</sup>. The case of the Maldives showcases how Modi’s strategy is starting to bear fruit.

The Chinese government also engaged in Sri Lanka, a neighbour island country that is dealing with an even more dramatic debt growth, which now represents 83% of the GDP –in 2014, the debt amounted to 71%<sup>27</sup>. The 99-year lease of the Sri Lankan Hambantota port to China in 2017 was highly controversial, which reinforced the belief of the Chinese debt trap<sup>28</sup>. However, some dispel such claims<sup>29</sup>. Anyway, like the Maldives, Sri Lanka has recently experienced a change in governance. In November 2019, India-friendly President Gotabaya Rajapaksa assumed office and met Modi in his first state visit abroad. Likewise, in February 2020, Prime Minister Mahinda Rajapaksa – former Sri Lankan President (2005-2015) and current President Gotabaya’s brother– visited India in his first foreign trip as Prime Minister of Sri Lanka. The focus in both visits was mainly on security of the Indian Ocean. Like in the case of Maldives, Modi is intelligently applying the Neighborhood First policy and the SAGAR doctrine, and India is progressively bringing the neighboring island countries closer to its sphere of influence.

Besides the island neighbors, Modi is also strengthening relations with ASEAN<sup>30</sup> and especially with BIMSTEC countries<sup>31</sup>, in line with India’s “Act East Policy”<sup>32</sup>. In fact,

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<sup>26</sup> Government of India. “Remarks by PM during DVC with Maldivian President Solih”, December 2019. Available at: <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1594973>

<sup>27</sup> Central Bank of Sri Lanka. “Government Debt”. Available at: <https://www.cbsl.gov.lk/en/statistics/statistical-tables/fiscal-sector> (Accessed 19 February 2020)

<sup>28</sup> ABI-HABIB, Maria. ‘How China got Sri Lanka to cough up a port’, New York Times, June 2018. Available at: <https://www.nytimes.com/2018/06/25/world/asia/china-sri-lanka-port.html>

<sup>29</sup> MORAMUDALI, Umesh. ‘The Hambantota Port Deal: Myths and Realities’, The Diplomat, January 2020. Available at: <https://thediplomat.com/2020/01/the-hambantota-port-deal-myths-and-realities/>

<sup>30</sup> The Economic Times. “PM Modi favors expansion of ties between India and ASEAN”, November 2019. Available at: <https://economictimes.indiatimes.com/news/politics-and-nation/pm-modi-favours-expansion-of-ties-between-india-and-asean/articleshow/71875016.cms?from=mdr>

<sup>31</sup> RAMACHANDRAN, Sudha. “India’s BIMSTEC Gambit”, The Diplomat, May 2019. Available at: <https://thediplomat.com/2019/05/indias-bimstec-gambit/>

<sup>32</sup> Ministry of External Affairs, Government of India. “Act East Policy”, December 2015. Available at: <https://pib.gov.in/newsite/printrelease.aspx?relid=133837> (Accessed 19 January 2020)

Modi has prioritized BIMSTEC over SAARC throughout his mandate, due to the deteriorating relations with Pakistan due to the Kashmir issue. Curiously enough, in the context of the COVID-19 in March 2020, Modi invited all the head of governments of SAARC –including Pakistan– to develop a roadmap to face the health emergency (the last SAARC summit was held in 2014). By this move, Modi is asserting India's security leadership in South Asia. It also has a subtle diplomatic touch, since extending the invitation to Pakistan could be interpreted as an opening to reengage with that country<sup>33</sup>. Nevertheless, the Pakistani PM –Imran Khan– decided not to join the conference and sent a health official who, by the way, raised the Kashmir issue during the statement. Despite Khan's reluctance to the Indian leadership, some commentators argue that we could be witnessing a revival of regional cooperation in South Asia and the return of SAARC to India's foreign policy<sup>34</sup>. However, India urgently needs to face the domestic issues that may affect ties with its Muslim neighbors and partners, like the Citizen Amendment Act, 2019<sup>35</sup>. Despite this, Modi keeps strengthening ties with the Gulf countries<sup>36</sup>.

In line with this engagement policy with the IOR countries, India joined the “Indian Ocean Commission” as observer in March 2020, following in the steps of China. The Commission –formed by Comoros, Madagascar, Mauritius, Reunion (France) and Seychelles– is an important regional institution in the Western Indian Ocean that allows strategic engagement with the island states close to the Mozambique Channel and the African rim<sup>37</sup>. But the most notable evidence of India's renewed approach towards the IOR is that the Indian Budget 2019-2020 redirects an unprecedented increase of foreign

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<sup>33</sup> SIBAL, Kanwal. “Modi's move to engage SAARC on Covid-19 shows his capacity to surprise”, The Economic Times, March 2020. Available at: <https://economictimes.indiatimes.com/news/politics-and-nation/view-modis-move-to-engage-saarc-on-covid-19-shows-his-capacity-to-surprise/articleshow/74644928.cms>

<sup>34</sup> MADISHETTY, Kamal. “Can India coordinate a SAARC response to the Covid-19 pandemic?”, The Diplomat, March 2020. Available at: <https://thediplomat.com/2020/03/can-india-coordinate-a-saarc-response-to-the-covid-19-pandemic/>

<sup>35</sup> The law offers citizenship to non-Muslims fleeing religious persecution from three nearby countries.

<sup>36</sup> TANEJA, Kabir. “Why Saudi Arabia and the UAE aren't bothered by India's Citizenship Amendment Act”, The Diplomat, January 2020. Available at: <https://thediplomat.com/2020/01/why-saudi-arabia-and-the-uae-arent-bothered-by-indias-citizenship-amendment-act/>

<sup>37</sup> CHAUDHURY, Dipanjan Roy. “India joins Indian Ocean Commission as observer bolstering Indo-Pacific vision”, The Economic Times, March 2020. Available at: <https://economictimes.indiatimes.com/news/defence/india-joins-indian-ocean-commission-as-observer-bolstering-indo-pacific-vision/articleshow/74518307.cms?from=mdr>



aid to the Indian Ocean nations by 26% compared to 2018-2019 and 54% with respect to 2017-2018<sup>3839</sup>.

It suffices to observe the figures of recent foreign aid budgets to confirm India's increasing awareness towards the IOR: in 2017-2018, Mauritius ranked 4<sup>th</sup> and the Maldives ranked 9<sup>th</sup>; now they rank 3<sup>rd</sup> and 6<sup>th</sup>, respectively; African countries ranked 7<sup>th</sup> last year, now rank 4<sup>th</sup>; Sri Lanka is the 7<sup>th</sup> aid recipient, followed by Myanmar (8<sup>th</sup>) and Bangladesh (9<sup>th</sup>). Moreover, the Indian Budget 2020-2021 Estimates –released in February 2020– consolidates this aid trend towards the IOR<sup>40</sup>: Mauritius (2<sup>nd</sup>), African countries (5<sup>th</sup>), Maldives and Myanmar (6<sup>th</sup>), Sri Lanka and Bangladesh (7<sup>th</sup>) and Seychelles (8<sup>th</sup>). The rest of aid recipients are Indian neighboring countries by land: Bhutan (1<sup>st</sup>) or Nepal (3<sup>rd</sup>) –both key to contain China's territorial aspirations– and Afghanistan (4<sup>th</sup>). Despite Afghanistan's landlocked situation, it contributes decisively to the Indian maritime strategy in the IOR.

INDIAN FOREIGN AID (in million \$)		
No.	Revised Budget 2019-2020	Budget 2020-2021
1	<b>Bhutan</b> – 366.4	<b>Bhutan</b> – 391.9
2	<b>Nepal</b> – 162.9	<b>Mauritius</b> – 138.8
3	<b>Mauritius</b> – 149.3	<b>Nepal</b> – 107.7
4	<b>African Countries</b> – 60.4	<b>Afghanistan</b> – 53.8
5	<b>Afghanistan</b> – 53.8	<b>African Countries</b> – 47.1
6	<b>Maldives</b> – 43.9	<b>Maldives and Myanmar</b> – 40.4 each
7	<b>Sri Lanka</b> – 27.5	<b>Sri Lanka and Bangladesh</b> – 26.9 each
8	<b>Myanmar</b> – 22.8	<b>Seychelles</b> – 18.9
9	<b>Bangladesh</b> – 23.5	<b>Chabahar Port (Iran)</b> – 13.5

**Table 1. Indian Foreign Aid 2019-2021**

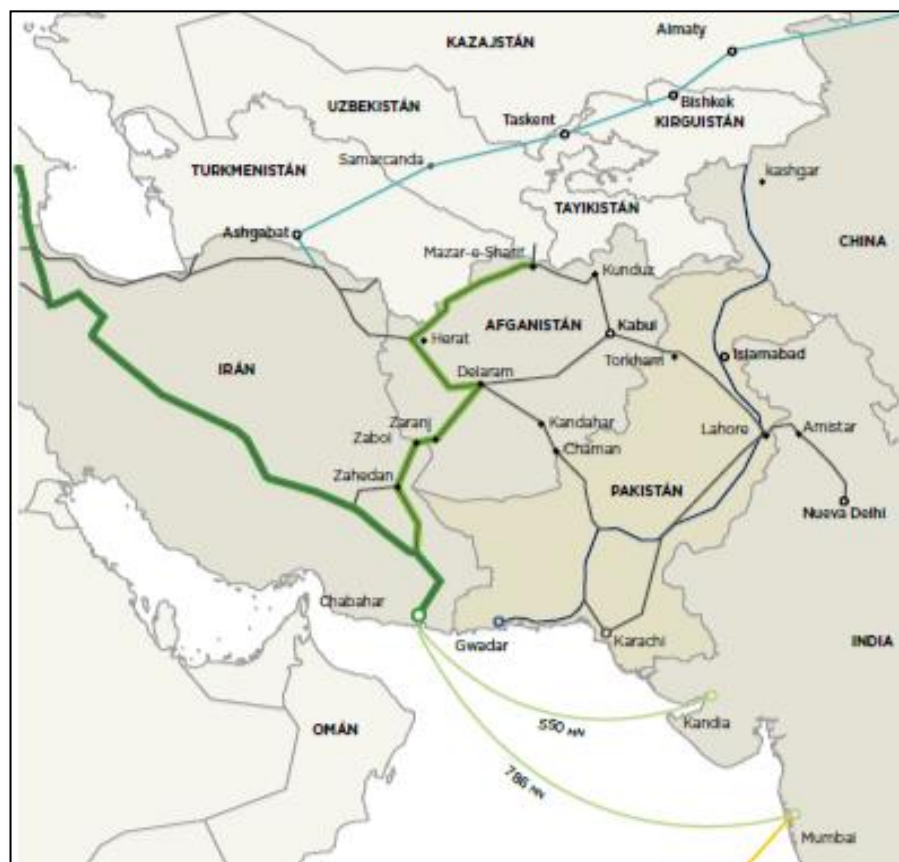
Source: Own elaboration

<sup>38</sup> SHUKLA, Ajai. "Budget 2019: India Redirects Foreign Aid to Indian Ocean Countries", Business Standard, July 2019. Available at: [https://www.business-standard.com/budget/article/budget-2019-india-redirects-foreign-aid-to-indian-ocean-countries-119070800030\\_1.html](https://www.business-standard.com/budget/article/budget-2019-india-redirects-foreign-aid-to-indian-ocean-countries-119070800030_1.html)

<sup>39</sup> Ministry of External Affairs, Government of India: "Union Budget of India 2019/2020 and 2020/2021: Expenditure Budget, Aid to countries", pp. 89-90. Available at: <https://www.indiabudget.gov.in/doc/eb/sbe26.pdf> (Accessed 27 February 2020)

<sup>40</sup> Ibid.

Afghanistan is a historical ally of India and one of the largest aid recipients of Indian foreign aid. But there is a particularly interesting detail in the Indian Budget 2020-2021 that involves both countries: India has directed around \$14 million to the Chabahar Port of Iran. Although the Indian Budget 2019-2020 reflected a \$6 million aid to the Chabahar Port, the Revised Budget 2019-2020 eventually discarded it, probably due to growing tensions between Iran and the United States.



**Figure 2. Iran's Chabahar Port connects India with Central Asia**  
(in light green) Source: CIDOB

India, as one of the largest economies in the world, seeks to expand trade relations and open to new markets. And Central Asia is of key strategic importance. Pakistan's Gwadar Port –operated by China– is a direct route to the Central Asian market. However, that is not a viable option for India. One of the alternatives to reach Central

Asia is through Afghanistan<sup>41</sup>, as shown in Figure 2. The latter, in turn, has long sought to diversify its trade routes and reduce its trade dependence on Pakistan. Being a land-locked country has hampered this desire. The Chabahar port is only 70 km far from the Pakistani Gwadar port and it offers an unprecedented opportunity for both Afghanistan and India<sup>42</sup>. For the former, it grants access to the Indian Ocean, and for Delhi, it allows to gain a foothold in Central Asia while enabling further diplomatic, economic and trade relations with Iran. The US has tried to keep India away from the latter, which has in turn contributed to a growing estrangement between India and the US.

### India's strategic ambiguity

Balancing China –by building partnerships with like-minded countries like the US, Australia, France or Japan– is essential part of India's strategy in the IOR. The Quadrilateral Security Dialogue –known as Quad– is an informal strategic grouping formed by Australia, India, Japan and the US that aims to strengthen multilateral security and strategic cooperation in the Indian Ocean. External balancing seemed a logical step, due to the common threat of China's regional aspirations, as well as the geographical proximity to these countries. Furthermore, Beijing also threatens the values and ethical commitments of Quad countries towards liberal democracy and the law-based liberal international order<sup>43</sup><sup>44</sup>. In fact, in October 2019, the US Secretary of State Mike Pompeo overtly claimed that the US sought not only to contain China, but reduce its current global position, and the Quad could be a useful tool to “ensure that China retains only its proper place in the world”<sup>45</sup>.

<sup>41</sup> FAROOQ, Khesraw Omid. “Chabahar Port: A Step Toward Connectivity for India and Afghanistan”, The Diplomat, July 2019. Available at: <https://thediplomat.com/2019/07/chabahar-port-a-step-toward-connectivity-for-india-and-afghanistan/>

<sup>42</sup> SAWHNEY, Asha. “Chabahar Port: Unlocking Afghanistan's Potential”, Center for Strategic and International Studies (CSIS). Available at: <https://www.csis.org/chabahar-port-unlocking-afghanistans-potential>

<sup>43</sup> SINGH, Ameya Pratap. “What Shapes India's View on the Quad?”, The Diplomat, November 2019. Available at: <https://thediplomat.com/2019/11/what-shapes-indias-view-on-the-quad/>

<sup>44</sup> PANDA, Ankit. “US, India, Australia, Japan ‘Quad’ Holds Senior Officials Meeting in Bangkok”, The Diplomat, November 2019. Available at: <https://thediplomat.com/2019/11/us-india-australia-japan-quad-holds-senior-officials-meeting-in-bangkok/>

<sup>45</sup> HENRY, Iain. “Finally, some plain talk on the Quad”, Lowy Institute, October 2019. Available at: <https://www.lowyinstitute.org/the-interpreter/finally-some-plain-talk-quad>

Despite this balancing strategy, by now India regards Quad as one of the many multilateral frameworks in the IOR, and not the regionally decisive one. In 2018, Modi emphasized how the grand strategy of Quad does not match with India's: "India does not see the Indo-Pacific region (...) as a club of limited members. Nor as a grouping that seeks to dominate. And by no means do we consider it as directed against any country"<sup>46</sup>. Many conclusions can be drawn from this statement. The most important, perhaps, is that India does not wish to antagonize nor provoke China, but rather coexist with it. In fact, the Indian economy is highly dependent on China (China is, by far, the largest exporter to India)<sup>47</sup>. Cooperation with China is, therefore, indispensable. Delhi is so far following a strategy of combining alignment with autonomy, and by no means is India engaging in any formal military bloc confronting Beijing. But it's not a soft balancing either. Hence the term 'limited external balancing'.

There are several factors that explain India's strategic autonomy that, in turn, derive in an ambiguous foreign policy. First, the unpredictability of the US President who, on top of that, is immersed in a trade and technological war with China. Secondly, India does not want to give up the strengthening of diplomatic, economic, military and trade ties with Western adversaries, like Iran or Russia. Thirdly, if India is to become a true regional leader and a net security provider in the IOR, it must prove its power, efficiency and capacity autonomously. Finally, the geographical imagination also plays a decisive role in the traditionally non-aligned Indian culture and mindset. A military alliance would clash with India's strategic autonomy<sup>48</sup>, and ultimately undermine India's destiny to become a great power<sup>49</sup>.

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<sup>46</sup> Ministry of External Affairs, Government of India. 'PM's Keynote Address at Shangri La Dialogue, June 2018. Available at: <http://www.mea.gov.in/Speeches-Statements.htm?dtl/29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018>

<sup>47</sup> Ministry of Commerce and Industry of India. "Export Import Data Bank (Annual)", 2019. Disponible en: <https://commerce-app.gov.in/eidb/default.asp> (Accessed 23 February 2020)

<sup>48</sup> Ministry of External Affairs, Government of India. "Prime Minister's Keynote Address at Shangri La Dialogue", June 2018. Available at: <https://mea.gov.in/outgoing-visit-detail.htm?29943/Prime+Ministers+Keynote+Address+at+Shangri+La+Dialogue+June+01+2018>

<sup>49</sup> BREWSTER, David. "India's Ocean: The Story of India's Bid for Regional Leadership", p.201, Routledge, Routledge Security in Asia Pacific Series, 2014.

Although India intends to be an autonomous actor in the region, it is fully aware of its limitations in such an ambitious task. That's why India is practicing strategic ambivalence with China, by resorting to the so-called hedging in its strategy. For instance, while India undertook the Malabar naval exercises with the US and Japan, it would also participate in the BRICS and the SCO meetings with China. Modi's policy of multiple engagement is prompted by an assertive China, unpredictable USA and its entrenched strategic autonomy. Its strategic autonomy, however, is totally compatible with external balancing. In fact, the balancing strategy contributes to India's goal of becoming a net security provider in the IOR, while trying to gain strategic leverage to push Chinese presence back from its sphere of influence. For instance, its agreements with France and the US give India access to important ports like Reunion and Diego Garcia, respectively<sup>50</sup>, and India annually participates in the Malabar naval exercises along with Japan and the US. At the same time, India is keeping Australia out of the latter in order to avoid any confrontation with China. Security polarization is a totally undesirable scenario to Delhi's interest, but it is not willing to be regarded as a second-rate power in the Indian Ocean. Hence India's strategic ambiguity and its prudence when it comes to alignment.

In line with this external balancing strategy, in November 2019 the «Blue Dot Network» concept was officially launched. It is considered the US-led counterpart to the BRI and is supported by Australia and Japan (Quad Members). In the Joint Statement on the Vision and Principles For the United States-India Comprehensive Global Strategic Partnership (25 February 2020), “the United States and India recognize that, to contain the build-up of sovereign debt in developing and low-income countries, it is important to ensure responsible, transparent, and sustainable financing practices for both borrowers and creditors. President Trump and the Prime Minister Modi expressed interest in the concept of the Blue Dot Network, a multi-stakeholder initiative (...) to promote high-quality trusted standards for global infrastructure development”<sup>51</sup>. They seem to be

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<sup>50</sup> THAKKER, Aman. “A Rising India in the Indian Ocean Needs a Strong Navy”, Center for Strategic and International Studies (CSIS). Available at: <https://www.csis.org/npfp/rising-india-indian-ocean-needs-strong-navy>

<sup>51</sup> The White House. “Joint Statement: Vision and Principles for the United States-India Comprehensive Global Strategic Partnership”, February 2020. Available at: <https://www.whitehouse.gov/briefings->



referring to China's BRI infrastructure projects and its apparent negative impact on, for instance, Maldives or Sri Lanka due to the previously mentioned unsustainable practices and alleged debt-traps. If India decided to join the Blue Dot Network (BDN), Quad would shift from a security approach to an economic and developmental one with presumably many geopolitical implications, especially if China considers the BDN as a counter to the BRI.

Apparently, Modi is increasing its strategic engagements with the US as a reaction to the recent Chinese hostile attitude towards India, especially related to their territorial disputes, such as the Doklam standoff of 2017 or raising the Kashmir issue at the UN Security Council in December 2019<sup>52</sup>. Likewise, Russia –an old friend of India– seems to be increasingly aligning with China, as it has radically changed its stance towards Kashmir and totally opposed the Indo-Pacific concept for excluding China from the region. Thus, there seems to be growing tension in the RIC grouping (Russia, India, China) that by the way will meet at the end of March 2020. This is another example of India's hedging strategy, since during Trump's visit to India in February 2020, the American President claimed that, together with the Indian PM, they were "revitalizing the Quad Initiative" and have expanded cooperation on security to ensure a free and open Indo-Pacific, with a clear reference to China's regional aspirations. By now, there are no signs of such a revitalization of Quad<sup>53</sup>. However, India's Minister of External Affairs –Subrahmanyam Jaishankar– called for greater assertiveness and recalibration of India's grand strategy in December 2019<sup>54</sup>, suggesting a turn towards realism in the Indian foreign policy. While India's major regional partners like Japan and Australia, and other important players like South Korea, are part of an East Asia-centric U.S. alliance system, India is increasingly exposed to China's assertiveness in the Indian Ocean.

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[statements/joint-statement-vision-principles-united-states-india-comprehensive-global-strategic-partnership/](#)

<sup>52</sup> Al Jazeera. "UN Security Council to meet on Kashmir at China's request", December 2019. Available at: <https://www.aljazeera.com/news/2019/12/security-council-meet-kashmir-china-request-191217032517001.html>

<sup>53</sup> PANDA, Ankit. "Trump, in India, hints at revitalized 'Quad' Initiative", The Diplomat, February 2020. Available at: <https://thediplomat.com/2020/02/trump-in-india-hints-at-revitalized-quad-initiative/>

<sup>54</sup> SUBRAMANIAM, Arjun. "The One Speech That Explains India's New Strategic Thinking", The Diplomat, December 2019. Available at: <https://thediplomat.com/2019/12/the-one-speech-that-explains-indias-new-strategic-thinking/>

For that reason, India needs to lead and enhance the cooperation with its IOR neighbors and middle powers. Rim and island neighbors will expect a constructive leadership, and not a competitive one, as a sustainable alternative to China's String of Pearls. The already mentioned Chinese-operated ports like Hambantota in Sri Lanka or Gwadar in Pakistan, where China could station maritime military equipment, show that the Maritime Silk Road is more than a trade route that evokes old times. Thus, in the meantime, developing and modernizing its naval capabilities is a must if India is to survive and compete in an increasingly disputed geopolitical scenario.

## Conclusion

The goal of India is to become the "net security provider" in the IOR. The aim is rather ambitious, due to the complexity and range of security issues that the region faces: piracy, terrorism, arm and drug trafficking, etc. It seems, however, that such claim is also a declaration of intent addressed to China's regional aspirations. Although Delhi is treading very carefully in order to avoid a direct confrontation with Beijing, enhancing and modernizing naval power in the Indian Ocean is crucial to face the Chinese threat. Modi is aware, however, that Beijing is far superior in both economic and military terms, so he needs external support.

That's why it resorts to balancing by building partnerships with like-minded countries, such as France or Quad. However, so far, India regards the latter as another multilateral platform that contributes to the security in the IOR –thus serving its national interest– but does not consider it a military alliance. Hence the term 'limited external balancing'. India does not want to provoke nor antagonize China, but to coexist and cooperate with it. Thus, India's vision of the IOR diverges from the Quad's, especially from the US, whose unpredictable behavior may pose a remarkable risk to the Sino-Indian tense relationship. Besides, Modi does not give up furthering relations with declared adversaries of the West, like Iran or Russia.

Therefore, Delhi stands for its traditional strategic autonomy, reinforced in turn by the Indian geographical imagination. India considers that getting involved in a bloc would ultimately undermine its destiny of becoming a great power. This might be starting to change, though. In December 2019, the Indian Minister of External Affairs called for greater assertiveness and recalibration of India's grand strategy. In line with this new strategic thinking, Quad's revitalization (in Trump's words) and Modi's interest in the US-led Blue Dot Network could mark a turning point in the Indian traditionally non-aligned foreign policy. In fact, these are compatible and complementary with India's foreign policy pillars: Neighbourhood First policy, SAGAR Doctrine and Act East Policy. It is too soon to tell. Besides, the geopolitical implications of the COVID-19 are likely to transform the international order in favor of China, so it would be unwise to anticipate future scenarios in the IOR.

By now, India's foreign policy is based on strategic ambiguity –engaging with multiple actors on tactical convenience– and hedging: engaging with China and at the same time balancing it. This strategy provides India with greater leverage to project its influence on the region while avoiding a confrontation with China. However, the projection of influence may not be as important as the quality of the cooperative partnerships that India builds with IOR neighbors and middle powers. Modi seems to be aware of it: the Maldives and Sri Lanka are coming closer to the Indian sphere of influence; ASEAN and BIMSTEC countries appear to be at ease with the Indian security-oriented leadership; the Gulf countries are becoming strategic partners, and Delhi is getting more involved in the cooperation with the African rim and island nations.

Nevertheless, India needs to face the domestic issues that may affect ties with its neighbours and partners. Moreover, India should seek convergences instead of conveniences with external powers. In other words, India must decide whether remains as a free rider or eventually resorts to greater realism in order to counter China's assertiveness, which will likely be enhanced after the COVID-19 crisis.

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