

Budget Boost: Indian Ocean strategy



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Naval ships from India, Australia, Japan, Singapore, and the United States steam in formation in the Bay of Bengal during Exercise Malabar 07-2. US Navy photo/Stephen Rowe

There is a clear indication of the ascendance of the Indian Ocean in India's foreign policy priority, be it its 'neighbourhood first', extended neighbourhood or regional policy in the Indo-Pacific region – all roads lead through the Indian Ocean. Prime Minister Narendra Modi underscored such priority when he chose the Maldives and Sri Lanka as the destinations of his first official trip abroad in his second term.

A reflection of Delhi's Indian Ocean outreach is reiterated in the Union Budget 2019-20. The most important takeaway from it for the region is the growing share of foreign aid for the Indian Ocean countries — mainly Mauritius, Maldives and Sri Lanka.

Mauritius has become the second largest recipient of Indian foreign aid, after Bhutan, with an allocation of Rs 1,100 crore, while Maldives is placed fourth, after Nepal, with Rs 576 crore. For Sri Lanka, the allocation has increased from Rs 150 crore to Rs 250 crore. The overall aid to regional countries has been raised by 26%, including allocation for Africa — packing a critical Indian Ocean littoral on its eastern side.

India's growing aid for the Indian Ocean states is indicative of its evolving maritime strategy, with building of islands as strategic assets as a gradually strengthening component. While China's growing presence in the Indian Ocean island-nations has shaped the strategic reorientation of the region critically, the growing interest of major powers like the US, France, Australia, Japan and the UK has also been gradually transforming and reshaping power politics in this region. In this rapidly transforming environment, India seeks to maintain a considerable presence in the region, deepen ties with its littoral partners, counter the Chinese advancements and ensure a stable region for its unhindered security and growth.

Given the vulnerability of the Indian Ocean, with strategic chokepoints that could be blockaded, islands have become game-changers. In a bid to enhance its foothold in the region, China has developed ports at critical nodes — Sri Lanka, Myanmar, Bangladesh, Pakistan, Maldives and Djibouti. While most of the developments take place under the veneer of infrastructure development, island building and port construction are widely viewed as attempts to create strategic assets for boosting Intelligence, Surveillance, Reconnaissance (ISR) capabilities, besides creating combat advantages.

China is a relatively new entrant to this game and India is just entering. But France's hold over the Reunion island and Grande-Terre island in Mayotte, the Cocos and Christmas Islands of

India has been interested in developing, along with our own Andaman and Nicobar Islands, the Agalega Islands in Mauritius and Assumption Islands in Seychelles. Delhi's main approach has been to develop the sea and air transportation in the islands and better the conditions of the inhabitants.

A considerable jump in the budget for the project is in line with the re-emphasis on the 'neighbourhood first' policy whereby it seeks to reorient its image as a benefactor in the region by supporting the smaller littoral states. Such a policy rides on the back of two objectives — to counter India's image as a regional hegemon, and to provide the states in the region with an alternative that is in sharp contrast with the Chinese model, which has often resulted in debt-trap scenarios for smaller countries, the Maldives and Sri Lanka being cases in point.

The other budgetary increase concerns Maldives. Maldives has great significance for Delhi due to its strategic location, internal dynamics and growing Chinese influence. Maldives had slipped out of India's orbit into China's during Abdulla Yameen's regime. Mohammed Solih's coming to power in Male, however, has tilted the scales in India's favour. Quick to capitalise on the opportunity, India has reciprocated with deepening ties, frequent visits and enhanced aid. Modi has visited Male twice in a matter of months – first for Solih's swearing in, and then as the destination of his first foreign trip in the second term.

Although progress has been slow, India's increased budgetary allocation for the Seychelles indicates that its agreement with Victoria over a naval base, finalised in July 2018 after much controversy, will resume pace. The Rs 100 crore jump for Sri Lanka throws light on India's move to rebuild the Kankesanthurai Port, besides developing the Trincomalee Port project, a deep-water port about 300 nautical miles from Colombo.

India's enhanced maritime outreach budget extends to Africa. There is also a proposal to build 18 new diplomatic missions on the continent to enhance people-to-people contacts, out of which five have already been built. Africa has featured in India's geopolitical map in two dimensions. The hike in the allocation of funds reflects Delhi's soft power strategy through the ocean, which seeks to rediscover the age-old ties and enhance people-to-people contact.

The East African coast is also quite strategic vis-à-vis India's activities in Mauritius and Seychelles, given their proximity. New Delhi, along with Japan, intends to leverage the maritime potential of the western Indian Ocean and the larger Indo-Pacific in prioritising the Asia-Africa Growth Corridor, which harps on infrastructure development and connectivity with the African continent.

and Growth for All in the Region) approach. Second, India's ardent support for a rules-based order in the region, and third, India's recognition of the Indian Ocean rim as the most vital component of its immediate and extended neighbourhood.

The only odd component of India's budgetary allocation has been a reduction in outlay for Chabahar port, but that reflects the pressure of international sanctions by the US more than a change in India's outlook towards important nodes in the Indian Ocean region.

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