



2011 RUSI NSW BLAMEY ORATION

The global strategic outlook: a South-Asian perspective

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South Asia

South Asia comprises heterogeneous nations, which have little in common economically or politically, in a region full of turmoil, political upheaval, and poverty. While India is the second fastest growing global economy and Sri Lanka is fast recovering after crushing the Liberation Tigers of Tamil Eelam, others are in chaos (e.g. Pakistan and Afghanistan), while Bangladesh and the Maldives await massive flooding by 2030 due to global warming. Nepal is yet to stabilize after its Maoist insurgency, while silent Bhutan hopes to progress slowly. Myanmar is a member of the Association of South-East Asian Nations (ASEAN) and hopefully will allow democracy to take roots. These nations either have no strategic perspective or, like Pakistan, which (rather unmindful of its precarious position) looks at the world from the prism of its hostility towards India, nurtures and exports global terror, and dreams of leadership of the Islamic world. Indeed, South-Asian nations (except India, Sri Lanka and the Maldives) have refused to learn the benefits of economic co-operation from ASEAN. India has a nascent strategic culture and is slowly beginning to look at the world from a strategic point of view. The drivers of this growing nascent Indian strategic culture are the serving and retired officers of India's Armed Forces and the Indian Foreign Service.

Secular, democratic India, unlike China, does not consider itself to be the centre of the world; nor does it have any grandiose aims of world leadership, or even playing the role of a regional policeman. India is simply focused on eradicating poverty, ensuring its territorial integrity and maintaining its tolerant 'all cultures, all religions' way of life. Aware that its economic rise alone would be impossible in a South Asia mired by terror and poverty, India is also doing its best to help its neighbours. For example, India has donated US\$1½ billion to Afghanistan and has committed another US\$½ billion; and it expects to "host" the population of the Maldives and half the population of Bangladesh when these nations are impacted by rising sea levels after 2030. It is for this reason that western democracies, wary of China's assertive economic and military rise, are cheering India's economic growth, and we in India hope that the optimism of the West gets translated into reality. India's economic rise, unlike China's, is 90 per

cent dependent on its private sector, which continues to prosper, despite issues of poor governance and dormant diplomacy.

Indo-Pacific Region

Looking beyond South Asia, we need to do a quick review of the Indian Ocean Region (IOR), which is now strategically linked to events in the Asia-Pacific Region (APR), due to China's rise, and these two regions are now being increasingly clubbed together as the Indo-Pacific Region (IPR). The IPR has two "triangles". The first, which I will discuss later, is the existing "triangle of mischief" comprising China and its two proxies, Pakistan and North Korea. The second triangle is the "emerging strategic triangle of Asia", and is expected to comprise India, China and the United States. Indeed, war or peace in the IPR would depend to a large part on how these three powers of the emerging triangle interact with each other, and also with other nations of this region. Given China's new assertiveness since 2009 – e.g. the latest incident in the South China Sea on 26 May 2011 involved three Chinese Navy patrol boats cutting the towing wires of a Vietnamese seismic survey ship in Vietnam's exclusive economic zone – with its territorial claims in the APR, and its military muscle-flexing along its 4,000 km border with India, it appears that the Peoples' Liberation Army has a major say in China's emerging foreign policy. Pakistan's announcement on 25 May 2011 that it has invited China to build a naval base in Gwadar port is another example of events which could periodically raise tensions in the IPR.

The IOR has 56 littoral states and hosts one third of the global population in a quarter of the land mass. It is home to extreme poverty, terror, maritime terror, religious fundamentalism, drug trafficking and piracy. In addition, the Middle East is vital to the world (along with Russia and possibly Brazil) for supply of energy (gas and oil) for the next few decades. Indeed, the Japanese tsunami cum nuclear emergency of 11 March 2011, may further adversely impact on the fuel supply system, already under strain from the huge growing demands of India and China. Indeed, the 30 May 2011 announcement by Germany that, by 2022, it would shut down its 22 civilian nuclear reactors (which contribute 22 per cent to Germany's national power grid) are signs that the global economy will need to readjust to changing priorities of nations – on 1 June 2011, power-hungry India announced that it would continue with importing and building more nuclear reactors. In addition, over 70 per cent of global natural disasters occur in the IOR, 50 per cent of global (and Indian) seaborne trade from the IOR goes equally to the east (APR) and west (Europe, United States). Only 20 per cent of the trade is among IOR nations and 80 per cent of the trade is extra-regional, while the situation is the opposite in the Pacific and Atlantic Ocean regions. Of merchant shipping in the IOR, 75 per cent is of extra regional origin. For all these reasons, India and extra-regional maritime nations have a vested interest in the stability of the IOR.

China

A glance at the APR would show that China is aware that its economic rise is due to exports by sea and massive imports by sea of oil and gas. Hence, having studied Mahan, China is trying innovative means to overcome its geostrategic, single-coast disadvantages of sea power – its eastward push across the Pacific is blocked by three island chains, while its access to the IOR is through vulnerable choke points. These innovative measures include “access denial”, DF-21 D ballistic missiles, and “string of pearls bases” in the IOR – in Myanmar, Bangladesh, Sri Lanka and Pakistan. Aware of the Malacca Straits choke point, its “Malacca dilemma”, and the strategic importance of IPR, China since 2009 has also been trying to assert its various territorial claims in the South China Sea (SCS) and East China Sea (ECS), where, in addition to controlling movement of international shipping, it would also exploit the mineral wealth, oil, gas and fishing. India, United States and the rest of the maritime community are aware that if the SCS becomes Chinese territorial waters, free navigation at sea could be compromised. Hence, there is a good case for nations to coordinate their activities in the IPR to ensure that piracy, maritime terror or a strategic “territorial change” in APR do not impact on free trade by sea. It is not surprising that China’s navy gets an estimated 35 per cent of the defence budget (US\$91 billion in 2011, is in reality closer to US\$200 billion, given China’s “opaque nature” defence spending), while the Army and Air Force get 29 per cent each and the Strategic Forces get 7 per cent.

Many nations are responsible for China’s economic rise, including United States, the West and Australia. Presently, Russia is a major supplier of modern “defensive” military equipment to China. After the collapse of the Union of Soviet Socialist Republics in 1991, about 5,000 ex-Soviet military specialists were employed by China until the Russians withdrew them by 2001. These specialists have contributed greatly to the advent of new Chinese weapon systems, nuclear submarines, missiles and space exploration. Presently, thanks to the American ban, China is unable to access modern western military equipment, but it is no secret that the West Europeans are chafing at the bit to supply China with modern military hardware.

Indo-Australian Relations

Another irony is that Australia (which avoided the global recession due to its trade with China), is happy to supply uranium to China while denying the same to India’s civil nuclear plants. Australia’s stand is difficult to understand given its past history of allowing the United Kingdom to conduct numerous nuclear weapons tests on its territory, the Indo-United States nuclear deal of 2008, and the fact that India has now signed uranium import deals with other nations. The only explanation for this dichotomy appears to be that the present political party in power in Australia has non-export of uranium to non-Nuclear Proliferation Treaty signatory nations (like India) as part of its party manifesto. Another recent irritant was the attacks on Indian students in Australia in 2010 – over 120,000 Indians study in Australia, which is the second most favoured destination, after the United States, for Indian students. However, I need to

clarify here, that Indo-Australian trade (presently over AU\$23 billion) has increased almost four-fold since 2004, while Indo-Australian military-to-military ties have improved dramatically since 2006. In addition, a combined Indo-Australian team has, in 2010, submitted a report for possible signing of a Free Trade Agreement. Hence, Indo-Australian ties are on the right path, after decades of “benign neglect”. Few realize that Australia is located in India’s “extended neighbourhood”, with the sailing distance from Perth to Chennai (old Madras) being shorter than Sydney to Shanghai or Sydney to Seoul or Sydney to Tokyo.

The Middle East

The current unrest in the Middle East has global ramifications because this region supplies 40 per cent of the world’s (and 60 per cent of India’s) energy needs. Also 5 million Indian workers from this region send back annual remittances worth US\$45 billion to India. The ongoing United Nations-approved “Operation Odyssey Dawn” in Libya is because eastern Libya is oil rich, and it is not surprising that no such attempts have been made in Syria, Bahrain or Yemen, which have no oil. Somalia, the epicentre of piracy, also has not attracted United Nations military action, because it has no oil, and, in case piracy has to be neutralized, common sense dictates that a United Nations military force is needed to “stabilize” at least coastal Somalia, provide economic aid, and prevent West European, Thai and Taiwanese trawlers from poaching in Somali waters. A meeting in Dubai on 19 March 2011 of 50 maritime nations to counter Somali piracy missed the vital point that “boots on the ground” would be the only antidote for Somalian piracy. I wonder what would happen, in a theoretical case, should Scotland declare independence from the United Kingdom? Would the United Nations allow the Chinese and Russians to declare a “no fly zone” over England or a 200 nautical mile “maritime exclusion zone” around the British Isles?

India

Traditionally “sea blind”, peninsular India, which is geostrategically located in the IOR with 1197 islands, has finally recognized the linkage of sea power to its security and prosperity, and is slowly developing a global strategic outlook. Its leadership, though reluctant to act abroad except under a United Nations mandate, now recognizes that:

- India needs peace and stability in the IPR, to enable its economy to grow at 9 to 10 per cent.
- Due to its disputed borders with Pakistan and China, India needs to maintain large numbers of troops on the ground along the disputed borders to prevent these areas being “swallowed up” by its two nuclear- armed neighbours.
- This situation is further aggravated by increasing water shortages in India, Pakistan and China, which may lead to “water wars”. Indeed, water wars will soon become a global worry, given China’s water problems with its various neighbours. China is already having problems with Vietnam, over its damming of the Mekong River.

- Apart from the challenges of poverty, terror, piracy and marine pollution, most of the world faces the common challenges of energy security, water security and global warming.
- China's economic and military rise may pose a major military threat to India, given territorial disputes between China-India and India-Pakistan. In 2009, the Indian Government mentioned the need for India to be prepared for a simultaneous two-front war against China and Pakistan. Given China's obsession with the APR and its economic growth, an Indo-Chinese clash in the IOR is unlikely until at least after 2030, by which time the Chinese Navy may have a permanent presence in the IOR. Indeed, if the recently announced Gwadar naval base is built by 2015-20 (announced in May by Pakistan, possibly as a response to Osama bin Laden's killing by American SEALs in the Pakistani garrison town of Abbottabad on 2 May 2011), then the Chinese Navy may have a permanent presence only 360 nautical miles from the straits of Hormuz by 2020-25.
- India has a permanent station in Antarctica and expects to set up another, for meteorological studies. This region may become an important source of minerals in the future, leading to disputes.
- After 2030, the Arctic Ocean will melt and become navigable. Five nations (United States, Russia, Denmark, Canada and Norway) are locked in negotiations and disputes over exploitation of the minerals and oil wealth of the Arctic Ocean. India would become interested in the Arctic Ocean as it increasingly became a navigable sea route, as would China which may utilize this sea route to transfer its oil from Africa to avoid the "Malacca dilemma".

Nuclear Weapons

In my view, despite the attempts to eliminate them – the concept of “global zero” – nuclear weapons are here to stay, and perhaps United States, China and Russia may cap their arsenals at about 1000 each. It is only a question of time before Iran gets nuclear weapons, and Saudi Arabia, which has basically funded Pakistan's financial survival and nuclear weapons, acquires Pakistani nuclear weapons to counter Iran. Hence, there is a need to manage the nuclear dilemma. The nightmare scenario of Pakistani nukes falling into fundamentalist hands is real, though I am sure that the West and China will do their best to prevent the almost inevitable implosion of Pakistan. Given India's ongoing territorial disputes with China and Pakistan, and Pakistan's frenzied buildup of uranium and plutonium stockpiles, along with additions to its nuclear arsenal (presently estimated at 110, and growing), India, will have little choice but to ensure that it has sufficient nuclear deterrent capability vis-à-vis China and Pakistan, while also investing heavily in ballistic and cruise missile defence. Ironically, given Indian and Chinese “no first use” nuclear doctrines, India also needs to bolster its conventional capability at great cost, so as to deter China from undertaking any conventional military misadventure.

Asia-Pacific Maritime Cooperation

In the APR, apart from China, other nations who can play a major stabilizing role are Russia, United States, Japan, Australia, India and South Africa. There is a need for major maritime nations to cooperate to counter piracy, maritime terror,

marine pollution, and conduct search-and-rescue missions, in addition to providing humanitarian aid during natural disasters like the IOR tsunami of 26 December 2004 and the 11 March 2011 Japanese tsunami cum nuclear emergency. For meaningful maritime cooperation, immediate progress could be made by real-time information sharing between the existing tsunami warning systems (e.g. the American, Japanese, Indian and Indonesian systems). Another area of cooperation is seamless, automated electronic networking among various voluntary, automated merchant ship reporting systems. This needs to be agreed to by various governments. Examples are the United States Coast Guard "Automated Mutual Assistance Vessel Rescue System", Japan Coast Guard's "Japan Ship Reporting", Indian Coast Guard's "Indian (Maritime) Search and Rescue System" and Australia's Border Protection Force "Australian Maritime Identification System". In addition, maritime nations like India need real-time "Maritime Domain Awareness" in the IOR and APR, for which it needs various surveillance systems and cooperation with like-minded maritime nations in the IPR.

Broader Global Considerations

The world is passing through its periodic upheavals, post the breakup of the Soviet Union, Yugoslavia and creation of East Timor. With the palpable economic decline of the United States and the failure of the European Union to become a cohesive powerhouse (the decline of British military power and the poor economies of Spain, Greece and Portugal are examples), other rising nations are moving to find new allies and friends, and we have new groupings of developing nations like the Shanghai Cooperation Organisation, IBSA (India, Brazil, South Africa) and BRICS (Brazil, Russia, India, China), while older groups like the Association of South-East Asian Nations and the Gulf Council are looking for new members to revitalize themselves.

Nations which "Punch Above their Weight"

In these changing times, three small nations continue to "punch" well beyond their weight in the international arena. Not surprisingly, these three are nuclear armed and the reasons for their international standing are different. Impoverished North Korea, which relies totally on Chinese economic and military support for its survival and is China's proxy in the APR, keeps Japan, South Korea and United States preoccupied, while China rebuilds its economy and military to achieve its cherished aim of "reuniting" Taiwan and reclaiming various islets in the East and South China seas, with the eventual aim of making these waters its territorial seas.

Impoverished Pakistan, which is the epicentre of global terror and the biggest proliferator of nuclear weapons (having received its nukes from China, and its missiles from China and North Korea), has managed to get the maximum mileage from its geostrategic location with both United States and China providing it economic and military aid, while Saudi Arabia also provides money. For United States, China and the West, Pakistan's location is crucial, as it is the bridge to the oil-rich Middle East and mineral-rich Afghanistan. For United States, Pakistan is

also crucial for its logistics needs for the ongoing war in Afghanistan, while for China, Pakistan is vital to keep India pegged down to South Asia. India, which has territorial disputes with both China and Pakistan, has no choice but to prepare for a two-front simultaneous conventional war, while also investing heavily in nuclear second-strike capability and homeland security (given the Mumbai terror attacks of 26 November 2008, by ten Pakistani seaborne terrorists). In addition, India has to counter Somalian pirates who are now operating across the Arabian Sea, and have ensured that shipping insurance rates have increased 300 per cent since January 2011.

The United Kingdom, which not surprisingly is on an economic and military decline (the 2010 strategic defence review and anticipated 2015 strategic defence review are relevant), has so far managed to have a big impact on the global stage. This has been due to its strategic alliance with United States, its willingness to absorb military casualties (unlike other rich western nations) and its truly world-class foreign service.

There are some other paradoxes. Large rich nations like Canada and Australia do not carry commensurate clout in the international arena. Small rich nations like Norway do have some diplomatic standing, while New Zealand does not. Yet, small nations, like Israel and Vietnam, though not rich, have a proven record of great military capability.

The Global Outlook

China's phenomenal economic rise in the last three decades is partly due to its one-party system which enables quick decision making, but also largely due to the hard-working Chinese people, who have done equally well elsewhere (e.g. Singapore, Taiwan etc). It is also due to the insatiable appetite of rich western nations for cheap, good-quality imports. China has realised the importance of the sea for its economic growth and continues to invest very heavily in sea power. Notwithstanding its single-coast disadvantage, it has over 52 major sea ports and 16 inland river ports. It has over 492 shipyards employing 292,000 workers, a very robust merchant fleet and is the world's largest fish-producing nation. Its navy receives about 35 per cent of the annual defence budget.

The Chinese Navy is presently receiving: eight new types of frigates/destroyers; aircraft carriers; new types of Yuan- class diesel submarines with Sterling air-independent propulsion systems; nuclear-powered, ballistic-missile- carrying submarines (SSBNs); nuclear-powered attack submarines (SSNs); and amphibious warships, both landing platform docks and landing helicopter docks. By 2020, China will be a space power and reap the benefits of linking space power to sea power. After 2030, it will have a capability to operate carrier task forces and submarines both in the APR and IPR. China's aims appear to be:

- Between 2011- 2020, to be capable of fighting any limited war and also handling any situation in the East China Sea (ECS) and South China Sea (SCS). Preferably, ensure peaceful reunification of Taiwan, given the 2010 Economic Cooperation Framework Agreement (a preferential trade agreement between

China and Taiwan), and also achieve a favourable resolution of the various territorial disputes in the ECS and SCS.

- By 2030, be capable of fighting a medium- technology level power, and also be capable of operating a carrier task force (CTF) in the west Pacific up to the Guam-Hawaii island chain.
- After 2030, operate a CTF in the IOR, and thus become a global power capable of operating a two- ocean blue water navy; and overtake United States as the No. 1 global economy.
- By 2050, become a true global super power and a space power.

Various attempts have been made by different institutions to define the standing of nations in the global arena. These are discussed in the next few paragraphs and have two nations in common, China and India, though any crystal-ball gazing may not always prove to be accurate (e.g. in 1988, a Chinese think tank put the Soviet Union at No. 2, after United States; yet the Soviet Union disintegrated in 1991).

The 2008 China Academy of Social Sciences snapshot of “comprehensive national power” showed United States at No. 1, followed by United Kingdom, Russia, France, Germany, China at No. 6, Japan, Canada, South Korea and India at No. 10. The United States National Intelligence Council and the European Union Institute for Security Studies promulgated a snapshot of “global power” in 2010 which showed United States at No. 1, China at No. 2 and India at No. 3, while Brazil, Japan and Russia were together at No. 4. The study gave an identical global power forecast for 2025.

The Indian Foreign Ministry’s list of “most powerful nations”, promulgated on 19 April 2011, is: United States, China, Japan, Russia, India, South Korea, Norway, Germany, France, and United Kingdom. The University of Pennsylvania⁵ listed the 2010 “purchasing power parity of the gross domestic product” (PPP GDP) of the leading nations in the following order: United States, China, India, Japan, Germany, United Kingdom, France, Russia, and Brazil. The same reference also estimated that: China and India’s PPP GDP were growing at 20 per cent and 16 per cent respectively; by end 2011, India’s PPP GDP would be US\$5 trillion; and by end 2012, China’s PPP GDP would become the world’s No. 1 at US\$15 trillion.

It is generally accepted that by 2050, China, India and United States will be the top three global economies, perhaps in that order, though a recent Citibank study puts India at No. 1, with a GDP over US\$50 trillion, and another economist has predicted that, at 9 per cent annual growth rate, India would overtake China’s GDP by 2045. Whatever is the eventual outcome, India and China would regain their top economic slots after about three centuries of decline. While I am certain that India’s economic rise will be peaceful, only time will tell whether China’s People’s Liberation Army will get back to the barracks and allow China to rise peacefully, for the benefit of all.

India is aware of the global changes (where China is shaping the maritime arena to suit its national interests), and the twin threats of piracy and terror, and has taken some ameliorative measures:

- It cannot rise as a global economic power, with poverty-stricken neighbours in South Asia and the IOR. Hence, despite its own numerous challenges, it continues to reach out to its neighbours with some economic assistance (its work in Afghanistan is noteworthy) and encourages mutual trade among South-Asian Association for Regional Cooperation (SAARC) nations. In this endeavour, India has succeeded with all SAARC nations except Pakistan, which continues to harbour grand designs of leadership of the Islamic world, while also using terror as an instrument of state policy.
- Aware of its growing energy needs India is also reaching out to the Central Asian Republics and has recently applied for membership of the Shanghai Cooperation Organisation.
- In addition to its growing ties with the United States, India is also an active member of BRICS and IBSA. It is also a member of the G20. To press its claims for a permanent United Nations Security Council seat, India is a member of the G4 (others are Japan, Brazil and Germany).
- In 2006, India along with another 12 Asian nations (China, Sri Lanka, Brunei, Bangladesh, Vietnam, Indonesia, Japan, Laos, Singapore, Thailand, Philippines and Myanmar) ratified the Regional Co-operation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). ReCAAP has its information sharing centre in Singapore, which augments the efforts of the piracy reporting centre, Kuala Lumpur (formed by a private body of ship owners known as the International Maritime Bureau).
- While the ReCAAP basically involves Asian coastguard services, in 2008, the Indian Navy hosted the first Indian Ocean Naval Symposium (IONS) which was attended by heads of 32 IOR navies (including Australia) and coastguards, to institutionalise a mechanism to cooperate at sea, for search-and-rescue and humanitarian assistance and discuss means to counter piracy and maritime terror. At the inaugural IONS, the Indian Prime Minister delivered the keynote address in order to display India's commitment. The second IONS met at Abu Dhabi in 2010, attended by 26 heads of navies and coast guards. Pakistan, in both cases, was represented by its Defence Attaché. The third IONS is scheduled to be held in South Africa in 2012.
- India has a warship permanently stationed in the Gulf of Aden on anti-piracy patrols and has a number of naval and coast guard units on counter-piracy patrols within 300 miles of its coast, where it has destroyed or captured four Somali pirate mother ships in the last four months.
- Within its economic constraints, India is building up its military power (including naval power and ballistic missile defence) to deter any misadventure by China and/or Pakistan. Also, given the Mumbai terror attacks of 26 November 2008, India is investing heavily in its homeland security system.

Conclusion

We are living in very exciting and challenging times. The inevitable rise of China and India, after a gap of over three centuries, will throw up numerous challenges and opportunities, as mankind passes through its periodic cycles of rise and fall of civilizations. Indeed, India and China figure prominently in any list of "comprehensive national power" or "global power", and are expected to be among the top three economies by 2050. In my opinion, the United States will

continue to remain in the top three economies, and will perhaps be the only sea-power with a navy capable of sustained operations in the Atlantic, Pacific and Indian Oceans, while both India and China are likely to have two-ocean navies capable of operations in the Indo-Pacific Region. Some nations will utilize the emerging opportunities to cooperate economically and build a better world, while a few others, with fundamentalist ideals, will hurtle back to the mediaeval ages or simply disappear. India, despite some hiccups, is definitely on the right side of history.

The Author:

Vice-Admiral Arun Kumar Singh retired as Flag Officer Commanding-in-Chief of India's Eastern Naval Command in 2007. Over four decades of distinguished service, Admiral Singh established himself as a leading figure in India's submarine service – commanding several ships and submarines, serving as Captain of India's first Kilo-class submarine squadron in 1988 and becoming the first ever Commander Submarines (East) with Foxtrot-class and Kilo-class submarines under his direction. He has conducted joint exercises with the navies of China, Japan, South Korea, Vietnam, Singapore, Thailand and Indonesia and, as Director-General of the Indian Coast Guard, coordinated rescue operations in India, Sri Lanka and the Maldives following the devastating 2004 Indian Ocean tsunami. Admiral Singh was also Commander-in-Chief of India's joint Andaman and Nicobar Command before finally assuming command of the Eastern Naval Command. He is a recipient of three medals for distinguished service, viz. the Param Vishisht Seva Medal (PVSM), the Ati Vishisht Seva Medal (AVSM), and the National Medal (NM).

Post retirement, Admiral Singh has addressed various seminars and professional institutions in India and abroad and has become an internationally-noted strategic analyst and commentator. He has written prolifically on maritime, missiles, nuclear, strategic, ballistic missile defence, and coastal security issues. He is a life member of the India International Centre (New Delhi) and the United Service Institution of India. He was elected to the latter's National Council in January 2011 for three years.

After delivering this oration, he was presented with the 2011 Blamey Medallion by Major General D. J. McLachlan, AO (Ret'd), Chairman of the Field Marshal Sir Thomas Blamey Memorial Fund, and was elected an honorary member of the Royal United Services Institute of New South Wales.