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# The Political and Economic Significance of Indian Ocean: An Analysis

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## Abstract

Indian Ocean has gained tremendous importance over the years and has now become the most concerted area where global economic activity conjoined political interests. It is a home to world's busiest waterways and chokepoints such as the Suez Canal, Bab al-Mandeb, Strait of Hormuz and the Strait of Malacca. All these chokepoints and waterways are highly important for the rising nations of the world. This is why world's major economic as well as political concentration has shifted towards the Asian and African continents which border Indian Ocean at large. This aims to unveil the emerging Economic and Geopolitical significance of Indian Ocean by highlighting the evolving roles of India China and the USA in Indian Ocean, and by delineating the geographical features of this mighty ocean.

Key Words: Strait of Hormuz, Strait of Malacca, Bab-el-Mandeb, Chabahar and Gwadar Deep sea Ports, Imperialism and Colonization, Emerging Roles of USA, China and India

# Introduction

The geopolitical analysts have viewed the configuration of earth on the bases of arrangement of lands and waters and interconnecting lines of these two phenomena. Most of the geopolitical concepts date back to more than hundred years ago, and analyzed the reciprocal relations between men and the state and natural environment. The division of earth has based upon: (i) The Land Continental hemisphere and (ii) the water hemisphere (oceanic).Indian Ocean over the time has become one of the most important Oceans of the world with respect to the growing economic activity of this globalized world. It is the third largest Ocean of the world being neighbored to Asia in its north, Africa to its west, Indo China to its east while Antarctica lies in its south. It ranges from north to south from the Bay of Bengal to Antarctica with estimated area of 9600 kilo meters, while it extends from west to east from Southern Africa to Western Australia with

the range of 7800 kilo meters (D. Rumley , S. Chaturvedi & M. T. Yasin (Eds.), 2007)

Indian Ocean covers almost 20 per cent of the world's water. Its total area is about 68.556 million square kilo meter and it is almost 5.5 times larger than the United States. The ocean total area includes Andaman Sea, Arabian Sea, Bay of Bengal, Flores Sea, Great Australian Bight, Gulf of Aden, Gulf of Oman, Java Sea, Mozambique Channel, Persian Gulf, Red Sea, Savu Sea, Strait of Malacca, Timor Sea, and other tributary water bodies (Debee, 2011). It also has several small island nations such as the Madagascar, The Seychelles, Reunion Island, Maldives, Mauritius and Sri Lanka. While a cluster of islands forming Indonesia borders the ocean in east. Indian Ocean got its name after the huge Indian subcontinent in its north. It has remained an important area throughout the realms of history due to its unique strategic location and bulk of natural resources. However, in recent periods more with the spread of globalization the significance of Indian Ocean both politically as well as economically has been rapidly increased. Furthermore, ever since the attacks on World Trade Centre on 9/11, 2001, world's major powers including America due to her policy of counter terrorism and more specifically China in order to overcome her distant location vulnerabilities with the Ocean have shifted their focus towards it.

# **Geographical Setting of Indian Ocean**

Following are the vital global shipping routes and choke points of Indian Ocean discussed individually in detail:

- 1. Strait of Hormuz
- 2. Strait of Malacca
- 3. Bab-el-Mandeb
- 4. The Sunda and Lombok straits
- 5. Mozambique Channel
- 6. Ten Degree and Six Degree Channels



Figure: 4.1: Indian Ocean Sea Lanes of Communications and Choke Points Source: http://www.rsis.edu.sg/research/PDF/emerge\_maritime\_security.pdf

## **Strait of Hormuz**

Strait of Hormuz is one of the world's most important waterways or chokepoints. It is the strategic link that connects the oil fields of Persian Gulf, Gulf of Oman and the Indian Ocean. The strait is 48 to 80 km wide but navigation is limited to two 3 km wide channels, both which are exclusively used for inbound and outbound of vessels. It is the only waterway which gives an outlet to the largest oil producing states of the Persian Gulf to an open ocean. According to an estimate the strait carries almost 88 per cent of the Persian Gulf oil to the world (Asia, USA, Western Europe), and almost 20 per cent of the world oil, which makes it to carry nearly 35 per cent of all seaborne oil shipments (Lehman, 2008). On an average day, the Strait of Hormuz carries 3,000 vessels that include oil tankers plus fishing boats. Furthermore, on an average day in 2011 for about 14 tankers carrying 17 million barrels of crude oil and almost 2 million barrels of petroleum products pass out from the Persian Gulf through this strait.

Thus, any disruption in the Strait of Hormuz may possibly lead to the direct effects on the global economy leading to the sharpening of oil prices along with non-availability of energy supplies altogether. As Strait of Hormuz is the only strait that carries Middle Eastern and Persian Gulf's oil, its significance has been manifold throughout the history and has been increasing ever since the phenomenon of globalization spread and interconnected the world. However, in order to prevent the closure of Strait of Hormuz it is important to see who controls or owns this highly important chokepoint. In the north of the strait lies Iran, whereas Oman and United Arab Emirates (UAE) borders south to the strait. The Strait is very narrow and is almost 21 nautical miles wide which makes it impossible for any bordering state to control 12 nautical miles of the coastal area prescribed by the United Nations. Therefore, each side may be able to control 10.5 nautical miles. As to the shipping in the strait, the inbound ships trespass Iran's area while the outbound ships trespass the Omani and UAE area (Cordesman, 2007). In the long term, presence of American naval vessels and a substantial naval carrier task force in the Persian Gulf area may serve as a threat to Iran and thus, it may lead to the closure of the strait in some unhappy circumstances. Recently, Iran has threatened to close the strait because of the fresh layers of sanctions placed by European Union and America herself due to Iran's nuclear program.

## Strait of Malacca

Strait of Malacca is a strait that lies between Malaysia, Singapore and Indonesia. It connects the Indian Ocean with the South China Sea and the Pacific Ocean, this strait serves as the shortest route between the Persian Gulf and its markets in Asia. It remains one of the world's most important routes because of the fact that it allows almost 50,000 vessels to move through the passage every year. Although it has a large capacity to cater a large amount of vessels, it is its narrow channel, the

tiny islands and shallow reefs that brings it to the centre of the risk of collision (Massey, 2008).

Therefore, one of the straits crucial parts where pirate's attacks are often too much common is its point of Phillips Channel in Singapore Strait which is the narrowest point with only 1.7 miles wide. As to the oil flows through the strait, it is recorded that almost 15 million barrels per day cross through the strait, which makes it second most important strait after the strait of Hormuz. Therefore, it carries the oil all the way coming from the Persian Gulf through the Indian Ocean, by crossing the strait to the South China Sea and to the Pacific Ocean towards South Korea, Japan, China and other Pacific Rim states. Strait of Malacca accounts for approximately 30 per cent of the world's trade and around 80 per cent of the petroleum imported by China, Japan, South Korea and Taiwan through this strait (Rumley, Chaturvedi, Yasin, 2007). Therefore, in the event of closure of the strait, there shall be serious consequences regarding high rise in the freight charges and delays in the shipping because other alternative routes of Malacca are substantially very long. On the other hand, the demand of oil from Asia-Pacific is growing with the estimated rate of 2.8 per cent per year against 1.7 per cent of growing rate of the whole world, it is predicted that there will be significant increase in the maritime traffic in the straits of Malacca for the years to come.

## **Bab-el-Mandeb**

Bab-el-Mandeb is the third most busiest and important waterway after -Strait of Hormuz and Strait of Malacca. The strait of Bab-el-Mandeb connects the Indian Ocean with the Red Sea by way of Gulf of Aden. It is 20 miles wide and is divided into two channels; the western channel is 16 miles wide while the eastern channel in 2 miles wide. This strait carries most of the European crude oil imports as it allows the tankers to carry oil from the Persian Gulf through the Suez Canal and then from a pipeline to Europe and United States of America.

The strait has the capacity to cater 3.3 million barrels of oil per day from the Persian Gulf. On the other hand the approximate flow of oil passing through the Suez Canal to Europe and America accounts for some 2.1 million barrels per day (Rodrigue, 2004). However, in an event of closure of the strait, the oil tankers from the Persian Gulf may not be able to reach the Suez Canal and further to Europe and America. Therefore, the alternative route of Bab-el-Mandeb, Cape of Good Hope, could be used in the event of its closure. But then again the transfer of oil tankers all the way from Cape of Good Hope to Europe and America shall maximize the shipping cost while adding up almost 4,750 nautical miles and 12-14 days extra to reach the port of Rotterdam from Persian Gulf. Further, to move forward it will add up 2700 nautical miles and roughly seven to nine days to reach Louisiana Offshore Oil Port (LOOP) to reach US. Currently, the oil transferred from the Persian Gulf through Bab-el-Mandeb routes takes for about 21-22 days to reach Rotterdam and about 31 days to reach LOOP.

# The Sunda and Lombok Straits

The strait of Sunda and Lombok are usually counted as the alternative routes in the event of closure of the Strait of Malacca. The Sunda strait lies between the two Indonesian Islands of Java and Sumatra while connecting the Java Sea with the Indian Ocean. However, the strait is very much shallow and narrow at certain points which make it less significant to be used for carrying heavy oil tankers. On the other hand there are other several problems for navigating in the strait such as the heavy tidal waves, the oil drilling platforms, volcanoes as well as the tiny islands. The Lombok strait which is another alternative route to the Strait of Malacca lies between the two islands of Bali and Lombok. The strait is a safest route and welcomes supertankers because it is much wider, deeper and less congested than the Strait of Malacca. But, if this strait is used instead of Strait of Malacca then it shall add up 3.5 more days and approximately 16000 nautical miles which will definitely raise the transportation cost.

# The Mozambique Channel

Mozambique Channel is another waterway within the India Ocean that lies between the island nation of Madagascar and South east Africa. The waterway is almost 1600 km long while its width varies from 400-950 km. It is highly strategic waterway which carries almost 30 per cent of the world's oil trade and almost 100 per cent of the South Africa's maritime trade. Thus, one of the most serious concerns is the frequent attacks by Somali pirates in this part of the Indian Ocean. Although Mozambique borders this essential and second longest coastline after Somalia, it lacks resources to police the channel on its own. Therefore, the states like South Africa and France have a vital role in these regional waterways. (Luke, 2011)

# **Ten Degree and Six Degree Channels**

Ten Degree and Six Degree Channels are the two channels in Indian Ocean that are ten degrees and six degrees above from the equator respectively. Ten Degree Channel generally lies between the two Indian Islands of Andaman and Nicobar while the Six degree channel lies between the Indian Island of Nicobar and Indonesian Island of Sumatra. As these two channels are close to Indian territories in the Indian Ocean, their significance to India is of great deal. All these waterways and choke points or in other words the strategic Sea Lines of Communications (SLOCs) are important for the concerned states within Asia, Europe and Americas. For the South Asian states three themes that dominate Indian Ocean and its SLOCs revolve around China, India and Economics. Often these chokepoints are considered as the resources whose importance may vary according to the degree of its demand and use. Thus, in the event of globalization, the importance as well as vulnerability of strategic chokepoints has been

increasing. Therefore, chokepoints and their significance for the world trade energy supplies have always remained tremendously important. They are regarded as those strategic waterways whose location limits the amount of circulation that could bypass and whose alternative ways may increase not only the commodity's price but also add up extra days for transferring the same. Three main characteristics define the chokepoints to be resources i.e. Physical characteristics, Usage and Access (Rodrigue, 2004). Therefore, to use chokepoints as resources states concerned are required to overcome any obstacle in a way to ensure these three.

On the other hand with in the Asian peninsula, China and India have seen to remain quite active to ensure the safety of their strategic waterways which carries their essential commodities and energy supplies (Berlin, 2010). Subsequently, the cases of China's and India's activities and power struggle in the Indian Ocean to guarantee the same are discussed.



Figure: 4.2: Oil Flows Through Major Chokepoints, 2003 Source: Rodrigue, J. (2004). Straits, Passages and Chokepoints a Maritime Geo-Strategy of Petroleum Distribution. *Cahiers de Géographie du Québec*, 48(135), 357-374.

## Chabahar and Gwadar Deep sea Ports in Indian Ocean

Due to the significance of Indian Ocean for modern trade and shipping both China and India are funding deep sea ports in the very Indian Ocean. Gwadar, the deeps sea port constructed in Pakistan by China strategically contraints the importance of Chabahar port in Iran much of which is assisted for development and construction by India since 2002. It is India's policy to provide a passage to landlocked Central Asian states and Afghanistan through Iran by lessening their dependence on Pakistan. Therefore, with China- funding, the Gwadar deep sea port project, which is hardly 72 km east of Chabahar port, poses a direct challenge to Indian interests (Jaffrelot, 2011).

However, due to the slow slack functioning of the port and possible vulnerability because of Iran's anti regime Sunni movement in the region,

Chabahar port may further prove to be a challenge for Indian's maritime interests. Furthermore, India sees Gwadar port to have serious strategic implications as an Indian naval chief in 2008 declared that the Gwadar port would empower Pakistan to control strategically important energy sea lanes on the Persian Gulf. Hence, it is also evident that Pak-China cooperation in terms of building Gwadar port and Pak-China Economic corridor is significant due to the possible blockade of Karachi port (which currently holds almost 90 per cent of all Pakistan's sea borne trade) by India. India further believes that Gwadar port can pose some naval implications such as:

- 1. China's plan to make it hub transporting Gulf/African oil through pipelines to the Chinese region of Xinjiang alternating the route of Malacca that piped oil will reduce the transportation cost, supply time, also will allow China to escape from the US monitored shipping lanes.
- 2. Secondly, Gwadar could possibly become a future operating naval base for China which India sees will prove to be Chinese operating facilities around India. Therefore, Indian point of view reveals that Gwadar is not only deep sea port it will benefit China with a naval base, a modern air defence unit, military garrison, huge Chinese built refinery/petroleum storage facilities as well as listening post.
- Thirdly, Gwadar also has the capacity to become a future refuelling point for huge Chinese submarines that shall eventually pile up in the backyard of India.



Figure: 4.10: Chabahar Port vs. Gwadar Port Source: <u>http://www.defence.pk/forums/economy-development/185778-pakistan-china-ink-four-agreements-2.html</u>

However, to further explore the dimensions of Indian Ocean it is important to discuss a brief history of the opening of Indian Ocean to the world.

# **Historical Exploration of Indian Ocean**

The historical exploration of Indian Ocean can be divided into the following phases:

- 1. Prehistoric Era 9000 to 5000 BC
- 2. Ancient Era 5000 to 1000 BC
- 3. Classical Era 1000 BC to 300 AD
- 4. Medieval Era 300 AD to 1450 AD
- 5. First Global Era 1450 AD to 1770 AD
- 6. Industrial and Imperial Era 1770 AD to 1914 AD
- 7. Twentieth Century to the Present



Source: http://www.seafriends.org.nz/oceano/oceans.htm

# Prehistoric Era: 9000 to 5000 BC

The emergence of Indian Ocean took place due to the continental drift which pushed away all the major continents and states to their current positions and paved way for an enclosed Ocean in between. However, the most incredible development in the prehistoric era was the human migration to the Indian Ocean. It was when the sea levels started to rise with the time, the areas that were earlier dry became wetter followed by monsoon rains. Thus, farming emerged in several places around the Indian Ocean; the recorded places are traced back to Southwest Asia between the Nile and the Tigris-Euphrates rivers and then the Indus Valley in Southeast Asia. Farming produced many grains such as barley, wheat and rice along with the cultivation of yams and bananas. Fishing became very evident, thus, all in all the people living around the Ocean had got used to of the wind patterns to experience most with the Ocean (Pearson, 2003).

# Ancient Era 5000 to 1000 BC

The ancient era is characterized by the early seafaring as well as trade that started taking place by the time. It is noted that the patterns of trade along the coasts of

Indian Ocean had already started even before the beginning of agriculture. Originally this trade was any exchange of goods between people, and thus, when people migrated they spread the news of any possible tradable product available. These earlier products were salt, stones, wood and food that were transported over Seas, lands and along coastal areas. However, with the passage of time these sea routes expanded giving way to long oceanic voyages in the eastern and western parts of the Indian Ocean. In the Southeast Asian part of the Indian Ocean, voyages took place among the thousands of islands between the mainland and Australia. These people were commonly called as Austronesians who were the ancestors of mariner-migrants living around Indian as well as Pacific Oceans.

On the other hand in the western end of Indian Ocean the three famous river valley civilizations of Mesopotamia, Egypt and Indus valley started trading by sea. This earlier trade shows the evidence of voyages between the Arabian Gulf and Mesopotamia and thus, with the rise of civilizations and division of labour, the demand of several luxury goods initiated, these goods included the abundant trade of wood, stones, metals, fine ceramics, cotton, wool, copper, gold, silver, turquoise, pearls and coral. Moreover, the surplus grains from Mesopotamia were an important export. Furthermore, the historical weights and seals show that along the coast of Indian Ocean trade also took place with the Indus valley. Mesopotamian societies traded with the Egyptians on camels who travelled all across the coastal routes, land routes as well as deserts. Trade from Africa about Animal skins, feathers and ivory and along the coastlines for fish and shellfish expanded. It is even recorded that the ships might have travelled from the horn of Africa into the Indian Ocean but no traces of these mariners have been left.

## Classical Era 1000 BC to 300 AD

The classical era illustrates the expanded form of trade and contacts that took place in the Indian Ocean. There are more records of trade and connectivity about this era than the previous ones. As the long-distanced trade expanded, mariners now realized the wind patterns of monsoon in the Indian Ocean and also found out how to travel with the stars in the open water. It is also recorded that during the second and third centuries Indian and Arab ships have sailed from the Southern Arabia to Malabar (western coast of India) and back. Likewise, the Austronesians sailed through the west and reached India; from there they settled in the east African island of Madagascar.

In this era the earlier trade among the Mesopotamians and Egypt may have declined because evidence show new sailors from Greece and Rome who entered in the Indian Ocean. There were traces of goods being traded between Mauryan Empire of India, the Persian Empire, the Roman Empire in Europe and the Han dynasty in China. Many products such as cloth, ceramic, pottery, metal wears, glass, beads, incense, rare woods, and spices, pearls and coral were found on the Indian coasts. Silk from China was also imported by other empires. Other famous crops grown near the Indian Ocean coastal area started being exported elsewhere

and became famous. Another development in this phase was the spread of several religions including Buddhism, Hinduism and Jainism which allowed even more travelling and migration of missionaries across the ocean. However, the trade expanded even more due to the silk route that connected east with the west in a short distance.

## Medieval Era 300 AD to 1450 AD

This era is explained with the networks of exchange across the hemisphere. Two major changes took place in the western as well as the eastern parts of the Indian Ocean which affected the trade. In the eastern part the Chinese dynasties of Song and Tang had given rise to the marine trade as earlier dynasties only paved way for Silk Road. Further, the Chinese started to import Indian Ocean goods that included spices and cotton, while exported the goods such as silk and porcelain. These were the Tang rulers who had encouraged trade, industry and river transport to bring goods to port. According to the sources from that time, almost 4,000 ships per year visited the Guangzhou (Canton).

However, this pattern of trade was disrupted by the Mongol invasions of Japan and Southeast Asia in the 13<sup>th</sup> century. Later, the earlier pattern of trade was restored by the Ming dynasty in China. On the other hand, in the western part of Indian Ocean religious affinity grew with respect to the spread of Islam by Prophet Mohammad (P.B.U.H). Thus, in that part large territories came under the Muslim rule governed by the Umayyad and the Abbasids. Under the Muslim rule, trade expanded in the western parts of the Indian Ocean as the lands controlled by Muslims were wealthy, demand of all kind of goods was also high. Science, learning and arts were the major attraction along with the crops such as sugar, rice, hard wheat, vegetables and fruits that spread from east to the west (Pearson, 2003). No Muslim empire had ever deliberately tried to control the trade in the ocean. But due to the spread of merchants Islam grew rapidly in the lands neighbouring Indian Ocean, along the Silk Road and in to the West Africa. As the road links connected the Arabian Gulf and Mediterranean, the Byzantine, Italian and Persian empires used to carry goods to western and northern lands. Thus, European Crusaders after leaving the Eastern Mediterranean after the 11<sup>th</sup> and 12<sup>th</sup> centuries developed the taste for eastern goods which deliberately extended the demand (Green, 2011).

India had also served as an important gateway for trade in the medieval era, as on the Malabar and the Coromandel coasts of Gujarat and Bengal connected colonies of traders. At that time the Gupta (320-550 AD) and the Chola Empire (800s-1300s AD) were major Indian empires with wide prosperity. On the other hand, the region of South East Asia and Malay was also very active in trade. As the traders chose the route from Strait of Malacca and reached China. Thus, ships and navigation flourished during this era (Smith, 1997).

#### First Global Era 1450 AD to 1770 AD

This phase is characterized with the Indian Ocean being at the beginning of World Trade. Changes to the Indian Ocean have already been taking place in the earlier phases but one of the most significant changes that occurred was the entry of western and northern European mariners in to the Indian Ocean. As European cities were growing with the time, their demand for luxurious goods also grew. In this regard, Marco Polo's journey to China and his return via Indian Ocean demonstrates the growing European interests.

Later, when Spain fell to the hands of Christians Spaniards and Portuguese, they translated the knowledge about navigation and maps from Arabic to Latin. This was how knowledge flowed into Europe which led them to cross Atlantic and Indian Ocean to reach West Africa that had ultimately led them to initiate slave trade and build colonies (Smith, 1997). Both the Spaniards and Portuguese tried to control the trade in Asia but they were resisted by the great Ottoman Empire, however, they couldn't succeed but did leave their impact on Asian trade.

In Europe, Dutch East India Company (VOC) emerged and entered in the Indian Ocean, with that the power of Portuguese declined and VOC remained dominant in the Indian Ocean until 1680. Subsequently, the British East India Company followed the pattern and entered in the Indian Ocean. Unlike the Dutch they established factories, introduced new methods of production and gained advantage from the growing European demand of cotton, silk, coffee and tea. Because, the Europeans had little to offer in trade to Asia they used to pay back with silver and gold.

Between the period of 1600 and 1800, the Europeans had dominated the Indian Ocean, because they brought new techniques, new products, and new methods of navigation, introduced finance and banking system, gained taxes and actually overtook the control of major production. Along with that, the European missionaries also played an important role, they built missionary schools, and through migration they themselves learnt about different cultures and languages. One major development with the advent of Europeans was the improved technique of navigation in the Indian Ocean, as they brought with themselves the Compass, the stern rudder, the lateen sail and the new methods of hull construction. However, even then sailing was still very dangerous as many ships lost on their long voyages from Europe to Indian Ocean (Smith, 1997). Thus, another possible factor was the rise of both official and unofficial pirates who attacked the ships.

#### Industrial and Imperial Era 1770 AD to 1914 AD

This era is famously associated with linking the seven seas under western control. During the nineteenth century several major changes took place and people living in Indian Ocean responded to these changes differently. Following can be listed as the major changes in this period:

# Industrialization

The old pattern and methods of production were replaced with the manufactured goods produced in the factories set up by the Europeans and the British. This very development had in a way or other closed the businesses of people living in the Indian Ocean region and made them the consumers of finished goods produced by Europeans and British. The manufactured products were somehow cheap than the hand made products, thus, one of the saddening case was with the textiles of India when British set up textile industries against Indian handicrafts.

# **Transport and Communication**

Another development during this phase was regarding transportation and communications system. The steamships were improved, they no longer depended upon the wind to find their ways in the middle of Ocean, new engines were designed, and steel was used replacing wood to build them. Furthermore, these developments cut the journey from months to weeks and days. Tourism developed along with the roads and railways that transferred people and goods through the ocean. Two very important canals were built that actually affected the Indian Ocean i.e. The Suez Canal (1869) giving shortest route from Europe to Middle East and then to Indian Ocean and the Panama Canal (1888-1914) shortening routes and speeding oceanic voyages between Atlantic and the Pacific Oceans.

## **Imperialism and Colonization**

Another major development was the turn by turn takeover of the Indian Ocean governments by the Europeans. British were successful in occupying India while Dutch and French had divided among themselves the African colonies. Cheap raw material was the factor why they were colonized and European economies boomed. While the colonizers justified their occupation with the mission of civilizing the Indian Ocean region, to modernize lands and cultures.

## **Twentieth Century to the Present**

This phase is characterized with globalization of trade, communication and culture. In this phase rapid developments took place in the world. During both the world wars and cold war, major concentration had remained on the Southern part of the world or in other words the Indian Ocean region mainly because these states were held as colonies by the imperial powers due to the natural resources that were present in this Region. Thus, Indian Ocean remained at the centre of global politics. Indian Ocean was directly affected when Japan occupied the territories in the Russian Pacific coast to Burma in South East Asia and when Hiroshima and Nagasaki were bombed (Sheth, 2002).

Later, during the cold war all the colonies including Indian Ocean Region states started to regain their independence and formed a Non Aligned Movement against the bloc politics. However, when they were independent most of the states from Africa and Asia were weak to compete with the global economic standards. Thus, only a few states such as Indian, Malaysia, China and Korea had successfully followed industrialization while Arabian Peninsula and Gulf who had nearly half of all proven oil resources of the world used oil as a major product of trade and met with global energy demands. Furthermore, almost 40 per cent of the world's offshore oil production comes from the Indian Ocean.

During this period the process of globalization spread rapidly and the world was now more interconnected than ever. This process proved to bring uneven results for the world. One of the most important challenges faced due to globalization is environmental, as world got interdependent; people located natural resources and started heavy migration. Thus, the rapid use of natural resources had caused global warming that led to the melting of polar ice caps which made sea levels high more than ever before. This change had caused the Tsunami of 2004 and the Nargis Cyclone of 2008. Moreover, in the Indian Ocean, species extinction due to habitat loss is the major issue being discussed till present.

#### **Emerging Roles of USA, China and India**

It was in 1963, when Professor Saul Cohen laid out two most important geostrategic regions of the world i.e. 1) The trade dependent maritime world and 2) The Eurasian Continental World, however, one more emerging geo-strategic region called the Indian Ocean realm could be added up as a third most important geo-strategic regions of the world. A geo-strategic region combines all those features that are globe influencing for example, location, movement, trade orientation, and cultural or ideological bonds. Thus, the Indian Ocean Region (IOR) tends to include all these characteristic that makes it a globally influencing region of the world (Dowdy & Trood, 1983).

China is rigorously building up its naval presence in Indian Ocean, which is being viewed as emerging threats for the interests of India and US as well. The strengthening of China's maritime power, named "Far Sea Defense" is tasked to achieve two main objectives. These are, first to conserve China's maritime security (including its territorial seas and EEZ); and second to enhance and secure its maritime economic interests, specifically in the IOR and West Africa. The Rear-Admiral Zhang Huachen, the deputy commander of the East Sea Fleet, reiterated that "with the expansion of the country's economic interests, the navy wants to protect the country's transportation routes and the safety of our major sea lanes." In terms of the practical requirements for implementing FSDS, he added that, "in order to achieve this, the Chinese Navy needs to develop along the lines of bigger vessels [and] with more comprehensive capabilities." (Joseph Lin, 2010. & Edward Wong, 2010)

As the second big player in the Indian Ocean, the strategic enhancement of Indian naval presence intertwined both security and economic interests. India fulfills its 89 percent of oil requirements by importing via sea. As being the major stakeholder in Indian Ocean trade and commerce activities in respect of imported crude oil, raw materials, and consumer goods, the country's exports. It has become essential for India to ensure the security of SLOCs from the Persian Gulf, Europe, and East Asia. The security of these vital shipping lanes is also linked with India's dependence on the security of the Indian Ocean, combined with its need to monitor and, if necessary, check the naval activity of other regional powers.

The Indian Navy's presence has touched to 40 ships and submarines, two nuclear submarines, two aircraft carriers. This would go up to have a 165-ship fleet by 2022 ranging from surface combatants, submarines to three aircraft carrier groups with a total of 400 MiG-29K aircraft and helicopters. Sanjay chaturvedi (1998) viewed it as "This would result in the change of balance of power in the Indian Ocean, with a tilt decisively in India's favour' Donald Berlin, professor at the Asia-Pacific Center for Security Studies in Honolulu, and an expert in maritime strategic issues has observed this evolving role of India in the IOR:

New Delhi regards the Indian Ocean as its back yard and deems...that India functions as, eventually, the predominant influence in this region...In the expansive view of many Indians, India's security perimeter should extend from the Strait of Malacca to the Strait of Hormuz and from the coast of Africa to the Western shores of Australia." (2006)

The growing competition between China and India in Indian Ocean and US response add a new dimension to its geopolitical significance. Though, the flow of energy and trade is China's first concern, but its activities are watched over by India through strategic calculations. China is involved in enhancing a political and economic influence over Africa, by investing billions of dollars in industries such as oil, mining, transport, electricity generation, telecommunications and infrastructure. This would ensure a successful access to energy resources and raw materials, which are crucial to its development and growth. This is simply a new geopolitical orientation of Chinese policy towards energy resources which would have far reaching impact on development, competition and conflict of interests between China USA and India. Presumably this would become the characteristic feature of Indian Ocean's geopolitical significance in the 21<sup>st</sup> century.

The US after abandoning its long cherished policy of isolationism in the wake of second World war initially had been in the view to only concentrate on Pacific and Atlantic Ocean due to its post- world war two geopolitical orientation of Containment of Communism. The geo-political codes of Soviet Union also led it to focus on Pacific and Atlantic oceans. However, soon the changing trends of cold war's intricacies of International politics dwindled down this strategic neglect of Indian Ocean. Two factors were of paramount importance in this respect, first was the British withdrawal from the Indian Ocean in 1970 which was presumed to be a serious potential threat to western interests in the Indian Ocean region. Second was the Arab Israel conflict in 1973 and consequent oil embargo. The Indian Ocean embraces the oil and energy rich Muslim countries which were directly involved in the conflict with Israel. There had been a perception among the US strategists that was very far from reality that Soviet Union would essentially fulfil the power vacuum created in consequence of British Withdrawal. This potential threat necessitated for a credible US naval presence in the Indian Ocean. For this Diego Garcia was chosen as naval base to arrange military communication facility. The purpose was first to enhance the US navy communication in the central and north western region of the ocean, and second to tie this region with global US military capabilities from Ethiopia to the north Western Coasts of Australia. The US maintained through- out the Cold War period its deterrence in the Indian Ocean.

The post-cold war and post 9/11 geopolitical orientation of the USA in Asia is marked by the majorly three factors, one is growing Islamic identity and integrity from the Middle East to Pacific, second the struggle for influence on Central Asia and changing patterns of this region and third the ever increasing presence of China and India on Indian Ocean. (Kaplan, Robert 2009). The Indian Ocean ranks as central point of gravity in all these influences. The growing threat of resurgence of Islamic identity as a common bond, though it is more visible in non-state actors can only be dealt with by enhancing presumably its presence and involvement in the IOR states. Whether then it happens by virtue of Afghanistan or Kazakhstan, or by viewing India as potential strategic partner for future needs. The bulging up of Indian Navy, in the words of Robert D. Kaplan "will function as an antidote to Chinese military expansion." Besides it the other concern are International terrorism, religious extremism. Since 9/11 a fundamental change occurred in the patterns of relationships between both the countries, as now no cold war era's estrangement seems to take any place in their attitude towards each other. (ibid)

Since 2000, these two important players of regional and extra regional politics have been evolving a new kind of cooperation, especially focusing upon security. This cooperation included Indian naval protection of U.S. shipping in the Malacca Strait in 2002, a close partnership in responding to the 2004 tsunami, combined military exercises, U.S. warship visits to India, a dialogue on missile defense, Washington's "goal is to help India become a major world power in the 21st century. We understand fully the implications, including military implications, of that statement."35 This declaration was followed, in June 2005, by a bilateral accord, a ten-year "New Framework for the U.S.-India Defence Relationship," that strongly implies increasing levels of cooperation in defence trade, including coproduction of military equipment, cooperation on missile defence, the lifting of U.S. export controls on many sensitive military technologies, and joint monitoring and protection of critical sea lanes.36As a reflection of the reality of the situation the US now finds itself in regarding Indian

Ocean, author Robert Kaplan describes the US position in the region as one "where the rivalry between the United States and China interlocks with the regional rivalry between China and India, and also with America's fight against Islamic terrorism in the Middle East, which includes America's attempt to contain Iran."(Robert Kaplan, 2010).

Though, there seems situation to appear with minor changes owing to signing of Geneva pact between Iran, and six big powers on 24 Nov 2013.

One of the most prominent vulnerability of India comes with the fact that currently it doesn't control any chokepoint on Sub continent coast through which international shipping must pass, therefore, Gwadar with or without intention has the capacity to create hurdles for India's strategic position.

Conclusively it can be said that geo-political significance of IO would rise and strengthen because , its littoral states possess more than two thirds of the world's oil reserve, and roughly 35 per cent of the world's gas reserves, 60 per cent of uranium, 40 per cent of gold and 80 per cent of all diamond deposits. It has served as a catalyst for many nations. Japan imports almost 90 per cent of its oil from the IOR, Italy 85 per cent, Britain and Germany 60 per cent and France almost 50 per cent. Indian Ocean is also important because of the industrial raw materials it possesses. These include lithium, beryllium, zirconium, thorium, coal, iron, copper, manganese, tin, bauxite, chromite, nickel, cobalt, vanadium and phosphates (Michel, Fuller & Dolan, 2012). Although it serves an immensely significant strategic location, no nation in the world had ever tried to virtually dominate it until the United Kingdom's policy of controlling most of Ocean's surrounding parts in the 1880s (Laipson & Pandya, 2009).

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