

Sea Indian Ocean

Indian Ocean Strategic Studies Inc., New York, USA



Mission

Indian Ocean is at the heart of international geo-politics. Some 80% of the world's maritime oil trade flows through three narrow passages of water, known as choke points, in the Indian Ocean. This includes the Strait of Hormuz—located between the Persian Gulf and the Gulf of Oman—which provides the only sea passage from the Persian Gulf to the open ocean. Geo-Politically, the Indian Ocean is becoming a pivotal zone of strategic competition. It is also our belief that national security and human security issues as well as ecological and environmental concerns in the Indian Ocean region are linked to the state of individual, social, ethnic, cultural, linguistic, political, economic and collective rights of people in the region. This newsletter is therefore deeply committed to sharing ground realities, experiences, knowledge and global insights on peace, development and conflict resolution issues as well as the state of human rights and justice in the Indian Ocean region.

Maritime Competition in the Indian Ocean

Darshana M. Baruah

Testimony before the U.S.-China Economic and Security Review Commission

The importance of the maritime domain and the Indian Ocean as an essential strategic theatre is re-emerging in Indian strategic calculations today again, after a period of lull, mainly due to growing competition with China.

Despite political hesitations where Indian leadership failed to recognize the importance of its maritime environment, the Indian Navy has always prioritized the Indian Ocean as an important theatre. It is a key trading route and home to chokepoints critical for energy transitions. (See image 1). From a naval and maritime perspective, the Indian Navy understands the importance of the region and the domain in both establishing itself as a key player as well as in securing its interests. While the Indian Ocean is a critical trading route especially for energy vessels for nations beyond the region, Delhi's own trade and energy routes to the Persian Gulf are dependent on a safe, secure, open and stable Indian Ocean region. The Indian Navy today prides itself as a first responder to the region and discusses its capabilities, capacities and challenges in providing net security to the region. The Navy's 2015 Maritime Security Strategy lists shaping "a favorable and positive maritime environment, for enhancing net security in India's areas of maritime interest"² as one of its aims and objectives. While it is the political leadership who decides and shapes India's areas of interests, the Indian Navy considers the entirety of the Indian Ocean, from the eastern coast of Africa to the Lombok Straits including Arabian Sea, Bay of Bengal, Persian Gulf, Gulf of Oman,

Aden, Red Sea and its littorals as its "primary areas of interests".

From a political perspective, India traditionally divides the Indian Ocean is traditionally divided into the eastern and western Indian Ocean and prioritizes its engagements and presence in the eastern Indian Ocean. The northern Indian Ocean including the Arabian Sea, Bay of Bengal and the Persian Gulf constitute India's primary areas of interests. Among the Indian Ocean regional islands, India has traditionally placed greater attention on Sri Lanka and Maldives as its immediate maritime neighbors followed by strategic cooperation and interest with Mauritius and Seychelles. Madagascar and Comoros lie at the peripheral end of India's Indian Ocean outreach. Continental sub-groupings have played a significant role in this division of the both the Indian Ocean and the approach to its resident nations. While Sri Lanka and Maldives are part of South Asia and its sub-regional groupings, Mauritius, Seychelles, Madagascar, and Comoros are part of Africa. A greater diaspora in Mauritius and Seychelles, in comparison to Madagascar and Comoros meant the Port Louis and Victoria have been part of India's strategic outreach and engagements in the Indian Ocean.

However, to better understand the Indian Ocean region today, and its many dynamics, players and interactions, it is important to view the ocean as one continuous region, from eastern coast of Africa to the Western Coast of Australia.

Sri Lanka and Its Economic Crisis

The severity of Sri Lanka's economic crisis is evidenced by the fact that the country is being widely pointed to as a textbook case of how an economy should not be managed. The past few months have seen extreme fuel and gas shortages, currency depreciation leading to near hyperinflation, shortage of medicines, and long power cuts largely due to a shortage of foreign exchange.

Sri Lanka still has a long way to go to come out of this crisis, which has been a long time in the making. Decades of fiscal deficits, current account deficits, a bloated public sector, diminishing tax revenue, and subsidized prices have led to this state. Currently, the country is looking at an IMF bailout, for which it needs to restructure its debt. Debt restructuring can be complicated, especially with China, which prefers to refinance loans instead of restructuring approaches. One of the international sovereign bond holders taking the Sri Lankan government to courts sets a dangerous precedent for the country.

As the economy teeters on the brink, navigating the crisis will require long overdue extensive economic reforms, which could very well be the silver lining to Sri Lanka's economic recession.

For a detailed report see: <https://thediplomat.com/2022/08/how-sri-lanka-can-overcome-its-economic-crisis/>

Economic Policy Missteps in the Last Few Years

Many policies of the administration of former President Gotabaya Rajapaksa led to the aggravation of the economic crisis. The tax cuts given in 2019, when Sri Lanka was already seeing low tax revenues, led to larger fiscal deficits, resulting in international ratings agencies downgrading Sri Lanka, effectively shutting the country out of international capital markets. The COVID-19 pandemic, which led to a fall in tourists and in remittance sent home by Sri Lankans working abroad, further exacerbated the situation. The chemical fertilizer ban was another mistake, as admitted by the former president himself, which led to agricultural output decreasing significantly. Fixing the currency exchange rate at 203 Sri Lankan rupees to the U.S. dollar by using up foreign reserves and deferring engagement with the IMF led the economic crisis to spiral out of control.

But a large share of the blame lies in the structural issues of the Sri Lankan economy. Macro risk factors, such as a 26-year-long civil war, cultural predispositions against foreign direct investment, public skepticism about privatization, populist policies, and low taxes have all led to where the country is at the moment.

East African Ports Competition over Indian Ocean Trade Market Share

The new report published by GBS Africa, East African Ports Competition over Indian Ocean Trade Market Share, reveals some interesting insights into the viability of port development. According to the report, investments with long term vision have greater opportunity to become strategic assets for the nation and its neighboring region.

"Landlocked countries such as the Democratic Republic of Congo (DRC), Malawi, Uganda, Zambia, Rwanda and Zimbabwe are increasingly choosing Dar es Salaam over Mombasa," the study says. With congestion being the main driver for investors either switching to or increasing their activities in the Tanzanian hub or Berbera Ports.

The first phase expansion of Berbera ports has already placed Berbera port as a major player in Africa and competitor with traditional hubs. With works on the second phase expansion of port and integration with the special economic zone, and ongoing developments along the Berbera Corridor, reflects the confidence in developing Berbera into a significant, world-class centre of trade. It will be a viable, efficient and competitive option for trade in the region, especially for East Africa hinterlands transit cargo.

The Red Sea has increasing economic impor-

tance as a result of the large oil reserves throughout the region and precious metal resources. Few have explored the potential of mineral deposits along the coast with vast amounts of zinc, copper, silver, gold and elements such as cadmium, cobalt and hydrocarbons found in the isolated depths of the Red Sea.

Berbera is the true access key of the Red Sea, the centre of East African traffic, and the only safe place for shipping upon the western Eritrean shore, from Suez to Guardafui.

The Berbera sea Port is located on the south Coast of the Gulf of Aden at the Coordinate 10.26 degrees North and 45/1 Degrees East and is Approximately 250KM East of Djibouti. Ships from the red Sea approach Berbera towards the Southeast and those from the Gulf States turn Southwest.

The Red Sea, with its connection to the Suez Canal, is one of the world's busiest shipping lanes, offering an alternative to the route around the Cape of Good Hope. It's an essential channel, crucial to maintaining many countries' political and economic stability.

The Red Sea is of huge strategic importance lying between the continents of Asia and Africa, separating the Middle East and the Far East as well as Europe and Asia.

For a detailed report see: <https://borkena.com/2022/08/05/business-east-african-ports-competition-over-indian-ocean-trade-market-share/>



Saudi-Moroccan trade jumps thanks to Jeddah Islamic Port

Jeddah Islamic Port (JIP) has seen trade with Morocco jump 117% this year through the promotion of national exports with six key shipping lines, the Saudi Ports Authority (Mawani) said.

“Jeddah Islamic Port represents an ideal launchpad towards Moroccan ports in view of its presence on the Red Sea maritime trade network, in addition to its world-class operating capabilities that include four terminals and 62 multipurpose berths with depths ranging from 7.5 meters to 18 meters over an area of 12.5 square kilometers, and an annual throughput capacity of 130 million tons,” Mawani said.

JIP handled 60.6 million tons of cargo, as well as a total of 4.88m teu of containers, a figure which included 2.76m teu of transshipment boxes, in 2021. Mawani did

not say which periods were being compared in the recording of the 117% growth.

In January, it announced the launch of new shipping services from JIP, bolstering partnerships with some of the world’s largest shipping lines, such as Hapag Lloyd, CMA CGM, COSCO and ONE, and connecting the Middle East to Europe and North Africa, and the Indian sub-continent, through key ports, especially Tangier Med in Morocco and Algeciras in Spain.

It said one of the new lines would link JIP with the Indian Ocean and northern Europe. “The service will consist of seven vessels with a capacity equivalent to 8,500 standard containers per vessel, approximately 48 vessels per year, which will allow a greater cargo capacity,” it said.

For a detailed report see: <https://www.seatrade-maritime.com/ports/saudi-moroccan-trade-jumps-thanks-jeddah-islamic-port>

Wet spring ahead: Australia braces for more rain as BoM declares negative Indian Ocean dipole

A negative Indian Ocean dipole event has been declared, increasing the chances of above-average rainfall over much of Australia during the rest of winter and spring.

It is believed to be the first time since reliable records began in 1960 that negative Indian Ocean dipole events have occurred two years in a row.

The Indian Ocean dipole is determined by sea surface temperature differences between the eastern and western Indian Ocean. The climate phenomenon affects rainfall and usually begins in late autumn or winter.

In a negative dipole event, warmer water concentrates in the eastern Indian Ocean and moisture-rich air flows towards Australia.

The last negative Indian Ocean dipole began in July 2021, the first in five years.

For a detailed report see: <https://www.theguardian.com/australia-news/2022/aug/02/australia-weather-bom-declares-negative-indian-ocean-dipole-iod-more-rain-wet-spring>

Ben Domensino, a meteorologist with Weatherzone, said the event increased the likelihood of above-average rain over parts of Australia for the next three to four months and has prompted concerns after so much rain already in the country’s east this year.

“The IOD doesn’t have much of an influence on rainfall in south-western WA, or Tasmania and far north Queensland.”

He said the declaration on Tuesday is “confirmation that we’ve been in a negative Indian Ocean dipole pattern for the last eight weeks”.

The Bureau of Meteorology said in a statement that “all five international climate models surveyed ... anticipate a negative IOD is likely to persist through to November” and that “it also increases the chances of warmer days and nights for northern Australia”.

Shinzo Abe: A Legendary Geopolitical Strategist Who Transformed Japan.

Shinzo Abe and the Indo Pacific

Shinzo Abe has been a guiding light for the Indo-Pacific. He was perhaps the first global leader to stand up to China and call upon democracies to converge in the Indian and Pacific Oceans to preserve freedoms that Beijing was beginning to view as a hindrance to its own devious plans for the region. In 2007, Shinzo Abe addressed the Indian Parliament, in what became a historic speech that would shape India’s strategic outlook in the Indo-Pacific for decades to come.

The speech, titled “Confluence of the Two Seas”, called on India to “think big”. It was upon his insistence that India realised how it could block the Malacca Strait and choke the life out of China in the event of a conflict. Shinzo Abe told New Delhi in no uncertain terms that

India’s “geopolitical footprint” should not be confined in the Indian Ocean alone. Under Abe’s leadership, India’s ties with Japan flourished like never before, with Tokyo pledging billions of dollars in investments, especially in the Northeast.

For Shinzo Abe, the Indo-Pacific was a region that could not be lost to China under any circumstances. The man is referred to as the “father of Quad”; not without reason. It was Abe who formalised the quadrilateral partnership between India, Japan, the United States and Australia in the aftermath of the devastating Indian Ocean tsunami of 2004. Within three years, Quad was formalised into an alliance of sorts but fell silent after Barack Obama’s rise to power in the United States.

For more <https://www.news18.com/news/opinion/shinzo-abe-a-legendary-geopolitical-strategist-who-transformed-japan-5519047.html>



HISTORY - ARCHIVES

Indian Ocean Trade Routes - Kallie Szczepanski

The Indian Ocean trade routes connected South-east Asia, India, Arabia, and East Africa, beginning at least as early as the third century BCE. This vast international web of routes linked all of those areas as well as East Asia (particularly China).

Classic Period Indian Ocean Trading

During the classical era (4th century BCE–3rd century CE), major empires involved in the Indian Ocean trade included the Achaemenid Empire in Persia (550–330 BCE), the Mauryan Empire in India (324–185 BCE), the Han Dynasty in China (202 BCE–220 CE), and the Roman Empire (33 BCE–476 CE) in the Mediterranean. Silk from China graced Roman aristocrats, Roman coins mingled in Indian treasuries, and Persian jewels sparkled in Mauryan settings. Another major export item along the classical Indian Ocean trade routes was religious thought. Buddhism, Hinduism, and Jainism spread from India to Southeast Asia, brought by merchants rather than by missionaries. Islam would later spread the same way from the 700s CE on.

Indian Ocean Trade in the Medieval Era

During the medieval era (400–1450 CE), trade flourished in the Indian Ocean basin. The rise of the Umayyad (661–750 CE) and Abbasid (750–1258) caliphates on the Arabian Peninsula provided a powerful western node for the trade routes. In addition, Islam valued merchants—the Prophet Muhammad himself was a trader and caravan leader—and wealthy Muslim cities created an enormous demand for luxury goods.

Between the Arabs and the Chinese, several ma-

major empires blossomed based largely on maritime trade. The Chola Empire (3rd century BCE–1279 CE) in southern India dazzled travelers with its wealth and luxury; Chinese visitors record parades of elephants covered with gold cloth and jewels marching through the city streets. In what is now Indonesia, the Srivijaya Empire (7th–13th centuries CE) boomed based almost entirely on taxing trading vessels that moved through the narrow Malacca Straits. Even the Angkor civilization (800–1327), based far inland in the Khmer heartland of Cambodia, used the Mekong River as a highway that tied it into the Indian Ocean trade network.

Europe Intrudes on the Indian Ocean Trade

In 1498, strange new mariners made their first appearance in the Indian Ocean. Portuguese sailors under Vasco da Gama (~1460–1524) rounded the southern point of Africa and ventured into new seas. In 1602, an even more ruthless European power appeared in the Indian Ocean: the Dutch East India Company (VOC). Rather than insinuating themselves into the existing trade pattern, as the Portuguese had done, the Dutch sought a total monopoly on lucrative spices like nutmeg and mace. In 1680, the British joined in with their British East India Company, which challenged the VOC for control of the trade routes. As the European powers established political control over important parts of Asia, turning Indonesia, India, Malaya, and much of Southeast Asia into colonies, reciprocal trade dissolved. Goods moved increasingly to Europe, while the former Asian trading empires grew poorer and collapsed.

For a detailed report see: <https://www.thoughtco.com/indian-ocean-trade-routes-195514>

BOOK REVIEW

Sea Change: Ottoman Textiles between the Mediterranean and the Indian Ocean by Amanda Phillips - Timothy Doyle, Dennis Rumley



This book examines the presence of Africa as a significant force in the western Indian Ocean. Africa will increasingly play a pivotal role in the future of the geopolitics of the Indian Ocean region. The book considers the scope for greater African involvement in Indian Ocean region-building activities, and seeks to encourage a western Indian Ocean dialogue.

The book publishes some of the best papers presented at an Indian Ocean Research Group (IORG Inc.)

<https://www.routledge.com/Africa-and-the-Indian-Ocean-Region/Doyle-Rumley/p/book/9780367026257>

symposium held in Nairobi, Kenya, in 2013, entitled “The Political Economy of Maritime Africa in the Indian Ocean Region.” This symposium was part of a larger project on constructing a sense of “Indian Oceanness”. Chapters include: India’s new policy of engagement with Africa; China’s growing presence in the Indian Ocean Region; security strategies in the Western Indian Ocean; the increasing importance and significance of the Western Indian Ocean littoral; and cultural linkages between Africa and the Indian Ocean region. This book was previously published as a special issue of the Journal of the Indian Ocean Region.

Name\Title : T-Sea Indian Ocean

**Published by : Indian Ocean Strategic Studies Inc.,
NewYork,USA**

Issue : Vol 1 | No. 4 | July-August, 2022

Mode : E-Newsletter

Period : Bi - Monthly

For Communication\contact : Newsletter@i-oss.org

