



**NESA Center and DKI APCSS Strategic Competition in the Indian Ocean Region Workshop (Part II) – Crowded Waters in the Western Indian Ocean**  
**Final Report/Executive Summary**  
**July 2021**

**Executive Summary:**

From 28 to 30 June, the Near East South Asia (NESA) Center for Strategic Studies hosted, along with the Daniel K. Inouye Asia-Pacific Center for Security Studies (DKI APCSS), an event as part of its Indian Ocean Region focused series of engagements. This event centered on exploring strategic competition and its impact throughout the larger Western Indian Ocean Region. Specific themes of the event included the regional competition, global strategic competition, and non-traditional security challenges, illicit networks, climate change, and maritime security. The participants also provided key insights into methodologies by which to enhance regional cooperation.

This workshop is the second iteration of a joint strategic series with its sister center, DKI APCSS. The first iteration was hosted by DKI APCSS in December 2020, which chiefly focused on the eastern half of the Indian Ocean Rim. The second iteration, together with the first event in December of 2020, provides a holistic analysis of the entire Indian Ocean Rim and various factors that inform the larger concept of the Indo-Pacific.

The event had over 60 participants representing 17 different nation states from both within and outside the Indian Ocean Region. NESA Director, LTG (ret) Terry Wolff, and DKI APCSS Director, RADM (ret) Pete Gumataotao, kicked off the event. The course directors for this event were Dr. Hassan Abbas of NESA, Mr. Jeff Payne of NESA, Professor Wade Turvold of DKI APCSS, and Dr. Srini Sitaraman of DKI APCSS. What follows are key themes taken from the workshop along with recommendations relevant to United States Government components.

*Themes:*

- China's Engagement throughout the Western IOR
- Regional Rivalries and their Impact on the Western IOR
- Multilateral Efforts to address climate change
- National, regional, and multilateral efforts at addressing the challenge of criminality, illicit networks, and violent extremism
- India's efforts throughout the IOR
- The trajectory of efforts by Western powers in the region

- The secondary and tertiary impacts of the Covid-19 pandemic
- Major Power Competition
- Asymmetric warfare in the region
- The impact of new technological platforms on regional security, such as unmanned systems and machine learning
- Regional arms build-ups
- Opportunities for greater regional and multilateral cooperation

### **Workshop Record:**

#### **1st Session: State Challenges in the Western IOR – Asymmetry, Non-Regional Powers, and Regional Rivalry.**

- Eastern Africa is a region that can be defined as insecure.
  - In Somalia, there is widespread internal conflict, disputed upcoming elections, and presence of international terrorist organizations.
  - In Ethiopia, there is a personalist regime that is increasingly unpopular, with intensified violence internally.
  - In Kenya, there is potential for violence in the upcoming election next year.
  - In Tanzania, there is an insecure new president, high levels of political insecurity, and emerging terrorism concerns in the southeast.
  - In Mozambique, there is broad domestic insecurity and widespread discontent with state services.
  - In Seychelles, the government is unable to monitor or secure existing territory in a state where its exclusive economic zone (EEZ) is the size of Pakistan. Its autocratic politics has also proven to be an obstacle against productive cooperation.
  - In Mauritius, there are widespread demonstrations, violent repression, and the government is becoming increasingly authoritarian.
- China's BRI provides access to the European Union (EU) market. You cannot get to the EU unless you pass through the Middle East. The EU is one of its largest trade partners.
- The BRI's overland component is seen as disruptive because of its links to Iran. That it is an overstated argument. The maritime dimension is more critical than the overland component. In Egypt, two months ago, the maritime implications were shown [with the Suez Canal blocked]. 80 percent of global trade traverses these waters.
  - The Arabian and Red Seas are also vital.
- The BRI is fundamentally about connecting states through soft and hard infrastructure, financial means, and so forth.
- There is a major theme of asymmetry at play, which I will put in three broad baskets, power projection, and political and economic factors.
  - In terms of power projection, China's presence is not as significant in the Middle East, including the Gulf states.
  - People have an exaggerated sense of China's role in the region. When one examines China's military, one is shocked to see how minimal of an actor China

is. China has had a modest capability in this region. Obama chided China as a free rider. It is true. China is the biggest U.S. strategic competitor. It benefits from the U.S.-led security regional architecture and does not require its own corresponding security footprint.

- Until today, China has kept a low profile. The Middle East does not comprise a core interest; it mostly serves geo-economic interests. East Asia is Beijing's primary theater, whereas the Middle East is secondary.
  - Divergence: Iran. China uses fancy rhetoric to chide U.S. policy. With Iran, China is known for making noise more than anything. It complies with sanctions often. For instance, China's Kunlun bank, as the only Chinese financier, complied with the last set of U.S. sanctions.
  - China does not maintain much of a military footprint. The overseas posture is primarily to support antipiracy missions and peacekeeping operations (PKO). Beijing conducted a trilateral naval exercise in December 2020 with Iran and Russia. The development had folks worked up but just before that month, China had a similar exercise with Saudi Arabia.
  - China has a base in Djibouti, a port in Gwadar, which could be used for power projection. China uses the argument to improve economic conditions to solve security challenges – contending the BRI is a public good that contributes to regional stability.
- China is at a nascent level compared to the U.S. it does not have the same relationships or approaches as Washington. The U.S. prefers to cooperate with the Gulf Cooperation Council (GCC) while isolating Iran. It emphasizes arms sales. China does not have a balancing approach, instead favoring a strategic hedging tactic. Its political influence is in the nascent step to providing a security role. China does not seek to balance a country too overtly or to alienate any one state.
  - China prefers bilateral cooperation over multilateral engagement for favorable asymmetric leverage. It has diplomatic relations with every state in the region. The 50<sup>th</sup> year anniversary is coming up with a lot of these nation-states. In 1971, China took the United Nations' (UN) seat from Taiwan and initiated diplomatic relations with Kuwait, Turkey, and Lebanon. We can also expect to see a celebratory event with Iran with the strategic partnership signed in March 2021.
- The GCC is the most important group in the region, with the UAE as the most important partner in the Middle East. China's depth of engagement and political cooperation through the pandemic reflects the significance of such relationships. The largest Chinese overseas community in the Middle East also resides in the UAE.
- Economic Asymmetry: According to an [article](#) by the *Carnegie Endowment for International Peace*, there are five types of leverage in Chinese economic statecraft – passive, active, exclusionary, coercive, and latent leverage. Chinese involvement in the Middle East resembles a passive posture.
- Within the great power competition context, U.S. political and military influence remains by far the most significant, with a preference by Middle Eastern states for a robust U.S.

presence. At the same time, concern of asymmetrical relationships, fear of abandonment, and inconsistent messaging from U.S. leaders going back a century have prompted Middle East states to reach out to China as an important player for economics, etc.

- General points with respect to six IO states, i.e., Comoros, Madagascar, Mauritania, Seychelles, Sri Lanka, and the Maldives. The former four reside in the western IOR, whereas the latter two are in the northern IOR. The northern island states present more visible security challenges.
- The most striking similarity is with respect to their strategic location. These states are either located on or along major trade routes. Second, they are small states. Sri Lanka and Madagascar are slightly larger because their population ranges between 20 to 30 million. However, am using David Vital's [definition](#) to categorize them within the small state range.
- Given that each of these states are within the bracket of middle income and low-income states, they require aid from larger powers. Larger powers are willing to provide selective resources that benefit their ends.
- These states are entitled to large maritime areas. However, they lack military and economic capabilities to secure their respective maritime territories. Challenges from climate change, violent extremism, terrorism to piracy (which is more under control in the western IOR).
- Since the island countries have limited capacity, none of them can single handedly deal with these rising challenges. They require assistance. Due to the transnational nature of such issues, even larger states cannot single handedly address them. When small states seek cooperation with bigger powers, the small island states are at a disadvantage. Why? Because smaller states use bilateral and multilateral diplomacy to sensitize the world about their problems. They are not guaranteed the free flow of international support. Support is dependent on the strategic importance of the recipient country. India and China were not previously as visible in the Western IOR. India lacks sufficient operational capability, which is why it needs facilities in the region. Recent engagement with these states can be seen in that context. China also realizes its limited operational capabilities in the entire IOR, which is why it is looking for facilities there. The BRI connectivity projects serve this very purpose.
- When small island states receive aid, the assistance is not frequently demand-driven. The assistance may not aid the recipient country. For instance, if climate change is a major security challenge for them, the amount allotted in climate funds is significantly less. Bigger powers provide economic and hard infrastructure assistance as a tool of foreign policy

#### Brief Question and Answer Session

- What does the BRI mean for the region you have been describing?
  - Response: The BRI does not mean anything specific for the countries in East Africa. It is a flexible concept depending on how China wants to qualify them. For Africa, China can provide necessary assistance based on how it advances its

influence. Beijing is filling states that are not being filled by other states. China is moving into and meeting the need that correspondingly develops an appreciation for that need being met.

- With respect to China, people see control with 5G systems, questionable practices with debt, challenges with freedom of navigation increasingly on the west side, its domestic crackdown in Xinjiang, Hong Kong, and Taiwan. States desire economic development but when will they clash with these challenges?
  - Response: There is a problem with implementation. Values that are being imparted by Chinese investment and technology are tied to how governments are using them. There is a disconnect between governments and populations being affected by those policies. There are countries that are becoming increasingly authoritarian. There has been an increase in popular uprisings in recent years, prompted, in part, by access to cheaper Chinese technology. Beijing has its own mechanisms and institutions to advance its own interests.
  - Response: There is a difference between how states and their population perceive these issues in the Gulf. Unlike other regions, there is no public polling or media debates. Through the Digital Silk Road, China is actively selling surveillance technology in this region. There are not a lot of Western liberals. Many states use predictive artificial intelligence (AI) and so forth to keep tabs on their own population. This region does not reflect the same type of philosophical concerns. People seem satisfied with Chinese technology. However, democracies in Asia and elsewhere have been pushing back against China.
- Is there any effective mechanism to ensure maritime security by Eastern African states?
  - Response: That has not been a mechanism to counter narcotics and other challenges effectively due to a lack of capacity and regional governmental response. These are issues related to money and attention more than anything.
- How will the growing development of Chinese activity being undertaken in the Gulf region going to play off as it continues to develop with Iran? How will the countries in the Gulf region respond?
  - Response: Digital technology has been a major part of China's plan since 2014. Beijing has been utilizing financial technology, smart city programs, which did not raise eyebrows until 2019 with U.S. pushback. By then, many Middle East states already signed contracts with the Chinese. The Middle East told the U.S. that if it did not want the region to work with China, then a viable alternative would be required. The U.S. pushed for cooperation with Ericsson, a Swedish telecommunications company.
- Dear speakers, would you elaborate on how China has developed its relationships with Iran based on their shared interests? In terms of economic, political, and even military cooperation. What are the responses of other countries to it?
  - Response: Iran will not be a major country with what China is looking to achieve. It will be the Gulf countries. China and Iran do not trust each other as much; they are primarily band wagoning off one another.

- Economic dynamism and cooperation between China and the Gulf countries.
  - Response: Most of what is being driven is policy coordination and financial integration, and free trade. For financial integration, institutions are being created, there are new state-owned enterprises (SOEs), etc. Since COVID began, cooperation on AI, vaccine development, and elsewhere have taken shape.
- What are the consequences of the BRI for the IO states?
  - Response: The BRI provides infrastructure development. There are security challenges arising out of Sri Lanka and the Maldives. When China provides investment, it can use economic leverage for political influence. In Sri Lanka, China is not investing in military infrastructure. It is investing in ports for commercial purposes, which can also have dual-use implications. Look at the recent takeover of the Hambantota port, where China received a lease for 99 years.
- Sri Lanka and the Maldives are not able to balance their approaches. U.S. policy by administration differs. Before Modi, things were different. In China, a one-party system has proven to be more predictable than democracies. How these evolve is one kind of thing influencing these balancing acts. Another point I would like to highlight is when IO states are looking for development assistance, China aids with conditions attached.
  - Response: Policies do change. Here I talked about the small island states and the disadvantages they have. What I referred to is not with respect to government policy. I made a comparison between the western vs northern IO states because I think Sri Lanka is at an advantage due to its strategic location. It can pick and choose assistance from big powers. However, in the current context, it is not following a consistent policy when dealing with foreign powers. E.g., there was a protest the U.S. Millennium Challenge Corporation (MCC) agreement. The U.S. decided to withdraw amid government pressure. On the other hand, there were popular protests over the Hambantota special economic zone (SEZ) project in 2016/7 and the government still signed the agreement. The Sri Lankan government also cancelled the tripartite agreement with Japan and India. With such trends, Sri Lanka has left the impression that it is tilting towards Beijing. Even with challenges arising from the BRI, the government is continuing its cooperation with China.
- Do not agree with your statement about Sri Lanka's lack of capacity to balance. We have good relations with many states.
  - I agree that Sri Lanka has an overt policy of neutrality. There is a difference between an announced policy and the implementation of a policy. Despite the announced policy, the government's handling of major powers competing in the IOR has been an issue with the elites. I am not saying they should reject Chinese investment. There is the issue of how negotiations have taken place. Sri Lanka needs to give the impression that it is friendly towards everybody.

## 2nd Session: Filling out the Picture – Non-State Challenges, Economic Needs, Energy Calculations, and Technological Add-Ons

- We need to understand the nexus between organized crime and terrorists. I will provide some policy prescriptions based on my previous work on Iraq and elsewhere.
- The impact of COVID-19 is far more significant and perhaps deep rooted than what is obvious. Criminal and terror groups look for void/vacuum. It is often the inadequacy or failure of state apparatuses that enables these groups to thrive. These criminal or terror groups see void/vacuum as a “God given” opportunity. They are innovative and adaptive to technological advances as well.
- Five major trends when it comes to VEOs.
- Sources of extremism after 9/11: underdevelopment and poverty proved to be inadequate responses. There are additional variables, where some are obvious. For example, conflict and war offer fertile ground for extremists to thrive. Borders and rivalries create an environment where hatred of the other is the norm. When you look at Tanzania’s border from a 360 domain, these variables are deeply entrenched and intricately linked. It is the same for Pakistan.
  - There is a trend of democracies becoming authoritarian.
  - Ideological linkages, such as sectarian conflict, create division. The Deobandi movement of the 18<sup>th</sup> century is an ideology that is more mainstream in India but in Pakistan, its radical offshoot inspired the creation of the Taliban.
- How violent groups emerge: The collapse of the Iraqi state occurred over a long period of time. Then the system failed because its bureaucracy failed. The bureaucracy was established based on clan and tribal links, or nepotism. The civilian law enforcement (LE) order also proved inadequate. An effective criminal justice system comprises three components: civilian police, prosecution system and judiciary, and military. The lack of an effective criminal justice system enables VEOs to operate freely without fear. The genesis of the so-called Islamic State was in the prison system because proper background checks were not conducted, and prisoners became increasingly radicalized by engaging with one another. Terrorists and extremists also benefit from porous borders.
- VEO Organizational Network: In a West Point [publication](#) that came out earlier today, the scholar got a hold of ISIS’ insider documents from 2016/7, translated them, and emphasized, inter alia, on how the organization built its own local LE and judiciary institutions. The Taliban did the same thing. These organizations create such mechanisms to create a fake sense of security by providing an alternative system to the government. In Mozambique, the same pattern can be detected as Iraq, Afghanistan, and Syria. Militant extremist organizations first attacked the local police stations in Cabo Delgado province to show the state is crumbling.
- Policy prescription: enhance capacity building of civilian LE and judiciary mechanisms, regional approach for information sharing, and coordination of regional policy. Trust is missing at the regional level. Entrenched rivalries and proxy wars are prevalent and need to be addressed. A civilian law enforcement model is one such solution.

- General comments about France: France looks at South Asia through an evolutionary lens. There were several reasons to withdraw from Afghanistan. The relationship between France and South Asia should be understood within the context of its Indo-Pacific policy. Crystallization of tendencies existed since the emergence of the Indo-Pacific nomenclature rather than the consequences preceding it.
  - India: France is enhancing its bilateral cooperation with India. As a resident country of the Indo-Pacific, France is against any change in the regional status quo and does not want to see a replication of the South China Sea (SCS) throughout the IOR. There is the belief that India as an independent net security provider would be essential for France. The speaker then discusses the COVID pandemic situation in India. He suggests the real question is whether India has the capacity to maintain symmetry with China. Demography wise, it has a chance. Other reforms must take shape to optimize economic efficiency. There is a rise in domestic challenges of social cohesion, such as farmer protests, the rise of Hindu nationalism, and so forth.
  - Pakistan: French-Pakistan relations have reached an extremely low ebb, taking a hit after France published cartoons of the Islamic prophet last year. In April 2021, the far-right Islamist political party, the Tehreek-e-Labbaik Pakistan (TLP), vowed to expel the French ambassador over blasphemous cartoons published in the Charlie Hebdo magazine, the decided not to follow through. Domestically, weakening governance structure has contributed to the advancement of hardline Islamist movements. France maintains an interest in the stability of Pakistan. The quality of civil-military relations remains the defining feature of Pakistani politics. In addition, Pakistan is growing at half the pace of the average economic growth in the region.
  - Afghanistan: France has been active in Afghanistan but pulled out in 2012/3. There is a fear that Kabul may once again become an international sanctuary for terrorists. Militarily, the Taliban is advancing. Politically, Ashraf Ghani is not doing too well. The warlords have been considered as an alternative by some. What is next? Two questions: what is the endgame of the Taliban and what are they going to do in the coming months? Are they going to control the entire country, or will they be willing to work at an inclusive capacity? Afghanistan has changed, including the Taliban. Ashraf Ghani is the only person the Taliban is not willing to talk to, so are they willing to talk to someone else? Their rhetoric is more assuring than a few years ago.
- Propose that when we look at the IOR in the context of great power politics, we see the political end is the protection and advancement of different value systems with respect to globalization, diplomacy, and defense posture. I see technology, economics, and energy as the means in pursuit of those ends.
- First argument: when we look at the process of knowledge creation, we see it in the context of innovative ideas and new industrial processes and solutions being developed in Asia in contrast to what was being done in North America.



- According to *Bloomberg*, the top ten countries of the most innovative societies do not include the U.S. The good news is almost all of them are U.S. allies, ranging from New Zealand to South Korea. If we look at research and development (R&D) spending by the percentage of gross domestic product (GDP) of each economy, the U.S. ranks 9<sup>th</sup> according to the World Bank and World Economic Forum. The top two leaders with the most financial commitment include South Korea (4.8 percent of GDP) and Israel (4.95 percent of GDP). The U.S. spends 2.48 percent of its GDP. But it is really the size of the economy that matters, not the percentage of GDP allocated. In the 1960s, the U.S. spent 69 percent of the world's share in R&D investments. This share plummeted to the upper 20 percent in 2018. This share has not been primarily taken by China alone. It is shared by several countries, which include U.S. allies. The U.S. is spending \$581 billion; China is \$554 billion. Japan is spending more than 4 times the amount being spent by Russia in R&D.
- What does the empirical evidence/distribution of knowledge in the technology domain look like? If you look at the top 10 companies, 2 is Chinese, 1 is South Korean, 1 is Taiwanese, while the rest are still American. The U.S. still enjoys a disproportionate share. All of this translates into wealth creation.
- Security: look at five measured dimensions to critically analyze the economic and political commitment in this region. Conventional buildup attracts the most share. Strategic weapons and weapons of mass destruction (WMDs) attract a lot of financial resources. There is a growing interest in emerging technologies, such as AI, machine learning, autonomous weapons systems, and so forth. Another dimension of interest is space and finally, non-state actors. When we look at the reality of the security environment in the IOR, you will notice that the type of weapons systems deployed is disproportionate to the threats unveiling.
- If you look at the top 15 non-state actors in terms of their violence and activities and the number of people they have killed, most of these actors (Taliban, *Daesh*, Maoists, etc.) are, unfortunately, disproportionately working in the IOR region. However, the type of weapons emphasized is toward a strategic, conventional buildup.
  - In terms of conventional weapons, the size of the budget is also disproportionate when we analyze various states. For instance, the U.S. spends x3 as China, and China spends almost x3.5 of India. There is a hierarchy of world powers emerging rather than in a multipolar fashion.
  - Suggestions to improve the security environment in the IOR: the U.S. must prioritize diplomatic endeavors to balance its hard and soft power tactics. The U.S. needs to explore and identify areas of mutual convergence with China. Beijing is a major concern for Washington, but it should not be dealt with in a provocative manner earlier than expected. So, cooperate in disarmament, climate change in tandem with the Quadrilateral Security Dialogue (Quad) and other security mechanisms. The U.S. should return to the Iran Deal and desensitize an aggressive posture by Tehran. The Quad should not neglect maintaining strategic

stability in South Asia, but it should ask for a conventional balance, so asymmetry does not cause further escalation. The U.S. and Pakistan and U.S. have created an important role in countering terrorism and to stabilize Afghanistan. Pakistan does not play favorites. Adequate resources should be implemented in Afghanistan to address the brain drain challenge, and so forth.

#### Brief Question and Answer Session

- Question on the rise of authoritarianism in democratic countries on democracy authoritarianism.
  - Response: Democracy offers the best way for people to express their choices. It is the best form of government humans have figured out to ensure the rights of people. It is the best shot at ensuring the rule of law. Democracy has links to education, awareness in which stakeholders push for a democratic/free order.
- How do we counter non-state actors from receiving military technology from major power players?
  - Response: This is seen especially in the context of proxy wars and Iran. Every country in the Middle East is virtually involved in this. India and Pakistan have their own proxy war in Afghanistan as well. In order to counter non-state actors, the international security order and UN come to play. Pakistan support for Taliban is a hard and unfortunate fact but its competition with India is what drives it. India invests in its own groups in Afghanistan. There are no innocent states when it comes to this reality. We need international treaties. All big players think of proxy wars. No short answer to it. Unless this trend is reversed, we will see more non-state actors receiving such military technologies.
  - Response: Proxy games are not going to stop because it is unlawful to conduct. When it comes to Afghanistan, the question is can we balance proxy games and do something favorable for the country? It is a quid pro quo.
  - Response: There are several things to consider, although my view remains largely pessimistic. Hybrid warfare is becoming the preferred way to harm adversaries rather than attacking a conventional government. Bad governance contributes to grievances exploited by other states.
- Moderator: How has COVID accelerated/decelerated world thinking toward VEOs?
  - Response: It has exposed the world reality in a terrible fashion in which millions have died and have been left devastated. Conflict has accelerated. In South Asia, the Tehrik-i-Taliban Pakistan (TTP) has regrouped, although not as strongly along the Afghanistan-Pakistan (AfPak) border. State negligence has enabled these groups to gain more physical space. There is a stark comparison to the Cold War, where more states are competing against one another in the gray zone and states tend to look at the other when their favorite proxies do well and harm their neighbors/adversaries.

- Response: France has enhanced its cooperation with India, and we just discussed the change in policy with respect to Pakistan and Afghanistan.
- Response: The absence of multilateral and timely/effective diplomacy has been further exacerbated by excessive vaccine nationalism and politics. There are still opportunities for the U.S. to rise to the challenge and lead the world by sharing its knowledge and synergizing with others, including China.
- Could you describe the nexus between cybersecurity and economics vis-à-vis non-state actors and comment on the concept of blue water economy.
  - Response: It is time for us to spend more attention towards multilateral engagement to address cybersecurity challenges. The development of the blue water economy will uplift developing countries across the IOR socioeconomically and allocate neglected resources to enhance quality of life.
- Where does a country like Nepal stand in this whole scheme of things related to Nuclear Power? Does the Nepal case matter at all in international security concerns, especially related to transnational terrorist activities?
  - Response: I do not see a traditional view of the rise in a bipolar world, where the U.S. is losing its preeminence. The U.S. should emphasize soft power and balance its defense policy and implement a multidimensional strategy. I see an emergence of hierarchy rather than different poles because of the different sizes of economy, military budgets, and so forth.

### **3rd Session: Presence by the Major Powers and Regional Reactions**

- China has taken a much more bilaterally engaged role in security in Africa
- The port in Djibouti was the first big landmark of China's military presence in Africa
- China's economic interests
  - Chinese Global Shipping routes, trade flows with other IO African countries
  - China's trade has grown exponentially with these countries.
- Maritime Silk Road Initiative = security interests intersect with economic interests
- Chinese military personnel view MSRI as an economic development that will boost the cycle between MSRI and the Chinese Navy
- MOST of China's trade goes across the Pacific and the Panama Canal. The amount of trade that goes through the Cape and Southwest Indian Ocean is relatively small, BUT it is growing
- Just because China is lending to a country does not mean the country is in distress
  - China as the biggest lender, like in Comoros, does not mean the country cannot earn for itself.
  - Countries like Madagascar in enormous debt to the world bank but not in debt to China
- Lending is part of China's public diplomacy
  - Hambantota Port fits into the narrative of a Chinese strategy of lending for the purpose to seize assets. It stands out because it is the only example we have seen of Chinese debt translating into Chinese seizure of assets.

- China has no reason to expand its bases in the same way that it did in Djibouti
- Commercial ports appear to be China's primary strategy for now
- African control of their relationship with China is underrated
  - The arrival of China as a new lender is an opportunity for countries to play off different creditors so that they may get the best deals for themselves
- India sees the Western IOR in the concept of Indo Pacific
- India considers itself as a major power in the Western IOR, and a regional state as well
- Western IOR is critical for prosperity and global Indian aspirations
- Links were developed with littoral African states which led to a boost in the diaspora. You see this in the ME as well where India has cultural ties from religious links in the region. Large population of Muslim Indians
- China and Pakistan pose the most challenge to India in the Western IOR
- India's response has been to enhance its own capabilities in the region
- India's Navy reoriented to mission-based deployments which significantly focus on Western IOR
- India wants to portray itself as amongst the first providers in the Western IOR.
- India has taken a capacity building approach in the region: defense and security dialogues which are seen in the provisions of equipment in navy
- Another element for India is to work with like-minded countries to coordinate capacity building and ensure rules-based order in the region
  - This is vital because of major power competition growing in the region which is a new look from its traditional reluctance to work broadly in the region
- India is concerned and attentive to the speed and scale/growth of Chinese activities, the kind of activities in the region via Beijing, the influence from Chinese economic activity
- China/India relations are arguably at an all-time low due to concerns of China's handling of Covid, and the boundary crisis occurring as well.
- Bilateral differences w/ China; over Tibet, economic friction, regional concerns about China/Pakistan relationship; growing Chinese influence in the neighborhood (Western IOR)
- India has a broad sense that China is harming India's aspirations and interests on the global stage
- Overall, India is concerned about
  - China's military presence/activity in the region
  - This is natural due to China's interests. India understands the growth of this strategic presence, nonetheless this changes India's strategic landscape
- India must factor in Pakistan Naval cooperation with China as well
- China has done things in the WIOR that they said they would not do; troops abroad; acquired bases (Djibouti);
- \*BRI is not so well thought out
  - It is riddled with White elephant projects ranging from private to semi-private companies

- BRI origins; companies realized that there was an enormous amount of money to be had with overseas projects. These projects are going to struggle to produce actual economic rewards
- Chinese avoids term “overseas military base”
- When you break down port by port, there is little coordination between Chinese coordination from country to country in the IOR
- China’s limitations in the Western IOR: Time it takes for vessels to reach countries like Oman or Djibouti
- China’s military is largest, sure, but not nearly as blue-water capable proportionally on par with the US
- By 2028, many Chinese warships must be retrofitted due to needs for technology modernization and wear and tear that has occurred over time. This will slow China down and certainly will not help to improve its coordination in the IOR in the short term
- The BRI has been put on steroids over the last 7 years because of its attachment to current leadership, but how sustainable is this?
- New Delhi needs to be able to deter China, not defeat it
  - Geography plays into this ^
  - Absence of air cover in the IOR can help pick apart destroyers if it comes to that point
- The Chinese Govt has not yet come out to say it seeks an IOR fleet, but scholars and think tank analysts are putting out trial balloons regarding this
- China is aware it is benefitting greatly from the US movements in the region, China would rather sit back and carry out economic deals and remain a positive economic relationship with countries in the region
- Contrary to popular belief, America is not withdrawing from the IOR.
- India needs to go deeper than photo ops with the US. It needs to intersect with the US for the sake of its military infrastructure

#### Brief Question and Answer Session

- Should countries in the IOR keep neutrality in the middle of the battle of influence between major players? What is the best strategy?
  - NO one size fits all approaches in how they align. It will depend on interests. What you might need to look for is whether there is an interest in non-major powers to take sides and make choices. Countries in the region should have interest in certain principles though. They should express and make choices on principles even if they do not make direct choices on partners. You may see countries use major power competition to play off other countries and garner benefits.
  - States in the IOR need to realize their agency when it comes to GreatPowerComp. States can play off China and others in order to get the best deals. The coast guard is a much better avenue for countries to work together for diplomatic reasons. It

does not project the same implication of mobilizing navy/military/destroyers being used to achieve “diplomacy”

- Since military presence is growing in the African part of the WIOR region, what is the stance of the African Union on China’s movements and movements like it? Does the AU have the authority to monitor these movements?
  - China will often try to work bilaterally when there are conflicts with the governments of countries and AU. China has a positive relationship with the AU and is very conscious of their relationship. Private military companies are a great example of groups that operate within state parameters sometimes, and sometimes within grey zones outside of China’s endorsements in African countries.
- Chinese interest in the Middle East is increasing while the US is thinking of more influence in Asia. What are the international strategic implications and framework for military endeavors due to this?
  - There is very much this idea that you will increase economic engagement and stay away from the political/military side when you can. Still, you will get involved politically which brings the military with it. It will not be intentional, but it will be to protect Chinese interests. You will see expanded involvement in this space inevitably.
  - China does not want to get involved kinetically with major powers. The Djibouti base does have a contingent of Chinese Marines which is seen as a potential way for China to secure its interests (not so much from other states but rather bandits and pirates in the region). For the time being, China is hesitant to play a role outside of the UN when it comes to dealing with military stuff in the IOR.
- Nowadays, economic interests are at the heart of most countries. Elaborate on if the US situation is different from obvious Chinese economic interests. What is different about the economic interests of all our countries in this context? Elaborate on the underrated nature of Africa-China relationship. Most importantly, the Coast Guard cooperation is working very well. What happened after the successful cooperation between China and the US Coast Guard?
  - Scale: it is all about scale. China’s imports from the region of Africa are at least twice as large as the US because it needs to feed the beast of steel and tech companies’ production margins. The difference is about the scale at the moment. China’s lending from back in the day (Angola) has set the precedent for economic relations with Africa. There are moments when China has the upper hand over Africa, but now countries are seeing opportunities to play US creditors against Chinese creditors to get the best deal.
  - When you have some of the two biggest economies (China, India) there are fundamental differences. Maritime security is a major priority. Whether it is bilateral, trilateral, or quadrilateral, far more complexity is in play than just photo ops as Colley suggests. On the contrary, Maritime exercises and anti-submarine exercises, opportunistic exercises between Indian Navy and US military are indeed happening. You are seeing the Quad’s focus on building resilience in the

region. To build capacity: help countries help themselves. The quad is a platform for engaging with each other and other countries. Their primary concerns are not China's rise, but rather China's rising as a set of behaviors.

- Regarding the Chinese perceptions of the quad: China used to see India as the weakest link of the quad. This is starting to change. The coast guard cooperation and the US was a way for the countries to work together primarily in terms of law enforcement, so to be clear, it did not have the underlying military dynamics.

## **Breakout Group Scenarios and Results:**

### **1st Breakout Session – Prioritizing the Challenges in the Western IOR**

Each breakout group is charged with developing a listing of the traditional security challenges facing the Western Indian Ocean Region. This list should begin with the most problematic challenges and go on to less substantial challenges.

*Your first step should be to select a speaker/reporter for your group – this individual will be charged with presenting the findings of your group to the entire plenary.*

*You can craft your list however the group determines makes the most sense. The only requirement is for the group to provide an explanation as to why a specific challenge is listed where it is on your priority list.*

Your group should focus on traditional security challenges, like regional or global competition between states, as non-traditional security challenges will be added as a component to consider in later sessions. Your conclusions should reflect your own expertise in examining these issues, not the interests of an organization or nation-state. A member of the NESAs or DKIs APCSS team will be in each session to answer questions and to assist with any connectivity problems.

### **2nd Breakout Session – Prioritizing Challenges in the Western IOR**

Your group's priority list must now be reconsidered with the additional data points provided by non-traditional security challenges.

*Your group should now discuss how non-traditional security challenges, such as climate change and illicit networks, impact the region. Based upon your discussion, you should also edit the initial prioritization list your group created by inserting non-traditional challenges.*

A member of the NESAs or DKIs APCSS team will be in each session to answer questions and to assist with any connectivity problems.

### **3rd Breakout Session – Crafting Solutions**

Your group has created a list of security challenges present in the region by priority level. It is now time to turn to solutions to these challenges.

*Your group should now turn to proposing policy solutions for the challenges on your list. Your solutions should be agreed upon by all members of the group. Solutions can be based on your own experiences, and we encourage you to look at all possible means of crafting solutions: the multilateral level, the regional, the state, the local, and the private sector.*



Your group's solutions will be presented before the entirety of the plenary following

A member of the NESAs or DKI APCSS team will be in each session to answer questions and to assist with any connectivity problems.

## **Breakout Group 1 Solutions:**

### **The lists of Security threat:**

#### **Traditional Security Threats**

##### **1- Superpower rivalries; or Global Strategic Competition**

- Great Power competition that gives rise to Nontraditional security threats, such as illegal fishing, drug trafficking, illegal smuggling etc.
- **Conflicting demands on the countries;** US imposing alliances
- **Chinese economic manipulation;** Debt diplomacy
- **Internal political struggles;** that invite external power interventions.

##### **2- Regional Rivalries**

- like between India and China, and how that spillover to neighboring states
- between India and Pakistan.
- Iran and US allies in the Gulf.

##### **3- Maritime Border Delimitation Disputes** Like between Kenya and Somalia.

##### **4- Economic Threats**

- Fighting over resources between extra regional powers.
- External trade dependence on China

##### **5- Nontraditional Security Threats**

###### **A. Climate Change;**

- Impact in the East African region such as: Locust invasion, food crisis, illegal migration
- Severe drought in the south part of Madagascar
- The Island states need support from superpowers against rising sea levels.
- Food Security, especially the fear of a renewed lockdown because of new variants of Covid 19, that might hinder the capability of countries to import agriculture products.

###### **B. Illegal networks or terrorist groups spreading from Somalia to neighboring States as far as Mozambique. Violent extremism can also be attributed to this groups.**

###### **C. Covid 19 Pandemic;**

- has also exposed the dependency of third world countries to Western and developed countries.
- The new variants of Covid 19;

###### **D. Drug and Weapon Trafficking,** illegal fishing, and exploitation of marine resources.

###### **E. The lack of collective action to handle non-traditional security issues from energy security and climate security to transnational terrorism and environmental degradation.**

###### **F. Migration and Displaced people.**

###### **G. Maritime Piracy;**

- Bay of Bengal has reduced significantly.
- East Africa piracy activity is receding also, due to efforts by Coastal states (Like Kenya)

###### **H. Gray zone tactics and China's expanding fishing fleets.**

- I. **Port Insecurity**; New ports being built in the periphery of the ocean may be a target of piracy and illegal fishing.

### **The Solutions Recommended**

#### **Global and regional Competition**

- 1- **Neutrality and Multi-Directional Balancing (rather than band wagoning)**; countries of the IOR depend on all external powers for economic development.
- 2- **Regional Cooperation**; such as
  - The African Mission in Somalia to counter terrorism
  - Develop of trust among the states of the IOR; through platforms like IORA
  - Building trust through actions.
  - Regional organizations focus on cooperation on one issue;
  - **Assistance in the sustainable solution for the problem**;
- 3- **Holistic Approach to the Traditional and Non-Traditional Security Problems**;
  - Regional alliances among like-minded countries
  - Long term strategic solutions with clear gradual steps.
  - Encouraging cooperation between the public and private sectors.
- 4- **Economic Solutions**
  - **Reduce independence on the BRI**; develop alternatives source of trade, investments, and Infrastructure projects.
  - Encourage countries to reach out to others searching for improving their national production capacity.

#### **Non-Traditional Security Threats**

- 5- **Establishing National task force that will bring different institutions working on the same issues.**
- 6- **Encourage bilateral or multilateral agreements on common threats**;
  - **Fighting terrorism**; Kenya and Somalia fighting Al-Shabaab
  - **Controlling porous borders and ungoverned spaces.**
- 7- **Coordination among the various institutions within the country and with friendly countries to counter climate threats (such as cyclone)**
- 8- **Establishing Fusion center in the IOR.**

## **Breakout Group 2 Solutions:**

### Traditional Security Challenges:

- Control of Maritime Border and Spaces
- Drugs and Narcotic Trafficking
- IUU Fishing
- Maritime Environmental Pollution
- People, Arms and Wildlife Trafficking
- Piracy and maritime Terrorism
- Maritime Border Disputes

### Non-Traditional Security Challenges:

- Survival of State and Humankind
- Non-Military Political and Diplomatic
- Transnational and Cross Border
- Transmitted due to Globalization and Communication Revolution
- Affects both Government Institutions and Civilian Population
- Global Pandemic
- Global Rivalry
- Cyber Criminality
- Unmanned Crude Technology
- Under Sea Cables

### Recommendations:

- **Information Sharing**
- **Legal Frameworks and Institutions**
- **Capacity Building and Training**
- **Multi-National Cooperation**
- **Strategy, Policies and Regulations**

## **Breakout Group 3 Solutions:**

### **Summary of the Priorities Identified by the Participants of Group III**

#### **Priority 1: Nuclear Stand-Off, Maritime Arms Race, and Strategic Arms Control**

- A. Nuclear standoff in the Indian Ocean Region remains a critical concern for the IOR countries. The region continues to witness a growing arms race, movement of nuclear-powered vessels and strategic maritime vehicles, and growing concentration of traditional nuclear powers, i.e., India, Pakistan, and China, along with extra-regional powers including the NATO members France and UK.
- B. Strategic Arms Control is required to avoid tensions stemming from the increasing presence of the external powers and prevent possible nuclear accidents caused by nuclear vessels, nuclear disasters, or even by a miscalculated nuclear strike.
- C. Hence, it is also essential to monitor the possibility of non-state actors acquiring nuclear technologies that can potentially destabilize the region.

#### **Priority 2: Militarization of the Indian Ocean Waters**

- A. Militarization of the Indian Ocean remains the second most critical concern for the IOR countries. The region continues to see higher defense expenditure and military presence. Hence, arms races focusing on maritime military domain or sea-based military platforms are rapidly increasing.
- B. The possibility of accidents or conflicts in the high sea, e.g., between the US and Chinese naval ships or aircraft, can destabilize the region. This will have political and strategic implications for the regional countries. Hence, access to strategic ports, crisis management skills to diffuse the situation, and regional responses would be critical factors.
- C. Militarization is also linked with Sea lines of communication, resource extractions, and resource nationalism. Hence, ocean resource management requires regional norms and values and legal standards based on regional needs, priorities, and ecosystems.

#### **Priority 3: Piracy**

Piracy continues to be a significant source of non-traditional threat to IOR waters. It has both domestic, transboundary, and international dimensions, hence causing threats at an international scale.

#### **Priority 4: Hegemonic Centrality, Stability, and Great Power Equation**

The hegemonic practice and stability are the key concerns for the Indian Ocean countries. This is strategically linked with the Balanced of Power. Therefore, regional stability will continue to depend on the hegemonic attitude and responses of the greater power toward the IOR.

### **Priority 5: Drugs and Narcotics Movement**

Drugs and narcotics movement, particularly transit, transshipment, and cross shipment, using the Indian Ocean waters and the IOR transit points, continue to pose non-traditional threats to national, regional, and international security. Hence, this remains a critical source for terrorist financing, narco-criminal nexus, and illicit/ clandestine networks to destabilize peace and stability. Moreover, the Andaman Sea or the high seas in the Indian Oceans are particularly vulnerable to drug trafficking through mother vessels. Hence, the asymmetric lack of interception, tracking, and monitoring capacities keeps the region vulnerable to drugs and narcotics trafficking.

### **Priority 6: Illegal and Forced Migration**

Illegal and forced migration leading to trafficking in-person, modern slavery, prostitution, abuse, child labor, extremist and criminal activities continue to rise in the region. Illegal and forced migrants from Myanmar, i.e., Rohingyas, pose humanitarian challenges for the regional countries.

### **Priority 7: Maritime Terrorism**

Sea-borne terrorism has emerged as a critical security threat for the littoral countries.

### **Priority 8: Illegal, unreported, and unregulated (IUU) Fishing**

Illegal, unreported, and unregulated (IUU) fishing has been identified as another key concern for the IOR countries as it is directly linked national economy and environmental ecosystem. Hence, food and economic security significantly depend on fishing for the coastal states.

### **Priority 9: Climate Change, Natural Disasters, Dead Zones, and Maritime Pollution and Plastic Wastes**

Climate change remains as a critical factor for the countries across the region. Sea-level rise, coastal erosion, loss of land, salinity, loss of mangrove habitat, the rise of dead zones in the ocean areas, maritime pollution, and plastic wastes have caused significant damage to national and regional economies, livelihood patterns, and environmental security. As a result, internal and forced migration, livelihood loss, and potentials for intra-state and inter-state conflicts may increase.

### **Priority 10: Domestic Armed Conflict and Instability**

Domestic armed conflict is crucial for the region in determining peace, stability, and regional cooperation. Unfortunately, Western Africa, Afghanistan, Myanmar continue to remain volatile, exposing vulnerabilities that can have ramifications over other countries.

### **Priority 11: Exclusive Economic Zones (As per UNCLOS)**

Governance of the exclusive economic zones, beyond and adjacent to the territorial sea of the littoral countries, is another critical issue for the IOR countries. Environmental changes, illegal

fishing, transregional pollution, piracy, and illegal foreign fishing fleets often cause tension among countries and result in domestic income loss.

### **Priority 12: Economic Inequality and Poverty**

Asymmetric economic growth and resource distribution are other sets of concerns that may continue to remain as sources of potential instability in the region. In addition, economic inequality and poverty are often connected to extremism and terrorism, illegal and forced migration, and political instability.

### **Priority 13: Pandemic, International Trade, Globalization, and the Rise of Non-State Actors**

The Covid-19 phenomenon has forced the countries to invest more in public health and domestic economic recovery as a priority. Along with travel and movement restrictions, global goods supply and demand has receded, leading to slower growth and international trade. As a result:

- A. International trade has reduced, causing slower globalization of trade, market, movement, and cross-regional cooperation.
- B. In some countries, given increased human security expenditure and lower public security focus, non-state actors have gained more opportunities to operate.

### **End State**

#### **Component 1: Collaborative and Inclusive Indian Ocean**

Indian Ocean Waters should be seen through a collaborative approach based on participatory, inclusive, and proactive.

#### **Component 2: Stable, Secured and Prosperous Indian Ocean**

The Indian Ocean countries may pursue open vision to achieve stable, secured, and prosperous Indian Ocean region to reduce tensions, strategic competitions, and arms race, and in turn ensure freedom of navigation, secured territorial waters, and environmental sustainability.

#### **Component 3: Rule of Law Based Equitable Indian Ocean**

The Indian Ocean countries may seek to establish regional rule-based cooperative governance mechanism to ensure equitable economic resource distribution and access to resources required for sustainable and better economic performance for the Indian Ocean.

#### **Component 4: Strategic Arms Limitation**

The Indian Ocean countries in the short and mid-term may seek to establish institutional and policy regimes to ensure nuclear arms limitation and limit movement of nuclear fueled strategic vessels and assets in Indian Ocean Waters.