In his first State Visit to the US in September 2014, Prime Minister Narendra Modi of India and President Barack Obama issued a joint statement reaffirming “the importance of safeguarding maritime security and ensuring freedom of navigation and over flight throughout the region, especially in the South China Sea” as well as calling “on all parties to avoid the threat or use of force” in maritime disputes. In addition, the two leaders also expressed their reproach of China’s provocations with its neighbors over the maritime tensions in the South China Sea.

These strong statements not only express the convergence of US and Indian interests in the South China Sea but also convey the growing unease of non-littoral states such as India and the US over Chinese actions in the region.

**Indian interests in the South China Sea**

India, poised to become the fastest growing economy by 2016 as predicted by IMF, recognizes the greater role that it must play if it is to be a significant actor in world affairs. India has long known the value of the ASEAN region with its Look East strategy. But now with Prime Minister Modi at the helm, the shift to an Act East policy of India signifies a greater strategic interest in forming stronger linkages with ASEAN and its member states, many of which are entangled in maritime disputes with China over the South China Sea.

India, in the past, has shown reticence in expressing its views about territorial issues in the region, preferring to be a passive observer. But in the ASEAN Regional Forum Summit in Phnom Penh in 2012, India emphasized its strong support for freedom of navigation and access to resources such as fisheries and gas in accordance with principles of international law. This was followed by a joint communiqué from India and Vietnam in 2014 calling for all concerned parties in the South China Sea to exercise restraint, avoid threat or use of force and resolve disputes through peaceful means.

But India’s interest in the South China Sea region runs deeper than a desire for stronger cooperation with ASEAN countries. The South China Sea is a major and fundamental sea corridor used for commercial and naval shipping. According to the US Energy Information Administration (EIA), the South China Sea is one of the most important energy trade routes in the world with almost a third of crude oil and liquefied natural gas (LNG) supplies passing through it annually. Aside from being a rich source of fish and marine life, it is also purported to hold significant quantities of oil and gas at around 11 billion barrels of oil and 190 trillion cubic feet (tcf) of natural gas as estimated by EIA, making it a potential huge energy resource for energy-scarce growing economies such as China and India.

India is the fourth largest energy consumer in the world and its energy import-dependence is enormous, with oil, coal and gas imports projected to significantly increase within the next two decades according to former Indian Foreign Affairs Minister Salman Khurshid. This crucial need compels India to explore sources of energy through various means, including oil and gas exploration. And so, India accepted Vietnam’s invitation to explore oil and gas in contested waters in the South China Sea in 2011. This made India, by consequence, a player in the maritime wrangling in the South China Sea. While this agreement illustrated India’s desire for deeper ties with Vietnam, it also simultaneously earned the ire of China as it was perceived as a direct contravention of China’s appeal to the international community that non-littoral countries should not involve themselves in the South China Sea dispute.

India is apprehensive of China’s provocations in the South China Sea, as it is almost entirely dependent on sea trade and any disruptions in the sea lanes of communications (SLOC) will be detrimental to its economic and strategic interests in the region. Its
strategic maritime interest extends to the maritime choke points in the Indian Ocean and Strait of Malacca as 95 percent of India’s total external trade, along with its oil imports, transit through these waters. The security of passage and freedom of navigation in these vast waters and unimpeded access to the region’s maritime commons are therefore imperative to India’s industrial and commercial growth.

This concern is in fact enshrined in India’s Maritime Doctrine which outlines the importance of protecting the nation’s economic interests. According to Indian Navy chief Admiral D.K. Joshi, India is also investing in hydrocarbon assets worldwide and these assets are maintained by sea and use sea lanes for repatriation to India. Securing energy, given that it has a maritime component, is thus a paramount concern for India.

**Maritime activities**

In addition to its economic and strategic interests in the South China Sea, India also has well-embedded maritime interests in the region. The Indian Navy has been active in its maritime operations such as humanitarian assistance and disaster relief, as well as joint naval exercises and port calls since 1990, but has since been expanded to other naval activities. In fact, ensuring the safety of India’s strategic interest in the region precipitated the creation of the Andaman and Nicobar Command in the Bay of Bengal which is India’s first and only tri-service command that serves as a focal point for Indian naval engagement with Southeast Asian navies such as Thailand and Indonesia.

Aside from its naval activities, trade is another facet that India has been vigorously pursuing with Northeast Asia and with ASEAN member states. India’s trade with Japan and South Korea has been steadily growing along with ASEAN-India trade which has also been increasing remarkably passing the USD70 billion mark in 2011 as reported by ASEAN and is expected to grow even more with robust investments coming from both sides. The surge in trade between India and countries in Asia thus make the freedom of navigation in the SLOCs of South China Sea even more essential.

**Conclusion**

India’s desire for a deeper economic and security cooperation with ASEAN countries demonstrates its renewed and stronger interest in the region. Deep concern for the state of ASEAN regional security stems from its cognizance of the fact that escalation of maritime and territorial disputes in the region will have larger implications in international world order.

In view of this, the Philippines must reexamine its relations with India given India’s desire to play a greater regional role and how this could lead to a deeper bilateral ties. One aspect is naval cooperation and the possibility of engaging in more extensive maritime exercises such as anti-piracy and anti-terrorism, sharing best practices and enhancing military exchanges.

As an ASEAN Strategic Partner, how India positions itself in the complex maritime dispute and China’s unpredictable actions in the South China Sea could either lead to de-escalation of tensions and preservation of regional peace and security or further alienate China on this issue. However, there is hope that the increasing economic considerations of India and China in the region may reinforce restraint in aggressively tackling tensions in the region.

---

**CIRSS Commentaries** is a regular short publication of the Center for International Relations and Strategic Studies (CIRSS) of the Foreign Service Institute (FSI) focusing on the latest regional and global developments and issues.

The views expressed in this publication are of the authors alone and do not reflect the official position of the Foreign Service Institute, the Department of Foreign Affairs and the Government of the Philippines.