



**SYMBIOSIS**  
School of International Studies



## Conference Proceedings

International Relations Conference 2016

# India and the Indian Ocean: Sustainability, Security and Development

PUNE | INDIA | 18 - 19 DECEMBER 2016





# 4<sup>th</sup> International Relations Conference

## India and the Indian Ocean: Sustainability, Security and Development

PUNE | 18 - 19 DECEMBER 2016

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## Preface

Under the aegis of the Symbiosis International University (SIU), the Symbiosis School of International Studies (SSIS) organized its fourth International Relations Conference (IRC) in December 2016 titled “India and the Indian Ocean: Sustainability, Security and Development”, in Pune. The conference brought together ministers, bureaucrats, corporate leaders, academics, civil society organizations, NGOs and media professionals from India and abroad to deliberate on the myriad aspects of India's foreign policy which includes issues like trade and investments, defence and security, blue economy and soft power diplomacy, to name a few, with regard to countries of the Indian Ocean.

The emerging dynamics of international diplomacy has put the spotlight on the Indian Ocean region (IOR) as it connects the Middle East, Africa, and East Asia with Europe and the Americas thus emerging as the theatre of 21st century geopolitics. The doyen of Indian maritime strategy Mr. K.M. Panikkar stressed on the need to “assess the importance of the Indian Ocean countries and envision a grouping of countries bordering the Indian Ocean that could help one another in tackling common challenges”.

Movement across the Indian Ocean is both facilitated and potentially constrained by several key choke points. The Indian Ocean also acts as a vital channel for Western military supplies and the Persian Gulf hydrocarbon resources. Most international commerce flows through this route.

Today, new technologies are opening frontiers of marine resource development from bio-prospecting to mining of seabed mineral resources. The sea also offers vast potential for renewable “blue energy” production from wind, wave, tidal, thermal and biomass sources. Furthermore, Prime Minister Narendra Modi visited Mauritius, Seychelles and Sri Lanka in 2015, and assured these nations of India's full cooperation in development partnerships for harnessing the blue economy.

The volatile socio-political environment in the region and the rise of India and China as major powers has made this an area of crucial geo-strategic importance. High rates of population growth and youth unemployment coupled with extremism and weak governance add to instability and migration issues. The region, already prone to natural disasters, is predicted to suffer most from climate change when compared globally.

There are multifarious challenges as well as opportunities facing the IOR, stemming from the interests of the regional and extra regional players. The IOR which is presently a pivot for contemporary geopolitics and geo-economics is at the top of India's foreign policy priorities. Given that 90 percent of India's trade and oil imports are transported by sea, forging regional partnerships is very vital for India to ensure the security of the sea lines of communications (SLOCs) and to attain the larger strategic interests.

The aim of this conference was to discuss and deliberate on how the dynamics of the IOR is expected to influence the geopolitical trajectories in the coming decades of the much discussed Asian Century. It is pertinent to explore how these changes will evolve in the coming years and the consequent impact on politics, economy and society of the region and India's relations with other powers. The conference also intended to address developments that are shaping the internal dynamics apart from mapping challenges and opportunities for India as well as engage with analysis of the IOR from various perspectives like history, economy, geo politics, culture, energy, trade, migration and diaspora-related issues. The conference will seek to engage experts to provide a platform for undertaking serious deliberations on the following tracks and indicative sub-themes. The outcome of the conference is expected to provide a broad policy direction for Indian policy makers by identifying key takeaways from the deliberations.

**Dr. Vidya Yeravdekar**  
Principal Director, Symbiosis

**Dr. Rajani Gupte**  
Vice Chancellor, SIU

## Acknowledgements

We would like to express our sincere thanks to Mr. Ram Madhav, Director, India Foundation, Mr. Amar Sinha, Secretary, Economic Relations, Ministry of External Affairs, Government of India and H.E Dr. Ali Al-Bimani, Vice Chancellor, Sultan Qaboos University, Sultanate of Oman for accepting our invitation to speak at the inaugural session of the International Relations Conference 2016.

As knowledge partners for the conference, we extend our thanks to the Vivekananda International Foundation and India Foundation for their support and cooperation.

We are extremely grateful to Ambassador (Retd.) Sudhir Devare, Ambassador (Retd.) Talmiz Ahmad and Ambassador (Retd.) Prakash Shah for their guidance and support to ensure the success of the conference.

We would like to express our appreciation to all our distinguished speakers and guests for providing valuable insights and rich contributions with regard to issues related to sustainability, security and development in the Indian Ocean region.

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## List of Acronyms

ASEAN	Association of Southeast Asian Nations
BBCD	Bare Boat cum Charter Demise
BISS	Bangladesh Institute of International Strategic Studies
BIMSTEC	Bay of Bengal Initiative for Multi-sectoral, Technical and Economic Co-operation
EU	European Union
EXIM	Export Import
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GOPIO	Global Organisation of People of Indian Origin
FAO	Food and Agricultural Organization
ICAR	Indian Council of Agricultural Research
ICCR	Indian Council for Cultural Relations
ITEC	Indian Technical and Economic Cooperation
INSTC	International North-South Transit Corridor
IPOs	Initial Public Offerings
IOR	Indian Ocean Region
IORA	Indian Ocean Rim Association
IOR-ARC	Indian Ocean Rim- Association for Regional Cooperation
IOU	Indian Ocean University
IPCC	Intergovernmental Panel on Climate Change
IRENA	International Renewable Energy Agency
IRNSS	Indian Regional Navigation Satellite System
LDC	Least Developed Countries

LRIT	Long Range Identification and Tracking
MEA	Ministry of External Affairs
NAM	Non-Aligned Movement
NUS	National University of Singapore
OBOR	One Belt One Road
OECD	Organisation for Economic Co-operation and Development
ORF	Observer Research Foundation
RIS	Research and Information System for Developing Countries
RITES	Rail India Technical and Economic Service
RSIS	S. Rajaratnam School of International Studies
SAARC	South Asian Association for Regional Co-operation
SAU	South Asian University
SAGAR	Security and Growth for All in the Region
SDGs	Sustainable Development Goals
SEZ	Special Economic Zone
SLOCs	Sea Lines of Communications
UAE	United Arab Emirates
UN	United Nations
UNESCO	United Nations Educational Scientific and Cultural Organization
USA	United States of America



# Inaugural Session



## INTRODUCTORY REMARKS

### **Dr. Vidya Yeravdekar**

Principal Director, Symbiosis International University



Under the aegis of Symbiosis International University (SIU), Symbiosis School of International Studies has organized the fourth International Relations Conference. The University extends its heartfelt gratitude to H.E. Dr. Ali Al-Bimani, Vice Chancellor, Sultan Qaboos University, Sultanate of Oman; Mr. Ram Madhav, Director, India Foundation; Mr. Amar Sinha, Secretary, Economic Relations, Ministry of External Affairs, Government of India for gracing the conference with their presence.

Previous editions of the conferences organized by the university have yielded successful outcomes and positive insights on important topics like India and Development Partnerships; India's Look East and Act East Policy; India and West Asia and now, India and the Indian Ocean.

The third largest water body in the world and the only ocean named after a country, the Indian Ocean provides vast opportunities to many economies in Asia. The Indian Ocean Region (IOR) has gained tremendous importance in the recent years with increased global trade; to this end, it is imperative that partnerships are sought with countries of the IOR which will drive development and cooperation in the region.

## Ms. Shivali Lawale

Director, Symbiosis School of International Studies



Symbiosis School of International Studies (SSIS) commenced its two-year Masters programme in International Studies in July 2016. The programme has received a good response from across India; students from all over the country and a few international students comprise the first cohort of the Masters programme.

The academic content of the programme, which is a fine mix of theory and practice, prepares students for careers in government institutions, non-governmental organisations, international organisations, academia, think tanks and others.

The annual International Relations Conference is one of the three verticals, the other two being the Masters programme and the research vertical, that fall under the umbrella of initiatives under the SSIS.

## Dr. S.B. Mujumdar

Founder and Chancellor, Symbiosis International University  
(Awarded Padma Bhushan and Padma Shri by President of India)



Pune has been a preferred destination for foreign students to pursue their higher education. Back in the 70s, despite their large numbers, foreign students barely interacted with their Indian counterparts. Symbiosis was started to address this issue and led to the establishment of a small cultural centre. This cultural centre became a home away from home for foreign students in the city. It is believed that education is the best way to foster understanding and to promote friendship between students from different countries - this thought led to the creation of various educational institutes under Symbiosis. In recognition of its academic excellence, the Government of India conferred the status of “Deemed University” on Symbiosis in 2002.

With respect to the theme of this conference, it is interesting to recall the geological history of the planet earth. In the early age, the earth was a huge landmass; known as Pangaea. Geographical pressures forced the earth to drift away, which consequently led to the creation of different continents; they in turn were demarked by humans who formed various countries. Oceans and seas have been a subject of great interest since ages.

In Indian mythology, *Samudra Manthan* (Oceanic Churn) is of great importance. According to mythology, Durvas Rishi's curse rendered gods powerless. To regain power, the gods approached Lord Vishnu who advised them to form an alliance with the demons to jointly churn the ocean - *Samudra Manthan* - for the nectar of immortality (*amrit*). The *Samudra Manthan* process was carried out using the *Mandar Parvat* (Mount Mandara) as the churning rod and Vasuki, the king of serpents, as the churning rope.

Apart from *Amrit*, some other *Ratnas* (jewels) like *Kamdhenu* (wish granting divine cow) and *Kalpvrksh* (wish fulfilling divine tree) emerged from the *Samudra Manthan*. Hence, the ocean is also known as *Ratnakar*.

The conference provides an opportunity for *Vichar Manthan* - churning of thoughts – which will help to come up with ideas and strategies with regard to the various issues that have been identified under the sessions to foster sustainability, strengthen security and strengthen development in the Indian Ocean region.

## Ambassador (Retd.) Sudhir Devare

Ram Sathe Chair for International Studies, Symbiosis International University



India has a web of relations with countries in the Indian Ocean Region (IOR) and hence, the Indian Ocean offers various opportunities to the country. India is much dependent on its neighbours for progress and prosperity. 'Neighbourhood first' policy remains an important agenda in India's foreign policy.

Development cooperation is a continuing theme which should be pursued with fellow developing countries of the IOR with whom India shares historical and cultural ties, monsoon winds, civilization linkages, people-to-people contact and aspirations.

Partnership in higher education and cultural diplomacy has an important place in the deliberations of the conference. The objective of *Samudra Manthan* - Oceanic churn implies relations with the neighbours. India's growing relations with its neighbours is an important aspect of India's foreign policy. Security, education, and trade are the major pillars of development in the region. There should be a focus on trade of hydrocarbons in the Indo-Pacific region as well as on the security dimension-traditional and non-traditional.

It is important to further strengthen defence cooperation and build on the achievements of the Indian navy with regard to maintaining security in the IOR. It is also imperative to give a strong impetus to projects like Mausam and Sagarmala.

Well planned development cooperation strategies among countries of the IOR are necessary to ensure the sustainability of the Indian Ocean. Indian Ocean Rim Association (IORA) is a forum, tripartite in nature, which brings together representatives from government, academia and business. Among other issues, the forum gives a lot of importance to soft power diplomacy, partnerships in higher education, cultural diplomacy and blue economy.

## Mr. Amar Sinha

Secretary, Economic Relations, Ministry of External Affairs, Government of India



The conference is extremely important as it focuses on important issues-security, sustainability, and development. India occupies a pivotal position in the Indian Ocean and has strong links with countries of the Gulf, East Asia, and Southern Africa. Indian agriculture is heavily dependent on the monsoon winds which originate from the Indian Ocean. In a short span of time, Prime Minister Narendra Modi has visited 16 out of the 21 IORA countries; this clearly shows the importance the government has accorded to this region.

Since ancient times, India has nurtured vibrant relations with its neighbours in the Indian Ocean Region (IOR). The region has attracted many traders, travellers, colonizers and invaders, because of its abundant natural resources, developed civilizations and booming economies. The Gulf region is a home to about 7 million Indian diaspora. And hence, Government of India took a very conscious decision to promote the historical and civilizational linkages with IOR countries.

In the contemporary geo-politics also, IOR carries vital significance. While dealing with the IOR countries, India has prioritized its trade and investments requirements in the region. These countries are not only resource-rich but also have an industrial surplus which would benefit India. Recently, countries like United Arab Emirates (UAE) and Qatar have shown increasing interest in economically engaging with India.

IOR has a huge potential of the blue economy, which should be harnessed. The blue economy generally consists of sectors like fisheries, renewable energy, aquaculture, seabed exploration, maritime biology, and tourism. India has proposed cooperation with all the member countries of IORA to exploit the blue economy potential.

Piracy remains an important hurdle in seamless navigation in the IOR, more so in the Western bank of the Indian Ocean. India is working with the other powers to curb this menace and to make trade routes safer and secure. Coordination and cooperation among IOR countries remains the key to secure this region.

Natural disasters like earthquakes and Tsunamis form the formidable challenge of IOR. In this regard, India has provided net security and humanitarian assistance. Relief and assistance programme during the 2004 Tsunami disaster is a vivid example of the Indian efforts. Hunting, poaching, oil and climate change are the other major issues, which need to be deliberated in the near future.

The government of India has taken several important steps to engage with the countries of this region. Prime Minister Modi announced his vision for the IOR, defined as 'Security and Growth for All in the Region' (SAGAR).

Mausam project, an initiative of India's Ministry of Culture is intended towards rediscovering India's cultural links, documenting them and recognizing them both regionally and internationally. United Nations Educational, Scientific and Cultural Organisation (UNESCO), where efforts are being made to recognize the aforementioned aspects as the common cultural heritage of mankind, may play a role of catalyst in this aspect.

The focus of India's foreign policy should not be limited to national interests and projecting its power. All countries should work together to achieve freedom of navigation, lawful commerce, maritime security and peaceful settlement of disputes within well-established legal frameworks that govern the maritime domain.

## Mr. Ram Madhav

Director, India Foundation



There are no permanent friends or enemies in diplomacy. Former US Secretary of State, Henry Kissinger took this quote a step further and said, “There is not even a permanent force; it's only permanent interests that guide nations into diplomacy.”

Foreign policy is a dynamic subject; there is no place for romanticism in it. Foreign policy and international relations have to be guided by pragmatism. Romanticism was a key factor that guided the formation of the third block Non-Alignment Movement (NAM). However, this romanticism with words and phrases is not required, and this century has put an end to many such concepts.

Global powers today have moved from the Pacific-Atlantic to the Indo-Pacific region, which is going to be the global powerhouse for the next century. Today, forty percent of world trade passes through this region, fifty percent of energy trading takes place through this region, and it is also home to fifty percent of energy resources. In other words, today Asia has become the epicentre of the global trade. And hence, the Indo-Pacific has been the global powerhouse for almost a decade. The Indian Ocean Region (IOR) is military wise, resource wise, and strategy wise the most important region in the world today.

In the near future, India, China and the USA are going to lead the power equations in the IOR. In terms of economy and military muscle, China is much ahead of India and it occupies the driver's seat. The Chinese are aggressively pursuing their interests in the forms of 'One Belt, One Road' (OBOR) and have also built a formidable naval

power. The Chinese navy comprises of more than 300 vessels in its fleet and is capable of challenging the most powerful navies in the world. The role of the USA with its new presidency remains uncertain. Trump's relations with Russia, China, Saudi Arabia and India will influence the IOR.

The Chinese initiative of OBOR is ambitious and puts Beijing at the centre of global politics and economics. Thus, India's opposition to OBOR is the most discussed topic in the region. India is also planning to strengthen its navy. Prime Minister Modi has provided a plan and by 2030, India should also have 300 naval vessels. It is a long way to go, but it can be achieved. Those who command the seas command the world today. There is a need for greater engagement with the Association of Southeast Asian Nations (ASEAN) members.

India has greater ambitions in the IOR and is in the position to assert them. It is aimed at emerging as a responsible global power. One major goal that India needs to pursue is to change the nomenclature, from Asia-Pacific to Indo-Pacific. India also needs to establish the centrality of the Indian Ocean to global power politics.

## H.E Dr. Ali Al- Bimani

Vice Chancellor, Sultan Qaboos University, Sultanate of Oman



India and Oman are linked by geography, history, and culture. Both countries enjoy warm and cordial relations which can be ascribed to historical maritime trade linkages too. For centuries Oman, Far East, and East Africa traded with India through the Indian Ocean. The Omani art of making wooden sailing ships survives even today at the southern coast of India.

Oman has prosperous trade and economic relationship with all nations in the Indian Ocean Region (IOR) and enjoys a special bond with the Indian subcontinent too. India is the largest importer of oil from Oman and also exports machinery, electronic equipment, and spices. There is a presence of large, diverse, accomplished and highly regarded expatriate Indian community in Oman, which is spread over the entire spectrum of professions. Strategic sectors of defence cooperation, global trade, maritime and human security, and climate change should be focused on pushing for a robust India-Oman relationship.

In the area of defence and security, Oman enjoys peaceful relations with its neighbours and pursues a foreign policy of non-interference. Oman has participated in the Indian Ocean Grouping for Economic Cooperation since the beginning and also holds several meetings at the ministerial levels in order to improve the relations among IOR countries. At the insistence of Oman, a trade and investment direction plan for the IOR was adopted and a high-level task force was established. A joint special fund was supported by Oman along with marine sciences and fisheries. Oman pushed for the

creation of a regional maritime council in the Indian Ocean Rim Association (IORA) and subsequently it was established in the year 2011. Today, it is necessary to promote cooperation among like-minded countries in the IOR and Oman is willing to take the lead on this front.



# Session I: Trade, Investment, and Economic Growth

## KEYNOTE SPEAKER:

### **AMBASSADOR K.V. BHAGIRATH**

Secretary General, Indian Ocean Rim Association (IORA),  
Port Louis, Mauritius

## SPEAKERS:

- **DR. SANJAY CHATURVEDI**  
Professor, Department of Political Science, Punjab University, Chandigarh
- **AMBASSADOR MUNSHI FAIZ AHMAD**  
Chairman, Bangladesh Institute of International Strategic Studies
- **MR. DEEPAK SHETTY**  
Former Director General of Shipping and Former Secretary to Government of India

KEYNOTE SPEAKER:

## Ambassador K.V. Bhagirath

Secretary General, Indian Ocean Rim Association (IORA), Port Louis, Mauritius



Indian Ocean Rim Association (IORA), formerly known as Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), was launched in March 1997. The changes in the region demanded that the countries of Indian Ocean Region (IOR) have a single platform to cooperate and coordinate. The IORA had a humble beginning with fourteen member states, and is currently composed of twenty one member states and seven dialogue partners. The Association assumes a larger Euro-Asian construct due to the presence of dialogue partners such as the United States of America, China, France, United Kingdom, Germany, and Japan.

As mentioned in the Charter, the IORA fundamentally seeks to facilitate and promote regional economic co-operation, bringing together inter-alia representatives of Member States' governments, businesses and academia, to promote the sustained growth and balanced development of the region and of the Member States, and to create common ground for regional economic cooperation.

With respect to trade relations two key challenges are being faced by the IOR countries. First, this region is home to around two billion people. There are sharp social, economic and political imbalances present in the region. This combined with the weak governance systems in some of the countries has negative impact on economic progress of the region. The second challenge is that IORA is resource-strapped and has a limited budget. Preliminary examination also reveals that in the rim, very few nations have an integrated Indian Ocean policy.

IORA is striving to gain a better understanding of the developing and least developed countries (LDC). The first Economic and Business Conference held on July 4-5, 2013- at Port Louis was co-hosted by India and Mauritius under the theme of 'Deepening Economic Linkages for Balanced, Inclusive & Sustainable Growth'. One of the main outcomes was the special session of blue economy. The first ministerial conference of IORA resulted in taking up of a pilot project in the field of fishery and aquaculture. This is being done by one LDC state Bangladesh in another LDC state in East Africa, which is an achievement in itself. In the renewable energy field, IORA is working with International Renewable Energy Agency (IRENA). Also, India is set to organize an international conference on renewable energy. Tourism remains another important agenda for this region. Each rim country has its own tourism policy. However, one of the outcomes of a ministerial meeting on tourism was a special chapter on cruise tourism. IORA is trying to achieve sustainable model of economic progress in priority areas which would result in growth and development in micro level. In this regard, project implementation is being done in incremental basis to achieve assured participation of the member countries.

There are two important initiatives undertaken by IORA. One is the Special Development Program which includes organizing workshops and seminars in LDC nations. In fact, the last conference meeting has approved the chapter two of this program. The second is the Somalia-Yemen Capacity Building Initiative. There has been the label of "failed states" attached to these nations by the media and the

initiative's aim is to mainstream these nations. Several nations have showed interest in hosting the conference after it was approved by the council of ministers. IORA is also organising its first ever summit in Jakarta in March 2017. This summit could help in expediting the process of closer economic cooperation among IOR countries.

The core strength of IORA is its economic engagement. Five members of the G7 countries are dialogue partners to IORA. The blue economy core group was hosted in China one day after the tribunal verdict on the South China Sea. However, no controversial issue came up and all decisions were made with consensus. In fact, China works closely with the IORA and its cooperation in the agriculture sector will be beneficial for the region. What is important in IORA is its focus on cooperation and consensus before the competition and conflictual situations.

Prime Minister Modi has enunciated a policy called 'Security and Growth for All in the Region' (SAGAR) during his visit to Mauritius in 2015. The policy is specifically focused on the IOR. IORA is also helping to shape the economic aspect of the SAGAR. There has been a proposal by India for an Indian Ocean University (IOU), co-endorsed by Mauritius for which a preliminary study has been prepared by the IORA secretariat. Symbiosis International University (SIU) can look for collaboration possibilities with IOU. IORA is striving for economic engagement that is dynamic and inclusive for the entire IOR.

## Dr. Sanjay Chaturvedi

Professor, Department of Political Science, Punjab University, Chandigarh



One of the functions of the Indian Ocean Rim Association (IORA) is to undertake research in various areas related to the Indian Ocean Region (IOR). For this purpose, an 'academic group' has been established within the IORA. Besides that, a significant amount of study is done globally on climate change. However, research findings are yet to get reflected in the workings of the IORA. A more global social sciences approach needs to be created which takes into account diverse experiences from different regions of the world.

The world is witnessing a growing restlessness related to moving from a very unsustainable present to a sustainable future. The Indian Ocean is no longer a neglected region. Many countries have formulated a specific policy with regards to the IOR, an example being India's Security and Growth for All in the Region (SAGAR) vision. Such policies act as building blocks to help conceptualize the vision for the region as a whole. A regional grouping like IORA takes the ocean as its centre. As the IOR is studied, there is a need to focus on making the future of this region sustainable. However here the question arises whether billions in the global south grow the way in which millions in the global north grew? The answer is no.

The new geological epoch is Anthropocene which began when human species jumped continents and brought in considerable changes with serious implications for the environment which can be damaging in the long run. The first step in combating such a problem is to recognize it. The gravity of the problem that climate change poses, is clear from the fact that all the five reports by the Intergovernmental Panel on Climate Change

(IPCC) shows a high level of confidence regarding the issue. Hence, ecological economics is not a matter of choice but a matter of necessity. The dominant models of the developed world have brought humanity to the brink of disaster. It is time to adopt models that are sustainable in the long run.

Ecological economics has largely focused on the terrestrial area; it is time to move the focus to oceans too. Ecological economics refers to a field of academic research that aims to address the interdependence and coevolution of human economies and natural ecosystems over time and space. Ecological Economics is especially essential for building a sustainable future in IOR. The oceans are being degraded and hence a movement towards ecological economics needs to be initiated. An alternative thought in politics called as planet geopolitics which focuses on nurturing all species living together in the world has to come to the forefront. India's SAGAR vision demands such kind of paradigm shift.

## Ambassador Munshi Faiz Ahmad

Chairman, Bangladesh Institute of International Strategic Studies (BISS)



The Bay of Bengal holds special importance to Bangladesh. Bangladesh had realized the importance of its blue economy and hence enacted the territorial waters and territorial zone act. But it took twenty years for Bangladesh to mull over the blue economy. The Bay of Bengal forms the foremost priority for Bangladesh as it is the sole blue water outlet. The government has to ensure that there is sustainable development with proper utilization of marine resources.

Bangladesh has come up with Vision 2021 to transition itself into the middle-income status country and Vision 2041 to become a moderately developed country. It has achieved considerable progress in poverty alleviation and currently has a Gross Domestic Product (GDP) growth rate of seven per cent (2016). Per capita purchasing power has nearly doubled from \$800 to \$1488. There has been a marked improvement in the child and maternal mortality rate as well as for enrolment in schools. In recent years, India has announced three billion dollars in infrastructure projects. Bangladesh has built special economic zone (SEZ) exclusively for India, Japan, and South Korea and is also working towards improvement in the investment climate. Consequently there has been a faster pace of development which has brought it closer to achieving the vision.

The settlement of internal disputes between India, Bangladesh, and Myanmar has opened up a huge space for Bangladesh to do ambitious work in the blue economy sector. Although Bangladesh has vessels that can go 60km from the shore, it requires support from China and India to improve its fisheries. Another important area of cooperation

between India and Bangladesh can be exploitation of natural resources in coastal forests. Bangladesh also has no experience in seabed mining and it would require international assistance for the same.

Lack of information is a challenge for Bangladesh as the country grows. Investment in education is a crucial step in this direction. There is a need of research and surveys which can help in improving the gains from the area of the blue economy. Thus, this along with resolution of border disputes and fostering peace and friendship, form the cornerstones of Bangladesh's future development.

## Mr. Deepak Shetty

Former Director General of Shipping and Former Secretary to Government of India



An enormous amount of work has been done in legislative reforms in India which has helped to slowly strengthen its position in the maritime industry. The Merchant Shipping Act of 1958 governs the Indian Merchant Shipping laws. These policies have ensured that there is reservation of trading rights in its own coastal waters. Merchant vessels in India can be acquired under Bare Boat cum Charter Demise (BBCD) route which allows financial leasing of vessels without actually acquiring ownership of the vessel.

India has enhanced its coastal cooperation with Bangladesh since the Modi Government has come into power and is looking to extend it to other countries including Myanmar. This would give impetus to the coastal economies of the region. The state of the art development in the form of Long Range Identification and Tracking (LRIT) enables Indian Merchant Vessels to be tracked worldwide and helps in maritime security.

Also helping in maritime security is the Indian Regional Navigation Satellite System (IRNSS) which will help in maritime scanning and open up a conduit for the rim countries to come together. The key word here is “regional” which points to the regional leadership role taken up by India in the Indian Ocean and India's influence and reach in this region.



# Session II: Defence and Security

## KEYNOTE SPEAKER:

**DR. ARVIN BOOLELL**

Former Foreign Minister of the Republic of Mauritius.

## MODERATOR

**AMBASSADOR (RETD.) PRAKASH SHAH**

Former Indian Ambassador to Japan and Venezuela

## SPEAKERS:

- **DR. C. RAJA MOHAN**  
Director, Carnegie Endowment for Peace, India Centre, Delhi
- **MR. PETER VARGHESE**  
Former Permanent Secretary of Australia
- **AMBASSADOR ONG KENG YONG**  
Executive Director, S Rajaratnam School of International Studies, Nanyang, Singapore.
- **MR. NITIN GOKHALE**  
Defence Expert, India.

KEYNOTE SPEAKER:

**Dr. Arvin Boolell**

Former Foreign Minister of the Republic of Mauritius



Since its independence in 1968, the Republic of Mauritius has not been able to enjoy complete sovereignty as the resolutions by the United Nations have severely impacted her security and defence measures. The political landscape has since changed and today India is considered to be the net security provider in the Indian Ocean Region (IOR). India's development as a net security provider has been in American interests and consequently, United States has declared India to be a major defence partner. As an economic and political powerhouse, it is advisable for India to not lose sights of its long-term goals despite the geographical advantage India enjoys. India's success in developing strong security relations in the region shall rest on its democratic principles.

The question of human security has gained significance and there is a growing tussle for influence in the region between India and China. As the third biggest ocean, the Indian Ocean has become the ocean of the twenty-first century. The centre of gravity of geopolitics has shifted more significantly towards the Indian Ocean because of looming opportunities despite possible threats. The Indian Ocean has the world's largest concentration of liberal states. As the geo-political pivot of the world shifts from the Atlantic to the Indian Ocean, ensuring the safety of shared maritime domains will be central to safeguarding the future of humanity. Keeping peace in the Indian Ocean is crucial. The rivalry between emerging powers will exist; therefore India needs to have an effective naval force to make the most of its geo-strategic advantage for better outreach to its bases, places, and resources. As an emerging power, India has to address its complex internal problems to sustain its military

gain and make up for previous losses.

China too is becoming an oceanic power. It is investing in deep water ports in Burma, Bangladesh, Pakistan and Sri Lanka. The Indian Ocean and Bay of Bengal ports are parts of the bigger plans to secure China's future and establish its status as the new colonial master. Maritime Sea route remains the best highway. The Sea Lines of Communications (SLOCs) should be protected as freedom of navigation is vital for the Indian Ocean to emerge as a major stake in the global economy. China and India have to develop initiatives to foster infrastructure and connection in the region. There has to be an integrated approach to combat illegal shipping and climate change.

On June 26, 2015, India released a master plan of regional cooperation. Umbrella cooperation for shared goals should be the aim and Indian Ocean Rim Association (IORA) will strengthen regional cooperation and maritime security. The Prime Minister of Mauritius has assured support to India with respect to these cases. Mauritius gives India comparative advantage to cover naval areas in the Indian Ocean. This region needs like-minded countries to co-operate with each other in order to counterinsurgency. In context to IORA, United Kingdom has the right to have an observer status in IORA. Threats of piracy, illegal fishing, and drug trafficking have the capability of building cooperation between the rival nations. In a multi-polar world, multi-lateral organizations should be made more responsive.



MODERATOR:

**Ambassador (Retd.) Prakash Shah**

Former Indian Ambassador to Japan and Venezuela

*'Vichar Manthan'* on defence and security of the Indian Ocean Region (IOR) is a necessity of time. Defence and security relations have a significant impact on the inter-country relations for both India and the Indian Ocean sphere. It is necessary to improve the levels of safety of the region, given that forty per cent of the world's trade, including fossil fuel, passes through here.

## Dr. C. Raja Mohan

Director, Carnegie Endowment for Peace, India Centre, Delhi, India



The story of India's security policy dates back to the end of World War II. During that period India's strategy with respect to defence and security was of prime concern. Back then, the Indian navy was not controlled by the Indian government and the Indian Ocean was still called the British Lake. The British took care of the maritime security and it was the Indian army that provided people with security all over the region. During that phase, two nationalists, Mr. K. M Panikkar and Mr. Keshav Balkishan, were the ones who imagined how India should build a strong navy that would contribute to the security of India, regional security in the Indian Ocean, provide support to weaker states and to establish good governance in this entire space. But these ideas did not come to pass because of various reasons.

The Indian navy's lesser engagement with the sea can be attributed to two key factors. First, India's economy had turned inwards and second was the creation of the new borders in the Indian Ocean Region (IOR). Land conflicts became the dominant concern of Indian security and thus, India was left with little time to think about the seas. However, in 1991, India embraced liberalization and changed its policy. This economic reform helped India to turn its attention towards the sea and create greater interdependence with the world. Today, in India, there is 1 trillion dollars two-way trade which accounts for forty per cent of the Gross Domestic Product (GDP). Thus, seas have become central to India's welfare and economic prospects. While it is acknowledged that India must return to the ocean but the political hesitation remains.

The Indian government has taken an assertive stand to ensure its own security. This could be seen in

Prime Minister Modi's speech in Mauritius in 2015, where India articulated its maritime strategy. This strategy involved mainly three elements. First is to build strong maritime capabilities for India. Second, to assist the other countries build their naval and maritime capabilities; and third, to work with other powers. Each one of these strategies was a significant departure from the past when navy did not get sufficient resources. There is still a long distance to go.

India now has more competence to help countries like Mauritius and Seychelles, to provide them with capabilities and assist them in managing their own exclusive economic zones. The policies have evolved accordingly. India is willing to be partners with United States, Japan, Australia, Singapore and many other countries and is prepared to work with them. There is a big shift from being a lone ranger to a nation consciously asserting its willingness to help other countries and ready to build coalitions with them.

The way forward for India is to build its maritime capability and assist smaller countries in the region. China will have its significant presence in the Indian Ocean. India needs to find out a way to deal with the fundamental changes happening in the Indian Ocean in this respect. India does not sell arms but needs to strengthen her capacity as a net security provider. Creating ability within India to ensure collective security in the region is what the leadership should aim for. Regional engagement should become the priority and there should be a shift from insular policy to regional policy formation.

## Mr. Peter Varghese

Former Permanent Secretary of Australia



Australia's perspective about the Indian Ocean since World War II is concerned primarily with the promotion of trade and integration. Australia recognizes the importance of Indian Ocean Region (IOR) as a consequence of the strategic impact of shifting of economic tradition. In the Indo-Pacific region, during the early days of progress, there was a maritime environment of strategic planning and cooperation. In the Asia-Pacific region, a more structural system is evolving and hence, India is seen as a strategic player.

However, the region is facing many challenges. Some of the key issues that are of concern to Australia are as follows. First, is the sharpening of the strategic competition in the region and the simultaneous pursuit of trade with USA and China. Second, is the challenge posed by China's behaviour to the strategic liberal structure that Australia is comfortable working with, being a U.S. partner and beneficiary. Australia's strategic interests and ambitions in the region can be summed up to include the following - promote a liberal international order, support India's strategic autonomy, create space for Australia and India to cooperate, press for freedom of navigation, seek a greater focus on the Pacific region and a partnership that bridges both the neighbours.

## Ambassador Ong Keng Yong

Executive Deputy Chairman, S Rajaratnam School of International Studies, Nanyang, Singapore



The Indian Ocean is considered to be an important part of Singapore's maritime trade and security strategy. It is now one of the top twenty trading nations in the world. Indian Ocean Rim complements Singapore's interests and requirements and Singapore now considers this ocean to be of critical significance.

In the last 50 years, Association of Southeast Asian Nations (ASEAN) has been able to captivate the population in this region to focus on economic growth and cooperation, and as a result, they treasure peace and stability very significantly. Collectively, ASEAN has become world's 7th largest economy. The Indian Ocean Region (IOR) has been of prime importance for ASEAN countries. It will create opportunities and connect the global community but the potential of this region has not been fully utilized. Intra-regional trade is minimal and the only twenty per cent of its potential has been realized so far. Therefore in the next 10-20 years, the focus should be on developing good relations amongst the Indian Ocean countries, developing the economies and connecting everyone in this region to the rest of the world, to make the Indian Ocean a tremendous part of the global economy.

Looking at this region, Singapore thinks, that going forward and focusing on peace, security, and stability will be the most important concern for all the countries around the Indian Ocean Rim. Post this the countries can focus on economic growth. Good inflow of capital from outside this region would help develop the regional economies and create more job opportunities.

There is a growing need for cooperation in the IOR. Capacity building is required to strengthen

cooperation and business development. Opportunities should be created for the private sector to cooperate and expand trade and investment. Culture and heritage comprise a major foundation of cooperation among various nations. Thus the bottom line is that all are interdependent and the Indian Ocean has traditionally been an open region where peace and co-existence prevails.

The way forward can be outlined as follows. First, is the need to establish good connectivity as it can be seen in the case of India and Singapore where 400 weekly flights have connected both the countries. Second, develop people to people exchanges by taking into context students, tourists, and NGOs. Third, bring benefit for the people of Indian Ocean. Fourth, harness technology to bring people together and also support globalization for the same. Lastly, work together towards creating and exploring opportunities in the IOR.

## Mr. Nitin Gokhale

Defence Expert, India



The term Indo-Asia-Pacific is being pushed by the United States and Harry Harris has been the strongest proponent of this term. Today the world is dominated by oceans and especially by the Indian Ocean which extends to meet the Pacific Ocean with the South China Sea in between. This advantageous geo-strategic location makes it safe to call the region as the flashpoint of the “New Great Game”. In the 19th century, the great game was in the Hindu Kush with Russia, Afghanistan, and Britain as important players. The new focal point is the Indo-Asia-Pacific starting from India and going right up to Australia. The Indo-Asia-Pacific region is driven mainly by the rise of China, Asian Tigers and in this decade, India. The United States, as an old Pacific power, has a looming presence. The real story in the Indo-Asia-Pacific region is the economic development that has taken place. Association of Southeast Asian Nations (ASEAN) has set an example of cooperation between nations, cooperation between smaller states and how one can become an effective block. In the last fifteen years, United States has paid considerable attention to India. The presence of the United States and its navy especially the 7th and the 6th fleet have been substantial. Also with Chinese interests in the region on the rise, India is keeping a careful watch on the side-lines while strategizing about how to play a bigger role in this area. India predictively appears to have a choice among three major stances – being a swing power, being a balanced power and having continuing co-operative relations with the United States and China. Ultimately what stance would be assumed by India is a question that will be a foremost thought in every strategic thinker's mind.

India does not need to choose one side. India can play her role very effectively because of her geographical advantage. India is like an unsinkable aircraft carrier as far as the Indian Ocean is concerned. The way India harnesses her geographical advantage is yet to be seen, for which proper thinking and planning will be required. In this region, the competing interests have led to many regional and sub-regional alliances. Alliances like Bay of Bengal Initiative for Multi-sectoral, Technical and Economic Co-operation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), East Asia Summit (EAS) and ASEAN have been formed in the region which are multilateral, bilateral and are also competing for influence and trying to make their presence felt in this region. The states in this region participate in a complex array of multi-, bi- and unilateral mechanisms to advance their security interests. These mechanisms are often complementary, sometimes competing, but not mutually exclusive alternatives.

Tectonic shifts in the military-economic foundation of the region are driving major changes in its architecture, showing signs of bifurcation. The Indian Navy has always been strong but now it is rising in terms of its presence and capacity. Presently the Indian Navy has 136 ships and harbours the ambitious aim to become a navy with 200 ships. India thinks of the Indian Ocean as her own backyard and therefore needs to be the net security provider in the region.

The past scheme of the grand old bargain in Asia is falling apart. It was predicted that China would accept U.S. primacy in this region and in turn the

U.S. would facilitate China's economic growth. This bargain was supposed to benefit the other nations of the region but is now falling apart and its consequences are unknown. The flash point for the world could be in the South China Sea or the East China Sea or between Japan and China or between India and China.

India is well aware of the larger Chinese presence in the region and is adopting appropriate countermeasures. China's engagement in South Asia especially around India's periphery has been on the rise. It is alleged that the Chinese way is of deep pockets and cheque book diplomacy. This was evident in the case of Hambantota Port in Sri Lanka where China extended a loan to Sri Lanka and upon non-repayment China converted it into equity. This is how China has operated in the ASEAN region for a long time. India is not sitting idle, but its response to this has been slow and gradual. With the economic heft post-1991, and with the help of the Act East policy, India has become a key player in the region backed by a strong navy.

For India to continue to retain the edge it enjoys because of geography, developments in the Indian Ocean Region (IOR) and the South China Sea have to be taken into consideration. Strengthening of the navy must be a priority. Building deterrence along the Himalayas and forming multilateral alliances in the Asia-Pacific region should be India's aim. Bold moves should be taken in Central Asia through Chabahar Port and Afghanistan. Lastly, national policy should drive India's policy in the region. If India can recognize that, it would be the nation's way forward.



# Session III : Civilizational linkages and soft power diplomacy

## **MODERATOR:**

**AMBASSADOR (RETD.) SUDHIR DEVARE**

Ram Sathe Chair for International Studies, Symbiosis International University

## **SPEAKERS:**

- **PROF. V. SURYANARAYAN**  
President, Chennai Centre for Chinese Studies, India
- **PROF. BALADAS GHOSHAL**  
Secretary General and Director (Academic), Society for Indian Ocean Studies
- **AMBASSADOR (RETD.) TALMIZ AHMAD**  
Former Indian Ambassador to Saudi Arabia, Oman and the UAE
- **MR. MAHEN UTCHANAH**  
Founding chairman, International Indentured Girmityas Foundation
- **MRS. NAMRATA S. KUMAR**  
Deputy Director General, Indian Council for Cultural Relations
- **DR. KAVITA A. SHARMA**  
President, South Asian University, (SAU) New Delhi

MODERATOR:

**Ambassador (Retd.) Sudhir Devare**

Ram Sathe Chair for International Studies, SIU



The Indian Ocean Region (IOR) has been an integrated region – economically, politically and culturally since time immemorial. With the advent of colonialism, relations between IOR countries have been given a new dimension. The region has always witnessed a substantial movement of diaspora among the IOR countries. Indonesian diaspora moving to Madagascar, Abyssinians in India and Indians in Mauritius are all examples of such movements. Hence the evocation of soft power becomes imperative. Soft power diplomacy can be furthered through media and communication, technology, education, and most importantly through the long history of shared art and culture. Despite close civilizational linkages for thousands of years, there are still many gaps to be bridged such as differences in identity.

## Prof. V. Suryanarayan

President, Chennai Centre for Chinese Studies, India



The relations between the countries of the Indian Ocean Region (IOR) are based on benign interactions of the past and the mutuality of interests that lingers today. Two visuals are offered to emphasize on the cultural linkages that India shares with two important countries in the IOR.

The first visual is that of the Merdeka Square (Merdeka is the Bahasa word for independence) in Jakarta, Indonesia – the largest Muslim country in the world - where there is a beautiful marble representation of the *Geeta Updeshha* – Krishna driving the chariot with Arjuna seating behind. There is no such representation in India. Indonesia's first President Sukarno derived his name from Mahabharatha's Karna. Sukarno along with his wife Padmavati – a Muslim lady with a Hindu name was also the chief guests at India's first Republic Day parade in 1950. To understand a country one must study its history. Indonesia perfectly combines the past with the present in terms of civilizations. Indonesia transitioned from animism to Hinduism to Buddhism and finally to Islam. The synthesis of all religions is the basis of Indonesia's modern civilization.

In Indonesia, during pregnancy women are presented with a coconut – one face of which has Ram and the other face has Sita – signifying that if a boy is born he should be like Ram and if a girl is born she should be like Sita. Even the first international Ramayana festival was organized in Indonesia.

The second visual is of India's cultural influence on Cambodia. Cambodia has the largest Hindu temple in the world - Angkor Wat. The temple has a beautiful representation of the *Samudra Manthan*— where with the *Asuras* (devils) on the one side and

the *Devas* (gods) on the other churning the ocean.

Indians have contributed a lot towards the propagation of Islam in South East Asia. South East Asia's rulers also borrowed the concept of *Devaraja* – a king becomes a god on earth after his coronation and thus his writ cannot be challenged. One can contrast these visuals with China's cultural influence in the area. China's absolutist approach to imposing Confucianism and the Chinese language led to the failure of China's culture seamlessly assimilating with the IOR, unlike the case with India. These ancient linkages with the IOR give India a large window of opportunity to use culture as an instrument of diplomacy. However, diplomatic lethargy and laziness are some of the barriers to achieving this.

In the 1990's, H. E. Ambassador Ram's suggestion to the then Prime Minister P. V. Narsimha Rao to give tourist visas to Buddhists without any fees, in order to garner stronger ties, was lost into government's red tapism. The plan was implemented after three years and in the end was applicable to only Buddhist monks from Thailand only. Therefore, India should use her culture to leverage her soft power and strengthen diplomacy through tourism.

## Prof. Baladas Ghoshal

Secretary General and Director (Academic), Society for Indian Ocean Studies



World affairs can be looked at from two levels of analyses – geopolitics and geo-economics. Most focus on how the geopolitics of the Indian Ocean Region (IOR) permits India to play a prominent role. Others focus on how the economic environment of the region brings everyone's interests together resulting in many possibilities for cooperation in investment, trade, development, etc. However, there is a third dimension – geocivilisation. Geocivilisation helps in understanding the nature of international relations and the interactions that can take place on those lines. While geopolitics and geoeconomics are important, they can be contentious. For example, mentioning India as a 'net security provider' brings in certain elements of arrogance and patronizing behavior. In the case of geocivilisational linkages, it cultivates a common worldview. In terms of promoting interests and developing relations, this common worldview becomes an important tool. The geocivilisational level of analysis is better equipped to understand this view and also diminishes the scope of conflict.

Culture has flowed through traders and scholars who would travel to distant lands. When not introduced through war, foreign culture can effortlessly merge into the original culture. However, one cannot afford to believe that the two cultures are the same. Differences still exist between the two cultures and one must acknowledge and accept these differences. Nevertheless one must keep in mind the common threads binding these cultures. The common thread as a consequence of having to adapt to multiple foreign traditions, took on a syncretic nature. The Borobudur Temple, for instance, which is a Buddhist

stupa, contains the Trimurti – the carvings of Shiva, Vishnu, and Brahma. Today this syncretic culture is in danger due to pressures from globalization. Identity formation leads to compartmentalization which leads to blockage of harmonious relations between countries, cultures, and religions. Therefore, civilizational dialogues are needed between the IOR countries. This would lead to the formation of shared values, customs, and a shared world view. By doing so, mechanisms can be created leading to better interactions with people. There is a need to increase people to people contact in order to have better relations and education may play a key role in this. Knowledge dissemination can take place through involvement of the youth and by promoting cooperation in the sphere of education. Some ways of achieving this are outlined as follows. More scholarships should be given to encourage youth participation. Emphasis should be laid on exchange programmes for students and teachers in the region. Educational tours must be undertaken for younger students. As an alternative approach to increase people to people contact is to promote cultural tourism. India can arrange Buddhist and Muslim pilgrimages for Association of Southeast Asian Nations (ASEAN) countries to places such as Bodhi Gaya and other places of pilgrimage.

## Ambassador (Retd.) Talmiz Ahmad

Former Indian Ambassador to Saudi Arabia, Oman and the UAE



Civilizational linkages in the Indian Ocean Region (IOR) are five thousand years old. Communities from different countries sailed through the Indian Ocean and this is what linked diverse people together. The IOR shares a resilient cultural ethos that is structured on these past exchanges. This exchange was interrupted to some extent by the advent of European colonialism when Vasco da Gama first came to Indian shores. Though European colonialism started as a voyage of discovery, it soon became a voyage of conquest and destruction. The pervasive western order that is prevalent today is in distress. The process of globalization is also facing some challenges. It is now perceived that globalization is the privilege of the few. The democratic system itself is being questioned. People who are not a part of the western success story, are today rebelling and their vote is being mobilized – Brexit - and the Trump presidency being examples of this. The capitalist system has also come under questioning. Capitalism is corrupt and is largely based on crony capitalism. The values of enlightenment which shape western civilization are themselves being questioned. Sub-national identity is now at the fore and this is being exploited by politicians in the west.

The gravity of the world power is shifting from the west to the east. In next ten years, Asia will have 2/3rd of the world's population. Asia will take over the combined economic output of Europe and North America. China will be the largest economy in the world and twice the size of the USA. India's economy will be a close third and almost equal that of the USA. Asia will have surpassed North America and Europe combined in terms of global power.

The last twenty years have seen the development of extraordinary connectivity among IOR countries. This is because of the rapid rise of both India and

China. West Asia now supplies sixty per cent of its production to Asia. There already exists a virtual Silk Road and this is a revival of the old silk roads that connected this region by both land and sea. We are recovering our own heritage as the west retreats.

The 'One Belt, one Road' (OBOR) is an imaginative project that demands that we work together and if realized, it can qualitatively transform the geography and economics of the region. Every part of Asia is looking at increased connectivity today. The Gulf Cooperation Council (GCC) has good roads but lacks good connectivity. Chabahar port will enable India to have a direct connection to Afghanistan and Central Asia.

Contemporary issues in Asia such as the scourge of Jihadi terrorism, Sino-Indian border issues, India-Pakistan conflict and the Iran-Saudi Arabia conflict are the major challenges. India thus, starting from a Track II level and moving towards Track I, must be directly involved in leading a diplomatic initiative to promote confidence building between Iran and Saudi Arabia. Both Iran and Saudi Arabia have very important stakes in the IOR. India must hence lead an Asian initiative which also includes China, Japan, and South Korea.

India's strength lies in the fact that she has deep and historic ties with IOR countries. India-Oman relations are a fine example of the civilizational linkages that the region shares. The western world order is now declining. "Asia-Pacific" was an invention of the USA to keep India out. Similarly, "India-Pacific" is also a western construct to tame China and exclude West Asia. India must not be pawns in such western initiatives. The west will resist every effort that India makes to pursue its own heritage and reshape the Indian Ocean which is what defined the ethos of this region for five thousand years.

## Mr. Mahen Utchanah

Founding chairman, International Indentured Girmityas Foundation



The Indian Ocean is the ocean of the century. On 2nd November 1834, the last ship from Calcutta brought 465,000 people to an island known as Mauritius. Those ships didn't bring indentured laborers only to Mauritius but also to twenty six other countries including Fiji, Guyana, Trinidad, etc. These slaves were called 'Girmityas' – etymologically based on the English word agreement. They were mostly illiterate and uneducated and were tricked into going to these islands through pipe dreams of gold and riches. Despite the inhumane treatment and conditions meted out to them, the Girmityas witnessed a meteoric rise. From being indentured laborers and slaves they are now prominent ministers and lawmakers in most countries they were sent to.

In 1965, three years before Mauritius gained independence, the British declared certain islands as part of the British Indian Ocean Territory. One of these islands – Diego Garcia – has been the source of contention between Mauritius and the United Kingdom (UK). In 2015 the Permanent Court of Arbitration ruled unanimously that the UK's claim on the island is in direct violation of international law. Despite this, the US wants an extension of 20 years on the lease to the naval base on the island.

Mauritius continues to maintain its deep roots with India. In 1976, Indira Gandhi had inaugurated the opening of the Mahatma Gandhi Institute where all Mauritians go to learn and study Indian languages and cultures even today. In 1996 Mauritius organized world Tamil and Telegu conferences and a Ramayana conference; Mauritius has a Ramayana Center in Port Louis. The World Hindi Secretariat will be inaugurated in 2018. Many Indian politicians

have also visited Mauritius. Mr. Murli Manohar Joshi and Mr. Narendra Modi attended the Ramayana Conference in 1996. The Global Organisation of People of Indian Origin (GOPIO) project has also helped India and Mauritius to make overtures to each other.

India must utilize this intense cultural connection in its favour. There are already many projects in Mauritius being spearheaded by the Modi government – such as the \$500 million line of credit for key infrastructure projects such as hospitals, schools, metro lines, a new port, etc. To strengthen ties between Mauritius and India, the two countries must collaborate more – create an IOU or a Royal India Commonwealth just like the francophone countries.

## Mrs. Namrata S. Kumar

Deputy Director General, Indian Council for Cultural Relations, Government of India



Organization of academic conferences is an integral part of soft power diplomacy and the objective is to get the youth involved. The relations between the countries of the Indian Ocean Region (IOR) have been institutionalized first as the Indian Ocean Rim Association for Regional Corporation (IOR-ARC) and now the Indian Ocean Rim Association (IORA). India shares millennia old relations with both East and West Asia and history indicates her linkages with the African continent too. These linkages are not just limited to trade; migration has also played an important role in fostering these cultural linkages. The civilizational linkages need to be used to form economic linkages which in turn will lead to strategic linkages.

Whatever is not defined in terms of hard power can be defined in terms of soft power. Hard power is essential for soft power to be evoked. Soft power means everyone is involved and responsible. Indian Council for Cultural Relations (ICCR) is an important tool for propagating India's soft power today but India has been propagating its soft power much before the establishment of ICCR. Efforts should be made in India to establish and sponsor more professorships of Indian chairs in foreign and especially IOR countries and also organize festivals which will project India's soft power even further. Thus, India needs to develop soft power at home to make an impact and lead the IOR with our soft power.

## Dr. Kavita A. Sharma

President, South Asian University (SAU), New Delhi



Today's society is dominated by knowledge. Whoever becomes a leader in education, dominates the world. Thus, education holds a key to influence others. If India wishes to lead, it must improve, strengthen, and update its education system India has already emerged as one of the good education providers but it must certainly do more. Due to the vision after independence, India established many good institutions in the field of sciences, technology, liberal education, agriculture, medicine, and so on. Many developing countries look up to India for educational opportunities. India, therefore, must realize that it must not only obtain knowledge but also disseminate it. Even the Indian Education Commission or the Kothari Commission emphasised that all education is international and there should be no barrier withholding it. Yet educational diplomacy has not been ventured into as much in India, especially in public sector universities and human resource departments. India has offered educational support to many newly independent countries of Africa by sending many of its teachers even before independence. This created a fantastic base for educational diplomacy but not much was sufficiently built upon it. Many Indian origin students come back to India to study – providing India with opportunities to expand on relations with these countries – but as India's educational needs grew it has become more inward looking. Most public sector educational institutions need to be more open to accepting foreign students. Conducting festivals and seminars are all good but with little or no follow up in the form of policies the enamor generated is short lived and only a sense of exoticism is left behind.

The Indian Council for Cultural Relations (ICCR) must increase the number of scholarships so that they are not spread so thin, to be able to provide for all students who apply. They need to provide decent living stipend when the students come to India, and ensure that the funds reach the students in time for the academic year. Many times students receive funds in September or October whereas the academic year starts in July. The statistics available regarding the number of foreign students in India are inaccurate and most students from abroad face a lot of problems in obtaining basic information about opening a new bank account or availing medical help. State level universities tend to teach in vernacular languages and have the rudimentary infrastructure. How can these universities, then, attract students from abroad?

Thus, it becomes very important to collaborate on education with neighboring countries. India sorely lacks research in Buddhist studies. The only department of Buddhist studies is in Varanasi. There is a large window of opportunity to collaborate with Sri Lanka in widening the area of Buddhist studies in India. Similarly, education regarding Central Asia and East Africa lacks depth despite having extensive civilizational linkages with both areas. The South Asian Association for Regional Cooperation (SAARC) countries must collaborate on education and the only way forward is to sensitize universities and make education a bigger priority in foreign policy.



# Session IV: Development Co-operation

**KEYNOTE SPEAKER:**

**MRS. NANCY KARIGITHU**

Principal Secretary Shipping and Maritime Affairs, Kenya

**SPEAKERS:**

- **MR. YADUVENDRA MATHUR**  
Chairman and Managing Director of EXIM Bank
- **MR. ALOK BANSAL**  
Director, India Foundation
- **MR. RAJEEV MEHROTRA**  
Chairman and Managing Director of RITES Ltd, Gurgaon

KEYNOTE SPEAKER

## Mrs. Nancy Karigithu

Principal Secretary Shipping and Maritime Affairs, Kenya



Maritime affairs have gained immense prominence among the Indian Ocean Region (IOR) countries in recent years. The ports have become drivers of economic growth and stability for different sectors of a country's economy, and the Mombasa port in Kenya could be considered as an apt example. Kenya also shares a part of the Indian Ocean and is a gateway to a very large hinterland comprising of landlocked states of eastern and central Africa, whose very livelihoods depends on the international port of Mombasa and to some extent, the port of Lamu on the northern coast. It is also significant because of the Indian diaspora that it harbors.

Prior to any development project, the developers need to have knowledge about the project they are working on in order to get funds and development cooperation for further growth in the sector. The Kenyan government earlier focused only on infrastructural needs of the Mombasa port and failed to understand the importance of other sectors. For the blue economy to be able to develop to its complete potential there has to be involvement from other sectors. The Kenyan government later involved the international community at the national platform to challenge and manage perceptions that the Mombasa port is integral for other components and sectors as well. The Kenyan government later also created a new shipping ministry to focus solely on the development of this sector.

There is a growing need for better coordination and efficiency at national and regional levels in government for effective maritime security, customs, and administration. Kenya realized this and made a new ministry for maritime affairs. The governments of the IOR countries need to go beyond their traditional roles to find solutions for common challenges in this region. With the

expansion of the commercial businesses and growth in various sectors, mutual understanding is crucial as decisions in sectors like economic, social and business activities are inter-connected. Maritime sector is a concept that brings together a wide array of activities ranging from facilitation of trade through ports and transport corridors, resource exploitations, fisheries and related activities like aquaculture, deep-sea farming etc. The IOR countries must adopt policies and legislation to protect and regulate merchant and fishing fleets for the sake of maximum profits.

Technological assistance and capacity building should be the focus areas for future policies from the Indian perspective in order to attain better cooperation and development. Knowledge of funding and proper execution could bring forth significant results that could be achieved in the maritime sector. There is a pressing need for collaboration and cooperation with India in a number of bilateral, multilateral arrangements with not just Kenya but other African states as well. They recognize India's role in the sector of maritime development, particularly in terms of technological development in areas of hydro-graphing, charting, shipbuilding research and capacity building. The blue economy as a concept opens up avenues for new partnerships between countries for sustainable growth with the help of ocean resources. To facilitate this, there should be minimal security threats in the oceanic region for private sector investments and commercial trade to thrive, which can be achieved only with the help of international regulatory organizations.

With respect to the sector of development cooperation, one must keep in mind an old African quote which says, 'If you want to go fast, you go alone. But if you want to go far, you go together'.

## Mr. Yaduvendra Mathur

Chairman and Managing Director of EXIM Bank of India



The issues of security, sustainability, and development cooperation in the Indian Ocean Region (IOR) have gained considerable importance over the years, from developing the same in our own nation to extending assistance to other states. The EXIM Bank of India is a statutory corporation set up in 1982 by an act of the Indian parliament and its purpose is to finance, facilitate and promote India's international trade. It has helped Indian businessmen to compete with global markets. Under the Government of India, the EXIM bank has extended 'lines of credit' to neighboring, friendly countries under a program called 'India under Economic Development Assistance Scheme' over the last ten years. More than 28 billion US dollars of the line of credit has been extended to about seventy countries in the same time period. These countries borrow money on very concessional terms that India offers over a period of twenty to twenty five years. The development cooperation in question is for agricultural purposes, transmission of electricity, and purchase of ships and exchange of technology among other avenues.

'South-South' cooperation has strengthened considerably over the last 10-12 years. The IOR is a significant area for not just Asian countries but also in the world due to its growing significance for global trade especially in terms of petrochemicals and commercial trading. The Indian peninsula's large coastline, stretching over 7500 kilometres, had supported its relations with other countries since thousands of years through sea routes; but with the advent of colonialism, India's maritime capabilities were destroyed. In the post liberalization era, the shipping and maritime sector in India has become the major driver of the economy

with an emerging focus on commerce with global markets. With transformation underway, 'Make in India' and other reforms and policies, India is developing coastal strategies like the Sagar Mala initiative. The coastal areas and maritime industry will be the future engines of growth and the Indian government has thus taken deliberate initiatives like the Sagar Mala project to promote ports. The development of the Chabahar port in Iran, only 500 kilometres away from ports in Gujarat (especially Kandla), opens up opportunities for Indian businessmen to export not only to Iran but also to markets in Afghanistan, Central Asia, Russia and even Europe.

There are several initiatives in the developmental cooperation sector established for projects in agriculture, electricity transmission, and transmission generation, and for supporting the purchase of ships. The government of India has extended 30 million US dollars for technological assistance for a textile unit in Kenya by Lakshmi Mills, a major Indian textile manufacturer. For power transmission in Kenya, nearly 65 million US dollars were extended from the line of credit and 20 million US dollars were provided for small and medium-sized enterprises.

Indian businesses are going global and there is an impending need for security in the IOR to secure commercial trade. People to people relations have become the bedrock for sustainable development and need to be promoted.

## Mr. Alok Bansal

Director, India Foundation



Cooperation and development are effective tools in India's 'soft power diplomacy' and in the geo-economics of the Indian Ocean Region (IOR). Since 1947, India has been contributing to development cooperation in its own capacity; initially, it was driven by ideological and political reasons but post liberalization it was governed by geo-economics. But even today, political factors dominate the beneficiaries of aid. Of the total percentage of aid assistance given by India, approximately 80 per cent of lines of credits are given to South Asia, much of which could be used in other nations. As India's economic growth escalated in the past fifteen years, development cooperation has also increased more than seven times. Each dollar spent on Indian development cooperation initiatives is considered to be seven times more effective than western aid. For instance, training for an Afghan bureaucrat in India would cost around 1000 US dollars, but in the USA, it will require more than 10,000 US dollars. This happens to be one of the many reasons that prompted Afghan recognition and appreciation of Indian aid.

Development cooperation in India has a bureaucratic set up with the Ministry of External Affairs (MEA) as the nodal agency for development partnership and administration, which has two divisions. The first division deals with lines of credits through which assistance is granted for reconstruction projects in other nations. The second division is Indian Technical and Economic Cooperation (ITEC). The implementation of Indian development projects has been lenient and one of the reasons the development project of the Hambantota port in Sri Lanka was allowed to go to the Chinese companies was due to the slow

response on the Indian side. India needs to outgrow its bureaucratic lethargy in infrastructural development as our strength lies in training and establishing institutions. During 2015-16, India gave 8300 civilian scholarships under ITEC, over 500 scholarships under the Colombo Plan and over 2058 slots in defence establishments, with 42 institutions conducting 280 courses every year. Thus, ITEC has become integral for India's soft power.

As of 31st march 2016, fifty eight per cent of the 11.46 billion lines of credit have gone to Africa. India has also provided an additional 10 billion US dollar grant to African countries in the third India-Africa summit. Under ITEC more than fifty per cent of the slots are for Bhutan, eighteen per cent for Asian nations, but a mere three and a half per cent for African nations. In comparison with China's policies of One Belt, One Road (OBOR) and the Maritime silk route, India should work towards and emphasize more on development cooperation, ocean security, and project implementation system.

Oceans connect rather than divide. From the Indian perspective, the focus should be on developing services and institutions in the island countries of the IOR as they are integral for geo-economics. States such as Mauritius, Maldives, and Seychelles are extremely significant. India has collaborated with them on security matters and has provided them with warships and radar systems among other equipment and facilities. This has enabled them to manage their territory better and counter piracy in order to facilitate unabated trade.

India is one of the influential giants in assisting countries and the 2004 tsunami can be considered

to be one of the defining moments in Indian humanitarian assistance. The government deployed thirty two naval ships, seven aircraft, and twenty helicopters to help Sri Lanka, Maldives and Indonesia (within 24 hours, 48 hours and 72 hours respectively) when India itself was ravaged by the tsunami. In 2006, India evacuated personnel from Lebanon. India has not only evacuated its own citizens but also Sri Lankan and Nepalese personnel. In 2008, India assisted Myanmar during Cyclone Nargis. Myanmar did not welcome France's assistance under R2P (Responsibility to Protect) but had no objections with Indian assistance. In 2015, India evacuated 179 citizens from 17 other countries from Yemen along with Indians under Operation Rahat. One must remember that money cannot buy humanitarian assistance and Indian assistance is benign, it does not come with strings attached.

## Mr. Rajeev Mehrotra

Chairman and Managing Director of RITES Ltd, Gurgaon



There are several hurdles facing investments and development cooperation in terms of infrastructural projects in the twenty one countries present in the Indian Ocean Rim Association (IORA). For development cooperation, the Indian Ocean nations will have to develop a common framework which should be mutually accepted and understood by the member states. The issue is not so much about the funds but the sustainability of the projects with respect to the dynamics of the countries concerned. The IORA focuses on sustainable growth with its charter looking at free trade and investments for equal growth among the members, and thus an integrated plan for the same is needed.

Since its inception Rail India Technical and Economic Service (RITES) has worked with fifty countries and thirteen of them are members of the IORA which include Mozambique, Tanzania, Iran, Malaysia, Myanmar, United Arab Emirates, Bangladesh, Kenya, Indonesia, Mauritius, Oman, Seychelles and Sri Lanka. RITES assisted them with infrastructural projects, right from developing project feasibility, conditions, bidding for contractors to project management consultancy. Globally, infrastructure development is the focus of all governments and the following four facets under are of major significance: transportation, electricity generation, distribution, and telecommunication. According to a study done by the Organisation for Economic Co-operation and Development (OECD), the total global requirement for these four aspects as of now is estimated to be seventy one trillion US dollars. Many of the Indian Ocean rim countries will have to spare a significant amount of their Gross Domestic Product (GDP) for infrastructural growth as they are in different stages of development. There are opportunities for global investors but the countries have to target policy reforms to ensure predictability for the investors. The governments have to create a balance between the investor expectations, risk-return profiles, and consumer payment. There are certain

requirements that should be fulfilled, the most prominent of which include – a transparent system of tracking of funds, double taxation avoidance, liberal remittances policy, visa & work permits, labor laws, environment assessments & laws and finally, enforceability of the projects especially in the case of large investments. An investment protection framework needs to be implemented, so that in the case of emergencies, investments are not affected. Comprehensive project preparation needs to be done at the planning stage of large ventures in order to avoid delays. If the viability of the project and the contract award is in doubt, an evaluation of the contract without restriction needs to be carried out.

Land acquisition conflicts and future liabilities due to contract clauses should be avoided. A single window clearance where investors have to go through only one round of approval needs to be executed. Currently, in order to invest in a state or at the local level, investors have to pass through the scrutiny of governments at least twice or thrice. These multiple tier approvals need to be merged into a single process. Since we follow the English law framework, any pre-decided case helps in the interpretation of law in the future in order to create an investor friendly environment along with local partnerships, skill development sets for transitions and improvement of investment capacity of the country. Work needs to be carried out in order to introduce Initial Public Offerings (IPOs) in member countries, in the cooperative sector and in a small network of entrepreneurship in maritime transportation. An integrated check post for customs clearance at national boundaries like Attari at the Wagha border, Agartala, Petrapole, Moreh, Jogbani, and Raxaul is another initiative that can be implemented to ease transport of goods. India has the ability to achieve ninety per cent of its transport through oceans but surface-to-surface transport also has the potential with the supplementary of the production facilities. With these steps, free flow of trade can be achieved in the region.



# Session V: Blue Economy

## **KEYNOTE SPEAKER:**

**H. E. MS. CHITRANGANEE WAGISWARA**

High Commissioner of Sri Lanka to India, Sri Lanka High Commission

## **SPEAKERS:**

- **DR. S.K. MOHANTY**  
Professor, RIS, Delhi, India
- **AMBASSADOR (RETD.) DINKAR SRIVASTAVA**  
Former Indian Ambassador to Iran
- **AMBASSADOR (RETD.) YOGENDRA KUMAR**  
Former Indian Ambassador to Tajikistan and the Philippines
- **DR. VIKROM MATHUR**  
Senior Fellow, Observer Research Foundation, Delhi
- **DR. RAVISHANKAR C.N.**  
Director, Central Institute of Fisheries Technology

KEYNOTE SPEAKER:

**H. E. Ms. Chitrangene Wagiswara**

High Commissioner of Sri Lanka to India, Sri Lanka High Commission



The blue economy is a relatively new and evolving concept in the field of international politics and trade. It has gained considerable momentum since the Rio Summit of 2012. A popular discussion that is gaining prominence today, deliberates on how countries could fulfill the potential of their respective blue economies and realize its significance in relation to international politics. The oceans comprise of more than 95 per cent of the earth's biosphere and have long been an economic force in the history of mankind. The past generations have looked to them for their abundant natural resources and treasures, and today the world has come to a full circle where we once again look ocean-wards as they offer us countless opportunities, considerable potential as well as unique challenges.

Since oceans are considered to be the common heritage of all mankind, countries need to come together and carefully analyze how to conserve the vast seas while taking care of our current needs without damaging the interests and requirements of future generations. Leaders would therefore need to look towards the Sustainable Development Goals (SDGs) laid down by the United Nations which include the need for conservation, and sustainable use of seas and marine resources. Blue economy calls for more attention and collaborative work than ever before with the purpose of achieving our mutually desired goals.

The blue economy encompasses a large section of economic activity – including eighty per cent of the global trade volume along with 350 million jobs that are linked to marine industries such as ports maintenance and construction, shipping,

aquaculture, and fisheries. Furthermore, emerging industries such as offshore oil extraction, seabed mining, harnessing ocean energy and tourism are steadily gaining national interest. Research and development are related avenues which also provide a wide scope of economic benefits. While taking advantage of these resources and implementing systems to benefit from them, countries also need to consider the challenges they may face with regards to this sector. Terrorism, piracy, human trafficking, drug trafficking, environmental degradation and negative effects of climate change are some of the pressing and cross-cutting issues concerning this field. The latter two issues especially pose a great threat to marine industries as rapid social and economic developments in the coastal regions of oceanic countries have adversely affected marine life. Surveys by the Food and Agricultural Organization (FAO) show that over eighty per cent of global fish stocks are over-exploited while rising levels of pollution and carbon dioxide emissions have negatively impacted the biodiversity levels and the marine ecosystem. Studies show that nearly one billion people are reliant on the seas for food and hence, food security is another pressing concern that needs to be addressed.

The need of the hour is to develop innovative economic models to promote sustainable growth while avoiding negative impacts and at the same time deriving maximum benefits for countries in the oceanic region as well as the wider global community. Since Asia is considered to be the next world power with its growing financial prowess and geostrategic location, its impact on international politics, especially with respect to the Indian Ocean, needs to be studied extensively. Along with states,

the presence of extra-regional powers in the Indian Ocean is a fact that needs to be acknowledged along with their interests- whether they are political, economic, and environmental or security-related.

Blue economy is closely related to political and national interests, and forging linkages at the bilateral, regional and multilateral levels is the need of the hour in order to undertake collective actions for common benefits. For instance, at the bilateral level states can enter into agreements that are mutually beneficial. Sri Lanka has active interests and high stakes in the blue economy of the region due to its island status and strategic geographical location. The government of Sri Lanka is looking to develop their rich swaths of biodiversity, marine life, biological, mineral and seabed resources along with ocean energy as an alternative energy source which is steadily gaining importance in the international sphere. In the current state of affairs, leaders need to attribute appropriate levels of importance to the Indian Ocean Rim Association (IORA) when compared to other coalitions and initiatives such as South Asian Association for Regional Cooperation (SAARC) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

Blue economy is an area that needs to be developed and focused on collectively by states to be able to promote international economic co-operation. Investments and availability of financial resources are important for both private and public players. Simultaneously, states need to encourage the private sector to play a greater role. Mobilizing public opinion and creating awareness about the blue economy is also needed as the subject is not widely discussed. Effective governance of the ocean is needed while propagating the belief that they are the common heritage of all mankind. International efforts to develop and sustain the blue economy must be mobilized and implemented swiftly.

Going forward one must remember that water has defined our history and water will define our future.

## Dr. S.K. Mohanty

Professor, Research and Information System for Developing Countries, New Delhi, India



Blue economy is a new and noble concept that is steadily attracting global attention and consequently, the need to initiate and implement global governance in this sector is fast gaining importance too. It is a sector that has the unique advantage of combining sustainable growth and economic development. It is a concept accepted by both developed and developing countries, which can bring about great economic growth, investment opportunities and income generation if they collaborate successfully. The potential of this sector must not be underestimated as it is projected to be a major contributor to development with studies showing that it will drive the growth prospects of an economic powerhouse like China in the coming decades.

What is unfortunate although, is that hardly much is known about the blue economy. The size of the sector has been studied and estimated in barely twenty five or so countries. Trade potential, though high, has not been carefully researched and analyzed. Early movers in this sector – like western countries, have benefitted majorly from utilizing the various opportunities of the oceans and the seas. India has recently joined the race and has comparatively made a significant array in the area. Many perceive the sector to consist of aquaculture and shipping but the blue economy is much wider than what it is traditionally conceived to be. Arguably, one can say that there is no such area within a nation's industrial sector that does not have any imprints of the blue economy – whether it is construction, manufacturing or agriculture.

There are challenges and difficulties with respect to defining blue economy – as it varies from one

country to another and consensus for the same is needed as central identification and respective classifications vary world over. Several concepts related to the sector are used interchangeably. For instance, the marine economy is one and the blue economy is another and so is the coastal economy. Blue economy is the wider umbrella under which marine and coastal economies form subsets. The definition of the blue economy as subscribed to by the Research and Information System for Developing Countries (RIS) states that –it covers all ocean related activities, including direct and indirect supporting activities required for the functioning of these sectors, while adjusting to the cost of environmental damage and ecological imbalance caused due to the exploitation of ocean resources for consumption. While it covers both growth and environmental dimensions but, it is imperative to take serious note of the environmental damages and ecological imbalances caused due to excessive exploitation of ocean resources for consumption.

Another issue that offers challenges related to the blue economy is the different set of measures employed by countries and organizations used to estimate its size and potential. The accounting process is different in United States of America (USA), European Union (EU), and other countries. USA and Organisation for Economic Co-operation and Development (OECD) have undertaken major studies to determine the finer nuances of their blue economy and its specific sectors but differences in economic accounting measuring parameters prevalent worldwide produce problems.

Blue economy offers several advantages which include food security, marine and coastal mining, marine energy, seaborne trade, international regulations and security, sea minerals, tourism, marine energy etc. Investment planning is necessary in different sectors in order to derive maximum benefits along with promoting the participation of the private sector in this field.

Blue economy sectors are completely different from national income economic sectors. USA, EU and India have differences when it comes to what is included in the sector but there are some major commonalities. There are no stylized facts as such when it comes to this particular sector and in the process of economic development, any country can move from agriculture to industry, to services with sometimes overlapping leaps. In Brunei, thirty eight per cent of the agricultural sector is marine fisheries while offshore minerals account for thirty three percent of the blue economy of the EU. China's marine manufacturing industry comprises of thirty six per cent of the marine economy while in the USA marine services encompass almost as much as eighty three per cent of the sector. In India, facts and data on the blue economy are not present yet and a concentrated effort to analyze and understand the same is needed urgently. The world has witnessed a considerable increase in the interest levels in marine energy and rightly so as it has tremendous potential. Global governance organizations and countries have made special efforts to make significant progress in the sector and similarly, a summit meeting in the Indian Ocean Rim Association (IORA) was held to discuss the same. So far seventeen ministries have been contacted to gather information on the sector in India but there is an imminent need to set up a regional task force to understand the size, structure, and potential of the same.

National policy action should be the core area that must be prioritized for oceanic development,

followed by regional and global action plans. States must act on proven global best practices to develop tangible plans. Big ideas are collapsing due to lack of proper execution and in order to avoid that, implementation of regional initiatives in a time bound manner must be undertaken. This can substantially reduce a significant portion of state apprehension regarding gains from economic co-operation. Baby steps need to be taken with achievable periodic milestones set for member countries and the region as a whole, in order to realize the true potential of the blue economy.

## Ambassador (Retd.) Dinkar Srivastava

Former Indian Ambassador to Iran



The trade potential of ports and shipping in the Indian Ocean Region (IOR) needs to be studied and developed as it offers many opportunities. What needs to be understood in this context is that deals, agreements, and plans on ports and shipping are developed under the backdrop of geopolitics. Especially in the IOR, maritime rivalry was first observed in the aftermath of the British colonization. Under the rule of the British, countries in the Asian region have missed over two centuries of industrialization and consequently, developing their blue economies was a mammoth task due to the lack of considerable resources available. Besides, the smaller states located in the IOR had limited capacity to deal with certain aspects of the blue economy such as port building, shipping, offshore energy exploration, deep sea mining among others, as they were capital intensive and required high care technology.

But even with these limitations, the concerns of this sector need to be addressed as oceans account for over eighty per cent of the global trade and have enormous potential for renewable energy resources. Human development actions have damaged the oceans to quite an extent; practicing unsustainable fishing, overfishing, mangrove destruction, emission of CO<sub>2</sub> and other harmful gasses and thereby changing the chemical makeup of the oceans over time, are only some of the negative impacts.

When it comes to shipping, only a small portion of the trade is carried out by the littoral states whereas seventy per cent of the overall global trade is done by international shipping industry. China and India are two rapidly developing nations with major interests in port building, shipping, and trade. China has already surpassed US and there is an urgent need

to develop adequate and appropriate Indian facilities in these fields.

Some of the pioneering work India has undertaken with regards to blue economy includes the Sagar Mala initiative. However, the logistical costs of the same are far more for India than compared to other countries and needs to be scaled down. Developing inland waterways along with coastal shipping and increasing the number of ports would be highly beneficial to India's blue economy. So far, India has made significant contributions to the development of ports, shipping and trade in the IOR along with developments in long-range identification tracking. The development of the Chabahar port in Iran, the International North-South Transit Corridor (INSTC) and active role in providing humanitarian assistance are some such key achievements. The Chabahar port was developed as a naval base to counter Pakistan's Gwadar port. However, it has numerous economic advantages as well, as it presents major trading potential with access to West Asian and Central Asian states. Iran is also developing a free trading region near the port with its third largest petrochemical base that would serve India's interests. Chabahar's proximity to the Indian port cities of Kochin, Kandla, and Mumbai also provide many lucrative trading opportunities for India. Apart from Chabahar, the INSTC also presents the major trading potential for India as it provides connectivity to countries such as Russia, Azerbaijan, Georgia, Albania and ocean connectivity to many other countries. A major advantage of INSTC is that, little investment is needed to establish new trading routes as the infrastructure is already in place. To facilitate the same, awareness needs to be created among business and private sectors.

India's contribution towards marine assistance and disaster relief is also quite noteworthy, as observed in the cases of provision of freshwater in Maldives and evacuation of 3000 civilians from Yemen – including 1800 Indians and 1200 foreign nationals. India has also made efforts to counter piracy in the region with fifty nine Indian naval ships deployed in the Gulf of Eden. 3300 ships have been escorted by the Indian navy in this period – including 379 Indian flag vessels and 2029 foreign flag vessels.

## Ambassador (Retd.) Yogendra Kumar

Former Indian Ambassador to Tajikistan and the Philippines



The subject of blue economy, especially with respect to the Indian Ocean is of critical national and international importance. It is imperative to cover the dynamics of the Indian Ocean Region (IOR), along with its influence on geopolitical trajectories and their subsequent impact on the politics, society, and economics of the region that would shape India's relations with the major powers. The constantly evolving internal dynamics of the sector presents both challenges and opportunities for India. National and international endeavors to meet these challenges must be put into action to tap into the many resources of the Indian Ocean and through it, the most untapped potential for human progress.

In terms of challenges, the UN report on the state of the world's oceans in 2015 showcases the great impact of human activity on ocean life, which has, to quite an extent, breached the limits of the oceans' carrying capacity. The urgency of steering the development of the blue economy cannot be met at the desired pace as challenges grow due to the hurtling pace of technology destructive effects of climate change, demographic and urbanization imbalances in the littoral regions, failing states, pandemics and national disasters.

Growing awareness of the increasingly fragile ocean economy – the degradation of coral reefs, for instance – is translating into business risks for the public and the private sector. The vulnerability of the blue economy in the IOR is also under focus due to rise in pollution levels, erosion of coral reefs, ocean acidification, rapid decline in marine species, unfettered coastal development, overfishing and marine pollution among other issues.

An effective way to tackle these issues is for states and private bodies to carefully observe the Sustainable Development Goals listed down by the United Nations, which speak at length on conserving the oceans and preserving marine life. The necessity to observe these

measures is the need of the hour as many small countries are dependent on the oceans for their industrial growth. Their sustenance has come into question due to rising threats such as, irregular monsoon, climate change, the spread of radicalism and regional instability. These challenges are a serious threat to the existence of the people who live near the oceans and must be tackled from the point of view of vulnerability mapping and responses to climate change. There is an enormous scope of development in the blue economy sector in terms of Asian dynamics and it should be given major priority on the development and multilateral agendas of the countries in the region.

The Niti Ayog is developing a comprehensive strategy for India's blue economy. It is largely research and development oriented and carries out extensive studies on ocean forecasting, itemizing marine and littoral stocks.

There are many geopolitical matters that affect the proper exploitation of ocean resources and maintenance of sustainable development goals which need to be resolved. There is also a need for heightened exposure of the region to traditional and non-traditional aspects of security. All this requires efforts from governments, civil society, business, and philanthropy organizations as well as through public-private partnership models. Efforts need to come from both government systems as well as local communities. Capacity building among the Indian Ocean Rim Association (IORA) countries is another requirement that needs to be addressed immediately. If not done straight away, economic and politically weak countries will come under pressure from corporations for the unsustainable use of natural resources. To avoid the same, members must come together to strengthen the IORA and collectively protect marine life under national jurisdictions. It is imperative to move quickly on these issues and undertake the measures necessary to resolve them.

## Dr. Vikrom Mathur

Senior Fellow, Observer Research Foundation, Delhi



The aspects of regionalism and identity with respect to blue economy need to be examined along with the avenues of energy, security and trade. While the sustainable use of natural resources of the ocean is an already established necessity, encouraging the local community to partake in these measures is also needed in the current scenario. Regional approaches towards utilizing and conserving the blue economy are often not discussed. Regional cooperation needs to be analyzed and conceived over many spheres, including international security and national policies among others. Resource governance and politics is different from security politics and hence, necessary measures need to be taken in order to avoid conflicts between the two. Renewable energy resources from the oceans as well as the coastlines need to be realized in terms of implementation and studied extensively. With regards to India, the tidal gradient of oceanic energy along with the usage of ocean waves to create thermal energy is under process. Plants have been installed and tidal energy is being researched in particular. Solar energy and wind energy are other avenues that can be explored under this sector.

With respect to Tidal energy, a first of its kind plant has been installed in the Sunderbans coast with an energy capacity of 3.6 megawatts. Another power plant using the oceanic current has been set up by the government of India in Kerala. However, a functioning plant using the oceanic current to produce thermal energy is not in the picture yet. As a signatory to the Paris agreement, India must look towards the oceans to meet the high energy targets via these alternative sources of energy. To develop these energy sources, there needs to be extensive cooperation among the Indian Ocean Rim

Association (IORA) members, especially to assist the low-lying countries that face an imminent threat from climate change and rising ocean levels.

Among the problems that will be encountered on this path are possibilities of natural calamities and disasters. To counter the damages, there is requirement for high levels of investment from the private sector in order to be able to reimburse the costs of consequent destruction of equipment and machinery. Proactive support from the government is needed for better adoption of these measures. The sector of ocean energy remained uncompetitive due to a longstanding inclination towards fossil fuel energy, and hence more investment and awareness around this particular field is needed.

Cooperation in the blue economy field must piggyback on regionalism and regional identity as it would open up the sector and promote data sharing and bring in more stakeholders and interest in the region. The literature on climate change and how it affects relations between states must also be promoted. Instead of conflicts, adverse ecological conditions can create conditions for resolution between different parties. One way to tackle this problem is through promoting eco-tourism around ocean energy. Environmental conditions and shared environment stresses can encourage greater understanding of issues and create more incentives to come towards common resolutions.

## Dr. Ravishankar C.N.

Director, Central Institute of Fisheries Technology



The fisheries industry is an essential part of the blue economy. Fish is a highly nutritious food which was initially popular in coastal areas but is now being included in many regions as a dietary supplement. It is steadily gaining importance in the pharmaceutical industry due to its medicinal properties. Thus, the world and the Indian Ocean Region (IOR), in particular, have witnessed a steady rise in fishing which in turn, has led to overfishing to quite an extent. Emphasis on sustainable fishing and increasing the fish production in a non-harmful manner must be highlighted, and the same can be achieved through capture fisheries or culture fisheries.

Capture fisheries are mainly concerned with whatever is available in the reservoirs and oceans whereas culture fisheries can be observed in freshwater sources, in marine as well as cold water sources. If the overall scenario is looked upon, the culture fisheries sector is getting more importance than capture fishery. Some of the major concerns with regards to the fishing industries are related to the production and demand balance. The production needs to be increased due to high demand but at the same time, the factor of sustainability needs to be taken into account. Central Institute of Fisheries Technology under the Indian Council of Agricultural Research (ICAR) performs research and development in the fields of fish catching and fish processing.

The need of the hour is responsible fishing technologies and post-harvest technologies. The catch is getting stagnated; the main problem is by-catching, which is basically collecting all the small varieties of fish, eggs, junior fishes and plankton

along with the larger catch (commercial fishes) which thereby kills the next generation. The major fishing countries are China, Indonesia, US, India, and Russia. India is a noteworthy leader in the industry and has fishing fleets of nearly 4.6 million vessels. It has the problem of overcapitalization which is basically employing more number of fishing vessels than required. Illegal, unreported and unregulated fishing is another major concern.

Fisheries are a state subject in the country and the policy actions regarding it are taken by the Centre. But each maritime state has their own fishing policy which is why India is not able to implement certain sustainable measures, with Maharashtra being an exception. Statistics reveal that India is catching nearly ten million metric tons of which 3.49 tons stagnates. However, aquaculture production is increasing every year. Kerala is always targeting shrimps so its by-catch is far more compared to other states. In Gujarat, the shrimp catch is not much, but whatever is caught is sold off in the market so the discards are far less.

Some of the concerns regarding sustainability are depleting catches, an unregulated increase in the fleet size of fishing vessels, rapid usage of fuel and inability of fishermen to make any profits. India has already over-exploited the near-shore waters and does not have the capacity to go into deeper waters, as deep sea fishing is not a very successful venture in the country. So fishermen have to travel long distances in the ocean which increases their fuel consumption and reduces their profit.

India is only targeting the traditional resources, and not looking towards the unexploited and unconventional resources like oceanic squids.

Restriction in the entry of the boats is also a major concern. From the Indian catch, only ten per cent is exported. But a highly significant factor is that its contribution to Gross Domestic Product (GDP) is five per cent in this field. Kerala is always targeting shrimps so its by-catch is far more compared to other states. In Gujarat, the shrimp catch is not much, but whatever is caught is sold off in the market so the discards are far less.

The mechanized vessels are increasing and the traditional crafts which are non-mechanised are on the decline. The number of vessels operating is huge which is putting a lot of pressure on the aquatic system, in turn affecting the sustainability of marine resources.

The measures that need to be taken to address these issues must first begin with India seriously considering responsible fishing technologies such as longlining, gillnetting etc. Trolling must be avoided as it is damaging the ecosystem. India has been developing fuel efficient vessels and using solar energy for powering fishing vessels, which must be promoted in all states. Satellite technology should be used to catch fishes which will help in reducing fuel consumption. The above bottom trolling system should be used where only the targeted fishes can be caught. Use of square mesh nets which have a system of keeping a small portion of the net open, the small size fishes can escape, thereby reducing the by-catch, should be encouraged. These nets are designed by studying the behaviour of fish and help in reducing wastage to a considerable extent. There should be restrictions on the number of vessels to avoid overfishing. Finally, an incentive and fining system against overfishing and illegal fishing should be implemented to give India an edge in the fishing industry and in the blue economy sector as a whole.







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