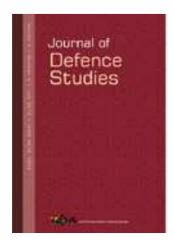
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# The Rise of the Bengal Tigers The Growing Strategic Importance of the Bay of Bengal

David Brewster\*

The Bay of Bengal region is now growing in economic and strategic importance. The good economic prospects of many Bay of Bengal states are making the region a cockpit for Asian growth and a key economic connector between East and South Asia. This article looks at strategic developments in the Bay of Bengal and their implications for our understanding of the Indo-Pacific. It argues that the Bay of Bengal needs to be understood as a region with its own particular strategic dynamics and issues. The area is fast becoming a key zone of strategic competition in Asia and is of vital strategic importance to India.

The rise of the Bengal Tigers may change the face of Asia. The Bay of Bengal region is now rising in economic and strategic importance, and indeed may be on the way to becoming a prime zone of strategic competition in the Indo-Pacific. The Bay physically connects the Pacific and Indian Oceans. The bright economic prospects of many Bay of Bengal states—perhaps a new set of Asian 'Tigers'—is also making the region a cockpit for economic growth and a key economic connector between East and South Asia.

This article looks at strategic developments that are occurring across the Bay of Bengal and their implications for our understanding of the Indo-Pacific. It argues that, for at least some purposes, the Bay of Bengal needs to be understood as a region with its own particular strategic

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dynamics and issues. The article contends that this area will continue to grow in strategic importance as its economic significance grows and major powers compete to develop (and control) connections with the region.

#### REGIONS IN STRATEGIC THINKING

In looking at strategic developments in the Bay of Bengal area, an important threshold issue is whether it is useful—or even meaningful—to see the Bay and its surrounding states as a 'region' with its own particular dynamics and interplay of relationships. What would that mean for longstanding conceptions of South and South-East Asia as regions with their own separate strategic dynamics—traditionally divided by a line running through the middle of the Bay of Bengal from the Bangladesh/Myanmar

People have long sought to understand the world through dividing it into usable pieces. Our internal construction of the world around us, our subjective perception of our area of interaction, is what behavioural geographers call 'mental mapping'. It is an individual's internal map of their known world, a composite physical geography and subjective experiences that continue to evolve.2 Although conceptions of where regions begin and end are relatively transient, they can have a profound effect on strategic behaviour. In short, while regions can have considerable value in understanding our world, we need to be aware that our conceptions of space are subjective and are subject to change.

A focus on the role and significance of regions in international relations is often associated with regional security complex theory, which claims that despite globalization, the regional level remains a major locus of conflict and cooperation and an important level of strategic analysis. According to Barry Buzan, the theory's most famous proponent, strategic behaviour of states can be primarily understood within what he calls a 'regional security complex' or a set of states whose security perceptions and concerns are so interlinked that their national security problems cannot reasonably be analysed or resolved apart from one another.<sup>3</sup> The character of a regional security complex will be affected by historical factors such as long-standing enmities or a common cultural embrace of a civilization area. Importantly, the existence of a regional security complex depends on the nature of security interactions in the relevant area, and not upon the level of political or economic integration of the area—South Asia, for example, has an extremely low level of political or economic integration among relevant states, but a relatively high level of security interactions.

Buzan argued that Asia should be seen in terms of three distinct security sub-regions: North-East Asia, South-East Asia and South Asia. South Asia and South-East Asia are divided or 'insulated' from each other and from China by Myanmar. The strategic behaviour of India and other states in South Asia should be *primarily* analysed within the framework of the security dynamics of South Asia, although the impact of interventions by extra-regional powers (such as the United States [US] and China) is also extremely important. Similarly, the strategic behaviour of states in South-East Asia should be primarily analysed within a South-East Asian, or at least an East Asian, framework. Whether or not one specifically agrees with regional security complex theory, the dividing lines identified by Buzan are often used by international relations practitioners in analyzing strategic behaviour and relationships.

But, as Buzan recognized, these neat distinctions between the regions of Asia are changing—the North-East and South-East Asian security regions are merging with each other, and, to a lesser extent, also with South Asia. This transformation is most advanced in East Asia where there is considerable security interaction between the North-East Asian powers of China and Japan and South-East Asia. But there is also a growing level of security interaction between East Asia and South Asia, where India is slowly transcending its confinement to the Indian subcontinent and carving out a role as an Asian great power.

#### THE BAY OF BENGAL AS AN INTERCONNECTED REGION

Our understanding of South Asia and South-East Asia as separate 'regions' may now seem almost self-evident, but this has not always been the case. Indeed, a sharp division of these two areas with a dividing line running through the middle of the Bay of Bengal is a fairly recent phenomenon—75 years ago, their names as 'regions' did not exist in popular perceptions. Up until the 1940s, the territories around the Bay of Bengal were closely interconnected in security as well as political administration, trade and migration.

The lands surrounding the Bay of Bengal have long been linked by geography, climate and culture. Historically, trade across the Bay was encouraged by the monsoon, which provides regular south-westerly winds from April to September that reverse from November to March. The monsoon's regular rainfall allows intensive agricultural production, helping to produce a surplus for trade. In pre-colonial times, political power was highly fragmented among various kingdoms around the



Figure I British Colonial Control over the Bay of Bengal

Source: http://www.nzhistory.net.nz/files/styles/fullsize/public/India\_1000.jpg?itok=G1W\_4-m3

littoral, but India nevertheless played a profound cultural role throughout the Bay. The area's main religions, Buddhism, Sufi Islam and Hinduism, all came from or through India and for centuries, culturally Indianized kingdoms ruled large parts of South-East Asia.

Britain gained control over the Bay at the beginning of the 1800s and through the following century, it consolidated its position as the colonial power over most of the territory surrounding the Bay of Bengal, including the Indian subcontinent, Ceylon, Burma and Malaya (Figure 1). British India's huge population, resources and economy overshadowed the region, and between the early 1800s and 1942, it held virtually complete military, economic, demographic and political dominance over the Bay of Bengal. The Royal Navy was responsible for maritime security and the British Indian Army enforced a *Pax Britannica* over most of the territories around the Bay. Indian forces formed the backbone of military campaigns

or major deployments throughout the Bay of Bengal, including in Ceylon (1942–45), Burma (1824–26, 1852, 1885–87, 1942–47), Siam (1945– 46), Malaya (1874-76, 1941-42, 1945-46), and the Dutch East Indies (1811, 1945-46).

#### STRATEGIC FRAGMENTATION OF THE BAY IN THE SECOND HALF OF THE TWENTIETH CENTURY

The strategic interconnections across the Bay of Bengal were badly interrupted in 1942 when the Japanese Army conquered Malaya, Singapore, Siam, Burma and the Dutch East Indies in quick succession, isolating the Indian subcontinent from its eastern neighbours. The process of decolonization after the war then led to a strategic fragmentation of the area and the Bay of Bengal quickly came to be considered a strategic backwater. As historian Sunil Amrith put it:

The Bay of Bengal was once at the heart of global history. It was forgotten in the second half of the twentieth century, carved up by the boundaries of nation-states, its shared past divided into the separate compartments of national histories.<sup>4</sup>

The independence of India in 1947 and its inward turn for the next 40 years was the biggest single factor altering the strategic dynamics of the region. The newly independent India pursued policies that promoted economic autarky, severely damaging economic links with its eastern neighbours. India also turned its back on imperial traditions, refusing to take on Britain's mantle as the main security provider to the region. During the 1960s, there were several proposals for India to join in collective defence arrangements in South-East Asia in response to concerns about communist China and the British withdrawal from east of Suez. But India refused to participate in any regional security arrangements, and indeed was hardly capable of providing for its own security.<sup>5</sup> India's perceived indifference to its eastern neighbours severely undermined its strategic role in the Bay of Bengal, which it is still trying to rebuild.

The Partition of India and the establishment of Pakistan in 1947 also profoundly changed the strategic dynamics of the region. The enmity between India and Pakistan kept India preoccupied in the subcontinent and unable to project its influence much beyond. It also adversely affected India's relationships with Muslim-majority states, including Malaysia and Indonesia. Crucially, the separation of East and West Bengal destroyed long-standing economic networks, cutting off East Bengal's agricultural

producers from commercial and industrial relationships in West Bengal. This process of economic dislocation was further reinforced by Bangladesh's war of independence in 1971 when much of Bangladesh's transport infrastructure was destroyed. Bangladesh became one of the world's poorest states, impoverished, unstable and inward looking, a condition which it is only now climbing out of.

The effects of the Partition were nowhere better displayed than in Calcutta (now Kolkata) which, for much of the colonial era, had been the effective political capital and commercial hub of the entire Bay of Bengal region. In 1947, Calcutta's industries and commercial establishments were cut off from much of its economic hinterland in a single stroke and the process of deindustrialization continued under a series of communistled governments. In comparison to Mumbai, which thrives as India's financial capital and busiest port, the once-cosmopolitan Calcutta is an economic backwater. As V.S. Naipaul commented, 'I know not of any other city whose plight is more hopeless.'6 In 1985, Prime Minister Rajiv Gandhi declared that Calcutta was a 'dying city'. Modern-day Kolkata remains a virtual economic dead end in terms of its regional linkages, and the locus of India's modern-day engagement with the Bay of Bengal has shifted south to cities such as Chennai.

In the years following decolonization, the other states around the Bay of Bengal also went their own way, leading to a disconnection of strategic relationships. National governments pursued quite divergent strategic paths. Although some paid lip service to the rhetoric of pan-Asianism that was so loudly proclaimed at Bandung in 1955, there was little practical cooperation among them. Each had its own problems. For Bangladesh, the impact of a 'double' partition, from India and Pakistan, left it impoverished, inward looking and resentful of India's dominance. An independent Sri Lanka sought to hedge against what it perceived to India's hegemonic tendencies through relationships with extra-regional powers, including Britain (in the 1950s),7 the US (in the 1970s and 1980s) and more recently, with China. Fears of Indian demographic hegemony were a major factor in Sri Lanka's long civil war between the Sinhalese majority and Tamil minority. In the 1950s, Thailand, concerned about China and the impact of communist insurgencies in Indochina, invited the US to establish a large military presence under the cover of Southeast Asia Treaty Organization (SEATO). Malaya fought a Chinese communist-inspired insurgency as well as infiltration from Indonesia during the Konfrontasi, mostly relying on British and Australian forces. Burma was an extreme

case, fighting Chinese forces on its northern border and numerous ethnicbased insurgencies. Its internal preoccupations led it to increasingly turn its back on the world and retreat into a prickly neutralism.

## THE CREATION OF SOUTH-EAST ASIA AND THE ASIA-PACIFIC AS REGIONS

The strategic fragmentation of the Bay of Bengal was reinforced by a redrawing of mental maps of Asia in the years after World War II. A new region of 'South-East Asia' gained popularity from the late 1940s, and the newly independent states of the Indian subcontinent were grouped into a region called 'South Asia' (see Figure 2).8 The term 'South-East Asia' first gained prominence in 1943, when the Allies established a 'South-East Asia Command', headquartered in Ceylon, to coordinate the fight against Japanese forces to the east of India. The term was again used in strategic discourse when Washington sponsored the establishment of the SEATO in 1954 as a 'regional' alliance. Although its membership hardly corresponded with current ideas of South-East Asia (including as it did the US, Australia, New Zealand, France, Britain and Pakistan as members), it nevertheless gave further respectability to the idea of South-East Asia as a strategic region.9



Figure 2 The Conceptual Division of the Bay of Bengal

Source: http://www.naturalhistoryonthenet.com/Continents/images/asiaregions. jpg

The de facto division of South Asia and South-East Asia into separate regions was made de jure through the formation of Association of Southeast Asian Nations (ASEAN) in 1967 as a grouping of states that sought to balance the security role of the US and other extra-regional powers in South-East Asia. This more than anything else formalized the division of the Bay of Bengal. The ASEAN now has 10 members, with its western border ending at the borders of India. While our mental map of what constitutes South-East Asia is now broadly understood, its boundaries were unclear even in the late 1960s. Singapore reportedly encouraged India to join ASEAN upon its formation. 10 Sri Lanka was also invited to join by Malaysia, but the proposal was opposed by Singapore.<sup>11</sup> Burma rejected an invitation to join the original grouping in 1967, but was admitted as a member in 1997 as part of the grouping's post-Cold War expansion.

The establishment of ASEAN cemented the perceived division of the Bay of Bengal and gave it an ideological element. The ASEAN states were anti-communist and largely reliant on the US for security, while India pursued its rhetorical policy of non-alignment and tilted towards the Soviet Union from 1971. Several ASEAN states showed disquiet at India's relationship with the Soviet Union, including concerns over India's naval ambitions in the Bay of Bengal and Delhi's possible support from Soviet naval activities in the Bay. 12 Although these differing ideological alignments were resolved with the end of the Cold War, the strategic disconnection between ASEAN and South Asia continued. The ASEAN's members remained largely strategically focused northwards in terms of economic relationships with powers such as China, Japan and South Korea, and also in terms of potential threats.

The conceptual division of the Bay of Bengal was further cemented by the creation of the 'Asia-Pacific' as a new economic and political 'region' in the 1980s. The Asia-Pacific region was generally understood to be centred on East Asia and extended to the western border of ASEAN. India was not then considered ready for the process of trade liberalization that was at the top of the Asia-Pacific's agenda. As a result, Asia-Pacific institutions such as Asia-Pacific Economic Cooperation (APEC) excluded India, Bangladesh and Sri Lanka and reinforced the low level of trade connectivity between the eastern and western sides of the Bay of Bengal. Although Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)<sup>13</sup> was established in 1997 as a regional grouping to promote economic integration, it has had few concrete achievements.

#### THE GROWING STRATEGIC IMPORTANCE OF THE BAY OF BENGAL

While a perception of the Bay of Bengal as a strategic backwater—one that could be safely divided up on maps—may have been to some extent justified in the second half of the twentieth century, it makes much less sense now as the area gains in economic and strategic significance. As Robert Kaplan recently noted: 'The Bay of Bengal is starting to become whole again and is returning to the centre of history.... No one interested in geopolitics can afford to ignore the Bay of Bengal any longer.'14

The Bay of Bengal now has considerable, and growing, strategic significance for the entire Indo-Pacific. One reason is the relatively good economic prospects of India, Sri Lanka, Bangladesh and Myanmar that are giving these countries much greater economic importance in Asia and the world. The potential for these countries to massively expand into lowcost, high-quality manufacturing means that the Bay of Bengal area is increasingly seen as not only the main physical connection between the Pacific and Indian Ocean regions but also as a key economic connector. This is exemplified by the economic corridors that China hopes to develop between its southern provinces and the Bay of Bengal (including the so-called Bangladesh, China, India and Myanmar [BCIM] Economic Corridor that would run between Kolkata and Yunnan province) and the economic corridors planned by Japan that would run from southern India, Bangladesh and Myanmar across the Bay of Bengal and through Indochina to the South China Sea. These corridors would host value chains of relatively low-cost component manufacturers that would ultimately feed production back to China, Japan or elsewhere.

The economic prospects of Bay of Bengal states and the potential for them to be part of a value chain linking East and South Asia is contributing to a new type of competition in the Bay of Bengal among major powers whose expanding areas of interest intersect there. China, India and Japan are now scrambling to develop new infrastructure connections in the Bay of Bengal that will connect the region with (and, perhaps, lock the region into) their own economies.

#### The Rise of the Bengal Tigers

An important factor in the growing strategic importance of the area is the relatively bright economic prospects of many Bay of Bengal states. Indeed, it is possible that in coming years, the area could become a new cockpit for economic growth in Asia. To a considerable extent, the conceptual division of the Bay of Bengal during the latter part of the twentieth century

reflected a divide between the ASEAN 'Tiger' economies of the eastern side of the Bay (including Thailand and Malaysia) and the less developed economies on the western side. India, Bangladesh, Myanmar and Sri Lanka largely missed out on the economic miracles experienced in East Asia, but this is now changing: economic growth for 2015 is projected at 6.4 per cent for Bangladesh; 7.5 per cent for Sri Lanka; and 8 per cent for Myanmar, with similar rates projected for following years. 15 Recent World Bank forecasts give India's economic growth for 2015 at 7 per cent. 16 Much of this projected growth, particularly for the smaller Bay of Bengal states, is based on their potential for low-cost export manufacturing. Indeed, while growth prospects for many of these countries remains somewhat fragile due to political instability, it is possible that over the next decade, they could experience breakout growth based on manufacturing exports similar to that experienced by core ASEAN states in previous decades.

The development of a major energy industry in the Bay of Bengal could provide an important underpinning for the economic development of the region.<sup>17</sup> The Bay of Bengal is believed to have significant gas reserves, whose exploitation could be used to help fund urgently needed infrastructure and human development. Some unofficial estimates have put Bangladesh's reserves alone at 200 trillion cubic feet, which would make it the largest supply in the Asia-Pacific.<sup>18</sup> These reserves have remained largely unexplored and undeveloped, but the dropping of sanctions and resolution of maritime boundary disputes could mean that the 'Blue Economy' becomes a major economic driver for the region.<sup>19</sup>

But economic potential of the region is currently constrained by the low level of regional economic integration and a dearth of infrastructure: especially transport connections within those countries, to neighbouring states and the rest of the world. This has prompted a scramble by to build new ports, roads, pipelines and railways throughout the region, largely sponsored by China, India and Japan. Some of these are intended to better stitch the region together and others to better connect the region to the world. These projects have been accompanied by considerable competition for political and strategic influence over Bay of Bengal states as these powers seek to structure infrastructure connections and production chains to benefit their own economies. In broad terms, this competition might be seen as reflecting the intersection of growing areas of strategic influence of major powers in Asia: India, China and other East Asian powers such as Japan.

### India's Strategic Role in the Bay of Bengal

For much of the period since 1947, India has not played an active strategic role in the Bay of Bengal beyond its immediate South Asian neighbours, such as Bangladesh and Sri Lanka. India has, nevertheless, aspired to be recognized as the predominant power in the Bay of Bengal and has viewed any naval or security presence of other major powers in the Bay as illegitimate intrusions—which some have called India's 'Monroe Doctrine'.20 The sortie of the USS Enterprise into the eastern Bay of Bengal in the closing days of the Bangladesh War in 1971 triggered a strong reaction by Delhi against the US. Since the early 1990s, Delhi has regarded Chinese political and economic influence in Myanmar, Bangladesh and Sri Lanka as matters of great concern.<sup>21</sup>

But while India's role in the Bay of Bengal has often been more rhetorical or aspirational than real, its rise as a major regional power is now allowing it to gradually transcend the confines of South Asia and spread its strategic influence further around the Bay of Bengal. Writers such as Raja Mohan see this as a partial return by India to the role it played under the British Raj,<sup>22</sup> while others may see it in terms of a natural expansion of India's strategic space as its economic interests grow. New Delhi adopted its 'Look East' policy in the early 1990s, with the intention of rebuilding India's economic links with the thriving economies of South-East Asia and although India has been slow to operationalize this policy, it is now gaining greater traction.

New Delhi's strategic interests in the Bay are driven by several imperatives. The Bay represents a key defensive space against security threats that may emanate from or through the South-East Asian archipelago. The ability to control the sea lines of communication that pass through the Malacca Strait and cross the Bay of Bengal would also provide India with considerable strategic leverage. The Bay is also affected by numerous security issues (including ethnic conflicts, refugee flows, religious extremism and maritime crime) that may directly threaten India's interests or otherwise require it to act as a security provider.

India has by far the most powerful military of any of the Bay of Bengal states and it is in the process of further reinforcing its military resources committed to the area. Previously, India's Western Fleet, based in Mumbai, was its largest naval fleet, but resources are now being effectively 'rebalanced' to its Eastern Fleet in the Bay of Bengal. A major new fleet base is being constructed at Rambilli, south of Visakhapatnam, intended for India's new nuclear submarine fleet and at least one aircraft carrier.<sup>23</sup>

This will likely reinforce India's naval dominance in the Bay. India's dominant position in the Bay is also underpinned by its possession of the Andaman and Nicobar Islands, an archipelago running north-south near the western end of the Malacca Strait. Over the past two decades, India has developed extensive military facilities in the Andaman and Nicobar Islands, including port facilities and air bases. This has a considerable impact on the balance of power in the eastern Bay of Bengal and the Malacca Strait.

In recent years, India has also sought to improve defence relationships in the Bay which for a long time were extremely thin. Delhi has developed close relations with the Sri Lankan Navy despite periodic strains in the bilateral relationship. India has also focused on developing closer relations with the Myanmar armed forces, including agreements on coordinated actions against cross-border insurgents, the supply of patrol vessels and training. In the east of the Bay, New Delhi has developed a close defence relationship with Singapore, but relationships with Indonesia, Malaysia and Thailand still lack much substance.<sup>24</sup> This reflects a degree of caution on both sides—among other things, Indonesia and Malaysia guard their territorial rights in the Malacca Strait jealously, and are yet to be convinced that India should play a direct security role in those waters.

An important expression of India's leading maritime security role in the Bay of Bengal is its biennial MILAN naval 'gathering' held in the Andaman Islands. Exercise 'Milan 2014' was the largest ever, with representatives from all states from the extended Bay of Bengal area (Bangladesh, Sri Lanka, the Maldives, Myanmar, Thailand, Malaysia, Indonesia, Singapore), elsewhere in South-East Asia, Australasia and the western Indian Ocean. Exercise 'Milan' is primarily an exercise in Indian naval diplomacy and since its inception in 1995, has become an important and highly successful part of India's growing 'soft' military power.

India now aspires to play a much more active security role in the Bay and, as Prime Minister Manmohan Singh commented in 2013, Delhi sees itself as a 'net security provider' to the region.<sup>25</sup> How this will be expressed in practice is still uncertain. However, in coming years, India may seek to create multilateral maritime security groupings with other littoral states modelled on its existing trilateral maritime security arrangements with Sri Lanka and the Maldives.<sup>26</sup> Delhi is currently seeking a coordinated approach to defence and commercial relationships in the Indian Ocean, with an initial focus on the Bay of Bengal.<sup>27</sup>

India is also gradually starting to play a more active economic role in the region, seeking to better connect the Bay into India's economy, and this is spurred on by strategic competition with China. Raja Mohan argues that Delhi's 'dithering' in developing economic ties and connectivity means that India is in danger of 'losing' the Bay of Bengal to China. According to Mohan, India must recognize that the Bay of Bengal 'is no longer a backwater but a strategic hub connecting the Indian and Pacific Oceans as well as China'.28

One of the most important projects being promoted by Delhi is the Trilateral Highway Project that would build road connections from Kolkata to Thailand via Bangladesh, India's north-eastern states and Myanmar. East-West land connections between India and South-East Asia through the Bay of Bengal region are virtually non-existent due to the impoverishment of India's eastern neighbours, ethnic insurgencies and political problems over transit rights. The new overland connections being promoted by Delhi to some extent compete with the essentially north-south connections between Yunnan province and the Bay of Bengal being promoted by Beijing. However the political disconnect among Bay of Bengal states is likely to delay or limit the economic significance of this project.29

India is also sponsoring the renewal of shipping connections across the Bay. Up until the 1940s, Calcutta was a hub for a dense intra-regional shipping network connecting India and the territories around the Bay using rivers such as the Ganges, Brahmaputra and Irrawaddy to provide direct connections into the hinterlands. These connections were allowed to wither away in the decades following decolonization so that goods being transported from India to Myanmar or from Myanmar to Bangladesh now need to be transhipped via Singapore. Delhi sees the resurrection of the old oceanic and river shipping routes as a much simpler and more cost-effective method of connecting the region, without the political complications associated with land routes.

In October 2014, the Indian stated-owned shipping line restarted direct connections between Chennai, Colombo and Rangoon and trialling connections between ports in India and Bangladesh.<sup>30</sup> India is also sponsoring the development of a new port at Sittwe in Myanmar and associated road links which will allow the transhipment of goods up the Kaladan River to India's north-east Mizoram state. Delhi is also keen for Indian companies to participate in the proposed new port project near Chittagong in Bangladesh that would not only help develop trading connections with Bangladesh but could also potentially be used to connect with India's north-east Tripura state via road.

#### Connecting the Bay of Bengal to China

China's economic and political influence in the Bay of Bengal has been the single-most important factor in growing strategic competition in the region. Beijing's aspirations are primarily expressed in economic terms, although, as will be discussed later, a security element is visible. China is currently sponsoring the development of overland connections between southern China and the Bay as part of its national 'Bridgehead Strategy', and the development of maritime infrastructure through its 'Maritime Silk Route' (MSR) initiative. These projects are an attempt by China to break from the constraints that have kept it historically isolated from the Bay of Bengal and the Indian Ocean. Historically, links between China and the Bay have been extremely tenuous and, indeed, until well into the twentieth century, there were no major transport routes connecting China with the Indian Ocean. Through these new connections, China is reaching for the Indian Ocean through the Bay of Bengal.

China is sponsoring several grand projects to create overland connections between China's landlocked southern Chinese province of Yunnan with the Bay of Bengal region and the Indian Ocean through Myanmar. This is part of its Bridgehead Strategy of turning its landlocked Yunnan province into a gateway for engagement with the Indian Ocean and China's manufacturing base facing South Asia and Southeast Asia.31 These include a road-river route from Kunming to Yangon, oil and gas pipelines from Kunming to the Indian Ocean at the port of Kyaukpyu in Myanmar and a proposed new road/rail corridor that would follow the same route. Another project, the so-called BCIM Economic Corridor, would involve the creation of a transport and manufacturing corridor running from Kunming in China to Calcutta through Myanmar and Bangladesh at a claimed cost of another US\$20 billion (Figure 3). Although many in the region are keen to see the BCIM project proceed, Delhi has considerable reservations about it, particularly the implications of a massive increase in Chinese economic role in India's north-east states. For this reason, along with perceived political risks in Myanmar, China is likely to push the project only slowly.

Beijing is also undertaking its MSR initiative in the Bay of Bengal as an oceanic complement to its overland 'Silk Route' projects in Central Asia. The MSR envisages a system of linked ports, infrastructure projects and special economic zones (SEZs) across the northern Indian Ocean. While much of public discussion to date has focused on ports and transport infrastructure, of greater overall significance is the intention to develop



Figure 3 One Proposed Route of the BCIM Economic Corridor Linking China with India

Source: http://www.asiabriefing.com/news/wp-content/uploads/2013/10/ BCIM-Map2.jpg

new production and distribution chains across the region, with China at its centre—perhaps something akin to Japan's 'Flying Geese' strategy in the 1970s. This would bind the Bay of Bengal much closer to the Chinese economy. Several states in the region have indicated their wish to participate in the MSR, while India has been much more circumspect about the proposal pending further details. Sri Lanka, in particular, has been an enthusiastic partner in this project, which includes China's high-profile development of Hambantota Port and new port facilities at Colombo (Figure 4).

The security implications of these projects are as yet unclear. China claims that its activities in the Bay of Bengal area are purely commercial and that it has no intention of establishing any military bases in the Indian Ocean region.<sup>32</sup> China has security links with several states, including acting as the major arms supplier to Myanmar, Bangladesh and Sri Lanka,<sup>33</sup> but despite the claims of some commentators, Beijing has had only limited success in creating reliable security partnerships that would give its military direct access to the Bay of Bengal.

Myanmar has long been seen as China's closest security partner in the region, but is increasingly seen as presenting a high degree of political risk for China. Although the regime became close to Beijing as an arms



Figure 4 A Possible Configuration of China's Maritime Silk Route

Source: http://www.thetimes.co.uk/tto/multimedia/archive/00768/ inline\_9e65ccb6-3d0\_768786a.jpg

supplier and economic partner after 1988, Myanmar has never allowed China to use its military facilities—and in recent years, its political dependability to China has also become increasingly open to question. In recent times, China's relationship with Sri Lanka under the Rajapaksa regime also gained a security element and there were indications that Beijing may have sought to develop a small-scale military presence in Sri Lanka. Visits of a Chinese submarine to a Chinese-built port in Colombo were taken by many as a signal that China intended to develop a regular submarine presence in the area. China also proposed to establish an aircraft maintenance facility near Trincomalee, ostensibly to support Sri Lanka's Air Force.<sup>34</sup> These developments appeared to contravene Sri Lanka's longstanding policy of not allowing itself to be used by other powers to threaten India's security interests, and they will likely be reversed following ouster of the Rajapaksa regime in January 2015. However, Beijing may, in the future, act opportunistically in working with friendly regimes to establish a military presence in or near the Bay.

#### Connecting the Bay of Bengal to Japan

Japan is also becoming a significant factor in strategic competition in the Bay of Bengal. While its overall strategy towards the region is evolving,

Tokyo appears to have elevated the importance of the Bay of Bengal as a key growth area and as the economic connector between the Pacific and Indian Ocean regions. In many ways, Japan's plans are analogous to China's MSR initiative in terms of developing new production networks (and related infrastructure) within the region that would feed back to Japan. Although strategic competition with China may be less overt than for India, it is likely a significant factor in Tokyo's calculus. Prime Minister Abe's visit to Sri Lanka and Bangladesh in September 2014 was reportedly closely aligned to Xi Jingping's visit to the region when he was promoting China's MSR.<sup>35</sup>

In September 2014, Japan announced its 'BIG-B' (Bay of Bengal Industrial Growth Belt) initiative that would involve developing Bangladesh as a 'lynchpin of the Indo-Pacific' and a 'node and hub' of the regional economy.<sup>36</sup> The plans include the development of an economic corridor between Dhaka and the sea at Chittagong and Cox's Bazaar and new deep-water port facilities with an initial investment of \$6 billion. A key objective is to develop the Bangladesh economy through better connecting it to the Indian Ocean and to promote improved 'solidarity and unitedness' in the Bay of Bengal region.<sup>37</sup>

While the BIG-B initiative has been expressed in terms of Bangladesh, it may well be expanded into a coherent plan to encompass similar Japanese investment activities in Myanmar, Sri Lanka as well as southern India. Japan is also, by far, Sri Lanka's largest aid donor and a major investor in the country.<sup>38</sup> Although Tokyo carefully calibrated its relationship with the former Rajapaksa regime, there were perceptions that Chinese projects were being given special preference over Japan, and Tokyo hopes this will change under Sri Lanka's new government.39 Japan has also long been a major contributor of development aid and private investment in Burma/ Myanmar. 40 In recent years, its importance in Myanmar has been renewed through the cancellation of almost US\$3 billion in foreign debt and pledges of US\$900 million in new financial support. Japanese companies are developing an SEZ at the port of Thilawa, south of Yangon. Japan has also been heavily involved in plans to develop a new port and industrial area at Dawei in the south of Myanmar, which would include overland connections to Bangkok and onwards through Indochina to the South China Sea. This would facilitate the development of a series of economic corridors that would start in southern India/Bangladesh/Myanmar and extend across the Bay of Bengal, through Indochina to Japan (Figure 5).

It is not clear to what extent Tokyo coordinates its activities in the Bay

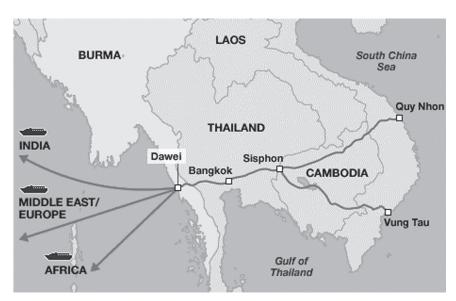


Figure 5 Proposed Trans-Indochina Corridor to the Bay of Bengal Source: http://news.bbcimg.co.uk/media/images/52448000/gif/\_52448741\_ burma\_routes464x370.gif

of Bengal with Delhi. But Japan's role in the Bay of Bengal is generally seen favourably by India in assisting in the development of the region and helping to provide a useful counterbalance to Chinese influence. In December 2014, Chandrababu Naidu, the Chief Minister of the Indian state of Andhra Pradesh (which has a coastline of more than 1,000 km on the Bay of Bengal), indicated that his state wished to join the BIG-B project to encourage the development of an industrial agglomeration extending from Chittagong in Bangladesh to Andhra Pradesh. This would help link India much more closely into East Asian production chains.

#### THE IDEA OF THE INDO-PACIFIC AND ITS IMPACT ON THE BAY OF BENGAL

The re-emergence of the Bay of Bengal as a strategically important region reflects the same forces that are causing the Indo-Pacific to be understood as interdependent strategic space.<sup>41</sup> The Indo-Pacific is, in effect, a proposed new mental map that would transcend the traditional mental divisions between the Asia-Pacific and the Indian Ocean region. It reflects the expansion of the strategic interests of both China and India into the others' area of core interest and the growing economic interdependence

of states right along the Asian littoral. Chinese strategic thinkers may have been slower to adopt the term than Indian and Western strategic analysts, but in practice, Beijing's MSR and BCIM Economic Corridor initiatives reflect the expansion of China's area of strategic interest into the Bay of Bengal, and further into the Indian Ocean, just as India's Act East policy reflects the expansion of Delhi's strategic interests eastwards.

The idea of the Indo-Pacific as an interdependent strategic system has considerable implications for our mental map of the Bay of Bengal. In a new Indo-Pacific strategic map, the Bay of Bengal moves from the periphery of East Asia, where it was considered a backwater, to close to the centre of strategic concerns (Figure 6). It not only physically connects the Pacific and Indian Oceans but has the potential to act as an economic hub for interaction between the East Asian and Indian Ocean economic systems. As Akihiko Tanaka, head of Japan's International Cooperation Agency, commented:

...the Bay of Bengal is centrally located within this tectonic change as it can function as a key junction between the two oceans. Unfortunately, we are often bound by outdated geographic divisions. We still draw a dividing line at the Arakan Mountains to separate South Asia from Southeast Asia...perhaps it is high time for the Bay of Bengal to be considered as a coherent strategic region within the broader framework of the Indo-Pacific. 42

#### **CONCLUSION**

For decades, the division of the Bay of Bengal between South Asia and Southeast Asia provided a convenient mental shortcut to help in our understanding of the strategic dynamics of Asia, but this is increasingly untenable as strategic competition in the area assumes its own dynamic. The Bay of Bengal now has considerable—and growing—strategic importance for Asia. It is a region with great economic potential and is increasingly an arena for strategic competition among the major Asian powers. In some ways, it is also the epicentre of the Indo-Pacific concept the place where the strategic interests of the major powers of East and South Asia intersect.

Understanding the Bay of Bengal as a region is not a mere academic exercise. A new mental map that recognizes the greater strategic centrality and importance of the Bay of Bengal can help countries such as Myanmar and Bangladesh move beyond their long-standing economic and political isolation and develop their roles as economic connectors between East



Figure 6 The Three Great Bays of Southern Asia—With the Bay of Bengal at Centre

Source: https://www.flickr.com/photos/gastia/3441183022/

and South Asia. India also has much to gain from giving much greater attention to the Bay of Bengal than it has in the past. Among other things, a focus on the Bay of Bengal-and regional organizations such as BIMSTEC—could conceptually reduce Pakistan's role in South Asia. The preparedness of Delhi to assume a greater leadership role in the Bay of Bengal would also help legitimize India's role as a net security provider throughout the Bay.

#### **Notes**

- 1. For the purposes of this article, the term Bay of Bengal includes associated waters of the Andaman Sea and the western approaches to the Malacca Strait. The core states of the Bay of Bengal 'region' include India, Sri Lanka, Bangladesh, Myanmar, Thailand and, perhaps, Malaysia and Indonesia.
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