

Strategic Regions in 21st Century Power Politics

Strategic Regions in 21st Century
Power Politics:
Zones of Consensus and Zones of Conflict

Edited by

Martin Riegl, Jakub Landovský and Irina Valko

**CAMBRIDGE
SCHOLARS**

P U B L I S H I N G

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PREFACE

It is difficult to come up with any domain of the social sciences that is more complicated, contingent, and dynamic than geopolitics. Myriad events, arrangements, and ideas influence geopolitical developments, and the terrain is in constant flux.

—Alexander Murphy¹

Resource wars, identity conflicts, disinformation, geostrategic rivalries, global power shifts, and an increasing number of non-state actors, among others, make it difficult to analyse contemporary international relations. At the same time, the contemporary power rivalries are increasingly impacted by currency wars, economic diplomacy, competitive intelligence, economic warfare, indirect strategies, and state capitalism.

The events in Ukraine in Spring 2014 reconfirm that Thomas Friedman's flattening of the world (based on the coincidence of the collapse of the Berlin Wall and the emergence of Netscape and the Web, work flow software, uploading, outsourcing, offshoring, supply-chaining, insourcing, in-forming and the "steroids" like Facebook and Instagram) goes hand in hand with the fact that, as postulated by Robert Kaplan, geography still matters in a global world. Globalization exists because of the local processes, and local processes are ultimately shaped by globalization. Geography remains among the first factors shaping a country's foreign policy.

This book² attempts to address the most fundamental geopolitical issues observable in a region, where the 'great game' of geopolitics is still alive – in East- and South-East Asia. The contemporary geopolitical situation in this part of the world is far from stable: the width and depth of economic integration in the region resonates with the nature of political relations, crises in the global financial system, climate change, and regional security architecture inherited from the Cold-War era. In terms of

¹ Murphy, Alexander. "Gerard Dussouy's Systemic Geopolitics." *Geopolitics* 15, no. 1 (2010); p. 151.

² The text is an outcome of Project Prvrouk no. 17 – Vědy o společnosti, politice a médiích ve výzvách doby [Studying Societal, Political and Media Challenges in the Contemporary World], Charles University in Prague, Faculty of Social Sciences, Institute of Political Studies.

power relations, the particular changes in the region's status quo imply an immediate intensification of the PRC's activities within the framework of political and security dialogue with its direct neighbors, ultimately leading to a rivalry between China and the United States. The studies presented in this book largely focus on East- and South-East Asian actors and problems, while studies of the situation in other global regions enrich the research by adding a global dimension to the study of regional geopolitical affairs.

In the first chapter of the book, *Martin Riegl* and *Jakub Landovský* analyze the impact of geographic factors on the success of geopolitical strategies of actors in the Indian Ocean within the context of the geopolitical shift of the center of gravity. Based on the geo-political and political-geographical analysis of the whole region and major individual countries in the region, one may conclude that China's effort to disrupt the dominance of the U.S. in the region through its String of Pearls strategy will not be successful due to the determining influence of geographical factors and the rigid application of hard power by Beijing.

In the second chapter, *Wouter H Zaayman* provides a comparative assessment of the roles and capabilities of BRICS – Brazil, Russia, India, China and South Africa – as a functional coalition, in both current and future geopolitical environments. The study focuses on the BRICS' unified preference for multipolarity in global politics given the persisting civilizational differences among BRICS countries. The study is concluded with a detailed examination of “responses” coming from BRICS to the ongoing power shift from the West (and North) to the East (and South) of our planet.

In the third chapter, *Bohumil Doboš* applies criteria connected to the study of the neo-medieval order on the Indian Ocean region. Going beyond state-centric analysis and simple political mapping, the study reveals the geopolitical setting of the region, highlights its stable and instable sub-regions, parts with strong state actors, and areas where other territorial actors play the leading role. Presenting a combination of the historical medieval analogy with the effects of technological unification and political and economic globalization the analysis pinpoints some major issues of the Indian Ocean world and some region-specific structural phenomena.

In the fourth chapter, *Jan Kofroň* systematically investigates geographical configuration as a factor in potential power competition in (South) East Asia. In order to understand the specific ways in which geography influences politics, and to decide on whether it is possible to create an effective counter-hegemonic balancing coalition in the region without the

military commitment of the USA, the author employs the neo-classical version of geopolitical reasoning based, primarily, on John Mearsheimer's offensive neorealism. The chapter also provides a specific implication for the future of independent Taiwan.

In the fifth chapter, *Jana Sehnalková* focuses on Taiwan's strategy within the context of the South China Sea territorial disputes. The author first demonstrates the region's conflict potential, then introduces the locations of the overlapping claims, and analyses the geopolitical causes of dispute and the determinants of Taiwan's territorial claims. Finally, China's reaction to Taiwan's possession of territory in the South China Sea and the potential influence of external actors (e.g. the United States) within the existing Beijing–Taipei cooperation framework is evaluated.

In the sixth chapter, *António Marques Bessa* works with the perceived power framework, as proposed by Ray S. Cline. In order to compare the relative position of China vis-à-vis the other leading players in the international arena during the Cold War and in the post-Cold War era, the analysis is based on the evaluation of China's geopolitical strengths and weaknesses according to an interplay of two "synthetic" parameters: Critical Mass (a composite indicator reflecting economic, demographic, and military capacity of any given state) and Returns. The author then formulates some of China's geopolitically-defined additions to the general international strategy, and the methods of its application.

In the seventh chapter, *Irina Valko* detects three geopolitical groups ("zones of consensus") and three intergroup buffer areas ("zones of conflict") within the Arctic geopolitical space using cross-sectional data for 2000, 2005, and 2010; and the technical capabilities of cluster analysis. She then evaluates the overall stability of the given configuration in the context of climate change, calculates conflict potential for each Arctic state and grades intergroup buffer areas in terms of the probability of conflict occurrence.

In the eighth chapter, *Kao-Cheng Wang* and *Fabrizio Bozzato* discover a significant symbolic divergence between a Western perception of China as an actor on the geopolitical scene of the Pacific Islands (the so-called "Bad Dragon" narrative) and the real widening of China's presence in the region (in terms of its economic, diplomatic, and military engagement), through the prism of discourse analysis. The so-called "geo-strategic competition hypothesis" is rejected, since both China and Taiwan are supposed to benefit from Cross-Strait initiatives and patterns.

In the ninth chapter, *Takashi Hosoda* demonstrates the grand shift from idealism to pragmatism in the Japanese strategy in the context of the Senkaku Islands dispute. The author first provides evidence of the rise of

China's military capabilities and then critically discusses three ways of restoring Japanese military parity with China: re-enforcement of the Japan–United States alliance, development of a multilateral security network, and improvement of its self-defense capability. Finally, the nature of militarism is defined and evaluated for Japan, the PRC and the ROC.

In the tenth chapter, *Dejan S. Miletić, Nevena Krasulja and Emina Jeremić Marković* introduce the Serbian perspective in relation to the modern developmental dichotomy: the globalization of crises versus the crisis of globalization (i.e. the diffusion of economic, security, and environmental crises, and the problem of management). The authors suggest overcoming the central challenges of the modern era—institutional fragmentation and national and sector interests—through effective and responsible global institutions.

In the eleventh chapter, *Velina Tchakarova* examines whether the establishment of the Eurasian Union is predominantly based on economic considerations (as expected based on the theoretical approach of European economic integration), or rather on Russia's geopolitical concerns, which go far beyond any economic interests in regional integration. Paying special attention to the case of Ukraine, the author evaluates two scenarios for the development of the Eurasian Economic Union: "The Eurasian Economic Union—old wine in new wineskins" and "Russia's new rising integration project in a struggle for geopolitical leadership."

In the twelfth chapter, *Kendra Sundal* examines the evolution of South Korea's position towards the North as well as its relations with the United States and China—the two most influential outside powers in the Six Party Talks. Briefly outlining the nature of South Korea's democratic political system, the author considers various international relations theories when identifying the positions and actions of each president in their policies towards North Korea. These theories are also applied to the United States and China in their relations with the Korean peninsula. The final section presents the perspectives of all of the states involved in the Six Party Talks.

In the thirteenth chapter, *Mario Sharevski* analyses the emergence of cooperation between two former enemies, Vietnam and the United States, as a result of the geopolitical rise of China. The author starts by outlining the historical development of the relations between the three countries, then focuses on current issues and disputes between Vietnam and China, and then switches attention to political, security (military) and economic dimensions of Vietnamese–United States cooperation. The chapter is

concluded with suggestions of possibilities and prospects for further mutual engagement and cooperation.

In the last chapter, *Ruiping Wang* assesses the United States–China global geopolitical rivalry through the prism of Joseph Nye’s concept of soft power. After analyzing the way in which Nye refutes the “theory of America’s decline” by constructing “soft power” theory, he discusses the “theory of America’s decline” in light of the growing significance of China as a geopolitical actor in the international political arena.

CHAPTER ONE

GEOPOLITICS OF INDIAN OCEAN: LIMITS OF CHINESE STRATEGY

MARTIN RIEGL AND JAKUB LANDOVSKÝ

Introduction

This chapter discusses the impact of geographical factors on the success of strategies adopted by geopolitical actors in the region of the Indian Ocean. The impact will be discussed in the context of the shift of the power center in the contemporary world, where China relies on the massive projection of economic power into political and military power and on the enduring application of “hard power” in the vicinity of Chinese borders. This power transformation and projection aims to weaken the dominant position of the United States of America in the Indian Ocean as well as driving out India to the outskirts of the Indian Ocean and establishing a balance of regional powers.

This paper is based on a hypothesis that the foreign policy goal of Beijing is difficult or even impossible to accomplish through the simple application of strategies like balancing or containing influential regional powers, because the political reality of the Indian Ocean is far from the state centric view offered by a political map of the region. To see the Indian Ocean region as divided between sovereign and at least formally equal states is very far from reality.

The Indian Ocean is a geographic area connecting several of the world's geopolitical regions such as the European rimland, Sub-Saharan Africa, the Middle East, and Central, East and Southeast Asia. It is the gate to the Pacific Ocean and contains a majority of the crucial trade routes connecting consumers and suppliers of both resources and raw materials and produced goods. The success of the grand strategies of the main powers (the USA, China, and India) could depend on the internal

situation in countries' sub-state entities that do not strive to become regional powers. The success strategy of global actors is in many cases dependent on the political milieu of smaller and much less important states and sub-state units with fuzzy borders. Therefore, political and geographic analysis of the internal situation within these political units is of the utmost importance for the success and failure of strategies of India, China and USA.

From the methodological point of view we have utilized empirical analysis of the political space of the concerned region as well as the recent works of notable expert on geopolitics including: Zbigniew Brzezinski, J.S.Nye, G.Friedman and also those scholars who support the "New Middle Ages" paradigm in international relations, such as P. Williams and R. Kaplan. This theory enables us to grasp the dynamic changes in world politics that are epitomized by increasing instability and the decline of sovereign states.

Theoretical framework

Classical theories of international relations, such as realism, neo-realism or a regional security context, do not correctly describe the reality of the Indian Ocean. The point of view attributed to Waltz and Morgenthau which emphasizes balance of power does not help us to deal with one of the most anarchic regions in the world, which borders the hot spots of current international politics like the Middle East and Central and Southeast Asia. The theory of a regional security complex does not help us either, even though the Indian Ocean is a geographically connected system. These theories fail for the reason that this region lacks cohesion and consists of a number of antagonistic actors who transcend the frontiers of nations that do not even fulfill the condition of formal equality of states. The situation is even more complicated due to overlapping sovereignty.

One theory is rather prominent in the context of the Indian Ocean. It is the idea of the US balancing the rising ambitions of China. According to Friedman, the USA is a global superpower trying to contain ambitious China, who is among the second and third tier regional powers. The USA is attempting to follow its global and regional goals with the classic realist approach.

On the other hand, theorists of the "New Middle Ages" *and* the "New Dark Ages," like P. Williams, point out that the USA would not operate in a single static environment, but in a dynamic and unstable multilayered

setting.¹ This environment can change from one state to another in a short period of time. It can go from relative order to a deep chaos almost instantly. Other regions, like the Russian-Ukrainian borderlands during the ongoing crisis or Syria and Iraq during the ISIL offensive, show similar properties on a smaller scale.

Twenty-first century security problems are utterly different from twentieth century international politics. In order to understand the new paradigm, we should apply theories like the “New Middle Ages,” “Durable Disorder,” or the “New Dark Ages,” which enables us to understand the impact of geographical factors on the dynamics, logic and context of internal politics of various parts of the Indian Ocean. The internal political situation of several important states in the Indian Ocean determines the geopolitical situation in the region. While looking for answers to the questions regarding regional stability and security we must not dwell on the traditional state-centered approaches. The second factor that is often overlooked, but very important for shaping the strategies of the USA, China, and India, is geography by itself. Geographic factors would influence and limit the strategies of these powers and also determine the challenges that the USA, China, and India would face in this complex environment.

Delimiting the Indian Ocean

In order to argue about a shift of the power center to the Indian Ocean, we need to define the borders of the region, which are under discussion. The area of the Indian Ocean has a complicated structure, where pre-modern meets postmodern, and the whole region refuses to be defined under a classical paradigm. The borders of the Indian Ocean are dynamic, and the changes are accompanied by territorial disputes.

In the north, the Indian Ocean is delineated by India, which is a nuclear power within the center of the region. Another nuclear power in the northern end is Pakistan, tormented by inner instability. China is building a military base Gwadar on the Pakistani shore. Another border is the Arabian Sea, which is essential for oil imports from Persian Gulf. The whole middle is destabilized by Iran and its hegemonic ambition. Oman guards and controls the entrance to the Hormuz strait. In the northwest area of the Indian Ocean lies another group of unstable or failed states. Egypt, with its turbulent past, disintegrated Sudan, unstable Eritrea and the

¹ Williams, *From the New Middle Ages to a New Dark Age: The Decline of the State and U.S. Strategy*, 57.

failed state of Somalia are salient examples. Incidentally, Somalia is an extreme and violent example of “durable disorder.” Increasingly destabilized Yemen is unable to deal with the sovereign free actors within its borders and especially in its waters. Yemen has the highest incidence of pirate attacks in the proximity of its shores and has attracted US attention.

Eastward from the Horn of Africa are overlooked, but interesting states like Mozambique, which has massive deposits of natural gas close to its coast, and Mauritius, which signed a military agreement with the USA in 2009. A key actor in the southwest Indian Ocean is South Africa. It has hegemony in Sub-Saharan Africa and it is a new member of BRICS. From all the BRIC countries, South Africa has strongest ties to China. If we move along the 40th parallel across the endless southern Indian Ocean we would start to encounter American allies. First and foremost is Australia, increasing its cooperation with NATO, and then East Timor, which is *de facto* controlled by Australia, Indonesia, Singapore, Malaysia and Thailand, who are fully aware of Chinese ambitions and afraid of its possible regional dominance in the future. In the northeast are Bangladesh and Myanmar: two key states for the Chinese “String of Pearls” strategy. These two states enjoy strategic positions at the fringe of East Asia and Southeast Asia. Sri Lanka and the Maldives are also worth mentioning, but they are visibly in the Indian geopolitical orbit.

Generally speaking, the Indian Ocean area is surrounded by zones of tremor, which include the most unstable states and territories with the highest conflict potential, as well as territories where borders no longer delimit the area of sovereign states as seen by Hertz in his theory of territorial state. Violent hotspots and zones of instability could justify breaches of the territorial sovereignty principle, especially from the USA. Thus, the USA could advance its national interests in the territories of failed or destabilized states in order to achieve strategic advantage, by influencing Somalia, Somaliland, South Sudan, or Yemen. The key argument of proponents of the “New Dark Ages” theory could be summarized in the following way: the prevalence of failed states is not an aberration, but an indication of intensifying disorder, which will continue to increase in the upcoming decades. This disorder will become more and more significant, and its geopolitical consequences include shift of power from central governments to the hands of violent non-state actors.² Competition between actors in the Indian Ocean would develop in a world

² Williams, *From the New Middle Ages to a New Dark Age: The Decline of the State and U.S. Strategy*.

with fragmented political authority, overlapping jurisdictions, or no-go³ zones for states or their citizens. Straightforward application of hard power is not very effective in such a world.

The Geopolitical Significance of the Indian Ocean

A.T. Mahan, an ardent supporter of naval dominance, once said that the ability to defend states' merchant fleets was a pivotal factor in the world's history. R. Kaplan has pointed out that Chinese and Indian strategists are carefully studying Mahan's ideas.⁴ The approach of those strategists seems perfectly logical and pragmatic considering the fact that 80 percent of Chinese oil imports comes from the Persian Gulf and Africa, and an overwhelming majority of crude oil is transported through the Strait of Malacca. On the one hand, the Indian Ocean brings the opportunity to transform economic power into political power and project this power outside of the actors' borders. This applies especially for China. On the other hand, this projection of power increases international pressure between the main actors, namely the USA, India, and China.

From a global perspective, the Indian Ocean is a prominent region. China, Portugal, the Netherlands, Great Britain, India and the USA have competed geopolitically and geo-economically for dominance in this region. It is an inner sea, or *mare nostrum*, for more than half of the world's population, and the surrounding states are becoming more and more powerful in terms of economic, military, and diplomatic might. As Thomas P.M. Barnett once wrote, it is the most "nuclearized" of the world's oceans, where we can observe vessels from all nuclear powers: the USA, Great Britain, France, China, Russia, India, Pakistan and Israel.

The ocean's geo-economic importance is apparent from available data. China, as the second biggest oil importer, sends 80 percent of oil imports through the Indian Ocean (the Strait of Malacca). Whoever controls the strategic "choke points" gains significant advantage in twenty-first century geopolitics. Strategic positioning in the Indian Ocean is utterly important for China and India; it is a matter of sheer existence for these two countries. The USA applies a containment strategy and also uses regional alliances in an attempt to prevent the rise of China. China is a power that is seeking dominance in the *heartland* as well as in the Pacific area, which is a challenge to the USA's global superpower position. China would prefer a geographic siege of India, which would end up driving India to

³ Williams, ref. 1, 57.

⁴ Kaplan, *Monsoon: The Indian Ocean and the Future of American Power*.

the unimportant fringes of the Indian Ocean. Some supporters of the realist school of international relations point out that American interest in the Indian Ocean and Pacific regions signalizes resignation from the sole superpower statute. Others argue this shift of interest is merely a change in priorities in US foreign policy. It is truly a hard decision for US policy makers to decide whether to focus on Eastern Europe, the Middle East, Central Asia or the Pacific. It is a sad fact that full entanglement in all aforementioned hotspots is beyond US power.

Actors and their strategies

USA

American interest in the Indian and Pacific Oceans is based on the work of the think-tank Project for the Next American Century (PNAC). This institution draws together people like R. Kagan, W. Kristol, R. Cheney, F. Fukuyama, D. Rumsfeld, and P. Wolfowitz, with the goal of retaining the USA's global dominance in the 21st century. The outputs of this think-tank suggest that the power center of the world will move from the transatlantic area into the Indo-Pacific area, and competition over influence and resources in this area might be violent. According to Kaplan, a geostrategic shift in thinking was preceded by two influential documents from the second half of the first decade of the 21st century. One was "A Cooperative Strategy for 21st Century Seapower," in October 2007, and the second was "Vision and Strategy 2020," from the year 2008.⁵ The authors of these strategy papers argue to shift attention to the Indian Ocean, the Arabian Sea, and the western Pacific Ocean. The Indian Ocean is supposed to be the main battleground of the twenty-first century. It seems obvious from this context that the USA perceives China as one of its main threats to US dominance, at least for the next couple of decades.

China is perceived as an adversary because it challenges the economic and security interests of the USA in the area. A crucial asset to contain the rise of China's power is the long term strategic partnership between the USA and India. Kaplan, consistent with Pat Garret and the aforementioned "A Cooperative Strategy for 21st Century Seapower," emphasized the strategic importance of the Indian Ocean, which could be equally important to the European Rimland. The Indian Ocean allows the USA to build a network of military bases out of reach of Chinese ballistic

⁵ Kaplan, ref. 4, 9.

missiles.⁶ This change of US strategy could end up weakening the military presence in Europe, Japan and South Korea, and the military buildup in the vicinity of so-called “choke points” (the Mozambique Channel, the Hormuz Strait, and the straits of Malacca, Palk and Bal-En-Mandeb). It seems logical in a world where the majority of imports and exports go by sea vessels. The USA will focus on keeping a direct presence in the proximity of the borders of Greater China, apart from its continuing presence in the western Pacific. This plan emphasizes:

- Increased military presence in Oceania;
- Dramatic expansion of US NAVY capacities in the Indian Ocean;
- Defense pact with Singapore, Brunei, Malay, Seychelles, Mauritius, Reunion, Maldives and Andaman Islands.⁷

A complete shift of power is complicated by the current security situation in Ukraine, after the annexation of Crimean peninsula. The eastern part of Ukraine, especially the Luhansk and Donetsk provinces, are facing regular war of irregular forces. On the one hand, such erosion of sovereignty instigated by a neighboring state confirms the “New Middle Ages” paradigm, but on the other hand, it blocks full US commitment to the Indian and Pacific Ocean area. The USA is deeply entrenched in the East Asia region through stable military and political pacts with South Korea, Japan and Taiwan. Innovative US strategy based on containment of China’s projection of power could be welcomed by some important states in the region. Chinese disputes with Vietnam and some other countries regarding the Spratly Islands and Sino-Japanese tensions over Diaoyu Tai/Senkaku Islands could sway some undecided regional powers to intensify their relations with the USA. Lee Kuan Yew, the Foreign Minister of Singapore, openly requested that the USA remain militarily and diplomatically present in the region.⁸ He is apparently afraid of the possibility that Singapore, dominated by its Chinese population, could become a vassal state in the Chinese demesne. He also expressed his suspicion of Myanmar spying for Beijing in ASEAN meetings.

Kaplan’s emphasis on the US presence in the Indo-oceanic rimland influenced another strategic document called “U.S. Global Leadership: Priorities for 21st Century Defense” in January 2012. According to this

⁶ Chinese intercontinental ballistic missiles DF-31, JL2, DF-31A and DF-5A/CSS-4 have an effective range covering the entire Indian Ocean.

⁷ Kaplan, *The Revenge of Geography: What the Map Tells Us About Coming Conflicts and the Battle Against Fate*, 225.

⁸ Kaplan, ref. 6, 209.

document, the USA relies on its presence along the geographic borders of the Indian Ocean. The US has military bases in the Persian Gulf (namely Oman, controlling the Hormuz Strait) and in other Middle Eastern countries. Other US strong points are in Djibouti, Seychelles, Diego Garcia, Australia, and Singapore. This strategic advantage could be even stronger if we consider the French presence in Djibouti, Reunion, and Mayotte. The decisive factor could be the US alliance with India. India has a central geographic position and thus has direct and unrestricted access to a major portion of Indian Ocean.

China

The main reason behind the strategic thinking of Beijing is securing transport routes for natural resources from Africa across the Indian Ocean. Chinese oil, natural gas, copper or cobalt come from countries like Sudan, Angola, Niger, Zambia, Gabon or the Democratic Republic of Congo.⁹ Even though China endeavors to gain a dominant position in relation to other states in the region, Chinese objectives are not necessarily antagonistic to US objectives. If the USA stabilizes Afghanistan and Pakistan, China would profit. Chinese opportunity from a stable central Asia is in building the pipelines to tap Central Asian oil reserves and roads to export Chinese products.¹⁰

The aforementioned opportunity is extremely important for China, because it helps to diversify transport routes, which are now narrowed to the Strait of Malacca. Diversification would allow more goods and resources to be transported through the Arabian Sea or through the Bay of Bengal. Securing resources and market access is, without a doubt, the main goal of Chinese policy, and it will be pursued through economic and even military means. The Chinese strategy is visible in territorial disputes with its neighbors (such as the territorial dispute between China and India about Arunachal Pradesh). That these efforts are curbed by persistent historic antagonism is logical. Chinese dynasties controlled states in contemporary Southeast Asia, Central Asia and even the Middle East.¹¹ Chinese strategy choices and dilemmas are both determined by geographic factors. Z. Brzezinski defines these limiting factors in the following manner:

- To reduce the risk of being geographically surrounded and besieged;
- To define an advantageous position in East Asia region;

⁹ Kaplan, ref. 6, 222.

¹⁰ Kaplan, ref. 6, 326.

¹¹ Kaplan, ref. 6, 199.

- To help consolidate Pakistan as a counterweight to India;
- To increase economic influence over Russia and Mongolia and gain access to resources not only in Africa, but also in South America;
- To solve the question of Taiwan;
- To secure economic and indirect political influence in the Middle East, Africa and South America.¹²

At least half of Beijing's goals are explicitly related to Chinese interests in the Indian Ocean. China is aware of its geographic disadvantages and thus focuses its efforts on disrupting the US policy of twenty-first century containment in the first and second island chains. In its attempts to secure its energy security, China projects its power across its borders to central Asia, Sub-Saharan Africa, and the Far East.¹³ It is in the best strategic interest of China to prevent India from growing in economic and military power, even though both countries have strong bilateral relations. China attempts to increase its influence on the states along the Indian borders, specifically Afghanistan, Pakistan, and Myanmar. Afghanistan and Pakistan are indispensable to land routes from the Pakistani Gwadar port, which is a gate for resources from the Arabian Sea. Pakistan is also important because the rivalry between Delhi and Islamabad works as an imminent threat and a convenient smoke screen for the real rivalry between Beijing and Delhi. Myanmar plans to build an oil and gas pipeline from the Bay of Bengal. Other candidates for increased diplomatic activity from Beijing include Bangladesh and Nepal.

China is anxious about increased Indian interest in the Indian Ocean. Indian ambitions in the region are not geographically narrow and reach as far as the Malacca Strait, which is disturbing and very hard for Beijing to accept. China focuses on Indonesia, which holds the keys to the Malacca Strait and to Sri Lanka and Bangladesh. China is building a system of ports called the "String of Pearls" or the "New Silk Road." This system consists of Gwadar in Pakistan, Al Ahdab in Iraq, Port Sudan in Sudan, Hambantota in Sri Lanka, Chittagong in Bangladesh, and Sittwe and Kyaok Phyu in Myanmar. China invests in ports, machinery and equipment, and infrastructure in order to secure the flow of resources to China and bring manufactured goods to their markets.

The Chinese approach is standing on three pillars. The first is development aid, the second is trade, and the third is direct foreign investment. The roots of Chinese foreign policy could be traced to the

¹² Brzezinski, *Strategic Vision: America and the Crisis of Global Power*, 172.

¹³ Kaplan, ref. 6, 202.

Non-Aligned Movement and the Ten Principles of Peaceful Coexistence defined at the Bandung Conference in 1955. China relies on both “hard power” and economic incentives for cooperation, which could take many forms. Usually China builds ports, roads, refineries, and pipelines, but sometimes it delivers military technology or supports authoritative regimes despite their reputation. For example, Beijing delivered military technology to the government in Colombo to root out Tamil rebels in the Eelam region of Sri Lanka. China also supported non-democratic governments against the will of the people in Sudan and in Libya. Pragmatic support of non-democratic leaders could quickly turn against the Chinese and is not considered to be very profitable.

India

India has the 5th largest naval fleet at its disposal and the naval strategy of India aims to solve the so-called Hormuz dilemma. First, India wants to retain open access to the Indian Ocean and thus access to all other oceans. Second, India wants to keep an active naval presence in the northern part of the Indian Ocean, especially between the Hormuz and Malacca Straits. India is *de facto* only able to expand and project its power southward. Consequently, the Indian Ocean is a key geographical area. Considering more practical aspects of the matter, India needs to control, or jointly control, a series of “choke points” between the Persian Gulf and the South China Sea. The main goal of Indian military strategy is to prevent China from gaining a dominant position in the Indian Ocean. Chinese domination could lead to Indian isolation and could prevent Indian access to some parts of the Indian Ocean. To counter Chinese influence in South Asia, India needs to cooperate with the USA. Despite the traditional convictions of Indian strategic experts, the main adversary of India is not Pakistan, but China. Pakistan is a direct threat to Indian national security in the short term perspective, but China is a threat in the long term perspective. China’s threat is not visible at first sight, but Chinese dominance in the Indian Ocean could be fatal to Indian national interest. Indian worries are exacerbated by Chinese efforts to build a network of ports—the “String of Pearls.” Well-known Sino-Indian territorial disputes (such as Jammu and Kashmir, Sikkim—depicted as an independent state by ancient Chinese maps, Arunachal Pradesh—claimed as an integral part of China, and in Chinese propaganda as South Tibet) led to open war in 1962 and also to troop amassments in the Lanyhou and Chengdu regions and to intensification of Sino-Pakistani relations, for instance in the field of

nuclear technologies.¹⁴ The Indian government focuses on modernization of its army and massive strengthening of naval and air force capacities. India's current military spending is around 35 billion USD. A second important policy direction is strengthening Indian ties to the USA, which supports Indian army modernization with deliveries of advanced military technology. The main task for Indian decision makers is to create military capacities that are able to keep pace with both Chinese and Pakistani military might, and at the same time prevent India from being surrounded by China and its allies, and keep free access to all parts of the Indian Ocean.

India can also utilize the apprehensions of ASEAN members like Indonesia, Malaysia, Thailand, and Singapore regarding the assertive behavior of Chinese officials. India conducts military maneuvers with the aforementioned countries and also cooperates with Vietnam, which has tense relations with Beijing and partially controls access to the Indian Ocean. Vietnam supported India in its effort to get a permanent seat in UN Security Council. Vietnam was motivated to help India because Vietnam wanted to curb China's global influence. Indian military presence in Madagascar signalizes efforts to control and monitor activities in the Mozambique Channel and to give naval support to Mauritius, Seychelles, and Maldives.

The strategies of all three actors are in many ways similar. All actors are building logistic and military bases, are creating a naval presence in the Indian Ocean, and are attempting to mutually balance against adversaries. "Without a doubt China uses all forms of power—political, diplomatic, economic, military, trade and demographic—to project its national interest and regional ambitions across the furthestmost sea borders and beyond. China wants to enlarge the borders of imperial China to the furthest possible extent."¹⁵

Areas of conflict

The Indian Ocean has a number of highly conflictive sub-regions and numerous territorial disputes. Beijing poured oil onto the fire by issuing passports with a map marking all contested areas as indisputable Chinese territory.¹⁶ These passports triggered severe diplomatic reactions

¹⁴ Curtis and Cheng, *The China Challenge: A Strategic Vision for U.S.–India Relations*.

¹⁵ Kaplan, ref. 6, 202.

¹⁶ Kaiman, "Chinese passport map causes diplomatic dispute."

throughout the region. China should be more careful, because their reputation in the protesting states could be a decisive factor for the success of Chinese regional strategies.

South Asia

China builds up its influence in South Asia, which is in the sphere of influence of India, to surround their most potent adversary. China invests in the Pakistani port of Gwadar, because it eventually wants to gain permission to build a naval base in Pakistan. Beijing also offers deliveries of military vessels and investment offers in billions of USD to the Bangladeshi deep sea port of Chittagong, which is a part of the “String of Pearls” scheme. China’s plans in Bangladesh suffered a blow, since the pro-Indian Awami League came to power. Beijing had very good relations with the ousted BNP (Bangladesh Nationalist Party) and the victory of the Awami League substantially reduced Chinese influence in Bangladesh.

The Chinese have gained a lot of positive points in Sri Lanka by helping the central government in Colombo in its fight against Tamil rebels. After the victory of the central government, which took 25 years, Chinese influence was peaking. This is important because China wants to invest in the Hamantota port, which is in the voting district controlled by the family of Mahinda Rajapaksa—the current president of Sri Lanka.

Another strong point in the “String of Pearls” is Kyaukpyu in Myanmar. China still applies its strategy and secures relations with Burma by supporting the authoritative regime in Rangun through economic means. The reason for that might be the importance of Myanmar as a transit country for oil and natural gas. Chinese long term support of the Junta in Rangoon offers an opportunity for the USA. Washington applies soft power and has supported democratic reform for long time. The USA also has a better reputation among secessionist minorities, including the Kachin, Shan and Mon tribes, who controlled the territory *de facto* before the emergence of independent Burma. Those tribes were persecuted by the military junta from the beginning of the 1950’s. Changes in the politics of Myanmar and gradual political reforms could endanger Chinese investment in the military regime and infrastructure projects.

India has responded to Chinese politics in Myanmar by building the deep sea port of Sittwe. India has developed the Sittwe port to become a major transport hub for Southwest Myanmar and Northeast India. Delhi also has adequate capacities to instantly eliminate Chinese influence in Sri

Lanka. India could use direct naval force or support the Tamil rebels in order to incapacitate the current government in Sri Lanka. India additionally has the means to influence Bangladeshi politics, namely the Awami League, which is currently in power.

Southeast Africa

China does not limit its persuasive power to the Hormuz-Malacca axis. Beijing also spreads support, investment offers, and trade incentives to the Southwestern part of the Indian Ocean. China supports repressive regimes in South and East Africa and has befriended political elites that are disconnected from the ordinary people. Chinese economic intrusion and behavior has ignited anti-Chinese sentiments. The Chinese image is heavily damaged by ignoring citizen society and exploiting underprivileged social classes. Moreover Chinese enterprises are destroying the environment, namely in Mozambique and South Sudan, which is building alternate oil pipelines to bypass its northern neighbor. Anti-Chinese sentiments are also caused by scores of Chinese workers, who take the work places from the locals and usually do not leave after the project is over and instead stay in Africa as illegal immigrants. Chinese illegal migrants are working as small street vendors, which also deprives the local population of jobs and sparks anti-Chinese moods. In contrast, Western oil companies usually hire locals and do not leave illegal immigrants when the job is over. The biggest blow to Chinese interests was the disintegration of Sudan. China was an ardent supporter of president Bashir and bought around two thirds of Sudanese oil production.

Southeast Asia

The strengthening of Chinese economic, political and military power makes many Southeast Asia countries worried, and could lead them to establish closer ties with the USA. Chinese influence is the most tangible in Singapore, with the majority of population being ethnically Chinese, as well as in Indonesia. Beijing is a key source of direct foreign investments there, and its economic partnership with Indonesia is very strong. This could lead to strategic considerations, and a possible rethinking of the politics in Southeast Asian states in an attempt to prevent Chinese domination on the region.

Persian Gulf

The situation in the Persian Gulf is influenced by the Iranian threat. Iran has difficult relations with oil-rich states in the Persian Gulf. Iranian nuclear ambitions destabilize the whole region. This gives the USA an excellent opportunity to gain control of the Hormuz Strait. A key ally for the USA in this endeavor is Oman.

Horn of Africa

The situation in the Horn of Africa is very complicated. It is the prime example of the “New Middle Ages” theory, and some states (namely Somalia, South Sudan, and Yemen) have ceased to exist, and their territories are governed by local sovereign free actors, like warlords, terrorist groups, and Islamic militia. The USA is carrying out their anti-terrorist operations and has a limited cooperation with relatively stable Puntland. The strategic presence of US forces is secured by the military base in Djibouti, which enables strikes in Yemen, Somalia, and Sudan, and allows for limited control of the Red Sea.

Conclusion

The Indian Ocean region cannot be characterized as group of sovereign states with clearly defined stable borders and no overlapping jurisdictions. Successful strategy demands a change in thinking. Rigid international order as understood by either realists or neorealists does not suffice.

The region has an enormous degree of heterogeneity and modern and postmodern worlds collide in a complex geographic environment. Traditional geopolitics based on the application of “hard power” among formally equal state units will inevitably fail, because it is not based on reality. Chinese strategy consisting of massive investments in naval power and the building of a chain of ports and bases from the Arabian Sea to the Bay of Bengal will not be successful in the long term outlook. The geography of the area, which severely limits Chinese options in projecting power outside of its borders, is one factor, and its poor choices to support mostly authoritarian and obsolete forces is another. China usually invests in relations with political elites who are disconnected from the citizens of the countries they rule. Bashir in Sudan is one salient example, the military Junta in Burma is a second, and the BNP in Bangladesh, while not as authoritarian, was not the best investment either way. The Chinese approach lacks the ability to incorporate non-sovereign actors and respond

to the dynamics of social changes. Societies in the Indian Ocean area are mostly young, vibrant, and turbulent. A more flexible strategy would be a better choice. Beijing's position is also affected by fears of Chinese neo-imperialism, which leads countries like Singapore and Indonesia into deeper cooperation with the USA. Anti-Chinese sentiments are very strong in Vietnam, Taiwan and Filipinas. These sentiments are fueled by unsolved territorial disputes and maximalist claims of China.

Aforementioned factors force China to concentrate on disputed points along the full length of Chinese borders (Tibet and Xin Tiang are disputed points inside the Chinese borders). This leads to increased military costs and the army, which is not very mobile, is therefore permanently positioned along the borders. The government in Beijing acts like it has been surrounded by enemies, in combination with weak borders.

These observations led authors to apply "The New Middle Ages" paradigm, which is more capable of capturing the complex realities of the Indian Ocean geopolitical space. The "smart power" approach applied by the US administration is also better suited for the environment than the Chinese "hard power" approach. US strategy incorporates support of universal human rights, rewards for democratic development, protection of the environment, and vast development aid focused on the masses. "Smart power" and the geographic environment give Washington the advantage over Beijing. Chinese strategy aimed at forcing the USA to share the gains of this policy will prove ineffective in the future.

Chinese strategy is neutralized by the undisputed naval power of the USA. It allows control of all key "choke points" in the area. US forces are stationed across the whole region, from the Persian Gulf to the Horn of Africa, and from Diego Garcia to Australia and Singapore. The obvious advantage of alliances with India and Oman could eliminate Chinese efforts to gain strategic advantage through the ports in Gwadar and Hambantota. Oman controls the Hormuz Strait, and Hambantota is in the geopolitical orbit of India.

It could be summarized, then, that the US military presence in Djibouti, Oman, Diego Garcia, and Singapore makes the control of key "choke points" possible, and works as an effective countermeasure against the Chinese "String of Pearls," which basically follows the oil and natural gas transport routes. Vital Chinese transport routes of natural gas and oil are crossing orbits of Indian and US naval powers, which is geo-strategically very unfortunate. This could revive the Hormuz dilemma in Indian politics, but fortunately for India the whole route is under US control, though this sword has two edges. The USA is the ultimate power in the region, because it can close the area and block Chinese and Indian

imports and exports. Nevertheless, because of the rise of China in the near future, political borders will not be redrawn—at least not on the map.

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CHAPTER TWO

THE GEOPOLITICS OF BRICS

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Introduction

Of the alphabet soup of acronyms that have emerged from within the international system in the last two years, BRICS has received the most attention, specifically within the field of geopolitics. Furthermore, the BRICS concept and its potential is widely analysed, debated and discussed amongst politicians, financiers, academics, investors and geostrategists.

The economist Jim O'Neill of Goldman Sachs placed emphasis on what in 2001 were seen as the four largest new economic powers when he gave the collective name BRIC to the emerging economies of Brazil, Russia, India and China as he observed their shared growth starting to soar. At that time the acronym was applied in a research paper that identified a group of economies which, he believed, would, by 2050, exceed the total size of the then richest countries, who were called "The Group of Seven." Goldman Sachs based their 2001 research on five main areas of relevance, these being: economic size, economic growth, incomes and demographics, global demand patterns, and currency movements.¹ By 2010 South Africa—with the ardent support of China—became the group's fifth member, thus transforming the acronym to BRICS.

BRICS became an entity at the height of the global economic recession in June 2009 when BRIC countries met for the first time as a whole when the first BRIC Summit was hosted by Russia. By the third Summit that took place in China, South Africa's membership had been secured. Today, the BRICS grouping is seen by many observers as a specific concept of established regional and emerging continental powers, which include Africa, Asia, Eurasia and Latin America. One of the many objectives of

¹ Vlad, "The Rise of BRIC and the 21st Century Geopolitics and the Future of the Consumer Society", 48-62.

the BRICS group is to develop a post-crisis economic model. The “Delhi Declaration,” which was signed at the 2012 BRICS Summit by the five countries, reflected a desire to strengthen mutual cooperation and understanding on various global challenges.

As a developing group, the countries of the BRICS form a vibrant and strong image, therefore building their perspective. China can be regarded as the factory of the world, Brazil the garden of the world, Russia as the gas station of the world and India as the back office. South Africa joined the group as the jeweler as well as the gatekeeper of the world. With specific regard to the extraction of commodities along with South Africa, China, Brazil and Russia all have vast experience in mining exploration, extraction and processing.²

The BRICS countries have a massive internal market with a developing middle class. As a group they comprise 41% of the world’s population. The combined land surface is approximately 25% of the earth’s surface—most of it underdeveloped. The BRICS account for nearly 25% of the world’s GDP (a calculated US\$ 13 trillion) and have nearly 50% of the world’s gold reserves and foreign currency reserves—the majority being in China.

The consolidation of the relationship between Brazil, Russia, India, China and now South Africa originates from the obvious economic and trade needs regarding modernisation and development—the typical want of all developing countries. Compounding this is the shared perception of international policy—albeit still somewhat disjointed at present. The governments of the BRICS formation believe that the best way to increase their global influence is from within this block. At the same time, although the group’s economic significance is undisputed, the massive divergences between the five countries only serve to highlight the numerous challenges these countries face regarding cooperation and joint action within a myriad of venues. Still, it should be noted that there are just as many areas in which these countries’ common policy approaches coincide and which attract the BRICS countries to each other.

Many observers regard BRICS as the continuing power shift from West (and North) to the East (and South) and the body has the potential of developing into a major power influence in evolving the new architecture of global governance. There is a belief that BRICS could well bring in a new global political and economic order, to the extent that the organisation could become a strong counterbalance to Europe and the USA. This international counter also extends to the G7 (US, France, United Kingdom,

² Kahn, “The BRICS and South Africa as the Gateway to Africa”, 1-5.