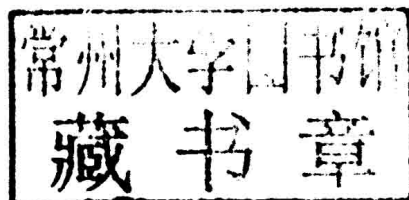


Power, Politics and Maritime Governance in the Indian Ocean

Edited by
Jivanta Schöttli

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Power, Politics and Maritime Governance in the Indian Ocean

The Indian Ocean is of tremendous geo-political and strategic relevance. More than eighty per cent of global seaborne trade in oil passes through the Ocean. Access to resources is under-regulated (fishing) or has yet to be conceived (deep seabed mining) and security concerns such as piracy and the stability of strategically located states, are propelling countries to rethink naval capabilities and priorities. This applies to littoral countries as well as to extra-regional powers such as China, Japan, European countries and the United States, each of which is keenly interested in maintaining and securing open sea-lanes of communication. The revival in maritime concern is prompting new dynamics of competition and cooperation in a region that has historically been characterised by dense cultural, economic and political networks. The Indian Ocean is an extensive and expansive space where no one power has been able to hold sway. Hence, multilateralism and open regionalism are key contributors to stability, both in terms of military as well as commercial coordination. In this volume, scholars from Asia, Europe and the US examine institutions and examples of maritime governance within the Indian Ocean including security arrangements, evolving forms of alliance building and counter-balancing, policy planning and forecasting.

This book was originally published as a special issue of the *Journal of the Indian Ocean Region*.

Jivanta Schöttli is a postdoctoral scholar at the Research Centre for Globalisation and Distributional Conflict and associate member of the South Asia Institute, both at Heidelberg University, Germany. Her research interests include India's international relations and policy-making that is framed by the constraints and contingencies of domestic politics and global dynamics.

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Editorial: Power, politics and maritime governance in the Indian Ocean

Jivanta Schöttli

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Chapter 2

The Indian Ocean Rim – Association for Regional Co-operation (IOR–ARC): the futile quest for regionalism?

Christian Wagner

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Chapter 3

The Indian Ocean Region in India's strategic futures: looking out to 2030

Krishnappa Venkatshamy

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The reluctant pretender: China's evolving presence in the Indian Ocean

Jonathan Holslag

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The French strategic vision of the Indian Ocean

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Power, politics and maritime governance in the Indian Ocean

The compilation of papers for this special issue arose out of a two-day, international symposium that took place in Heidelberg, Germany during the summer of 2012. The occasion was made possible thanks to the Hengstberger Prize 2011 and the Internationale Wissenschaftsforum Heidelberg (IWH). Additional support was granted by the Cluster of Excellence, Asia and Europe in a Global Context and the South Asia Institute, both located at Heidelberg University.

Bringing together a set of specialists in security dynamics, politics and history, the presentations drew from a variety of sources and perspectives including expert interviews and archival material, tracing the movement of nineteenth century luxury goods within the Indian Ocean to analysing the latest developments in nuclear submarines. Each however, engaged with the general question of how to explore, identify and investigate empirical manifestations of maritime governance within the Indian Ocean. Defined, at its minimum, as regulated, repeated, consensus-driven interactions, governance provided the common platform for this vibrant symposium.

In the papers that follow, a spectrum of view are provided, focusing on key actors, dynamics and the processes of interaction within the Indian Ocean arena. Christian Wagner examines the contributions and tribulations of the Indian Ocean Rim – Association for Regional Cooperation (IOR–ARC) arguing that it might be more useful to think of this institution as an international rather than a regional organisation. Turning to the role of India in the Indian Ocean arena, Krishnappa Venkatshamy provides an exhaustive survey of the impulses behind India's security strategy thinking.

Jonathan Holslag considers Chinese interests in the Indian Ocean, drawing heavily upon private discussions with policy-makers to explain the reasoning behind current policies towards the region and the potential for naval assertiveness. In Isabelle Saint-Mézard's paper on France, she explains how the country that continues to nurture an ambition of being a power in the Indian Ocean is beset with resource constraints and policy contradictions. Explaining the strategic inter-connection between the Indian Ocean and the Western Pacific, James Rogers draws attention to British and more broadly, European, interests in the 'Indo-Pacific'. Shifting to the United States, Toshi Yoshihara delves into American strategy planning, and the much talked about 'pivot', and what this means for stability within the Indian Ocean region to the 'Indo-Pacific'. Finally, Peter Lehr, uses constructivism to explore the foundations and incentives behind cooperative initiatives aimed at developing codes of conduct or joint policing action in the Indian Ocean.

Taken together, the papers illustrate the urgent need for greater security arrangements within the Indian Ocean. This is echoed by the actions of key stakeholders in the region. For example, since investing heavily in the navy, India's

naval policy documents have emphasised the need to protect the global maritime commons through cooperation with other nations, casting India in the role of security-provider.¹ Marking a major break with its stance during the 1970s and 1980s when it rejected the interests and denounced the activities of extra-regional actors, today India conducts the annual Malabar maritime exercises with the US Navy against piracy and illicit trafficking.

Amongst scholars and policy makers, the problem of defining the Indian Ocean region has often been raised (see for instance, Bouchard, 2004). It is therefore worthwhile to recall some scholarly masterpieces that have grasped the Indian Ocean in its complexity and diversity. Thus for example, the Indian Ocean is a centrepiece in Claude Markovits' *The global world of Indian merchants, 1750–1947*. Histories of the Indian Ocean have long been written in terms of a collective understanding and awareness of the region as an entity. Kenneth McPherson in *The Indian Ocean: a history of people and the sea* demonstrates the influence that the ocean had on coastal communities of fishermen, sailors and merchants, investigating and illustrating the web of relationships spread across Africa to East Asia. Historians, Sanjay Subrahmanyam and Sugata Bose have both portrayed the Indian Ocean as 'worlds' with a particular historical unity. Geopolitical perspectives have highlighted the importance of the Indian Ocean, as did Alfred Thayer Mahan in the nineteenth century or K.M. Panikkar in the mid 1940s, both of whom examined the influence and importance of sea power. Most recently, Robert Kaplan's *Monsoon: the Indian Ocean and the future of American power* has captured the attention of policy analysts and policy makers alike.

Capitalising upon a recent wave of interest within the field of strategic studies on the Indian Ocean,² this issue brings together scholars from around the world to address conditions for cooperation; the challenges and constraints that define patterns of interaction within the Indian Ocean. Today, as powerful actors emerge to stake claims at sea, reviving maritime connections and investing in naval capabilities, the Indian Ocean combines all major global security concerns of the twenty-first century. The papers in this volume therefore deal with the tasks of combatting piracy, terrorism, the need to address human security, the threat of failing states and environmental concerns, none of which can be held in isolation as a phenomenon on its own. Instead the themes interlock with each other, casting security challenges as symptoms and causes of global dynamics. Capital, goods, ideas, people are on the move, across and within the Indian Ocean arena at an unprecedented rate, reflecting and fuelling the emergence of new financial centres, manufacturing hubs, market opportunities and renewed political alignments.

With impacts not only on the coastline but stretching deep into the hinterland, these developments have unleashed tremendous growth potential as well as generating instability and insecurity. Trade and shipping has prompted the rise of a lucrative piracy business and a number of actors are jostling to position, project and consolidate power within the Indian Ocean. Major powers seek to secure their influence by investing in naval capabilities, military bases and seeking turnaround agreements with less powerful states which in turn leverage their valuable geographical location. Power games, have moved centre stage, made all the more complex given the sheer expanse of the Indian Ocean, which allows no one national navy to dominate. The following description of the Indian Ocean captures its dimensions:

Its western border is continental Africa to a longitude of 20° E, where it stretches south from Cape Agulhas; its northern border is continental Asia from Suez to the Malay Peninsula; in the east it incorporates Singapore, the Indonesian archipelago, Australia to longitude 147° E and Tasmania; while in the south it stretches to latitude 60° S as determined per the Antarctic Treaty of 1959. (Potgieter, 2012, p. 1)

At the ocean's critical choke points such as the Malacca Strait, collaborative arrangements have successfully emerged to regulate and protect thoroughfare. With 26 Indian Ocean Rim (IOR) states, five Red Sea states, four Persian Gulf states, extra regional actors like France, Britain and the United States, interactions within the Indian Ocean are almost compelled to be multilateral. The numerous cases involving pirate attacks, hijacking of ships and the actions taken by armed guards aboard ships have highlighted that establishing jurisdiction and taking pre-emptive action are highly intricate tasks that rely on diplomacy between states and critical communication lines at sea. A recent case in point is the killing of two Indian fishermen, off the coast of Kerala, by two Italian marines aboard an Italian oil tanker. Claiming to have mistaken them for pirates the tragedy became a major diplomatic incident as India and Italy argued over the nature of the crime and the question of whose jurisdiction applied.³

The Indian Ocean is also host to geostrategic rivalries that have stirred over the last decade. Some of the world's largest military spenders are located in this arena and besides Diego Garcia, the US Navy also uses bases in littoral states such as Bahrain, Kuwait, Oman, Qatar and Saudi Arabia. Balance of power manoeuvres are aggravating existing security dilemmas and creating new opportunities, both for conflict and cooperation. China's forays into India's 'backyard' with multiple infrastructure deals and investments in strategic sectors of the Sri Lankan economy have emerged as critical concerns for India's national security. As a result, India and China have of late been reviving naval capabilities but also investing greater efforts at naval diplomacy.

Be it China's 'string of pearls' or India's 'Look East' policy, maritime capabilities and linkages have assumed crucial importance, prompting countries to issue naval doctrines and frame maritime strategies. The same can be said of the European Union and the United States, both of which have recently, re-positioned forces or enhanced their activities within the Indian Ocean. Such (re-)alignments and recalibrations may be driven by the quest for gaining as well as preserving power but they are, at the same time, deeply political processes involving assessments, projections, and allocations. Each of the papers, therefore not only presents a view on emerging power dynamics but also delves into the underlying policy discussions that frame the choices made and the legitimating terms of reference used to couch decisions.

While some of the authors in this volume see maritime governance structures within the Indian Ocean, as anchored and embedded within a wider institutional architecture, others point to major roadblocks facing collective security. Obstacles include the fact that a large number of littoral states are weak, vulnerable to attack and unable to patrol their territorial waters let alone provide security for the sea-lanes of communication. Perhaps most critical and challenging for all littoral states is the need to raise maritime domain awareness. This requires tracking and reconnaissance capabilities to monitor activities in the country's territorial waters

(12 nautical miles from the coast), the contiguous zone or coastal waters (24 nautical miles from the coast) and the Exclusive Economic Zone (200 nautical miles from the coast).

Despite the hindrances, there is evidence of cooperation and consultation. The Indian Ocean Naval Symposium (IONS) for instance, facilitated by the Indian Navy is a platform for regular interactions between naval chiefs or heads of maritime agencies in the Indian Ocean. The IONS is an important initiative aimed at enhancing naval interoperability, the sharing of information and capacity building. As a consultative mechanism it tackles the issue of asymmetric threats and common transnational maritime concerns. Within the United Nations, there has also been a focus on the Indian Ocean in the form of a series of UN Security Council resolution. Resolution 1814 of May 2008 requested states and regional organisations to provide naval protection to vessels for the World Food Programme. Resolution 1816 of June 2008 authorised states cooperating with the Transitional Federal Government of Somalia to enter its territorial waters and to use 'all necessary means' in antipiracy operations in a manner 'consistent with the relevant provisions of international law'.

As major powers cope with security dilemmas, pursue disputes over sovereignty and carve out new spheres of influence, growing competition and potential conflict will inevitably afflict the Indian Ocean arena. At the same time, the region's deep linkages based on migration, travel, trade, religious and cultural exchange can provide a source of stability, through shared identities and histories. Neither unilateral action nor bilateral arrangements alone can provide order and governance across the sweeping expanse of the Indian Ocean. Hence, multilateral frameworks are key, emerging in response to exogenous stimuli and propelled or hindered through domestic political debates and currents. The papers in this special issue consider a variety of resource material including debates on strategic preferences, discussions about international institutions, legal quandaries and policy decisions to name a few. Together, they provide important insights into the shifting dynamics of power relations and the political constraints as well as opportunities for maritime governance within the Indian Ocean.

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Notes

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2. See for example India's maritime strategy – "Freedom to Use the Seas" – Integrated Headquarters (Navy), (2007) Indian Maritime Doctrine, New Delhi.
3. See for instance, Bouchard, C. (2004) "Emergence of a new geopolitical era in the Indian Ocean: characteristics, issues and limitations of the Indianoceanic order", in Rumley and Chaturvedi, op. cit., pp. 84–109.
4. In the last year a number of papers have been issued by leading strategic think tanks. See for example: David Michel and Russell Sticklor (Eds.) Indian Ocean Rising: Maritime Security and Policy Challenges. (Stimson Center, 2012); Colin Geraghty India in the Indian Ocean Region Re-calibrating U.S. Expectations (American Security Project, 2012); James Brown Pirates and Privateers: Managing the Indian Ocean's Private Security Boom (Lowy Institute, 2012); Thean Potgieter Maritime security in the Indian Ocean: strategic setting and features, (Institute for Security Studies, Pretoria, 2012); the monthly newsletter Indian

Ocean Watch, (Institute of Defence Studies and Analyses, New Delhi) established since November 2012; Dennis Rumley (Ed.) *The Indian Ocean Region: Security, Stability and Sustainability in the 21st Century*. (Australia India Institute, 2013)

5. For details see: <http://www.thehindu.com/news/resources/timeline-the-italian-marines-case/article4538162.ece> Last Accessed on 29.03.2013

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The Indian Ocean Rim – Association for Regional Co-operation (IOR–ARC): the futile quest for regionalism?

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The Indian Ocean has received new attention in recent years because of its economic and strategic importance. The region is seen as a theatre for great power rivalries mainly between the United States, China, and India. In contrast to this, the Indian Ocean Rim – Association for Regional Co-operation (IOR–ARC) has hardly attained any political importance more than 15 years after its inauguration. The economic and political divergences among its 20 members and the competition with (sub-)regional organisations have limited its impact. The futile quest for regionalism should be replaced by a new understanding of the IOR–ARC as an international or inter-regional organisation that deals with different maritime issues. This would pave the way to promote closer cooperation between the different regional organisations and to enter into meaningful collaboration with the international community in order to fight common threats.

1. Introduction

The Indian Ocean is often regarded as one of the new security hot spots of the twenty-first century (Kaplan, 2010; Mohan, 2012). The maritime region between Africa, Asia, and Australia contains a variety of different conventional and non-conventional security challenges. Attacks of pirates at the Horn of Africa and in Southeast Asia form a constant threat for the sea lanes of communication (SLOC) in the Persian Gulf and the Arab Sea that are at the same time the blood veins of global trade for both developed countries and emerging economies in Asia and the West. The presence of the United States navy at Diego Garcia, India's rising blue water capabilities and China's increasing investment in port facilities in littoral states like Myanmar, Bangladesh, Sri Lanka, and Pakistan illustrate the region's potential to become another theatre for great power rivalries.

Common security threats and the prospects of economic opportunities have already initiated regional organisations at the margins of the Indian Ocean, for instance the South African Development Community (SADC), the African Union (AU), the Gulf Coordination Council (GCC), the South Asian Association for Regional Cooperation (SAARC), the Association of Southeast Asian Nations (ASEAN), and the Asia–Pacific Economic Community (APEC).

The discourse on the Indian Ocean is also characterised by a noticeable discrepancy between hardly any cooperation efforts among the littoral states on

the regional level and an increasing debate about the future relevance and strategic importance of the region on an international level. This has raised the question in how far the Indian Ocean can actually be perceived as a separate region with its own concept of regionalism (Lehr, 2002, p. 1). More than 15 years after the creation of the Indian Ocean Rim – Association for Regional Cooperation (IOR–ARC), regionalism in that part of the world still seems to be a vague concept.

From the beginning, the IOR–ARC has been confronted with the question in how far it can act as a valid platform that offers an added value compared to already existing regional organisations, for instance with regard to establishing a regional identity, to addressing common security issues, to increasing economic cooperation, to acting as an inter-regional platform for the coordination of global issues (Rüland, 2001) or whether it is just another initiative for the ‘multilateral dustbin’ (Mills, 2008, p. 139). India, who took over the chair of the IOR–ARC in 2012, and the other members have worked out a new six point agenda (Ministry of External Affairs, 2012a, p. 122) to infuse life into an institution that has often been expected to have no future (Lehr, 2002, p. 21).

Part of the problem seems to be that IOR–ARC has a misleading self-constituted claim for regional cooperation. So far, it has not been able to meet the requirements of a regional organisation, especially with regard to the establishment of a common identity or shared vision. The quest for regionalism, therefore, may foster endless academic debates with hardly any prospects for an analytically satisfying outcome. This is not only due to the oft-described diversity of its members but also to the unique structure of this form of maritime organisation. In order to avoid useless and endless debates about regionalism it may be more useful to understand the IOR–ARC as an international organisation that deals with specific functional issues with different degrees of common interest for its members. The article will focus on the development, institutions, activities, achievement, prospects, and challenges of the IOR–ARC.

2. Institution-building in the Indian Ocean

Geographically, the Indian Ocean may be a clearly defined region that stretches from South Africa via the Arab Sea, South and Southeast Asia to Australia (Bouchard & Crumplin, 2010, p. 30). The Indian Ocean has a long history of trade and commerce. It was the starting point of European expansion in the late fifteenth century when Arab traders and European explorers competed for sea lanes between the Middle East and Europe in the West and India, the Spice Islands and China in the East. The creation of sea borne empires by various European powers laid the basis for their colonial rule from the sixteenth to the twentieth century in Africa and Asia (Boxer, 1969).

Today there are different conceptions of the Indian Ocean by littoral states and extra-regional powers that center on their respective economic and/or security interests. These different concepts are not necessarily exclusive but rather highlight different strategic perspectives. The economic dimension of the ‘classical’, i.e., territorial understanding of the Indian Ocean is represented by the IOR–ARC and its 20 member states. In recent years, new concepts like the East Indian Ocean (EIO) and the Indo–Pacific have also emerged. Australia has promoted the idea of

the East Indian Ocean, whereas the concept of the Indo-Pacific developed in the realist discourse in both India and the United States (Mohan, 2012, p. 5; Rumley, Doyle, & Chaturvedi, 2012, pp. 2–3). Linking the Indian Ocean with the Pacific served several purposes for Indian security experts. Firstly, it was an advancement of India's Look East Policy from the mid 1990s, secondly it underlined her claim to be part of the Pacific Region because India has not been a member of the Asia-Pacific Economic Cooperation (APEC), and thirdly it could strengthen the collaboration with the United States vis-à-vis China.

In contrast to the vibrant academic discourses, institution building in the Indian Ocean remained rather slow. The Indian Ocean Commission (IOC) formed in 1982 to promote economic cooperation among the island states of Comoros, Mauritius, Madagascar, Seychelles, and Reunion was the first cooperative institution in the Indian Ocean. In 1985, the Indian Ocean Marine Affairs Cooperation Council (IOMAC) was established as a second organisation including Indonesia, Kenya, Mauritius, Mozambique, Pakistan, and Sri Lanka. It mainly dealt with issues concerning marine resources and environmental issues. In the field of security, the Sri Lankan initiative in the United Nations General Assembly in 1971, that declared the Indian Ocean as a Zone of Peace (IOZOP) in order to avoid superpower rivalry and to ban nuclear weapons, was a first attempt for security cooperation in the region. The initiative failed, among other things, because of India's nuclear test in 1974 and consequently an envisaged United Nations conference on the Indian Ocean never materialised.

The beginnings of the IOR-ARC can be traced back to the mid 1990s. Initial proposals for a closer cooperation among the Indian Ocean littoral states originated in South Africa and were influenced by the international changes after the end of the Cold War and the reactions to the proliferation of regional institutions during that period in other parts of the world. During the visit of foreign minister Botha to India in 1993, both countries explored the opportunities for closer cooperation in the Indian Ocean rim. Following the liberalisation of her economy after 1991, India was interested in becoming more integrated into the world market. Strengthening regional cooperation was seen as one strategy for the achievement of this goal. The ideas for closer economic cooperation within the Indian Ocean rim were also discussed within academic circles in India and South Africa (Campbell & Scerri, 1995).

During his visit to India in January 1995, the new South African President Nelson Mandela suggested the establishment of a trading alliance in the Indian Ocean, which was welcomed by India. For both countries, cooperation in the Indian Ocean rim seemed to offer several advantages. After the transfer of power in South Africa in 1994, the new government in an obvious attempt to overcome its previous international isolation sought to diversify its foreign relations. India, for her part, was largely excluded from the fledgling regional and trans-regional forums in the Asia-Pacific. New forms of South-South cooperation, especially as the Non-aligned Movement (NAM) had lost much of its momentum after 1989, seemed to be one of the few viable alternatives (Burrows, 1997).

The cornerstones for regional cooperation in the Indian Ocean were laid in 1995. It was forced by two initiatives promoted by Mauritius and Australia (Metha, 1997). In March 1995, the government of Mauritius launched a first meeting, the Indian Ocean Rim Initiative (IORI), in order to elaborate the prospects for intensified

Indian Ocean rim cooperation. The seven participating countries were Australia, India, Kenya, Mauritius, Oman, South Africa, and Singapore. Besides government officials, members of the business community and the academia participated in the consultations.

This group of seven countries formed the core group that eventually established the IOR-ARC in Mauritius in March 1997 with a total of fourteen members.¹ Today the IOR-ARC consists of 20 countries, after Bangladesh, Comoros, Seychelles, Iran, Thailand, and the United Arab Emirates have also joined the Association. Countries like Egypt, Japan, China, France, the United Kingdom, and the United States are dialogue partners, the Indian Ocean Tourism Organization and the Indian Ocean Research Group hold observer status. Besides IOR-ARC, a second initiative was introduced by Australia, which was also a member of APEC. In June 1995 the Perth Conference on the International Forum for the Indian Ocean Region (IFIOR) took place. The IFIOR included 23 countries and had a strong transnational approach with participants mainly from the business sector and the academic community.²

The 20 member states of IOR-ARC, out of a total of 51 littoral states of the Indian Ocean, represent a population of 1.96 billion people. The most important feature of the IOR-ARC is the political, cultural, and economic diversity of its members, which, compared to similar organisations, is pronounced to a much greater extent. Geographically, it includes a diverse set of countries from three continents. In terms of territory, the spectrum ranges from Australia with 7.7 million square kilometers to the tiny city-state of Singapore with only 648 square kilometers. Demographically, the membership encompasses countries such as India with 1.2 billion people and Mauritius with a population of only 1.3 million. The economic disparities are also obvious. Eleven members are developing countries, five are newly industrialised and three are listed as advanced economies according to the International Monetary Fund. In the mid 1990s, the Indian Ocean Rim countries accounted for 30% of the world population but produced only 8% of the world production (Mehta, 1997). Intra-regional trade was estimated to be around 20% compared to 66% in the Asia-Pacific region (Roy-Chaudhury, 1997). In 2011 per capita GDP ranged from \$67.007 for the United Arab Emirates to \$458 for Madagascar. Also in 2011, the IOR-ARC members accounted for 9.35% of global Gross Domestic Product (GDP) and 12.39% of trade worldwide. Compared to other world regions, the Indian Ocean rim has not been very attractive for foreign direct investment (FDI). In 2010 only 11.2% of the world's total FDI went to the Indian Ocean rim countries.

In contrast to other regional organisations, the IOR-ARC is also faced with a peculiar legitimacy problem. Beyond the respective national 12-mile zone and a variety of Exclusive Economic Zones (EEZ), the Ocean is a global public good on which according to the United Nations Convention on the Law of the Sea (UNCLOS) littoral states have no legitimate claim (Bouchard & Crumplin, 2010, p. 34). Therefore, meaningful cooperation on common oceanic issues can only be achieved in cooperation with the international community. 'Regionalism' in the narrow sense of the term may therefore be a misleading concept with regard to maritime regions because the littoral states do not have national sovereignty over the area they wish to represent.