

JAPAN-INDIA MARITIME COOPERATION IN THE ASIA-PACIFIC REGION:
PROSPECTS AND PROBLEMS

REPORT SUBMITTED BY

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ACKNOWLEDGEMENTS

At the outset, I would like to thank the Japan Institute for International Affairs (JIIA) for awarding me this Visiting Research Fellowship to undertake research on this topic. I would also like to thank my supervisor Vice-Admiral Hideaki Kaneda (Retd.), who painstakingly guided my research while I was in Japan. A big note of thanks is also due to all the staff at JIIA who made my stay very comfortable and fulfilling. I am also grateful to my University, Pandit Deendayal Petroleum University, India, for giving me leave during this period to undertake this research and to many people in both India and Japan whom I cannot name here due to constraints of space. Last, but not the least, a big thanks to my wife Maushumi and my son Hurjyudoy for bearing with my absence during the time I undertook my research. At the end, all mistakes in this work are mine only. The views expressed in this report are entirely personal.

EXECUTIVE SUMMARY

Japan and India have historical ties dating back to the period when Buddhism made inroads into Japan from India. However, the positive perceptions of each other were not sufficient to prevent India and Japan joining the post- Second World War community of nations with diametrically opposite standpoints. In the post-Cold War era, however, India and Japan moved closer to each other because of factors like India's "Look-East Policy" and its economic liberalization, demise of the erstwhile Soviet Union, complementary strategic interests in the wider Asia-Pacific region, India's improving ties with the United States and partly due to common concerns about China.

India's "Look-East Policy" was designed to reinvigorate its ties with the Southeast Asian and East Asian countries as throughout the annals of its history, India has had deep cultural, economic, and political ties with these countries. Though the relations between India and Japan deteriorated in the aftermath of India's nuclear tests in 1998, they bounced back soon after, particularly after the visit of the then Prime Minister of Japan, Yoshiro Mori to India in August 2000. In May 2007, India and Japan became part of a new grouping-the Quadrilateral Initiative (QI) which also included Australia and the United States, though it fizzled out soon thereafter.

The maritime relations between India and Japan are one area which has not been given its due importance by both the governments and hence it is very pertinent that a study is undertaken of the prospects of maritime cooperation between India and Japan in the Asia-Pacific region. This study will analyse the areas of convergence and divergence in Indo-Japanese maritime ties in this region while suggesting ways to work around the problem areas. Besides, it will elucidate how the two countries can cope with common threats like maritime terrorism, natural disasters and piracy.

BACKGROUND

The relations between Japan and India go back to the 6th century A.D. when Buddhism made inroads into Japan from its country of origin, India. The famous Indian poet Rabindranath Tagore visited Japan in 1916 and he was friends with the renowned Japanese scholar Okakura Tenshin. Many Japanese still remember that Indian Justice Radha Binod Pal was the only dissenting voice on the International Military Tribunal for the Far East (IMTFE), commonly known as the Tokyo Trials, set up after the end of the Second World War. India did not claim any reparations from Japan following World War II, unlike many other countries, and refused to attend the San Francisco Peace Conference in 1951, instead preferring to sign a separate peace treaty with Japan in 1952. However, in India's post-independence period, all this camaraderie began to fade as Japan became an ally of the United States and on the other hand, India became closer to the erstwhile Soviet Union.

Following the end of the Cold War, India embarked on a path of economic liberalisation and enunciated its "Look East Policy", which aimed at reviving India's age-old ties with the countries of East and Southeast Asia. India's nuclear tests of 1998, however, jolted the relationship and they were revived only with the visit of the then Japanese Prime Minister Yoshiro Mori to India in 2000. Thereafter military-to-military cooperation strengthened. In February 2001, Japan participated in the International Fleet Review in Mumbai, which was followed by the visit of a Japan Maritime Self Defence Force (JMSDF) squadron to the southern Indian city of Chennai later in the year in May 2001. ¹ It was during Japanese Prime Minister Yoshiro Mori's landmark visit to India in August 2000 that the foundation was laid for a "Global Partnership in the 21st Century". Since then, relations have moved at a fast pace. A Strategic and Global Partnership was established between the two countries in December 2006 and a Joint Declaration on Security Cooperation was issued in October 2008. India and Japan now have an annual summit at the Prime Ministerial level.

Economic ties between the two countries have been on an upswing. A Comprehensive Economic Partnership Agreement (CEPA) between India and Japan

¹ Rajaram Panda(2011), Changing Dynamics of India-Japan Relations: Future Trends available at <http://src-h.slav.hokudai.ac.jp/rp/publications/no06/contents.html> accessed on June 20, 2012

took effect in August 2011 and is slated to eliminate about 94 per cent of the tariffs between the two countries within 10 years. ²

JAPAN-INDIA TRADE (Values in Indian Rupees in Lacs)

S.No.	\Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
1.	EXPORT	1,295,361.13	1,551,559.21	1,380,771.30	1,714,278.60	2,363,046.60
2.	%Growth		19.78	-11.01	24.15	37.84
3.	India's Total Export	57,177,928.52	65,586,352.18	84,075,505.87	84,553,364.38	114,264,897.18
4.	%Growth		14.71	28.19	0.57	35.14
5.	%Share	2.27	2.37	1.64	2.03	2.07
6.	IMPORT	2,079,487.72	2,545,779.99	3,583,282.46	3,189,384.21	3,930,930.77
7.	%Growth		22.42	40.75	-10.99	23.25
8.	India's Total Import	84,050,631.33	101,231,169.93	137,443,555.45	136,373,554.76	168,346,695.57
9.	%Growth		20.44	35.77	-0.78	23.45
10.	%Share	2.47	2.51	2.61	2.34	2.34
11.	TOTAL TRADE	3,374,848.85	4,097,339.20	4,964,053.76	4,903,662.81	6,293,977.37
12.	%Growth		21.41	21.15	-1.22	28.35
13.	India's Total Trade	141,228,559.85	166,817,522.10	221,519,061.32	220,926,919.14	282,611,592.75
14.	%Growth		18.12	32.79	-0.27	27.92
15.	%Share	2.39	2.46	2.24	2.22	2.23
16.	TRADE BALANCE					
17.	India's Trade Balance	-26,872,702.81	-35,644,817.75	-53,368,049.58	-51,820,190.38	-54,081,798.39

Note: Since 2006-07, Petroleum figures are being computed from Import Daily trade Returns (DTRs) to generate country-wise/port-wise tables. Up to 2005-06 consolidated petroleum import figures were being received

Source: Ministry of Commerce, Government of India, <http://commerce.nic.in/eidb/iecmt.asp>

Besides these areas, Japan and India share many common interests. Japan helped India to become a part of the East Asia Summit (EAS) and both countries share concerns about China and its rising aggressiveness.

² Ministry of Foreign Affairs(2012), Government of Japan, Japan-India Relations, available at <http://www.mofa.go.jp/region/asia-paci/india/index.html> accessed on 12 June 2012

WHY IS INDIA PAYING INCREASING ATTENTION TO THE MARITIME DOMAIN?

It was in his classic 1890 work, "The Influence of Sea Power Upon History" that the renowned naval strategist Alfred Thayer Mahan described the world's oceans as "a great highway... a wide common" ³ India used these seas and oceans to build close ties with countries and regions across the world. On land, India's options are restricted since it shares land borders with many countries, including with countries like China. However, unlike on land, where India's force projection capabilities are restricted, the Indian Ocean region affords India a great opportunity for strategic leverage, like in the historical past when Indian influence spread to Southeast Asia and beyond. Regions like South China Sea have now become critically important for many nations, including Japan and India. As noted scholar, Robert Kaplan notes 'East Asia, or more precisely western Pacific, is quickly becoming the world's new centre of naval activity' ⁴

WHY INDIA AND JAPAN NEED TO COOPERATE IN THE MARITIME ARENA?

Maritime cooperation is one of the most important areas of cooperation between Japan and India. Japan is heavily dependent on energy supplies from the Middle East and the Indian Navy has a formidable presence in the region between the Straits of Hormuz and the Straits of Malacca. The navies of the two countries have been cooperating for quite some time now. Japan and India are also part of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP).

In November 1999, the Indian Coast Guard and Navy successfully rescued a Japanese-owned tanker MV Alondra Rainbow, hijacked by pirates- in the process, showcasing India's naval capabilities. India has already been conducting a host of exercises with other navies. It conducts the SIMBEX with Singapore, INDINDOCORPAT with Indonesia besides the multilateral MILAN series of exercises. The MILAN exercises,

³ Assured Access to the Global Commons available at <http://www.act.nato.int/mainpages/globalcommons> accessed on 12 March 2012

⁴ Robert D. Kaplan(2011), The South China Sea Is the Future of Conflict, available at http://www.foreignpolicy.com/articles/2011/08/15/the_south_china_sea_is_the_future_of_conflict?page=full accessed on 12 February 2012

held since 1991, are designed to foster closer cooperation and address maritime security issues among the navies of India and the Southeast Asian countries besides countries like Australia and New Zealand.

Both India and Japan are poor in indigenous energy resources and are dependent on oil imports from the Middle East. More than 90% of India's trade by volume and 77% by value are transported through the seas. In addition, over 97% of its energy needs of oil are either imported or produced from offshore fields and hence India's economic growth is intrinsically linked to the seas.⁵

In the case of Japan, it is entirely dependent on oil imports and the major concentration of the sources of these imports is in the Middle East.⁶ In addition, following the Fukushima disaster, Japan has reduced the production of nuclear power and hence Japan's oil and gas imports have increased. Hence, unrestricted freedom of navigation is crucial for the security and economic well-being of both India and Japan.

JAPAN-INDIA COOPERATION IN THE MARITIME ARENA

Combined anti-piracy, search and rescue exercises have been conducted between the coast guards of India and Japan since 2000, while the two coast guards exchanged a Memorandum on Cooperation during commandant Ishikawa's visit to India in November, 2006.⁷ Japan had participated in the Malabar naval exercises in 2007 and 2009, but could not do so in 2011 because of the disastrous tsunami which struck Japan. Meanwhile, the 11th edition of the Indo-Japan Coast Guard Joint Exercises, which alternates between India and Japan every year, was organized in late-January this year in the Bay of Bengal.

In a landmark development in the field of Japan-India maritime ties, the inaugural bilateral maritime exercise between India and Japan named 'JIMEX 12' (Japan -India

⁵ Ministry of Defence(2012), Government of India, Annual Report, 2011-12, available at <http://mod.nic.in/reports/welcome.html> accessed on 13 June 2012

⁶ International Energy Agency(2011), Impact of Earthquakes and Tsunamis on energy sectors in Japan, available at <http://www.iea.org/files/japanfactsheet.pdf> accessed on 22 June 2012

⁷ n.2

Maritime Exercise) commenced on June 9 off the coast of Tokyo. From the Japanese side, two destroyers; one maritime patrol aircraft and a helicopter participated in the exercises while from the Indian side, four ships, the INS Rana, INS Shivalik, INS Karmukh and INS Shakti participated in the exercises. These ships entered Japan after paying visits to Singapore, Vietnam, Philippines and Republic of Korea en route. The bilateral exercise was timed to coincide with the commemoration of 60 years of the establishment of diplomatic relations between India and Japan.

Of late, piracy in the Indian Ocean region has emerged as a major threat for all countries. The Indian Navy has been at the forefront of efforts to fight against piracy. It has deployed one warship continuously in the Gulf of Aden since October 23, 2008. Over 600 merchant ships from different countries have been escorted safely by Indian warships.

Japan and India are also part of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). Japan has also been facing a lot of problems due to piracy. In 2008, pirates attacked the Takayama, a 150,000-tonne oil tanker, which was rescued later by the German navy. Earlier in 2007, a chemical tanker Golden Nori was captured by the ransom-hunting pirates who freed it six weeks later.

In order to fight the menace of piracy, since 2009, the JMSDF (Japan Maritime Self-Defence Force) has deployed two destroyers and two P-3C aircraft off the coast of Djibouti. In July 2011, Japan opened a military base in Djibouti which will be very helpful in combating piracy off the coast of the Horn of Africa.

Maritime terrorism is another major threat and both India and Japan need to collaborate to combat the same. The attack on the USS Cole on October 12, 2000 in the Yemeni port of Aden stands out in the field of maritime terrorism. In the case of the horrendous Mumbai attacks of November 2008 in India, the attackers came by sea.

Meanwhile, India and Japan together with Australia and the United States formed the original "core group" for providing assistance to the countries hit by the disastrous

tsunami of December 26, 2004. The two countries are also collaborating in anti-piracy operations in the Gulf of Aden. Besides, there is scope for greater maritime cooperation, intelligence-sharing, joint initiatives on maritime security, counter-terrorism, disaster prevention and management, combating of maritime pollution and environmental disasters like oil spills for India and Japan.

CONCERNS ABOUT CHINA

Another point of worry for India and Japan is that China will soon be deploying an aircraft carrier and is rapidly modernizing its navy. China has, of late, become very aggressive in the South China Sea region. In September 2010, a Chinese fishing trawler rammed into Japanese Coast Guard vessels near the Senkaku islands and this created a major diplomatic issue. During this crisis, China unofficially declared a ban on the export of rare earth materials to Japan. Interestingly, the Joint Statement issued at the end of Japanese Prime Minister Noda's 2011 visit to India notes that "Indian and Japanese enterprises would jointly undertake industrial activities to produce and export rare earths at the earliest" which in effect aims at challenging the present Chinese monopoly in the production of rare-earth materials.

In May 2007, a flutter was created in diplomatic and strategic circles when the Quadrilateral Initiative (QI) was set up-involving Japan, India, Australia and the United States - though it fizzled out later, largely due to the desire among these countries not to be seen as "ganging up against China". Indian strategic circles have also expressed concerns about the so-called Chinese "string of pearls" strategy which reportedly seeks to enclose India by funding ports and refuelling stations in Pakistan (Gwadar), Sri Lanka (Hambantota), Bangladesh (Chittagong), and Myanmar (Sittwe and Kyaukpyu). China has in the past warned India against undertaking oil exploration activities in the South China Sea, though India has brushed aside these warnings. India's state-owned ONGC(Oil and Natural Gas Corporation)'s foreign arm, ONGC Videsh Limited has significant investments off the coast of Vietnam, though it has recently pulled out of one of the blocks because it was financially "unviable".

India and Japan have also reaffirmed their commitment to the universally-agreed principles of international law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and other relevant international maritime law.⁸ This assumes significance in the wake of China's aggressive actions in the South China Sea and its maritime disputes with many countries, including Japan.

THE US FACTOR

One of the factors which has led to improved maritime ties between India and Japan is the growing synergy between India and the United States. Now many American firms have entered the lucrative Indian defence market. India has bought American military equipment including the C-130J aircraft, Harpoon missiles and maritime surveillance aircraft from the US. This could allow for interoperability between the navies of the three countries. In the light of the US' "return to Asia", there will be even more opportunities for India, Japan and the United States to collaborate. In an unmistakable sign of the growing collaboration between the three countries, the first trilateral dialogue between the US, Japan and India was held in Washington D.C. in December 2011

PROBLEM AREAS

However, the maritime ties between Japan and India have been beset by a series of roadblocks as well. Due to the lack of a proper codified maritime cooperation mechanism, maritime cooperation between the two countries is happening on a case-by-case basis. Japan's arms exports laws also have prevented the two countries from cooperating closely in the maritime arena. Earlier in April this year, Japan went ahead with joint production of weaponry with the United Kingdom⁹ and something similar can be worked out for India too. Meanwhile, India has now emerged as the world's

⁸ Ministry of External Affairs(2011), Government of India, available at <http://meaindia.nic.in/mystart.php?id=530518843> accessed on

⁹ Japan Times(2012), Japan, U.K. agree on arms development, available at <http://www.japantimes.co.jp/text/nn20120411a2.html> accessed on 12 May 2012

biggest arms importer ¹⁰ and has gone in for some big-ticket defence purchases lately and Japan can benefit from the same.

RECOMMENDATIONS FOR STRENGTHENING JAPAN-INDIA MARITIME TIES

- The two countries could have joint patrolling activities in the Bay of Bengal
- There should be more joint exercises with countries like Malaysia, Singapore and Indonesia with which India has close ties and conducts regular naval exercises.
- They could undertake joint production of maritime equipment as India is trying to move from being a 'Buyers' Navy to a Builders' Navy'.
- There are prospects for cooperation in ship-building, dry-dock expansion, hydrographic surveys etc.
- Building of ports is another area of cooperation
- It will help if Japan could loosen its arms exports laws
- Signing of a maritime cooperation treaty which will encompass anti-piracy, refuelling, disaster-relief, anti-terrorism efforts etc. will help to fast-track Japan-India maritime ties
- Japan can help India upgrade its coastal security- learning from the Mumbai experience
- In a recent development, two Indian fishermen were killed by Italian marines deployed on an Italian oil tanker in Indian territorial waters, who mistook them for pirates. Japan and India need to have a mechanism to avoid such incidents.

¹⁰ India world's largest arms importer(2012), The Hindu, <http://www.thehindu.com/news/national/article3012810.ece>, March 19, 2012 accessed on May 12, 2012

- Jointly go for seabed exploration and provide security to off-shore assets like oil platforms

CONCLUSION

Japan-India maritime cooperation is still in its infancy and has a long way to go. Although the bilateral naval exercises are a good start, there is still a lot to be desired with regards to the cooperation between the two countries in the maritime arena. During the visit of the Japanese Foreign Minister to India in April this year, the two sides “decided to establish a working-level dialogue on maritime issues which would cover a wide range of maritime issues”¹¹.

India has recently decided to sign a major defence deal with South Korea for procuring eight advanced minesweeping and hunting warships from that country. Under the terms of the contract, which is worth over 6,000 crore Indian Rupees, two of these mine counter-measures vessels (MCMVs) will be sent directly from the South Korean firm, Kangnam Corporation, while the rest will be manufactured by Goa Shipyard in India after technology transfer.¹² This is where Japan is losing out. Although the Indian Navy has been reported to be evaluating the Japan-made Shinmaywa US-2 amphibious aircraft; a short take-off and landing (STOL) amphibious aircraft which can take off from either land or from water, much more cooperation is possible between Japan and India in this field. With a range of 4,700 kilometres, the Shinmaywa US-2 can take part in humanitarian aid, disaster relief, search and rescue operations.¹³

¹¹ Ministry of Foreign Affairs, Japan(2012), Visit to India by Minister for Foreign Affairs Koichiro Gamba (Overview), available at http://www.mofa.go.jp/region/asia-paci/india/meeting1204_fm.html accessed on 20 June 2012

¹² The Times of India(2012), India to buy 8 warships from South Korea for Rs 6,000 crore, available at http://articles.timesofindia.indiatimes.com/2012-06-10/india/32155479_1_mines-mcmvs-warships accessed on 19 June 2012

¹³ Business Standard(2012), India, Japan to talk on cooperation in Asia-Pacific, <http://www.business-standard.com/india/news/india-japan-to-talkcooperation-in-asia-pacific/472333/> accessed on 20 June 2012

Japan and India are two countries which do not have any clash of strategic interests nor any historical baggage and the time is ripe for the two countries to seize the initiative as far as their maritime ties are concerned. The maritime arena provides a great opportunity for building a strong kizuna (bond) between the two countries and an enhanced cooperation in the maritime sphere between Japan and India is a sine qua non for ensuring peace and stability in the wider Asia-Pacific region.

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