

The Straits of Malacca: Regional Powers Vis-A-Vis Littoral States in Strategic and Security Issues and Interests

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Abstract

This paper presents an overview of the strategic and security issues surrounding the Straits of Malacca. It begins by introducing the strategic nature of the Straits of Malacca and piracy threat in the busy sea lane. Subsequently this paper discusses the issues and interests of the emerging powers in the Straits of Malacca historically. This covers the Asia's emerging powers such as India, Japan and China. Then, the position of the three littoral states of Malaysia, Indonesia and Singapore towards the issue of piracy in the Straits of Malacca is touched upon before analyzing the littoral states' position on external powers' involvement in the Straits of Malacca. This paper also briefly discusses the individual littoral states' interests in the vital sea lane.

INTRODUCTION: THE STRATEGIC NATURE OF THE STRAITS OF MALACCA

The major sea lanes in Southeast Asia are comprised of a few key straits such as the Malacca and Singapore Straits, the Sunda Straits and the Lombok Straits. Of these regional chokepoints, the Straits of Malacca has been of profound significance. Indeed, this long and shallow channel has acted as both gateway and bottleneck, at least since the earliest recorded history. It has been the scene of almost unending struggles for control among competing political and commercial interests, both local and distant, and yet has provided a lifeline that has brought prosperity

and development to states and peoples dependent on imports or exports of goods exchanged with remotely located partners.¹

At different times in its history, the Straits of Malacca has been controlled by the Dutch, Portuguese, and British, and has been used to link Africa and India to China, Japan, and Southeast Asia.² Controlling the precious commodities of the region which had to pass the Straits was the prize. The spices of the Mollucas, the jungle products of the interior, the precious metals of the hinterlands were to bring explorers, traders, merchants, colonists and eventually, colonisation to the region.³

Today, the Straits of Malacca is the world's second busiest commercial shipping lane, surpassed only by the Dover Strait which runs between Britain and France.⁴ In essence, the Straits of Malacca derive their enduring importance from the simple factor of strategic location. An appreciation of this factor can be gained from a glance at the geographic patterns portrayed in Appendix 1, showing the arrangement of continental, peninsular and archipelagic land masses and the straits and seas around them.⁵ Unquestionably, the Straits of Malacca remains a key point on the shortest sea route from the ports of India and the Persian Gulf and from the entrepôts of Europe via the Suez Canal-Red Sea route to port of mainland East Asia.⁶

For centuries, the Straits of Malacca, a narrow waterway has been a major conduit for long distance trade between Asia and the West. The Straits is 520 miles long, and provide the main corridor between the

¹ D.B. Freeman, *The Straits of Malacca: gateway or gauntlet?*, McGill-Queen's University Press, Montreal, 2003, p. 5.

² D. Phaovisaid, *Where there's sugar, the ants come: piracy in the Straits of Malacca*, *International Affairs Review*, Vol. 14, No. 2, 2005, p. 2.

³ M. Cleary, K.C. Goh & G.K. Chuan, *Environment and development in the Straits of Malacca*, Routledge, London, p. 1.

⁴ D. Phaovisaid, *Where there's sugar, the ants come: piracy in the Straits of Malacca*, p. 2.

⁵ D.B. Freeman, *The Straits of Malacca: gateway or gauntlet?*, p. 3.

⁶ *Ibid.*, p. 6.

Indian Ocean and the South China Sea. Because the Straits is relatively shallow, being only 21.8 metres deep at some points, the maximum draught recommended by the IMO for passing ships is 19.8 metres. The navigable channel at its narrowest point is only 1.5 miles wide.⁷ This creates a natural bottleneck, with the potential for a collision, grounding or oil spill. The disruption of shipping or any threat to close or restrict access through the Straits of Malacca would have a significant impact on world oil prices. If necessary, shippers could avoid the Straits but only at some additional cost, time and disruption.⁸ In terms of total volume, in 2007 for instance, at least 70,718 ships passed through the Straits of Malacca, ranging from Very Large Crude Carrier (VLCC) to fishing vessels.⁹ Moreover in terms of value, the total tonnages carried by ships through the Straits of Malacca every year amount to 525 million metric tonnes worth a total of US\$390 billion.¹⁰ The traffic volume makes the Straits of Malacca one of the busiest Straits in the world currently and it is likely to become even busier in the future as a result of increasing trade flows and energy demands in Asia.

Given the statistics, the waterway is extremely important to the international users as well as to the littoral states. The Straits of Malacca is the most used and the most well known of the Southeast Asian waters. Huge tonnages of ships continue to pass through the Straits, drawing on both international markets and on local and regional feeder ports.¹¹ In terms both of number of vessels traversing it daily, annual tonnages, and the value of cargo moving through it and in terms of considerable difficulty and cost of avoiding or skirting around this bottleneck the

⁷ J. Ho, *The security of regional sea lanes*, Institute of Defence and Strategic Studies, Singapore, 2005, p. 2.

⁸ C.W. Pumphrey (ed.), *The rise of China in Asia: security implications*, Diane Publishing, 2002, p. 246.

⁹ Type and total of vessel report to Klang vts from January 1999 to December 2007, http://www.marine.gov.my/service/statistik/BKP/total_report_07.pdf (25 March 2008)

¹⁰ S. Bateman, C.Z. Raymond & J. Ho, *Safety and security in the Malacca and Singapore Straits: an agenda for action*, Institute of Defence and Strategic Studies, Singapore, 2006, p. 18.

¹¹ M. Cleary, K.C. Goh & G.K. Chuan, *Environment and development in the Straits of Malacca*, p. 6.

shipping channel through the Straits of Malacca ranks among the most important of global trade gateways.¹²

The Straits of Malacca is shared between Indonesia, Malaysia and Singapore and serves as a major international navigation route linking the Indian Ocean with the South China Sea. Merchant ships from Japan and other East Asian states en route to South Asia, the Middle East or Europe also pass through the Straits of Malacca. The Straits of Malacca is the shortest and preferred route for ships less than 250,000 tons dwt (dead weight tonnage) transiting the Indian Ocean and the South China Sea when compared to the next best alternatives, the Lombok, Makassar and Sunda Straits.¹³ On a global basis, some 72 percent of east-bound loaded tankers transit the Straits of Malacca. The availability of excellent bunker fuel, communication and repair facilities, particularly in Singapore and Malaysia makes it doubly attractive for ships to use the Straits of Malacca route.¹⁴ By using the Straits instead of the other alternative routes, super-large tankers ferrying crude oil from Middle East to the Far East can save up to 1,600 kilometre or roughly three days sailing time.¹⁵

According to the US Energy Information Administration (EIA), currently 11 million barrels of oil per day (b/d) passes through the Straits of Malacca, but this would be increased as oil consumption in developing Asian nations rises by an estimated average of three percent per annum until 2025. China alone will account for one-third of that increase, which will see demand growth doubling to nearly 30 million b/d in 2025 from 14.5 million b/d in 2000.¹⁶ Moreover, according to the EIA, much of the

¹² D.B. Freeman, *The Straits of Malacca: gateway or gauntlet?*, p. 6.

¹³ Y. Vertzberger, *The Malacca/Singapore Straits*, *Asian Survey*, Vol. 22, No. 7, 1982, p. 610.

¹⁴ Hamzah Ahmad, *The Straits of Malacca international cooperation in trade, funding and navigational safety*, Pelanduk Publications, Kuala Lumpur and Institute of Maritime Malaysia, 1992, p.8.

¹⁵ Researcher's Interview with Ahmad Ghazali Abu Hassan on 19 March 2008.

¹⁶ Country analysis briefs: South China Sea, www.eia.doe.gov/emeu/cabs/schina.html. (10 March 2008).

additional supply will be imported from the Middle East and Africa and most of this volume would need to pass through the strategic Straits of Malacca.¹⁷

The Straits of Malacca is among the most strategically important international waterways of the world. It is a chokepoint in naval terms, the control of which is desirable for strategic mobility.¹⁸ It is also a very congested waterway with some 200 ships plying the Straits daily. For every ship that passes through however, there is a risk not only of an accident that might include crude oil, toxic chemicals or radioactive substances but also of a piracy attack. The threat of an ecological disaster caused by such an attack cannot be ignored. Any disruption to traffic or any increase in dangers to the crew of ship using the Straits particularly due to pirate attacks may force the vessels which pass through the Straits to use the longer safer route. The fight against piracy is thus, part of the efforts to enhance the overall safety of passage through the vital Straits.

Traffic in the Straits of Malacca has rapidly augmented in the last few years as a result of increased crude shipments to China. The free and save navigation of commercial vessels in Southeast Asia is thus, essential for international trade. The surge in piracy is one of the dark sides of globalisation. The increase in international trade over the past decade means more opportunities for pirates to attack merchant ships. Director of the Royal Malaysian Police said that “where there’s sugar, the ants come”.¹⁹ The Straits of Malacca is the world’s second busiest commercial shipping lane and the lifeline of the economy of many countries that depend on the safe and timely shipment of oil and industrial goods to support economic growth. However, maritime piracy continues to be a paramount threat in the Straits. Therefore, the necessary efforts must be undertaken to tackle the issue either among the littoral states or between the littoral states and the user states.

¹⁷ Ibid.

¹⁸ Hamzah Ahmad, *The Straits of Malacca: a profile*, in, Hamzah Ahmad (ed.), *The Straits of Malacca: international cooperation in trade, funding and navigational safety*, p. 10.

¹⁹ D. Phaovisaid, *Where there’s sugar, the ants come: piracy in the Straits of Malacca*, p. 2.

PIRACY THREAT IN THE STRAITS OF MALACCA

Piracy is a historical and cultural phenomenon that has continued in this modern age to affect maritime traffic in some of the world's busiest shipping lanes. Many of the piracy incidents occur along the coasts of South Africa, Nigeria, Bangladesh, India, Ecuador, and in the Red Sea. According to the report by the IMB-PRC, the number of piracy attacks on shipping throughout the world in 2006 was 239. This represents a significant drop in the number of attacks from the previous year of 276. The number of incidents of piracy increased in 2007 when 263 incidents were reported. However, based on the report, there were only seven cases reported to have occurred in the Straits of Malacca. According to the IMB-PRC, the piracy attacks are divided based on location for example Indonesia, Malaysia, Singapore and the Straits of Malacca.²⁰ The principle purpose of this is to increase awareness of the problem, impress upon the Governmental representatives concerned the need for action and more importantly, motivate political will to act at national and regional level for preventing and suppressing piracy.²¹ According to the report provided by IMB, the nature of the attacks indicates that the pirates boarding the vessels are better armed and they have shown no hesitation in assaulting and injuring the crew. However, the IMB does not provide the nature of attack by location.

Most of the concerns regarding piracy in Southeast Asia have in recent years focused on the southern parts of the Straits of Malacca. There appears to be two main reasons for this. First, it is clear that the Straits of Malacca is of major strategic importance as a bottleneck for international maritime trade. An attack blocking the Straits, would force vessels to take the detour around the west coast of Sumatra, something which would have large economic consequences not least for Europe, Japan and the

²⁰ ICC-IMB Piracy and armed robbery against ships report, annual report 1 January – 31 December 2007, p. 12.

²¹ Researcher's interview with the International Maritime Bureau's Assistant Director, Noel Choong on 05 March 2008.

US.²² Second, the threat of “petty piracy” which for the last two decade has been a relatively minor security concern for commercial vessels in the southern parts of the Straits seems to indicate a greater risk for terror attacks against transiting commercial vessels.²³ The assumption seems to be that the pirates who frequently attack commercial vessels for the purpose of robbing them might get the idea of perpetrating a terrorist attack.

Piracy in the Straits of Malacca has already led to a high economic cost reflected by the loss of merchandise and ships and the increased insurance premiums added to a number of cargoes that pass through the Straits. Moreover, an accident caused by a piracy incident or a terrorist attack on an oil supertanker crossing the Straits could cause an environmental disaster of massive proportions.²⁴

ASIA'S EMERGING POWERS IN THE STRAITS OF MALACCA

The strategic nature of the Straits of Malacca as the main sea lane of communication to East Asia has led many countries wanting to control the Straits including the US, China, Japan and India. Furthermore, the major regional sea powers are competing for Asian maritime dominance. The US as a global sea power, sees India and Japan as key partners in balancing the rise of China and it also busy fostering international maritime cooperation to build what two senior US Naval officers have referred to as “The 1000-Ship Global Maritime Network” top counter terrorism.²⁵ Indeed, the pursuance of strategies to gain control has made the Straits of Malacca a venue of a silent struggle between rising powers.

²² S.E. Amirell, Political piracy and maritime terrorism: a comparison between the Straits of Malacca and the Southern Philippines, in, G.G. Ong-Webb (ed.), Piracy and maritime terrorism and securing the Malacca Straits, Institute of Southeast Asian Studies, Singapore, 2006, p. 57.

²³ Ibid., p. 57.

²⁴ R. Emmers, Non-traditional security in the Asia Pacific: the dynamic of securitization, p. 33.

²⁵ The “1000 ship navy” global maritime partnerships, <http://www.jhuapl.edu/maritimestrategy/library/1000shipNov06.pdf> (18 March 2008)

Because the Straits of Malacca is so important to the transportation of oil and raw material, the free and safe navigation of commercial vessels in the sea lane becomes an important issue to the littoral states as well as the user states.

Japan

As a major user state, Japan maintained a special interest in the Straits of Malacca essentially for commercial reasons. Japan's prime concern has been the safe and uninterrupted passage of the large number of huge oil tankers that carry the country's major energy supply from the Persian Gulf. The vulnerability of that oil lifeline has been responsible not only for Japan's willingness to finance hydrographic surveys of the Straits in order to improve safety of navigation but also for Tokyo's ill-considered, aborted attempt during 1971, to impose an internationally controlled regime.²⁶ If a potentially hostile power were to gain control of the maritime approaches to Southeast Asia, Japan's economic health would be fundamentally threatened. As long as the US remains the dominant world power, and has a strong alliance with Japan, this will not occur.²⁷ The Japanese policy, however, has been ambivalent because it has attempted to divorce military from commercial considerations. Therefore, it is important to take note that the two most important variables defining Japan's future sea lane security are the continued forward presence of the US Seventh Fleet in the Western Pacific and China's future political orientation and maritime strategy.²⁸

Japan's desire to send its military forces to assist in the security of the Straits of Malacca is due to its own interests. Almost 80 percent of Japan's oil import trade traffic from the Middle East travels through the Straits of Malacca, giving that major global power enormous vested interest

²⁶ S. Bateman, Regional response to enhance maritime security in East Asia, the Korean Journal of Defense Analysis, Vol. 18, No. 2, 2006, p. 30.

²⁷ P. Dibb, Indonesia: the key to Southeast Asia's security, International Affairs, Vol. 77, No. 4, p. 833.

²⁸ E. Graham, Japan's sea lane security, 1940-2004: a matter of life and death?, Routledge, New York, 2006, p. 2.

in a range of maritime issues in the region. Equally, as the economic power of Southeast Asia grows, passage through the Straits has assumed even greater importance. A combination of archipelagic geography, poor resources allocation and the large distances separating Japan from its primary suppliers of energy, raw materials and food has accentuated the importance of shipping to its security.²⁹ Japan depends particularly on sea lanes connecting it with the oil terminals in the Gulf, from which it draws nearly all its oil, and other shipping routes connecting it with the mineral resources of the Indian Ocean basin, Southeast Asia and North America. Japan's economy highly depends on safe passage of ships through the Straits of Malacca, and therefore, Japan has long cooperated with Singapore, Malaysia and Indonesia in the area of navigation safety and seabed mapping through joint research, sharing of equipment and training.

The Straits of Malacca is important to ship Japanese manufactured goods to Europe, Australia, the Middle East and Africa. It is, therefore, in Japan's interests to ensure the security of the Straits of Malacca.³⁰ In addition, Japan is one of the biggest supporters of both regional and multilateral efforts to combat piracy. It has sponsored anti-piracy drills and joint exercises with littoral states, and as the US closest ally in the Asia Pacific region, Japan has cooperated with the US under the RMSI and PSI.³¹ The Japan-US alliance is the most significant pillar of Japan's security strategy ever since the end of World War II. The alliance initially served the purpose of ensuring the security of Japan. Both countries have overriding common interests stretching from economic interdependence

²⁹ Graham, Japan's sea lane security, 1940-2004: a matter of life and death?, p.2.

³⁰ The Ministry of Foreign Affairs of Japan, <http://www.mofa.go.jp/policy/piracy/index.html> (02 April 2008).

³¹ Singapore's cooperation with the US, Japan and Australia in the war against global terrorism, www.msstate.edu/chair/radvanyi/ICWAT/Tan_Andrew_Paper.pdf (02 April 2008)

to political coordination and strategic alignment.³² Therefore, Japan supports the initiatives proposed by the US to tackle piracy threat in the Straits of Malacca and also in US war on terror.

The increase in piracy incidents in the Straits since the 1997/1998 Asian economic crisis resulted in an increase of Japanese assistance in anti-piracy efforts. Japan has also aided civilian law enforcement capabilities of the littoral states through its Coast Guard. In addition, Japanese Coast Guard vessels have carried out joint exercise with civilian maritime counterparts in Southeast Asia. Japan's approach emphasises the sovereignty of the littoral states and focuses in their cooperative capacity building. The Japan International Cooperation Agency (JICA) funds the Coast Guard's seminars to train maritime authorities in Southeast Asia, and Japan's aid is critical in helping to create maritime patrol authority where local capacity is lacking particularly in Indonesia.³³

At the 1999 ASEAN Plus Three (APT) Summit, the late Japan's Prime Minister Keizo Obuchi first suggested the creation of a regional coastguard as an anti-piracy measure.³⁴ It was proposed that these patrols be based on a multilateral approach and involve Japan, South Korea, China and the three littoral states. The two littoral states of Malaysia and Indonesia, nonetheless, strongly oppose the internationalization of the Straits of Malacca. The littoral states welcomed Japan's help in forms other than military forces. Furthermore, China openly opposed Japan's proposal, which was perceived in Beijing as an effort to reduce its rising maritime influence in Southeast Asia. For a long time, Japan has wanted to mobilize its forces to help in the patrols, but this has always been refused.

³² S.T. Hook, *Comparative foreign policy adaptation strategies of the great and emerging powers*, Pearson Education, New Jersey, 2002, p. 110.

³³ Y. Sato, *Southeast Asian receptiveness to Japanese maritime security cooperation*, p. 5.

³⁴ R. Emmers, *Comprehensive security and resilience in Southeast Asia: ASEAN's approach to terrorism and sea piracy*, p. 23.

Bilateral cooperation has also steadily advanced. For example, in November 2000, a patrol vessel of the Japan Coast Guard visited India and Malaysia for combined exercises aimed at combating piracy.³⁵ Meanwhile, it is not an easy task to develop a framework of regional efforts, because the problem is directly concerned with national sovereignty. In February 2001, Japan announced that it is considering deploying vessels to patrol the Straits of Malacca as an effort to combat piracy.³⁶ Tokyo's proposal to join forces from Malaysia, Indonesia, Singapore, South Korea and China to patrol the waterways comes during a growing debate over the possible revision of Article 9 of the Japanese constitution.³⁷ This reflects a change in the Japanese thinking regarding maritime security. Tokyo realises that Japan is indeed a major maritime power with strategic interests. Moreover, Japan has come under growing pressure from the US to assume a greater security profile for a more dynamic and active role in its national interests. Although Japan continues to propose multilateral joint patrols, Southeast Asian nations, particularly the littoral states of Malaysia and Singapore have so far not accepted the proposal. The lingering memories of Japanese wartime behaviour make this proposal difficult for Southeast Asian governments and their publics to accept. Moreover, Japan's interpretation of Article 9 of its Constitution restricts Japanese defence to Japanese citizens or Japan flagged vessels, and rejects collective self-defence, casting doubt on Japan's ability to be of much direct help.³⁸

In November 2004, Japan led a multilateral initiative to establish an information-sharing centre in Singapore. This initiative involved 16 Asian countries in the effort. Furthermore, Japan has taken unilateral

³⁵ India challenges China in South China Sea, www.atimes.com/ind-pak/BD27Df01.html (25 March 2008)

³⁶ Southeast Asia's maritime security dilemma: states or market? <http://www.japanfocus.org/products/topdf/244> (23 March 2008)

³⁷ Forging a new Japan, <http://www.atimes.com/japan-econ/BB23Dh01.html> (26 March 2008)

³⁸ M.J. Valencia, Politics of anti-piracy and anti-terrorism responses in the Malacca Straits, in, G.G. Ong-Web (ed.), Piracy, maritime terrorism and securing the Malacca Straits, p. 96.

steps to devote ten naval ships to monitoring the high seas around the Straits of Malacca. Japan also announced its plans to present three new, high speed patrol boats worth US\$10.5 million each to the Indonesian government as part of Japan's overseas development assistance in 2005.³⁹ Japan's anti-piracy efforts have also promoted multilateral institution building in the region. Japan for instance has financed efforts of the IMO to track and study piracy incidents. Japan's Ship and Ocean Foundation has also provided seed money for the IMO sanctioned Anti-Piracy Centre in Kuala Lumpur. In March 2005, Japan held the second "ASEAN-Japan Seminar on Maritime Security and Combating Piracy" in Tokyo to review progress of the ASEAN countries on implementation of the International Ship and Port Facility Security (ISPS) Code.⁴⁰

Indeed, following the abduction of Japanese crew of tugboat in the Straits of Malacca in March 2005, Japan offered to provide Indonesia with high speed patrol boats for anti-piracy missions in the vital sea lane. Japan also proposed in 2005, multinational patrols in both territorial and international waters as a counter piracy measure. This was received with scepticism by the littoral states particularly Indonesia and Malaysia, concerned over the violation of their sovereignty and limitations on controlling their Exclusive Economic Zones (EEZ), the littoral states were unwilling to allow Japanese forces to patrol their waters.

Japan proposed the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) in 2004, which emphasised sharing information about ships, victimised by and suspected of committing piracy and armed robbery.⁴¹ ReCAAP is an initiative for anti-piracy cooperation amongst the ASEAN countries, China, Japan, the Republic of Korea, India, Sri Lanka and Bangladesh. A key pillar of the ReCAAP Agreement is the Information Sharing Centre

³⁹ The Ministry of Foreign Affairs of Japan, <http://www.mofa.go.jp/policy/piracy/index.html> (02 April 2008).

⁴⁰ The Ministry of Foreign Affairs of Japan, <http://www.mofa.go.jp/policy/piracy/index.html> (02 April 2008).

⁴¹ Ibid.

(ISC), which will be an international organisation located in Singapore.⁴² The ISC will facilitate communication and information exchanges between the member countries, as well as improve the quality of statistics and reports on piracy and armed robbery against ships in the region. Furthermore, at a meeting of the IMO in Kuala Lumpur in September 2006, Japan proposed voluntary cost sharing for security and environmental protection of the Straits of Malacca among the three littoral states, user states, the shipping industry and other stakeholders. Despite the strategic significance of the Straits of Malacca, Japan has so far focused on civilian cooperation and refrained from directly utilizing its maritime self-defence forces for specific tasks in the region other than disaster relief. Given that Japan occupied this region during World War II, activities by Japanese military forces in this area is a sensitive issue. However, Japan has a huge stake in the security of the Straits of Malacca, given that it is its oil and economic lifeline. Therefore, any prolonged disruption or instability would imperil Japanese economic interests. Strategically and economically, instability as a result of increased radical challenges to the governments of the region would also be inimical to Japan interests. Notoriously, Japan lacks its own sources of raw materials, oil most conspicuously, which need to be shipped through the vital chokepoint.

India

Another major power that has strong strategic interests in the Straits of Malacca is India. Over 50 percent of India's trade passes through the Malacca Strait, making security of this waterway, particularly in the context of piracy there and the lurking threat of maritime terrorism, a crucial security concern for India.⁴³ Inclusion in its security would therefore be in India's national interest. The mercantile traffic transiting the Straits of Malacca passes close to the Indian area of maritime interest

⁴² Ministry of Foreign Affairs press statement; regional cooperation agreement on combating piracy and armed robbery against ships in Asia, http://app.mfa.gov.sg/internet/press/view_press_print.asp?post_id=1309 (29 March 2004)

⁴³ India Navy drops another anchor, http://www.atimes.com/atimes/South_Asia/HJ17Df02.html (16 April 2008).

and therefore, any unforeseen contingency or development in the Straits of Malacca has security implications for India.⁴⁴

India argues that it has a stake in maintaining the safety and security of the Straits of Malacca and that the government should pursue an aggressive strategy of contributing to the region's efforts to keep the Straits of Malacca safe and free from threat.⁴⁵ While the littoral states are continuing their own initiatives to take care of this strategic waterway, India, which has a stake in the Straits, believes that it has a role to play in the Straits' security system. And for India, the joint patrolling of the Straits of Malacca is evidence and endorsement of its claim that its security interests stretch up to and include the Straits.⁴⁶ India has developed capabilities in various aspects of maritime security and would be most willing to share its expertise with the countries of the region.

India also has become increasingly involved in Southeast Asian maritime security, as part of its reinvigorated activism in the wider Asia Pacific region and its "Look East" policy, aimed at strengthening its influence in Southeast Asia specifically.⁴⁷ Indian naval strategy in the new century demands more submarines, a strong mine clearing capability and naval air reconnaissance capabilities to the Straits of Malacca. India is following an important strategic maritime goal in a period of interdependence between world's geo-economic regions and establishing an overall maritime presence in its sea area of strategic interest. This strategic includes India's desire to project their prowess beyond their interest.⁴⁸ Therefore, India is working towards building a navy that can take multiple sea challenges to the mainland. India also underlines its claim as a leading maritime power through strong forward presence in each of its major island territories.

⁴⁴ Sumathy Permal, India's and China's strategic in the Straits of Malacca, <http://www.mima.gov.my/mima/htmls/papers/pdf/sumathy/> (13 March 2008)

⁴⁵ Ibid.

⁴⁶ M.J. Valencia, The Politics of anti-piracy and anti-terrorism, in, G.G. Ong-Web (ed.), Piracy, maritime terrorism and securing the Malacca Straits, p. 91.

⁴⁷ J.F. Bradford, The growing prospects for maritime security cooperation in Southeast Asia, *Naval War College Review*, Vol. 58, No. 3, 2005, p. 15.

⁴⁸ Sumathy Permal, India's and China's strategic in the Straits of Malacca, <http://www.mima.gov.my/mima/htmls/papers/pdf/sumathy/> (13 March 2008)

The new Indian maritime doctrine also lays down multilateral naval cooperation as one of the guiding principles for naval forces to address common security concerns like protection of sea lanes, terrorism, piracy, drug trafficking and transportation of WMD by sea.⁴⁹ Besides being an endeavour to build bridges of friendship, providing security to the Straits of Malacca is also vital for India due to the economic importance of energy and trade flow. It has expanding vital trading interests in the east with ASEAN and East Asia. India describes the waters extending from the Strait of Hormuz to the Strait of Malacca, from Africa's east coast to the western shores of Australia as part of its "rightful domain".⁵⁰ An overwhelming proportion of India's imports, especially its oil imports, come by sea. Control over Sea Lane of Communications (SLOCs) is therefore, vital for realisation of its dreams of becoming a global economic powerhouse. All this requires a naval and maritime fleet that can protect the SLOCs.

It is India's national interest to ensure that the Straits of Malacca remains a crime free sea lane. Its closure could generate a massive increase in freight rates worldwide and hit bulk shipments hardest. Ensuring that the Straits of Malacca do not fall into hostile hands that might choke the free flow of maritime vessels is a nightmare that many countries are anxious to prevent from being turned into reality.⁵¹ The proposed India-US joint patrolling of the sea lanes along the Straits of Malacca represents not only a new high in cooperation between the two countries, but also signals India's emergence as a key player in the region.⁵² Moreover, there has been a remarkable change in India-US relations in recent years. For example, in 2002 the Indian and US navies worked together to ensure the safe transit of high-value units through the Straits of Malacca.⁵³

⁴⁹ Safeguarding the Malacca Straits, www.idsa.in/publications/stratcomments/gurpreetkharana50105.htm (10 March 2008)

⁵⁰ India navy drops another anchor, http://www.atimes.com/atimes/South_Asia/HJ17Df02.html (16 April 2008)

⁵¹ India signs on as Southeast Asia watchdog, <http://www.atimes.com/ind-pak/DD05Df01.html> (28 March 2008)

⁵² Ibid.

⁵³ J.F. Bradford, The growing prospects for maritime security cooperation in Southeast Asia, p. 15.

India has a vital interest in seeing the Straits of Malacca remain in friendly hands. Its policy has led to an increasing engagement with Southeast Asia and the sea lanes to India's east are growing in significance for its energy security as New Delhi is looking for oil and gas supplies from Myanmar, Vietnam and Indonesia. Thus, in 1999 India announced that its strategic interests are extended all the way from the Persian Gulf to the Straits of Malacca. More importantly India has a critical interest in seeing the Straits of Malacca as one of the world's critical maritime superhighways not controlled by countries that are hostile to it. India's seriousness in securing its strategic sea lane is evidenced in 2001 when India deployed its navy to East Asia, from Singapore to Japan.

China

China, a rising great power in the East Asian region, is also heavily dependant on the Straits of Malacca for trade and energy transportation. China's strategic significance of this Straits increases every year. At present, approximately 60 percent of China's crude oil imports originate in the Middle East, and this figure is expected to rise to 75 percent by 2015.⁵⁴ Oil from the Persian Gulf and Africa is shipped to China via the Straits of Malacca, Lombok or Makassar Straits. Over the past few years Chinese leaders have come to view the straits, especially the Straits of Malacca, as a strategic vulnerability. In November 2003, China declared that certain major powers were bent on controlling the Straits, and called for the adoption of new strategies to mitigate the perceived vulnerability.⁵⁵

China Youth Daily, one Chinese leading newspaper quoted saying that "...it is no exaggeration to say that whoever controls the Straits of Malacca will also have a stranglehold on the energy route of China".⁵⁶

⁵⁴ I. Storey, China's Malacca dilemma, <http://www.asianresearch.org/articles/2873.html> (20 March 2008)

⁵⁵ Sumathy Permal, India's and China's strategic in the Straits of Malacca, <http://www.mima.gov.my/mima/htmls/papers/pdf/sumathy/> (13 March 2008)

⁵⁶ I. Storey, China's Malacca dilemma, <http://www.asianresearch.org/articles/2873.html> (20 March 2008)

China's overwhelming reliance on the Straits of Malacca for energy transportation has made the Straits one of China's critical SLOCs that it must secure, especially from hostile foreign naval forces. One of the ways China tries to seek SLOC security in the Straits of Malacca is through diplomacy. Beijing is active in fostering relationships with the littoral states of the Straits of Malacca, especially Malaysia. As President Hu Jintao of China highlighted, the Straits of Malacca dilemma is the key to China's energy security and any vulnerability will be a threat to China.⁵⁷ Moreover, Zhao Nianyu of the Shanghai Institute of International Studies points out that the US could blockade the Straits of Malacca as one of the three major challenges to China's Energy Strategy.⁵⁸ He further points to the RMSI as a first step by the US military to garrison the Straits under the guise of counter-terrorist measures.

The Straits of Malacca dominates more than the commercial and economic life lines into and out of the rapidly expanding economies of East Asia, particularly China. The global strategic growth and expansion of aspiring powers can be contained and regulated through the mere control over the movement of their naval forces through the Straits of Malacca. For Beijing, this reality is increasingly a vital interest. Any Chinese naval and military surge into the Indian Ocean must pass through the Straits of Malacca.⁵⁹ If China is able to control the Straits of Malacca, it would reduce the possibility of the US hegemony in the region since the Straits has become a vital international waterway for both commercial and strategic mobility.

The emergence of China as major global player will not only transform the regional geopolitical landscape but will also mean an increased dependence on the sea as an avenue for trade and transportation of energy and raw materials. Within the region, the Straits of Malacca is one of the

⁵⁷ B. Thomas, *Scaling rising tides: a three-pronged approach to safeguard Malacca Straits*, Institutes of Defence and Strategic Studies, Singapore, 2005, p. 1.

⁵⁸ *Ibid.*, p.1.

⁵⁹ Mokhzani Zubir, *The strategic values of the Straits of Malacca*, <http://www.mima.gov.my/mima/htmls/papers/pdf/mokhzani/strategic-value.pdf> (20 January 2008)

main sea lanes through which trade, energy, and raw material resources flow. The rise of the regional power will increase the dependence on the regional sea lanes. This is because countries in the region depend on the sea as an avenue for trade and transportation of energy and raw materials. In particular, the sea lane is vital to the transportation of goods, energy and raw materials to the dynamic economies of Northeast Asia includes China which is evidenced by the volume and value of resources trade that flows through the sea lanes. China depends on the Straits to carry 90 percent of its trade through the waterways, and more than 80 percent of its energy imports.⁶⁰ Therefore, the country has a vital stake in keeping the Straits secure and safe.

For China, its concern on the security of oil supply prompts their defence apparatus to project their naval power in the Straits of Malacca and further to the Persian Gulf.⁶¹ In addition, China has no strategic oil reserve. It therefore realises that without the reserve, the country's economy is vulnerable. As such, China is serious in keeping the vital Straits open and securing the ships that are navigating through the chokepoints carrying crude oil from the Middle East. It is vital for China to hold a strong position in the Straits of Malacca. As the Straits of Malacca is the main entrance to East Asia from the West, China could protect its seaborne trade and oil supply within Southeast Asian countries. Offensive military option is to deploy rapid reaction forces when a crisis occurs while defensive posture is by creating credible deterrence capability.⁶² The strategy will show China's determination and strength to safeguard the country's interests. Hence, the security of the transport corridors is a big concern to China particularly in the Straits of Malacca.

⁶⁰ Security in the Straits of Malacca, <http://japanfocus.org/products/details/2042> (27 March 2008)

⁶¹ Mokhzani Zubir, The strategic values of the Straits of Malacca, <http://www.mima.gov.my/mima/htmls/papers/pdf/mokhzani/strategic-value.pdf> (20 January 2008)

⁶² Mokhzani Zubir, The strategic values of the Straits of Malacca, <http://www.mima.gov.my/mima/htmls/papers/pdf/mokhzani/strategic-value.pdf> (20 January 2008)

THE LITTORAL STATES OF THE STRAITS OF MALACCA

Southeast Asia has several SLOCs including the Straits of Malacca, the Singapore Straits and Sunda Straits. The Straits of Malacca is of particular importance. It is viewed by many countries as a key feature in the development of commerce and security in the East-West linkage.⁶³ Therefore, it would not be an exaggeration to say that the security of the Straits of Malacca is almost indispensable for the growth of the Asian economies. Due to the strategic environment in the Straits of Malacca, the stakes are particularly high for two groups of states. Firstly, the three littoral states of Malaysia, Indonesia and Singapore and secondly, the user states, especially Japan, China and South Korea, which are dependent on the Straits of Malacca for the uninterrupted and efficient transit of cargo, especially energy supplies. Of course the US as the most powerful maritime power in the world is included in the list because it is a global power. The US has also been indicated that it would remain the largest economy in the world.

The Littoral State of Malaysia

The Straits of Malacca is seen as a critical economic artery by Malaysia. Malaysia depends on the Straits for resources, defence, shipping services, ports, tourism, and for facilitating external trade.⁶⁴ The Straits run parallel to the industrial heartland of Malaysia serving the so called Western Corridor of Malaysia. Every major Malaysian port is located along the Straits of Malacca, and this is reflected in the Malaysian effort to promote two straits ports namely Port Klang and the port of Tanjung Pelepas as international trans-shipment hubs for container traffic. Obviously the Straits of Malacca is strategically important to Malaysia.

The primary aim of Malaysia is to ensure that it has complete control over the Straits of Malacca. Malaysia feels there is no need for the presence of an extra regional force for the purpose of securing the Straits and that

⁶³ Hamzah Ahmad, The Straits of Malacca: a profile, in, Hamzah Ahmad (ed.), The Straits of Malacca: international cooperation in trade, funding and navigational safety, p. 8.

⁶⁴ Hamzah Ahmad, The Straits of Malacca: a profile, in, Hamzah Ahmad (ed.), The Straits of Malacca: international cooperation in trade, funding and navigational safety, p. 12.

such presence would impinge on the sovereignty of the country. Malaysia disagrees with the suggestions that the US might station special forces in the vicinity of the Straits of Malacca to carry out counter-terrorism operations and piracy due to sovereignty issues as well as domestic political sensitivities. But this prospect resulted that the littoral states would cooperate more closely in carrying out coordinated year round patrols to ensure the security of the sea lane. At the opening ceremony of the Langkawi International Maritime and Aerospace Exhibition (LIMA) 2007, the Prime Minister of Malaysia, Datuk Seri Abdullah Ahmad Badawi is noted that Malaysia was against foreign military forces patrolling the Straits of Malacca. However, he said that Malaysia welcomes foreign monetary and technical aid to tighten the security in the vital Straits.⁶⁵ Despite lingering mutual suspicions, Malaysia with other littoral states has in effect been forced to cooperate closely due to the US intention to establish its naval presence in the vital Straits.

Regarding the piracy threat in the Straits of Malacca, Malaysia has tackled the issue more aggressively. It has developed its naval capacity to ensure maritime security in its territorial water. For instance, Malaysia has its own version of the US Coast Guard to patrol and safeguard security along the Straits of Malacca.⁶⁶ The Malaysian Maritime Enforcement Agency (MMEA) as one of the important Malaysian agencies in fighting piracy has increased its patrol against piracy and the risk of maritime terrorism in the Straits of Malacca. It equips with vessels and aircraft capable of operation around the clock. Moreover, the “Eyes in the Sky” (EiS) which was proposed by Malaysia is one of the significant steps to enhance cooperation in the Straits of Malacca among the littoral states.⁶⁷ The initiative focuses on the conducting of maritime air patrols in the Straits of Malacca by the three littoral states. It also allows the littoral states to contribute their capabilities to the security in the Straits. The

⁶⁵ M. Lourdes, Safer through the Straits, News Straits Times, 14 December 2007.

⁶⁶ Malaysian Maritime Enforcement Agency, <http://www.mmea.gov.my/mmeaBI/page.php?pageid=35&panelmenu=2> (18 April 2008).

⁶⁷ J.H. Ho, The security of sea lanes in Southeast Asia, Asian Survey, Vol. 46, No. 4, 2006, p. 572.

littoral states, however, recognise that they do not have adequate assets to implement these initiatives, thus, the involvement of user states in providing assets that can only be manned by personnel from the littorals, was adopted.

The Littoral State of Indonesia

Meanwhile, Indonesia is another littoral state that is concerned over the security of the Straits of Malacca. On the Indonesian side, the Straits of Malacca is of great importance for similar socio-economic reasons like Malaysia. As an archipelagic country made up of over 13,000 islands scattered across a range of over 5,000 kilometres from east to west, Indonesia's maritime security concerns are far broader than piracy in the Straits of Malacca.⁶⁸ Combined with the fact that major victims of piracy in the Straits of Malacca are merely passing through the Straits with little economic benefits to Indonesia, the country's interest in anti-piracy efforts in the Straits of Malacca is limited. Among the littoral states, Indonesia has the longest coastline along the Malacca Straits, and most pirates are believed to come from that country due to its political instability and poor economic performance. Furthermore, Indonesia also has limited capability particularly in providing equipments to fight the piracy threat.

However, Indonesia has been, in recent years cracking down on piracy along its coasts. In particular, it has extended its police operations on land to deter and arrest pirates. Some significant constraints remain. The Indonesian Navy (TNI-AL) is poorly equipped to address piracy.⁶⁹ The Indonesian air force also suffers from a lack of funding, which further undermines Indonesia's capability to ensure its maritime security. The navy and the police in general need more manpower, funds, sophisticated

⁶⁸ Y. Sato, *Southeast Asian receptiveness to Japanese maritime security cooperation*, Asia Pacific Centre for Security Studies, Honolulu, 2007, p. 5.

⁶⁹ US trade with Singapore, 2007, <http://singapore.usembassy.gov/uploads/images/> (29 February 2008)

technology and weaponry to fight piracy effectively. Indonesia is keen to receive external assistance in the form of equipment and training, but wants this assistance for its own priorities.

The Littoral State of Singapore

Singapore's location in the heart of the Straits of Malacca and its economy's critical dependence on trade, demand its attention on piracy in the Straits of Malacca. Combined with long-standing mistrust of predominantly Muslim Malaysia and Indonesia, Singapore's high priority on the Straits security has led it to seek closer cooperation with external partners, especially the US and Japan, sometimes beyond the comfort level of Singapore's neighbours. Singapore's strong support for the US war against terrorism has been rewarded with much closer strategic, security and economic relations. The country is the 11th largest trading partner of the US with two way trades worth over US\$26.3 billion in 2007.⁷⁰

Singapore has traditionally been concerned with its economic prosperity, which is dependent on international trade. Singapore is a major trans-shipment hub and sits astride the east-west main route within the global hub of container network. It has the second largest container port in the world. Hence, the city-state is eager to see the safety of navigation ensured in the Straits of Malacca. The Singapore Coast Guard (SCG), which has gone through an upgrading program since the early 1990s, is directly involved in preventing piracy acts in its territorial waters.⁷¹ In addition, the city-state has since 9/11, increased air and navy patrols in its air space and territorial waters. Singapore already possessed the most capable naval and maritime security forces in Southeast Asia and does not require as much external assistance in terms of equipment and training except for joints operations. Singapore further encourages the physical presence of external naval or maritime forces in the vital Straits.

⁷⁰ US trade with Singapore, 2007, <http://singapore.usembassy.gov/uploads/images/> (29 February 2008)

⁷¹ R. Emmers, *Comprehensive security and resilience in Southeast Asia: ASEAN's approach to terrorism and sea piracy*, p. 12.

The third littoral states, Singapore in contrast to Indonesia and Malaysia desperately wants a greater US presence in the Straits. It sees the value of a US presence not merely in commercial terms but also as a military counterweight to maintain stability and peace in the Asia Pacific region.⁷² Singapore has emerged as a principle security ally of the US in Southeast Asia since the end of the Cold War, particularly following the departure of the US from Subic Bay Naval Base in the Philippines in 1992. It actively searches for ways to keep the US engaged in the region.

CONCLUSION

This paper has examined the littoral states' position towards piracy and their interests in the Straits of Malacca as well as the position on external power involvement. Overall, the strategic importance of the Straits of Malacca continues to grow. Today, the Straits of Malacca retains its eminence as a commercial sea lane and strategic waterway. As globalisation takes hold of the world, the Straits of Malacca finds itself still very much a key artery of global commerce, serving over one third of seaborne trade. In a way, one might say that the Straits of Malacca has contributed substantially to the development of nations which are heavily reliant on inter-continental trade. Not only the littoral states but also the major user states are concern on the safety of navigation particularly China, Japan and India. Their expression of interest in the security of the Straits of Malacca is a reflection of their efforts to preserve their own individual strategic interests.

⁷² J.N. Mak, Unilateralism and regionalism, in, G.G. Ong-Web (ed.), Piracy, maritime terrorism and securing the Malacca Straits, p. 157.