

ISAS Insights

No. 400 – 11 April 2017

Institute of South Asian Studies
National University of Singapore
29 Heng Mui Keng Terrace
#08-06 (Block B)
Singapore 119620
Tel: (65) 6516 4239 Fax: (65) 6776 7505
www.isas.nus.edu.sg
http://southasiandiaspora.org



The Indian Ocean: A Historical Perspective¹

This paper presents a historical analysis of present-day events in the Indian Ocean. The author looks at the tumultuous history of the Indian Ocean, presenting what has happened before as an insight into current global dynamics and the realignment of strategic powers in the Indian Ocean.

Sanjeev Sanyal²

The Indian Ocean has over five thousand years of history. The aim of this paper is to select and illustrate some interesting periods, and the lessons which can be gathered, without trying to summarize the vast millennia of maritime governance and history dominating the Indian Ocean.

The Roman Empire was considered the center of global trade in the first two centuries A.D. There was a particularly large amount of bilateral trade between the Roman Empire and the western coast of India, which then held the world's largest port in what is now present-day Kerala. Hundreds of ships ventured between the west coast of India, the Red Sea and the Persian Gulf.

¹ This paper is based on a transcript of Mr Sanjeev Sanyal's presentation at the Public Forum on 'the Indian Ocean', organized by the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore on 9 January 2017. The Public Forum is the inaugural session of the ISAS Distinguished Visitors Programme.

² Mr Sanjeev Sanyal is a Visiting Fellow at the IDFC Institute in Mumbai, India. The author bears full responsibility for the facts cited and opinions expressed in this paper.

Indian exports to the Roman Empire in those first two centuries were dominated by cotton textiles, spices and iron and steel exports, as India was renowned for its metallurgy. Much of the spices were not of Indian origin. Instead, they had been purchased from Southeast Asia. This is an illustration of a long supply chain focused on spices which first originated in China. In return, the Indians' imports from the Roman empire focused primarily on consumables, mainly wines from Italy and olive oil from Greece.

It is notable that the hundreds of years of bilateral trade were accompanied by a growing problem: India ran a large current account surplus with the Roman Empire. As such, the Romans paid for the current account difference via gold in the form of coins. The exchange of gold coins was the common method of payment in those times. This became a serious problem, as the Roman Empire made their coins from a combination of gold and silver. The excessive amount of gold exports in the form of coins resulted in a significant shortage of precious metals. The monetary contraction was so severe that the government of that time held meetings in the Senate regarding the tons of gold being shipped to India.

The first attempt by the Roman Empire to prevent the outflow of gold was to ban trade with India under the rule of Emperor Vespasian. The measure failed terribly; instead, the Indians, the Nabataeans and the Jews created a network smuggling all kinds of Indian goods, keeping the trade surplus intact between India and the Roman Empire. Realizing this, the Romans began to debase their coins by reducing the amount of gold and silver in the coin composition, effectively lowering the precious metal value of these coins. In response, India kept accepting the debased coins, using it as an opportunity to counterfeit. The reduced amount of gold and silver in the coin's composition meant that it was easier to counterfeit. As such, archaeological sites across the present-day Indian Ocean are full of the Roman coins and the Indian counterfeits. Trade continued for several more centuries in this way. In fact, this machine of trade was so powerful that it kept functioning even after the collapse of the Roman Empire.

This is very similar to how the world currently looks at trade. The Americans keep running deficits while the Chinese run surpluses. The United States (US) pay for it by printing too many dollars and bonds. There are complaints but dollars are still bought. In fact, the printing is still not enough because the US dollar continues to strengthen.

In this way, a seemingly discolored and fragile system continues perpetuating itself for long periods of time. This is contrary to conventional thinking predicting its early demise. In fact,

Indian-Roman trade kept going for hundreds of years, surviving longer than the Roman Empire itself.

Indian and Chinese Collaboration

India and China have competed and collaborated for thousands of years. In the 11th century, trade between Egypt and India was conducted using the main sea lanes in the Indian Ocean. Trade through Southeast Asia passed through the Malacca Straits and the Sunda Straits between Java and Sumatra. The Sumatran Srivajayan Empire controlled the Malaccan straits and the Java Empire controlled the Sunda Straits. Backed by China, the Sumatran Srivajayan Empire defeated the Javanese and ended up controlling both sea lanes. This allowed them to charge high tariffs, since they had control over both sea lanes. This angered the Cholans³, who after numerous warnings eventually sent a massive fleet and sank all the Srivajayan' Ports along the coast of Sumatra, then went across what is now present-day Kedah in Malaysia and met the main party of the Srivajayan Empire, completely decimated it and went back. The Chinese did nothing in response.

Chinese Projection of Geopolitical Power

It may seem that the rise of China and its geopolitical reach is a modern phenomenon. However, it has been happening for hundreds of years. In the 15th century, China began reasserting itself in the world. Then in the last century, it freed itself from Mongol rule and took major initiatives to reestablish its position in the world as a civilization and as a global power.

In the 15th century, the Ming Emperor financed a series of massive expeditions to the Indian Ocean, led by a eunuch. These were massive expeditions even by modern standards. Their modern equivalent would be large, modern-scale ships—some of which were five to six times the size of ships used a few generations later. Over twenty thousand sailors were involved in these expeditions. These were not exploratory expeditions. The routes that the Chinese expeditions were on were well-known trading routes which have been used for over a millennium. They were perceived as an attempt by the Ming emperor to project geopolitical power into the Indian Ocean, not unlike the way modern China is attempting to project its

³ The Chola dynasty was one of the longest-ruling dynasties in southern India. The dynasty continued to govern over different territories until the 13th century CE.

geopolitical power. Over a few decades, these grand voyagers made their way to the Indian Ocean, where they intended to effect change in Sri Lanka through changing the King of Sri Lanka, perhaps not effectively. Instead, they managed to take one of the claimants to the throne all the way back to Beijing and brought him back.

Chinese Influence in the Indian Ocean Region

The Chinese also took measures to exert influence in other regions and ruling kingdoms, leading to the collapse of Empires. For instance, they changed one of the kings of Sumatra and undermined the power of the Majapahit Empire in the 1600s, in what is now present-day Indonesia. The Majapahit empire of Java was then the most powerful maritime power in the Indian Ocean region.

The Chinese then established a new kingdom in Malacca, Malaysia which was ruled by Parameswara. They backed him against the Majapahit empire, and over time the main actors and their supporters pushed back against the Majapahit empire. As such, a few decades later, the last of the Majapahit withdrew into Bali where till today, the Hindu culture of the Majapahit is still alive.

To an individual living in the 15th century, the foregone conclusion would have been that the Chinese were basically going to dominate the Indian Ocean for a long time, particularly given their clear geopolitical reach and the way they carved out the Indian Ocean and placed Chinese-backed regimes in key positions all around the Indian Ocean.

Decline of Chinese Influence in the Indian Ocean

When it seemed that the Chinese had taken over the Indian Ocean, the Ming Emperor passed away. The new emperor was backed by the Confucians, who did not have favorable opinions of the eunuchs, who had a strong influence on the Ming Emperors. As such, they slowly withdrew financing from the Ming rulers. The effects were immediate and disastrous: the Chinese navy fell quickly into disuse, and thus withdrew from the Indian Ocean. For the next few decades, it was only a memory of these voices which maintained Chinese dominance in the region.

By the late 15th century, there was clearly a massive vacuum in the Indian Ocean which was when Vasco da Gama turned up with the Portuguese. The reason the Portuguese were able to establish themselves so very quickly in the Indian Ocean with so few ships was essentially that the Chinese had a few decades ago had turned up, cleared the place of all other rivals and suddenly withdrew.

There is a parallel to the current geopolitical climate. Often a dominant power may seem to impose power, it may appear that they are strong and well-established. However, domestic interventions and events — even those completely unrelated — may cause an effect so wide-reaching that it leads foreign policy into a completely different direction.

These are the lessons which the Indian Ocean countries should consider for the creation of a new architecture going forward. What may seem like a large structure may actually be more fragile, as compared to an architecture that's dispersed, unbalanced but ultimately flexible. In the long run, such systems can last for a very long period in virtue of the fact that their lines are more dispersed and the whole system is more flexible.

.