Because New Delhi has failed to explain the purpose of its naval build-up, its neighbours feel threatened by its actions and have responded in kind. Some of the key littoral states have already reacted to India's naval expansion by enhancing their forces and improving their facilities. Indonesia, Pakistan and Australia, for example, have all noted and responded to India's moves at the political and military level. Whereas such moves are unquestionably justified under the circumstances, the naval arms race in the Indian Ocean appears to be following a course that has little bearing on the real, or potential, security concerns of the participants.

Fortunately, the situation suggests that India's naval build-up is approaching a crucial turning point at which New Delhi's leading role in setting the pace of a naval arms race will soon become counter-productive -- even discounting its growing economic constraints. The more India continues to increase its naval power projection capability, the more likely it is to find its neighbours doing the same. Moreover, the more threatening India appears to be, the less likely it is that the United States will be prepared to cede responsibility for Indian Ocean security to New Delhi.

In the long-term, India's determination to control its immediate geopolitical environment appears to put it on a collision course with traditional patterns of power relationships in the region. However, there must be a significant development of its maritime capability before India can aspire to meaningful regional power status and a substantial reduction in the American presence in the Indian Ocean would also be a prerequisite. Even in that eventuality, other limiting factors are likely to prevent India from achieving clear title to the mantle of regional dominance.

Apart from economic constraints, there are unanswered questions about the navy's effectiveness. India's naval forces are split by country of origin, with Western-built ships stationed on the west coast at Bombay and Soviet ones on the east coast at Vishakapatnam. The logistical problems associated with the mix of components India uses in its fleet further complicates already difficult training processes and effective maintenance. The ships may look impressive but they are very much an untried element of the Indian armed forces.