## **ANALYSIS**

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China's maritime strategic agenda by Chris Rahman

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Just what's China up to at sea? To casual observers, including a burgeoning legion of journalists, commentators and bloggers, China seems set on a path to becoming a major force on the world's oceans, developing bluewater naval power with which to protect the Chinese state's expanding economic ties to far-flung corners of the world and project political and even strategic influence. Such observers rightly note the rapid growth in China's international seaborne trade, its shipping and shipbuilding sectors, and its marine economy and maritime interests in general.

China's naval developments over the past decade have been widely commented on, especially its high-profile purchase of Russian surface, submarine and aircraft platforms, its indigenous construction of both conventional and nuclear-powered submarines, and the People's Liberation Army (PLA) Navy's groundbreaking and ongoing deployment of an anti-piracy flotilla to the Gulf of Aden. And, in the past year or so, the blogosphere and reputable security forums alike have lit up with speculation on the imminent start on the construction of China's first aircraft carrier.

So is China about to assert itself in a global challenge to preponderant US sea power? Or is Beijing simply defending its legitimate maritime interests in a limited and understandable way as a largely responsible 'stakeholder' in the international system? What does all this maritime activity amount to in strategic terms? China publishes a regular White Paper on defence, but not a specific maritime strategy; indeed, it's not known whether China even has an integrated national maritime strategy.

This *Policy Analysis* makes the following arguments about China's maritime strategic agenda:

- 1. China has legitimate and growing maritime interests, and increasingly will plan to safeguard those interests independently.
- The PLA Navy aspires to the ability to undertake operations far from home, but bluewater capabilities are not the main focus for China's naval development.
- 3. China's maritime strategic focus remains on the semi-enclosed and other narrow seas of East Asia.

4. China's East Asian maritime preoccupations, not its occasional bluewater forays, are of greatest strategic significance. They pose direct challenges to the US sea-based alliance system and the regional order that the system underpins.

This paper addresses each of these arguments in turn, but the following theme permeates it: both the hyperbolic predictions about bluewater expansion and the complacent argument about strategically benign naval development miss the point—China's maritime ambitions (and behaviour), even though focused relatively close to home, indicate nothing less than a bid for geopolitical pre-eminence in East Asia.

Let's consider the first argument—that China plans to become increasingly self-reliant in safeguarding its growing maritime interests. China's rapid economic development has been heavily trade-dependent, driven by a mercantilist approach of accumulating large trade surpluses generated by an artificially stimulated merchandise export sector, and heavy investment in domestic infrastructure and urbanisation. All of this activity requires large inputs of raw resources. China has a substantial natural resource base, but it's been insufficient to fuel industry's almost insatiable demand for supplies of raw materials. Australia has been a primary beneficiary of that demand, as has been clearly evident in the iron ore, liquefied natural gas, coal and uranium sectors. Of all imported resources, however, oil remains the most strategically vital and, like other imported raw materials, it's mostly transported by sea. In the case of oil, this usually means transiting the Indian Ocean and a passage through the Malacca Strait from ports of origin in the Persian Gulf and West Africa.

China's dependence on sea lines of communication (SLOCs) has led some Chinese commentators to speak of a 'Malacca dilemma' for the country's national security interests, although the threat of significant disruption to maritime traffic through that route seems exaggerated. No less a figure than Chinese President Hu Jintao warned in November 2003 of attempts by other major powers to seek control of the strait. Given the political sensitivities of the straits states to outside interference, that idea is somewhat fanciful and also perhaps misunderstands the inherently mobile and flexible nature of naval power: even if one makes the assumption that blocking the passage of Chinese shipping through Southeast Asian straits could possibly be deemed necessary (or viable) in the future, that would hardly require the type of ongoing geopolitical control of the strait alluded to by Hu. Any blockade by a rival power can only reasonably be envisaged as a response to Chinese aggression elsewhere—against, say, Taiwan, Japan or India—so China's own responsible behaviour may be its best defence against such an eventuality.

Lesser threats to shipping posed by pirates, terrorism or even navigational hazards have been at best secondary concerns. Nevertheless, China has begun to play its part in international efforts to improve maritime security—for example, by signing and ratifying the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), being one of six user states to agree to the Cooperative Mechanism for the Malacca and Singapore Straits initiated by the International Maritime Organization, and by deploying PLA Navy units to patrol the Gulf of Aden. Such activity can be viewed largely as positive international engagement and has the compelling advantage of enhancing China's diplomatic aspirations for prestige and respect befitting a great power. Further Chinese maritime engagement might be expected, for no great power worthy of the name has been willing to entrust important aspects of its security to others for long (although Japan has been a notable exception, at least until now). A future Chinese aircraft carrier capability would satisfy many of those needs: prestige, SLOC security and a symbol of power and resolve for gunboat diplomacy. Aircraft carriers would be formidable assets for prosecuting China's maritime territorial interests, especially in the South China Sea.

Let's move to the second argument—that bluewater capabilities are not the main focus for China's naval developments. As the PLA Navy's Indian Ocean deployments and increasing naval forays into the Pacific demonstrate, China intends to be able to operate more frequently beyond the East Asian littoral environment, which is characterised by a number of narrow seas stretching north to south adjacent to the Asian continent, 'semi-enclosed' by chains of islands. But while China's higher profile oceanic activities are becoming more frequent, those activities are more remarkable for their sheer novelty than for any profound strategic meaning. This situation may well change in the future, but any review of the PLA Navy's current force structure must reflect the proposition that it hasn't been developed primarily for bluewater operations. For example, although China has been building larger, more capable surface combatants with greater range and sustainability, it hasn't been constructing significant numbers of underway replenishment ships—even though substantive oceanic deployments by any navy require such logistical support capabilities to sustain the mission.

Another clue lies in submarine construction, a naval priority since the mid-1990s. Although a new class of nuclear-powered boat (SSN) is now in service, most of the submarines inducted into service over the past fifteen years have been conventional diesel—electric boats. For all the stealthy attributes that make them highly effective sea-denial weapons in littoral warfare, they have limited mobility compared to SSNs and surface warships and so are less well suited to distant-water operations.

The third argument—that China remains focused on the East Asian maritime environment—relates directly to the second. Chinese thinking has to some extent been influenced by the idea that to continue to prosper China will need assured access to the oceans. But in this view, its access to the Pacific is constrained by the first chain of islands currently controlled by hostile or potentially hostile powers—particularly Taiwan and Japan, each backed by their American protector. Furthermore, access to the Indian Ocean also depends on assured passage through the narrow seas and maritime choke points of archipelagic Southeast Asia. Along with China's various maritime territorial and jurisdictional disputes, this dilemma has ensured that Beijing's primary strategic developments over the past quarter of a century have focused on the ability to dominate the South China, East China and Yellow seas. China's preoccupation with Taiwan has been both driven by, and a driver of, this particular geostrategic agenda.

Fourth, it would be wrong to believe that only an ocean-going Chinese navy is strategically significant: the bluewater environment isn't where the primary threat posed by China's military modernisation lies. Indeed, China's ambitions to dominate regional seas can be viewed simply as Beijing seeking a prerequisite for the geopolitical domination of East Asia itself. China's strategic focus on area-denial capabilities since the US intervention during the March 1996 Taiwan Strait missile crisis has been intended to degrade US capacity to reinforce its allies and clients should conflict erupt, or even to deter intervention in the first place. Those PLA capabilities include submarines; mines; sea-, land- and air-launched anti-ship cruise missiles; land-based air power increasingly optimised for maritime attack; counter-space power; and short- and intermediate-range ballistic missiles, including ostensibly a version of the DF-21 ballistic missile designed to attack ships at sea, especially the large targets offered by US Navy aircraft carriers. China has slowly but surely been ramping up the pressure on Taiwan and Japan through increasingly confident and assertive exercises and operations. Even many of China's operations beyond the first chain of islands seem to be aimed at planning for sea-denial operations. For example, surveying and mapping activities in parts of the Pacific Ocean are most likely designed to plan for submarine operations for potential interdiction of US naval forces transiting from Guam, Pearl Harbor or the US Pacific west coast.

China has also aggressively targeted routine US military operations in the region for harassment. That targeting caused a potentially serious incident in the South China Sea off Hainan in March 2009, when Chinese forces interfered with the legitimate operations of the unarmed and civilian-manned ocean surveillance ship, USNS *Impeccable*. The *Impeccable* is designed to gather underwater acoustic data and was operating in an area used by Chinese submarines, including the new class of nuclear ballistic missile boats, based at the newly expanded Hainan naval base at Sanya on the southern tip of the island. Freedom of navigation and operational manoeuvre are essential for the effective functioning of the US maritime alliance system in the western Pacific—the only real force for order and stability across the region. Moreover, China's construction of aircraft carriers at this point might indicate that it's now satisfied with the effectiveness of its denial capabilities and is embarking on the next stage of naval development—being able to project power more widely and to assert its strategic pre-eminence in East Asian security calculations.

Some have argued that an essentially stable geostrategic balance exists in East Asia, with China dominant on land and the US dominant at sea. However, that argument misunderstands the challenge that China's seaward expansion poses to the US system of regional security. Japan and Taiwan, in particular, but also many other states, are feeling the pressure. Even US forces, having reinvigorated their regional presence and refocused capabilities on littoral operations, are being forced to rethink their options in response to growing vulnerabilities to the PLA's anti-access arsenal.

Paradoxically, perhaps, it's not China's current limited ability to conduct distant-water operations or its potential aircraft carrier development that should be a primary cause for concern, notwithstanding the understandable but exaggerated fears of India. Rather, it is the PLA's growing ability to deny access to East Asian seas in a crisis or conflict, and so to disrupt the security system led by US Pacific Command, that most threatens regional order and harmony at sea.

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