THE STRATEGIC IMPLICATIONS OF CHINA’S NAVAL MODERNIZATION

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The People’s Republic of China (PRC) has produced staggering levels of economic growth since Deng Xiaoping’s introduction of the Four Modernizations. Along with this economic growth, the Chinese Communist Party (CCP) has focused a great deal of attention on the modernization of the People’s Liberation Army Navy (PLAN) in last few decades. These efforts at naval modernization have coincided with the discovery of large energy supplies off the coast of China. It is believed that much of the focus on naval modernization is directly tied to the economic necessity of dominating these resources. Since the CCP has tied much of their political legitimacy to their ability to guide the PRC’s economic growth, it is critical to the CCP that they secure large energy supplies. As the PLAN increases their capabilities at sea, there is a growing fear in East Asia that the PLAN will become more aggressive in dealing with territorial disputes and regional rivals. It is feared that the PLAN’s pursuit of a strengthened naval capability, with the intention to dominate regional energy supplies and more effectively assert the PRC’s foreign policy goals, will destabilize the security of this critical region.
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Dedication

I would like to dedicate this to my grandmother Rosie. She was one of the kindest, and most loving people to have ever graced the earth. I love her so much and miss her every day.
Chapter 1

Introduction

Throughout most of the PRC’s (People’s Republic of China) history the Chinese have utilized a navy that reflected their lack of concern with maritime threats. This navy was described as a “coastal defense force” whose main task was to defend the immediate Chinese coastline from attack (Brown, 2000). A radical shift is taking place away from this largely “obsolete, vulnerable, coastal defense force that China possessed at the end of the Cold War,” to a more modern and impressive navy having far greater survivability levels, as well as capabilities to deliver more lethal weaponry (Brown, 2000). This transition can be easily linked with the PRC’s economic modernization. As a result of Deng Xiaoping’s Four Modernizations, China has become an economic power of the East. One effect of this economic growth is that it has put a great deal of pressure on China’s energy supplies. For example, oil production in China is no longer able to keep pace with the degree of economic modernization, which means that China has moved from an oil exporting to an oil importing state. China must now pay close attention to the availability of natural resources within the region’s disputed waters. In order to secure these natural resources China must be able to stand up to regional rivals such as the Philippines and Vietnam. Without a dominant navy to deter such states from claiming rights to these resource-rich areas China cannot secure the necessary fuel its economy needs to continue at an acceptable growth rate. This is an illustration of why there exists in Beijing an intense desire to develop a strong navy for China. In conjunction with economic modernization comes the necessity of developing a powerful navy that will expand its sphere of influence in the Pacific until the needs of the economy are met (Hiramatsu, 2001). The modernization of the PLAN (People’s Liberation
Army Navy), into what is often referred to as a “blue water navy,” is viewed with trepidation by regional rivals, and even great powers such as the United States (Gurtov, 1998). These states wonder what the intentions of the Chinese are regarding this naval modernization, and what the strategic implications of such a modernization will mean for themselves and their roles in the region.

The modernizations that the PLAN is undertaking to transform into a modern, powerful navy represents quite a daunting task. As it stands today, the PLAN is the third largest navy in the world when ranking in aggregate terms. One may make close comparisons in the size of the PLAN to that of the Russian Pacific Fleet. Simple calculations of size, however, do not necessarily translate into a dominant navy as the “Japanese naval Self-Defense Force, the Indian Navy, the combined naval forces of the ASEAN nations and elements of Taiwan’s Navy are all superior to the PLAN” (Shambaugh, 1997). In association with this point, the PLAN’s current capabilities cannot even be compared to those of the U.S. Navy’s. This illustrates the wider point of military modernizations in China altogether, which is that bigger does not necessarily mean better. As with other branches of the PLA, the Chinese leadership hopes to create a smaller, more modern, and effective fighting force (Shambaugh, 1997).

There are many in the region such as Japan and Taiwan who fear dark intentions driving the PLAN to modernize and alter its war doctrine. Nationalism has played a strong role as China has always viewed the seas surrounding the country as “‘China’s sea’” (Hiramatsu, 2001). Admiral Liu Huaqing once declared that it was the duty of the PLAN to guard the three million square kilometers of China’s territorial waters. This vast amount of territory roughly equals a third of the Mainland Chinese territory stretching well out into the
Yellow Sea, the East China Sea, and the South China Sea. Also included in this area is some 200 nautical miles beyond Taiwan out into the Pacific Ocean. This sent a clear message that Taiwan was considered Chinese territory. The obvious main objective the PRC hopes to achieve with PLAN modernization is to develop and exploit the vast quantities of biological and non-biological resources. In particular they are focused on the vast petroleum reserves under the ocean floor. The rapid advancement of the Chinese economy, thanks to Deng Xiaoping’s regime, has led the PRC to search out and exploit submarine oil fields in the region. This pursuit is necessary in order to continue fueling the Chinese economic growth as oil demand in China far exceeds supply. There are other possible explanations of Chinese intent however. The South China Sea is a critically important strategic area for the region, because of transportation issues, and military strategic options. With possession of the islands of the South China Sea, all that the PRC has to do is simply threaten the availability of passage through these critical sea-lanes. Such a move on the part of the PRC could bring about a powerful economic blow against regional rivals such as Japan, Taiwan, and Korea without firing a single shot. In the East China Sea were the Chinese to wrest control of the Senkaku Islands and the continental shelf, which holds vast reserves of oil the PRC, would then hold a strong leverage over those in the region, most notably the Japanese (Hiramatsu, 2001).

The drive for PLAN modernization has been fueled in part by PRC interests in the South China Sea. Since the 1970’s, the Chinese have been involved in a very slow expansion process throughout the islands of the South China Sea. The fascinating aspect about this southern expansion is not only the potential for conflict with regional rivals that it
presents, but even more so the interweaving of PLAN, and national interests that this progression represents.

Now one may easily identify the convergence of PLAN and national interests in the South China Sea that was previously mentioned. The PRC discovers a vast amount of natural resources in the South China Sea that it wishes to exploit for economic gain, while needing a powerful navy to secure those resources against regional rivals. The PLAN’s interests are realized, as its rapid modernization becomes a serious political priority in Beijing. The value that such maritime resources held for China’s long-term economic development seemed incalculable. An article from Jiefangjun bao published in March 1988, discussed two main points concerning the exploitation of these maritime resources. The first was the need to develop further scientific and technological knowledge regarding the extraction of deep resources, and the second discussed the depletion of land resources due to global population growth. As John Garver (1992) states in his article, “China’s Push Through the South China Sea: Strategies and Objectives:”

In order to make sure that the descendents of the Chinese nation can survive, develop, prosper and flourish in the world in the future, we should vigorously develop and use the oceans. To protect and defend the rights and interests of the reefs and islands within Chinese waters is a sacred mission. The reefs and islands in Chinese waters have been invaded and occupied on several occasions. For instance, since the 1970’s, the [Spratly] Islands have been occupied by foreign countries. The Chinese government has solemnly declared many times that these islands and reefs are within Chinese territory and other countries are definitely not allowed to invade and occupy them. The [Spratly] Islands not only occupy an important strategic position, but every reef and island is connected to a large area of territorial water and an exclusive economic zone that is priceless….The defence of the territorial unity and the protection of the rights and interests of the oceans are significant to the security and development of a country. We should not only pay attention to events today, but should also look out for the future (p. 1019).
Another article in Jiefangjun bao discusses the necessity of defending China’s maritime resources. Published in September 1989 the article says, “‘there has appeared the situation of islands and islets being occupied, sea areas being carved up, resources being looted, and marine rights and interests being wantonly encroached upon. In light of this serious situation, we must give prominent attention to strengthening naval construction’” (Garver, 1992).

With Beijing growing all the more concerned with protecting the valuable natural resources in the South China Sea, the PLAN began to push for increased funding levels to modernize and diversify its capabilities. In order to be seen by Beijing as the answer they were looking for, the PLAN decided that it would adopt a new war doctrine that better suited the defense of these critical islands. As mentioned previously, Chinese interests in the South China Sea directly led to the adoption of the new war doctrine. This new war doctrine turned the PLAN’s focus away from mere coastal defense to include as well long-distance capabilities, in what is known as the offshore active defense strategy. The PLAN’s necessity for securing the South China Sea justified increased spending to modernize its capabilities. According to John Garver, “A close symbiotic relation developed between the tasks the PLA-N had to accomplish in the South China Sea and the progressive modernization of its long-distance, high-seas capabilities” (Garver, 1992). The defense of the Spratlys proved to be the perfect scenario for the PLAN to call on Beijing for increased financial support for modernization. The first reason caters to Chinese patriotism. The PLAN said that it needed to “defend ‘Chinese territory’” against invasion by foreign powers (Garver, 1992). The reality of the situation was that the countries invading this territory were small states that the PLAN could have easily forced out without the need for large-scale funding for
modernization. Another reason is simply that the economic importance of these islands was too high to take any chances, as this region could produce immediate and long-lasting economic gains. Distance played a factor as well; since the Spratly Islands were located just far enough away that the PLAN could say it needed a long-distance capability to secure them. The distance to the Spratly Islands from Hainan Island is equivalent to the distance of Shanghai to Nagasaki. There is also a high level of challenge in navigating what is known as the “dangerous ground” of the South China Sea, which requires well-trained personnel (Garver, 1992). The Chinese dispute with Vietnam over control of the islands means that open conflict could result at any time. In order to successfully defend the Spratly Islands, the PLAN must be able to launch amphibious assaults, which require both the necessary technology and training. All of these reasons made it much easier for the PLAN to get the increased budget it needed for modernization. Were it not for the Spratly Islands, it would have proved difficult for the PLAN to argue that it needed increased funds, for long-distance voyages against unrealistic enemies such as the naval forces of Russia, America, Japan, or India (Garver, 1992).

The modernizations that are taking place in the PLAN could be seen simply as a natural result of economic success. Along with this new dynamic, come ever-increasing national interests for greater political influence, and access to resources in the region to fuel further economic growth. This is what Beijing would probably argue is behind the push for an eventual blue water navy. Nevertheless, many in the region question the intentions of the PRC in this venture. One such country is Taiwan who more so than any other state has a great deal to fear from the possible political aspirations at work with the changes taking place in the PLAN. This is because hard-liners in the PRC would love nothing more than to
return Taiwan to the control of the mainland, even if the force that this action would require comes with a heavy price.

The successful modernization of the PLAN could prove to be a major obstacle to U.S. interests in East Asia, especially if the nature of the PLAN is as aggressive in gaining areas of natural resources for the benefit of the Chinese economy, as it has been in the South China Sea. While the U.S. has a strong policy of maritime encirclement of the PRC, the U.S. has not shown itself to be a strong ally in the face of Chinese aggression. The steady march by the PLAN through the South China Sea has frightened many of our East Asian allies, especially the Japanese, Taiwanese, and South Koreans. Not only do they fear a modernizing PLAN, but also more importantly a PLAN that while modernizing is becoming increasingly more aggressive in nature as nationalism blends with economic interests.

The PLAN could cause serious economic problems for the region in the near future by restricting passage through the South China Sea. As it stands today, the South China Sea serves as the connecting link between the Southeast Asian states and the Western Pacific. It is filled with critical chokepoints of significant geostrategic import. In order to quantify the value of just one of these straits, the Strait of Malacca, consider this fact. According to Robert Kaplan, “The oil transported through the Strait of Malacca from the Indian Ocean, en route to East Asia through the South China Sea, is more than six times the amount that passes through the Suez Canal and 17 times the amount that transits the Panama Canal” (Kaplan, 2011). The region’s economic vitality depends on the free-flow of goods through these straits. With regard to the specific nations in the region, South Korea has roughly two-thirds of their energy supplies pass through these straits. Japan and Taiwan both have nearly 60 percent of their energy supplies relying on free passage while China sees 80 percent of their
oil imports pass through these critical straits (Kaplan, 2011). Obviously, a powerful enough navy with the capabilities of blocking access through these natural chokepoints has the ability to economically cripple the region.

The greatest security fear in the region is that a strong enough PLAN may one day yield to nationalist aspirations and attempt to take Taiwan by force. There have been a number of bellicose statements regarding not only the increase in national prestige that would come from PRC control of Taiwan, but also the import derived from a strategic sense. Control of the island would allow the Chinese to gain what they often refer to as the “Great Wall at sea” (Yoshihara & Holmes, 2010). The Chinese believe that strategically control of Taiwan could yield tremendous benefits for their ability to project force throughout the region. Many believe that control over the island of Taiwan would allow the PLAN to break out of any effort to contain or ring in their potential activity. PRC possession of the island of Taiwan would also act as a sort of staging ground for further domination of the valued islands, and energy reserves off the coast (Yoshihara & Holmes, 2010). For the U.S. to secure its interests in the face of such potentially destabilizing factors, close cooperation is needed between the U.S., Japan, and Taiwan to secure the success of PRC containment.

In order for a complete study of the issue of PLAN modernization there are several points that need to be closely examined. The first is the link between increased naval expenditures and the discovery of valuable natural resources off the coast. The domination of these energy sources may be seen as a necessary precondition to continuing the stunning economic gains seen in the last few decades. This point is critical when considering that the CCP’s raison d’etre is managing the continued economic growth of the nation. Should the
economy of China stall, or the country experience a strong recession, the very existence of the Chinese Communist Party could be threatened.

The second consideration revolves around the potential for conflict in the region, and the role that perceived images play between the specific players involved, as well as the all-too-often toxic effects of nationalism. For this it is important to apply both image theory and nationalism. Anytime a region sees a fast-rising power perceived images and nationalism always play a critical role in determining what could be a very dangerous outcome. Any discussion of conflict in East Asia needs to closely examine relations between the PRC and regional rivals, such as Taiwan and Japan, due to periods of strongly contentious relations and previous conflicts.

The third critical component involved in this study, is the presence of the world’s sole superpower, the United States. The U.S. Navy plays a prominent role in the region. Beyond this point, the U.S. has a very sizable overall military footprint in East Asia, with troops stationed throughout the region. How the U.S. handles the rising power of China, and conversely how the Chinese perceive American intentions in the region, will decide whether regional conflict may be avoided.

Before discussing the break down of the chapters in this study, it is important to discuss the research methodology utilized. This examination into the complex and dangerous world of East Asian security primarily relies on a more qualitative approach to these issues. Throughout this study, there are two primary theories of political science, which will be employed in order to help the reader better understand the fundamental dynamics at the root of this region’s security issues. These two theories are nationalism and image theory. Taken together, these two theories do an excellent job of illustrating how some difficult issues
between East Asian states are the result of misperceptions, fears, or strong passions that are built into their population’s general psychological makeup. In other words, it is not simply enough to understand the complications in relations for the region without understanding the critical underlying forces propelling these dangerous currents in East Asia. These two theoretical approaches are buoyed by a large number of published, peer-reviewed research studies. This analysis will rely heavily on these studies in order to apply the same fundamental concepts at the root of nationalism and image theory to the region of East Asia.

It is important to note that this study will be far more theoretical than empirical in nature. A key interest in this analysis will be identifying the theoretical underpinnings for the challenging relations of this region. These underlying concerns have the potential to quickly devolve relations, and plunge this region into a complex and dangerous conflict. Therefore, it is important to illustrate these theoretical concepts through the use of case studies. A vital part of these case studies will involve an examination of the different flashpoints throughout the region. The flashpoints that exist, where the potential for conflict is high, provide the researcher with an excellent illustration of these theoretical principles operating very close to the surface. These theoretical concepts of nationalism and image theory will be used to add a deeper level of understanding to the complex issues and tensions in East Asia.

This study will break down these three large components into seven chapters that examine the issue in great depth. In the first chapter, the discussion will focus on both nationalism and image theory, defining these terms, as well as illustrating the relationship between Chinese nationalism, and their interests in not only dominating the natural resources of the region, but also gaining national prestige through military might.
The second chapter examines the role that the economic modernization of China has played in driving the increased spending levels, and focus on naval development as the need to secure offshore natural resources from regional rivals requires greater military power. There will also be analysis of how nationalism is increasingly tied to high levels of economic growth, and argues that the CCP’s future in leadership may be closely intertwined with this continued economic expansion.

Chapter three describes the history and development of the PLAN from humble beginnings, where the national focus lay more with the nation's army as the CCP feared an inland invasion more than any threats to the coastline. There will also be an analysis of how nationalism and image theory have driven this naval modernization, with regard to a need for increased prestige, and a greater role for the PRC in the region.

Chapter four looks into the abundant natural resources that have been discovered off the coast of China, and the necessity of dominating said resources should the PRC wish to continue their incredible degree of economic expansion and growth.

Chapter five discusses the regional military rivalries, and how they relate to the incredible competition to dominate the natural resources found in the Yellow Sea, South China Sea, and the East China Sea. This chapter will also examine how Chinese naval modernization has pushed regional rivals into an arms race, in an attempt to keep pace with changes in the PLAN force structure and capabilities.

Chapter six examines the U.S. Navy’s presence in the region, and the U.S. objective of strengthening regional alliances, in an attempt to contain any military threat that may be posed by an expanding PLAN force structure in East Asia.
Chapter seven considers potential conflicts over straits, which prove vital to international trade, the U.S. defense of regional allies, and other issues that could spark a conflict in the region.
Chapter 2
Analysis of Nationalism and Image Theory

There are a number of factors at play in the PLAN’s drive to modernize and modernize quickly at that. Of course as will be discussed there is the need to keep up with a region that sees many of its navies increasing their capabilities. The ability of the Chinese to meet a changing security environment in East Asia is crucial, and a powerful naval presence is seen as a necessary first step. There’s also the connection between the need to secure offshore energy resources, which will prove vital in efforts to continue the breathtaking economic growth, that has propelled the People’s Republic of China into one of the world’s fastest growing and most dynamic economies. As the Chinese economy continues this remarkable growth, the PRC has begun to assess what it sees as its dominant role in the region. These efforts inevitably run into a wall of sorts however, when PRC influence in the region runs up against the power of the world’s sole superpower the United States. With a substantial military force (including a sizable naval presence in the region), as well as significant interests in the region the US presence may be viewed as an attempt to check the aspirations of this rising power. While all of these factors are focused on the external needs to modernize the PLAN, this chapter will examine two theories that provide an explanation for the internal forces pushing this modernization. In other words, those explanations may be offered at the state level in an effort to illustrate the necessity of PLAN modernization, while these two theories provide the justification at the individual level. Therefore, this chapter will focus below the state level to study the forces operating at the individual level of analysis.
The first theory to be discussed is nationalism. This is a powerful force in that it produces strong in-group/out-group dynamics in individuals. One common sign of nationalism affecting a state are pronouncements of one state’s superiority, or the inferiority of another, with statements and actions holding the intention to dominate others. Examples of nationalist sentiments include, “‘In view of America’s moral and material superiority, it is only right that we should have the biggest say in deciding UN policy,’” and “‘Other countries should try to make their governments as much like ours as possible’” (Druckman, 1994). A robust sense of group loyalty often develops when examining this phenomenon. In general, individuals will respond to this group loyalty in different manners. For example, Terhune has noted, “the nation achieves personal relevance for individuals when they become sentimentally attached to their homeland (affectively involved), motivated to help their country (goal oriented), and gain a sense of identity and self-esteem through their national identifications (ego involved)” (Druckman, 1994). Along with these responses, many individuals will internalize their nation’s norms and role expectations. Once individuals have solidified their own sense of identity, they then begin to distinguish between groups that are like them, and those that are not often becoming critical and/or detached from those that are seen as different. Strong feelings toward one’s in-group may lead to the devaluating and even hatred of an out-group, which may be another nation or people group. Often these devaluations take the form of negative stereotypes. This may be seen even within nations as one race may devalue another through the use of stereotypes. This may be seen quite frequently when one race stereotypes another as under or even over-performing economically. In the case of an under-performing group, they may be deemed stupid and lazy, while an over-performing group may produce resentful and envious hatred, or other
stereotypes along these lines. Once a negative stereotype has been firmly established within a population they prove very difficult to reverse. These negative stereotypes also serve as a sort of screen that keeps disliked nations at a distance thus often resulting in a lack of information and gross misperceptions. Also, it has been shown that people tend to remember information that supports their beliefs about an individual or group, while forgetting or not accepting disconfirming evidence.

The origins of nationalism may be seen in the effort to create a state. In the beginning, the primary identity lay in tribes, family, the village, and so on. In order for states to come into being, it was necessary for that identity to be transferred to the larger group or nation. Take for instance the Kurds. The Kurds possessed the resources to build a strong economy such as oil that would be necessary to establish an independent state. While the groups around them such as the Turks, were able to shift their identity to that of the nation of Turkey, the Kurds could not at the time, and were thus consumed by nations such as Turkey instead of creating a state called Kurdistan. Another example is Somalia, where the first-identity was created for a state called Somalia however, the identity of the various clans soon returned to dominance as the repressive leader Major General Mohammed Siad Barre favored his own clan in political matters. This led to a movement away from Somali identity and back to that of the clan. Nationalism also leads to fairly predictable patterns of behavior within the state which include the fact that, “Intragroup behavior, that is, politics within the nation, generally conforms to the patterns described for a cohesive group: willingness to sacrifice for the group, refusal to leave the group, cooperative task performance, heightened sensitivity to insults, frustrations, aggression by outgroups, and a resulting tendency to exacerbate conflicts” (Cottam & Cottam, 2001).
Often a leader will make use of these patterns of behavior. An example of this is Hitler, who used nationalism as a tool to come to power by attempting to enhance the self-esteem of the German people who felt humiliated by the loss of World War I and the Versailles Treaty. He also made use of a “scapegoat” for many of the problems faced by the German people with this scapegoat being the Jewish people. This represents a common theme in the nationalist literature, where a group who feels that they were once a great power, but are falling from a high level of power and prestige to seek out a scapegoat whom they can blame. This also occurred in the genocide of the Armenians by the Turks as they had previously taken part in uprisings against the Turks. The Turks could then blame their loss of face on the international stage on the Armenian people, and seek revenge against them. This example had a profound impact on Hitler’s own thinking about the Jews. Hitler then pursued wars of aggression against neighboring states in an attempt to increase the prestige of the state.

An interesting dynamic of international relations that may be explained through nationalism is in the decisional latitude of states based on their internal dynamics. Take for instance a nation like the Soviet Union, which possesses a large number of minority groups within the population. Contrast this with a state such as Nazi Germany, which is far more unified in terms of holding a strong, common German identity. A leader such as Adolph Hitler would have far less decisional latitude when national prestige is at stake than a leader of the Soviet Union. Again this is because Nazi Germany represents a true nation-state, where it may be argued that the Soviet Union represented a multi-national nation-state. In such a situation, where national prestige was at stake it would be best not to pressure a leader
such as Hitler, for he would possess far fewer policy options to avoid conflict than would a Soviet leader.

There is also the potential to shift identities. For instance, at one time a citizenship-based identity may be primary, and then a shift may occur to a religious identity. An example of this may be seen in Iraq today, where at one time the Iraqi national identity was dominant. It seems to have shifted however to a religion-based identity as Sunnis fight Shiites in the streets for power.

The greatest strength of nationalism as a theory of international relations is that it provides an excellent illustration of the conditions that lead to some of the most barbaric actions in international relations. If it is possible to predict when and where genocide may occur, then the sooner action is taken the more lives may be saved in the process. Nationalism as a theory also has a great amount of explanatory power in illustrating why certain states behave as they do.

Nationalism operates as a powerful motivating force for change when it is able to unite a nation’s citizenry behind common goals set forth by the leadership. This has definitely been the case in the PRC. As will be seen in the example of the PRC, conditions within the nation as well as throughout the region of Asia as a whole, not only promote strong nationalistic tendencies, but also provide a dangerous tinderbox, where these passions may quickly erupt into violent conflicts.

Nationalism developed in China in response to the threat posed by outside powers seeking to carve up and dominate this large yet weak nation. The idea of a Chinese nation really did not emerge until around the late 19th century. This push for a common identity was due in large part to those in China who were well aware of the new political order
outside of their territorial boundaries where nations had already developed these common senses of identity. These nations were also far more advanced than were the Chinese with regard to economic and military development. Intellectuals within China would seek to catch up with these nations by first developing a sense of nationalism as a first step in the hopes of avoiding foreign domination. The reason that this was so critical to fighting off outside powers was that the Chinese during this period were divided up according to region or by lineage-based groups. If they could not unite as one they would not likely have the power to rebuff the advances of outside forces. Unfortunately for the Chinese, they would not be able to present a united front against their enemies, and the Chinese suffered humiliating defeats at the hands of the British, French, Germans, etc. It isn’t until around 1949 with the founding of the People’s Republic of China that a strong sense of nationalism really begins to take hold. The political leadership would also test this nationalism during the Cultural Revolution (1966-1976), at which time Mao attempts to turn the loyalty of the Chinese youth away from their parents and other authority figures, and focus this fealty entirely toward the state. At the time, the political leadership encouraged young people to participate in “criticism, denunciation, and violence against authority figures such as officials, teachers, and even their own parents” (Fong, 2004). This dark period of upheaval would eventually transition into a national desire to return to order and stability.

Clearly there is a dark side to nationalism as made evident from the horrific experience of nationalistic groups like the Nazis and the Croatian Ustasha during the Second World War. At the same time, nationalism often plays a very beneficial role in the formation of the state. The primary benefit received from nationalism is the concept of an “‘imagined community’” (Fong, 2004). Within this community, a shared sense of culture, history, and
language can ultimately develop into a common identity. As mentioned, this is a critical component of establishing a common identity for a geographic state, but sometimes the political leadership has a difficult time establishing this strong of nationalism within their population. This challenge to develop a strong sense of nationalistic pride in the youth is illustrated in the PRC, where Vanessa Fong, in her article, “Filial Nationalism Among Chinese Teenagers with Global Identities,” has identified an interesting variant of nationalism that she refers to as filial nationalism. With the rise of globalism, the youth in China today are increasingly comparing and contrasting their experience growing up in China, with that of the youth of wealthy, advanced, industrialized nations in Europe, North America, etc. According to Fong, the Chinese youth today often find it challenging to square the sense of nationalism held by their parents and older generations, with their own belief that China is a seriously flawed nation in comparison to other nations. Of course, these older generations lacked the opportunities that globalization has yielded to younger generations. Many in the generation before grew up during the time of the Cultural Revolution where learning a second language was prohibited. They also often lacked the education and skills necessary to seek employment or study abroad opportunities elsewhere. As a result of this, nationalism for this generation faced essentially no outside competing challenge from societies that might have seemed more enticing or alluring as a destination. This is not the case for the youth today in China, who thanks to globalization, have many more opportunities to seek out these opportunities to experience other countries through educational or work prospects. What Vanessa Fong discovered is that the Chinese youth today often find their own country backward in comparison. Her interviews with Chinese youth carried a consistent theme, where they constantly pointed to large amounts of
corruption, fewer job opportunities, and a high degree of inequality in Chinese society. When they discussed life in the US, Canada, or Europe, there was nothing but glowing statements regarding the high quality of life in these nations. According to one student interviewed in this study, “‘America is the best because everyone there is equal, and anyone can get rich…all the most talented people in the world go to America, so America has the best universities and the most successful companies’” (Fong, 2004). An important distinction with this variant of nationalism needs to be made however. While Chinese youth are increasingly have a difficult time positively identifying the positives in terms of wealth and opportunities regarding living in China versus living in the US, Canada, or Europe, they nevertheless still have a rather traditional sense of nationalism when it comes to Japan. Even though Japan is a wealthy country that has all of the enviable traits that the Chinese youth identify in the US and elsewhere, they do not share these positive feelings when it comes to Japan. According to Fong, “those who returned to Dalian from work or study in Japan balanced accounts of fabulous wealth with accounts of virulent anti-Chinese discrimination and the tempting or coercion of Chinese women into sex work and of Chinese men into criminal gangs” (2004). This is a common thread in the Chinese and Japanese relationship, which is that past atrocities, committed by the Japanese in WWII; still possess a powerful hold over the Chinese psyche. This nationalism, which is virulently anti-Japanese, permeates all aspects of their current relations. One interesting aspect of this study was that it didn’t find that the Chinese youth completely lacked nationalism for their homeland. Rather, it found that their nationalism was still present but that they possessed a more realistic outlook on their home. While they may not have viewed their country as superior in every way to other nations, they still love their country despite of its flaws. Vanessa Fong identifies this
as similar to a love for one’s family. These Chinese youth might recognize that flaws exist, but they still love and accept their country, as they would a family member, regardless of these imperfections. This is what she refers to as filial nationalism. This concept is clarified by a student she interviewed in Dalian who stated that, “I love China because China is my motherland, not because I think China is better than other countries. China is poorer and more backward than other countries, but my parents are also poorer and more backward than many other people’s parents. I can’t renounce my motherland any more than I can renounce my parents” (Fong, 2004). This concept of filial nationalism demonstrates the complexity that is involved in any discussion of nationalism. Some Chinese from older generations might question the nationalism of the youth of China, but the reality is that it is still very much present, even if they occasionally point out flaws in their system.

The environment that the PRC finds itself in is not only loaded with nations possessing high levels of nationalism, but also a number of other factors, that could lead to horrific hostilities one day. According to Michael Evans, “Asia is home to eight of the world’s ten largest militaries and it contains four dangerous flashpoints: the Taiwan Strait, the Korean Peninsula, Kashmir, and Pakistan-Afghanistan (2011). This environment hosting nations that rate as highly nationalistic in nature, furthers the argument that this region represents the future of conflict, and where the US will increasingly turn its focus in foreign policy. To further illustrate this point, consider this quote from a 2008 study on US Asian policy:

Asia is not a theatre at peace…suspicious rooted in rivalry and nationalism run deep. The continent harbors every traditional and non-traditional challenge of our age; it is a cauldron of religious and ethnic tension; a source of terror and extremism; an accelerating driver of the insatiable global appetite for energy; the place where the most people will suffer the adverse effects of global climate change; the primary source of nuclear
proliferation and the most likely theatre on Earth for a major conventional confrontation and even a nuclear conflict (Campbell, Patel, & Singh, 2008).

It is because of these conditions and the high degree of nationalism present throughout the societies of this region, that it will increasingly draw the very focused attention of the international community.

Along with the highly charged environment that these nations find themselves in, there is also the fact that the nations of East Asia show signs of very high levels of nationalism in their behavior. This is clear when one considers that “China was placed in a cluster of East Asian states, the cluster of states most likely to be characterized by intensely nationalistic behavior in the post-Cold War era” (Cottam & Cottam, 2001). When one examines the region of East Asia, they find a number of nations with a very high potential for nationalistic behavior. These nations include North and South Korea, Japan, Vietnam, and China (Cottam & Cottam, 2001). Much of Chinese nationalism comes from their strong sense of history and times of internal weakness when external powers took advantage of the opportunity to divide up the nation, and extract as much wealth as possible from the Chinese. It is with these periods of exploitation at the hands of the Western powers that many Chinese fully support a more aggressive PRC in its foreign policy. As is so often the case, history with regional rivals also plays a major factor in Chinese nationalism. This is especially true when applied to the example of Japan. During WWII, Japan committed unspeakable atrocities against the Chinese people following their invasion and occupation of the mainland. The horrors committed during this period reached their zenith during the Rape of Nanking in 1937, which saw the brutal killing of hundreds of thousands of innocent Chinese citizens at the hands of their Japanese occupiers. Following the Second World War, the Japanese attitude regarding this period, and their complicity in these atrocities came across as
far too close to denial to satisfy the traumatized Chinese citizenry and their leadership. This lack of contrition on the part of the Japanese is a major factor in the relationship between the nations of China and Japan today. To this day, there exists a strong distrust of the Japanese intentions, and fear of their military capabilities. While much time has passed since the horrors of the Second World War, flare ups of nationalistic zeal on the part of the Chinese still occur as seen during the violent demonstrations that followed Japanese Prime Minister Koizumi’s visit to a Tokyo shrine, where the fallen Japanese soldiers of WWII are honored (Zhao, 2005).

The leadership of the PRC actively encourages this focus on Japan as a potential external threat to the nation as one means of encouraging a strong sense of nationalism within the people of China. The reasoning behind this is that the stronger the level of nationalism, the more likely it is that the Chinese people will associate a first-intensity level identification with the Chinese national community. The stronger this identification is, the less likely the leadership will have to deal with regional factionalism should regional communities begin to identify more strongly with these communities than the national community overall. In an interesting way, the national fears posed by the Japanese as an external threat, as well as the collective trauma of the atrocities suffered during the Second World War, aid in attempts to unify the collective consciousness of the people into identifying with the national community on a first-intensity level. As mentioned previously, the Japanese are not the only targets of Chinese nationalism, there is also the collective memories of subjugation at the hands of the Western powers. This anti-Western nationalism in China may be seen in the vociferous reactions against the United States. One example of such a heated response against the United States came during the Clinton Administration,
when NATO fighters accidentally bombed the Chinese embassy in Belgrade, Yugoslavia during combat operations. These protests saw tens of thousands of protestors in Beijing where the US Ambassador to China Jim Sasser describes being held up essentially as a prisoner within the embassy fearing for his life. As he stated, “The problem…is that this whole thing could spin out of control Sasser told CBSs Face The Nation by telephone. Were [sic] just hoping that the police can continue to control them. Sasser reported extensive damage to the embassy, including his personal residence. He said he has been confined to the embassy for 48 hours, separated from his family” (MacKinnon, Sadler, Black, & Koppel, 1999). The CCP realizes that the fury often directed against external actors such as Japan and the United States could quickly and violently turn in their direction. Thus they often harness the power of Chinese nationalism as a unifying force, while realizing its potential as a double-edged sword if it should suddenly turn against them.

The CCP has relied on its ability to manage the incredible economic growth of the PRC as the primary source for the regime’s legitimacy. However, it would appear that they would be forced to increasingly utilize nationalism as a tool to enhance the regime’s legitimacy. This is due to the fact that the 2008 global recession has arguably shown some economic instability inside China (Ross, 2011). Furthermore, any notion that the economic growth will continue unabated is entirely unrealistic. According to Liu Kang a professor of Chinese cultural studies at Duke University, “‘the current Chinese communist government is more a product of nationalism than a product of ideology like Marxism or Communism’…Kang says today nationalism has probably ‘become the most powerful legitimating ideology’” (Bajoria, 2012). For this reason, the CCP must increasingly shift their focus to a far more nationalistic, aggressive foreign policy.
This aggressive foreign policy is going to be progressively more focused on issues on reunification. The primary target in this instance is going to be Taiwan, which the CCP views as a breakaway republic that must be brought back under the control of the mainland. Some argue that this is the main motivating force behind the PRC’s strong emphasis on naval modernization. Furthermore, a great deal of their modernization efforts have focused on amphibious assault operations and what is referred to as “‘anti-access operations’” (Yoshihara & Holmes, 2010). These anti-access operations “are defined as actions taken to deny U.S. forces from deploying to a position in theater from which they can conduct effective operations against Chinese forces” (Yoshihara & Holmes, 2010). This includes efforts to politically compel regional countries into not allowing US access to forward operating bases, as well as the ability by the PRC to launch quick, devastating attacks against already existing US operational bases and naval forces. Clearly this strategy is conceived purely with the thought of a surprise, rapid attack across the Taiwan Strait in an attempt to regain what the PRC views as lost territory. Would a return of Taiwan to mainland control, which many in the PRC view as the last piece of territory lost to foreign aggression, satiate the need for an evermore-powerful PLAN? Many argue that the “‘day after Taiwan’” might only increase Chinese desires for a blue water naval capability, and push nationalistic desires to see the prestige of the PRC rise ever higher (Yoshihara & Holmes, 2010). From the military’s perspective gaining control of the island of Taiwan would break the PLAN out of any attempts at containment that the US and regional allies might attempt. Taiwan would provide the PLAN with unfettered access to the Pacific, and serve as a launching off point for operations in the region, as the CCP attempts to thwart regional rivals access to valued islands and natural resources in the area.
The second theory is image theory, which studies the perceptions held by leaders and how these strongly held views affect their decision-making in foreign policy. Image theory seeks to explain how “images” of states and groups often produce predictable behaviors. For instance, the US held an enemy image of the Soviet Union based on the fact that the Soviet Union was relatively equal in terms of capabilities and culture. This image made the United States’ likely general policy predispositions to be suspicion and containment. Image theory is an important theory for understanding international relations along with how nationalism affects the relations between states and groups.

In the chapter, “Images, Strategies, and Tactics Political Psychology and Theory Building” by Martha Cottam, the author illustrates the central dynamics of image theory. The author utilizes image theory to provide the reader with an explanation of US interventionism in Latin America. Cottam makes sure that the reader understands that this theory is not predictive in nature. Rather, it is important in explaining state behavior on the international stage. The beginning of the chapter lays out the various dynamics within image theory that must be analyzed. These include such attributes as how states perceive intention, power, culture, and self-image. Once these critical elements are explained the author then applies image theory to explain the US perceptions of Latin American state. According to the author, “Latin American countries are the prototypical example of the US dependent image: weak, childlike, inferior, inept, and led by a small and often corrupt elite. This type of country is viewed with contempt, and its society and polities are seen in very simple terms; they are not treated as equals because they are not seen as equals” (Cottam, 1994). Based on this perspective, along with the superior US capabilities, the US behavior toward these states will be very aggressive if the leadership sees an enemy seeking influence in the
region. Along with this point, the US believing that Latin American states possess an inferior culture will not negotiate with these states in the same deferential manner they would with a neutral state. Finally, the author applies theory to several case studies involving Latin American states in order to illustrate this relationship with the US.

Another interesting dynamic of image theory is that once an image has taken shape in the mind of a policy-maker it is very difficult to remove that image when disconfirming evidence is presented. This is made evident in the article, “Images in Conflict: The Case of Ronald Reagan and El Salvador” by Shannon Lindsey Blanton. This article provides a case study of image theory by studying President Reagan’s efforts to manage the information coming in that might have called into question his strongly held image of El Salvador. This represents the idea that once an image is formed and strengthened within the mind of a leader, there is a tendency to find ways to reject that information, thus preserving the accepted image. Blanton in her study looks at “event data,” which consists of daily newspapers such as the New York Times (Blanton, 1996). She also studied all of the public statements made by President Reagan between the years 1981 and 1984. Finally, she produces a coding scheme for his responses to information that may contradict his image of El Salvador. She then produces a table illustrating the results of the study, which found that President Reagan worked very hard at defending his image, utilizing all of the schemes with the exception of acceptance.

For instance, a group or state may begin a conflict viewing the other through the image of the diabolical enemy, but these images often shift to a new one. In this case, one group may begin to view the other through the image of a barbarian, in which case acts of genocide become a real possibility. Image theory is also useful in peacetime as well. One
major problem for the US today is transnational crime, and particularly drug trafficking most notably along the US/Mexican border. In attempts to deal with Mexico, the US has often employed the colonial image, which it tends to use throughout Latin America. As a result of this image, the US often treats Mexico, as the sole obstacle to the problem while nationalism will not allow the US to admit its own blame in the situation. If one thinks about the drug trafficking issue, it is clear that the US is the world’s largest market for cocaine. As long as the US keeps up the demand for such illicit drugs, there will be someone there to supply it. Mexican officials often point this out to American officials who for the most part have ignored such sentiments. In order to do something about the demand for illicit drugs that exists in the US we would first have to admit that we have a problem. Instead, US leaders like Bill Clinton say things like “Mexico has a drug problem.” Along with this point, the US often treats Canada as an ally in the “war on drugs.” The US is far more willing to share intelligence, and cooperate in anti-drug efforts with the Canadians, than they are with the Mexicans.

Image theory plays an important role in understanding the dynamics involved in the relationship between the US and the PRC. American nationalism often shows its face on the issue of human rights, an issue with which the Chinese are frequent targets of American condemnation. The Chinese often see these charges of human rights violations as an insult to their national pride. In coordination with perceived attempts by the American Government to meddle in the affairs of the Chinese economy (currency manipulation), regional affairs (the PRC’s dispute with Taiwan), and finally internal matters (human rights) are viewed through the prism of the imperial-colonial images. From both the US perspective, as well as that of the Chinese, nationalism is stirred up by these sometimes-hostile interchanges.
Americans are often taken aback by the surprisingly nationalistic reaction that follows these episodes. In this way, it may be seen that “Americans failed to anticipate a strong negative reaction among the nationally inclined Chinese population to perceived affronts to national dignity, prestige, and grandeur and opposition to national unity” (Cottam & Cottam, 2001). This behavior on the part of the US is viewed by Chinese nationalists as representing a form of the imperialism that the Chinese experienced first-hand throughout the nineteenth century at the hands of the Western powers. Of course this does nothing but exacerbate the Chinese nationalism and tensions in the region. Chinese nationalists increasingly identify American intentions as that of a hegemonic power forcefully exerting its will over a nation that it still perceives in the colonial image. While the Chinese nationalists desire increased national grandeur and prestige embodied in efforts such as the drive for reunification, they tend to view the US role as seeking to thwart their continual advancement. These intensely nationalistic perceptions exist on both sides, and represent a grave danger to peace in the region, as it will invariably push the two parties into a dangerous conflict. As the Chinese population becomes more nationalistic in their outlook, as well as getting reinforced by the nationalism and perceptions of the Americans a situation could very easily arise where conflict between the Chinese and American forces becomes almost inevitable. This could arise from a decision by the Chinese to push for reunification with Taiwan, or the Chinese might simply decide that they want to challenge the US military supremacy in the region. In this way, American nationalism and their image of the Chinese could actually push the Chinese to become more nationalistic and aggressive regarding their behavior in the region. A situation might arise where American imperialism in Asia is replaced by Chinese imperialism (Cottam & Cottam, 2001).
The relationship between the Japanese and the Chinese is an interesting case study of image theory. As mentioned previously, the Chinese still live with the collective memory of the traumas suffered during the Second World War. This horrific experience still resonates with the nationalism of the Chinese people and their leadership. China is slowly altering their perception of the Japanese, however, from the image of the imperialist to that of an enemy. The primary changes in their perception are likely due to the rising Chinese nationalism, as well as, the increases in Chinese military capabilities. Within the last decade or so, the Chinese would have considered the Japanese Self-Defense Forces far superior (certainly when considering naval capabilities) to the PLA. This is changing, however, as they increasingly view their militaries as equals. If trends continue with regard to military spending levels, it is highly likely that the PLA capabilities will surpass the Japanese Self-Defense Forces, both in real terms as well as in the perceptions of both populations. The Japanese have become progressively more nervous with regard to increased PLA capabilities, along with PLAN activity in the region. According to Japanese Prime Minister Yoshihiko Noda, Japan’s security environment “‘has grown increasingly murky due to China’s stepped-up activities in local waters and its rapid military expansion” (Liyao, 2011). As a result of these Japanese fears, they have decided to turn to the United States, their superpower ally, as well as South Korea, in an attempt to closely align these three forces as a counterweight to the rising power of China (Fackler, 2010).

The Japanese and the Chinese have a very tense relationship as a result of both Chinese claims to disputed territory in the East China Sea, as well as the PLAN’s activities in the South China Sea. PRC officials have expressed their fears that the Japanese will move into the Spratlys as well, due to the Japanese voicing their concern over the Chinese force projection in the South
China Sea. One Chinese writer stated that, “‘certain Japanese would, when the time is ripe, widen the scope of naval escorts to intervene in the dispute and make matters in the southern seas even more complicated’” (Shambaugh, 1997). The South China Sea is very important to the Japanese, which of course the Chinese understand, and this is a weakness in their potential enemy that they hope to exploit. This importance is highly strategic as the security of Japanese energy supplies is at risk in the South China Sea. This lifeline of energy supplies is represented by the large amounts of goods that include oil from the Middle East traveling through this region on its way to Japan. It is estimated that some 1.1 billion tons of goods annually make their way through the Malacca Strait, South China Sea, and Bashi Channel going either to or from Japan. Imports entering Japan equals roughly 900 million tons, and Japanese exports moving this through this area account for some 200 million tons each year. Japan consumes vast quantities of crude oil alone, and 90 percent of this crude oil makes its way through the Malacca Strait, South China Sea, and Bashi Channel. While the Japanese realizes the threat that Chinese operations and continued consolidation of the South China Sea means to their freedom of shipping, they are restricted to defense within 1,000 nautical miles from Japanese soil. The Japanese are being pushed to the point where action seems highly warranted as the Chinese ambitions and actions in the South China Sea threaten Japanese security to a large extent. An intervention by the Japanese to face this security risk could spark a very destabilizing regional conflict as other states in this area fear Chinese regional hegemony. In conjunction with this point, these states see the disputed islands and resources of the South China Sea as being stolen from them by their powerful northern neighbor. There are also disputes regarding who owns the continental shelf of the East China Sea and the Senkaku Islands, which are believed to possess large oil and natural gas reserves (Hiramatsu, 2001).
As an illustration of just how heated relations between the Japanese and Chinese can get in the East China Sea consider the case of Zhan Qixiong who nearly created an international incident in the name of nationalist fervor. As mentioned previously, both the Chinese and Japanese claim control over the Senkaku Islands (Diaoyu Islands as the Chinese refer to them). The furor originated with the arrest of Zhan Qixiong, a Chinese fishing boat captain who rammed two Japanese Coast Guard ships off the coast of the Senkaku Islands. His arrest produced a strong nationalistic response from the Chinese with the Chinese Prime Minister Wen Jiabao refusing to meet with Japanese Prime Minister Naoto Kan. Prime Minister Wen Jiabao also threatened the Japanese with “‘further action’ if it did not unconditionally release the fishing boat’s captain. The Chinese government also blocked exports to Japan of a crucial category of minerals used in products like hybrid cars, wind turbines, and guided missiles. It even detained four Japanese” (“China’s,” 2010). In an effort to end this embarrassing standoff, the Japanese released Zhan Qixiong three weeks later and the Chinese immediately demanded an apology and compensation for his time in prison. Another incident took place in April 2010 when a Chinese helicopter buzzed a Japanese destroyer (“China’s,” 2010). More and more, one sees evidence of China behaving aggressively in its relations with Japan as Chinese nationalism rises. Along with an increase in nationalism, there is also a shifting in images from the enemy image to that of the imperialist image. This shifting image coincides with rapidly advancing economic and military gains on the part of the Chinese. It also helps to explain why the Japanese are looking more frequently for help from their superpower ally the U.S. to help balance against the increasingly unpredictable Chinese.

Another regional rival that must be given consideration in any discussion of the P.R.C. is Vietnam with whom China has often had quite strained relations. Many of their
recent issues have been over the control of a series of islands known as the Spratly Islands. By 1989 the PLAN was busy building up its military presence on the Spratly Islands that were now under Chinese control. It seemed at the time that the dispute between the Chinese and Vietnamese over these islands could escalate into a serious military conflict. Heated rhetoric over the dispute came from both sides. In John W. Garver’s (1992) article, “China’s Push Through the South China Sea: The Interaction of Bureaucratic and National Interests” he provides one such example as the PLA paper *Jiefangjun bao* stated in April 1988:

> The Chinese people love peace and do not hope for war….But the Vietnamese authorities are wrong in thinking that we are weak and easy to bully because we desire peace. China’s sacred territory tolerates no aggression. We advise the Vietnamese authorities to abandon their ambitions of swallowing up China’s sacred territory, to withdraw from the islands and reefs they are occupying illegally, and to stop all their activities aimed at occupying China’s Nansha Islands and their reefs. Otherwise, they will be responsible for all the consequences arising therefrom (1014).

In this instance, the Vietnamese clearly see the Chinese through the imperialist image. This is evident when one considers the far superior economic and military might possessed by the Chinese along with their threatening behavior in the region. According to Thuc Vy Huynh a 27-year-old Vietnamese blogger and activist “‘Vietnam has always been in a bad position to have such a large and powerful neighbor as China, but we are also angry that the Vietnamese government takes such a subservient attitude toward China’” (Demick, 2011). This quote makes clear the pressure that the Vietnamese government is under to take a tougher stand against Chinese aggression from its own intensely nationalistic population. In the case of the Spratly Islands, however, the Vietnamese government grasps the precarious nature of their situation, and is understandably slow to provoke a Chinese response. While the Vietnamese have successfully rebuffed Chinese aggressions in the past the chances of repeated success have greatly diminished in the face of a rapidly modernizing PLAN.
Finally, the most important dynamic in the region is that between the P.R.C. and Taiwan. These two nations are the most likely to dissolve into conflict, and (most likely) pull the United States into the fray. China views Taiwan through the colonial image, while Taiwan sees China in the imperialist image. It is true that Taiwan receives advanced weaponry from the United States. These weapons sales inevitably draw intense frustration from the Chinese. Regardless of these advanced weapons systems, Taiwan is waging a losing battle over time. Chinese modernization is quickly outpacing any efforts in defense on the part of the Taiwanese thus leading the Taiwanese to lean heavily on their American allies to balance the rising power of the Chinese. The good news is that recent events have proved promising for a gradual, peaceful integration to take effect. The two sides are currently working to increase their economic interdependence through The Economic Cooperation Framework Agreement (ECFA). By focusing on closer economic integration, the two sides may later turn to closer political union, while both sides strive to avoid a violent confrontation (Bush, 2010). There is cause for concern, however, when one considers the very different expectations that the two populations have for the long-term outcome of this fragile relationship. According to Richard Bush of the Brookings Institution, a poll conducted in both nations found that “sixty percent of Taiwan respondents believed that the status-quo would persist. Sixty-four percent of PRC respondents said that the two sides would become one nation. So, Taiwan prefers stabilization, while Mainland people expect to see resolution on Beijing’s terms” (Bush, 2010).

China’s rising economic and military power in a region with highly nationalistic populations could mean that the future of conflict will see a dramatic shift to East Asia. As China’s economic and military might increase, the image that regional rivals have of China also evolves as neighboring nations begin to view them more through the image of the imperialist
power. How China handles this period and likewise how the United States will manage China’s rise in power will determine whether a peaceful transition is possible.

This study relies heavily on nationalism and image theory to help explain the behavior of the nations in East Asia as well as the United States. As such, this study will be less empirical in nature, more focused on case studies, and how those case studies may illustrate the motivations behind actions and reactions by the nations involved in this analysis. This chapter examined the region of East Asia, and after clearly defining what is meant by nationalism, elucidated the role it plays in the region. Following that section, image theory was defined, and several case studies made clear how image theory may effect relations between the different states discussed in this analysis. Throughout this study there will be references to both nationalism and image theory to help explain the dynamics between nations, and the potential for peace or conflict in the region.
Chapter 3

Chinese Economic Modernization

China’s economic expansion has been absolutely stunning when one considers both the speed with which they have risen, and the economic level of the nation at the beginning of this period. Under Deng Xiaoping’s four modernizations, China would experience its greatest period of growth in the modern era. The leadership of the CCP succeeding Deng Xiaoping has successfully managed this incredible growth. Along with this rise in economic strength, the Chinese leadership has also focused much of their attention on the modernization of their military. Of course this sort of behavior is typical for a rising power, and in this way China is acting, as anyone would expect them to as they seek out a corresponding increased influence in the region. The interesting dynamic is that much of their attention in military modernization is focused on naval modernization. Much of the reason for this emphasis on naval modernization comes down to the critical need to dominate the offshore oil and gas fields, which will help fuel their continued economic expansion, as China now seeks out energy resources around the globe. With regional rivals such as Japan, South Korea, and Vietnam also competing to control these natural resources, it is critical for the Chinese to develop a powerful naval force capable of backing up the heated, nationalistic rhetoric often emanating from Beijing. This chapter explores the dynamics involved in the relationship between the PRC’s continued economic growth, and PLAN capabilities in the struggle to secure the natural resources needed to fuel China’s roaring economy.

Following the tumultuous years that China experienced under the leadership of their revolutionary hero Mao Zedong, where absolute devotion to ideology produced a rigid, often archaic system of government, the CCP were looking to make some sweeping changes in not
only how they ran the government, but also how they thought about their society. The new
leader who would usher in these changes was named Deng Xiaoping, and he would
dramatically alter the economic system, as well as the nation’s military forces, through his four
modernizations. These four modernizations focused the attention of the government on
achieving vast increases in the fields of industry, agriculture, defense, and science and
technology. In order for these four modernizations to take effect, it would mean that
elements of capitalism would increasingly be introduced to the socialist system. For
example, in an effort to increase the production of farms Deng Xiaoping introduced the
policy of farmers being allowed to keep a larger portion of their crops instead of having to
turn over all of their crops to the commune. This meant that farmers would form “‘work
groups’” where each group would till their designated land and own whatever is produced.
This occurred under the caveat that one single family could not farm the land, and that the
land remained state-owned. Of course, many would ignore this rule and proceed to cultivate
family plots. This program was very successful at increasing agricultural productivity levels.
By 1984, the increases in production were stunning, as the national grain harvest had risen to
448 million tons from 335 million in 1978. Meat also became far more widely available for
the average Chinese citizen (Kynge, 2006).

Following the lead of the agricultural rule changes there was suddenly a major shift in
Chinese economic policy concerning the creation of special economic zones or SEZ’s. In
1979, Deng Xiaoping ordered the establishment of these SEZ’s in four areas along the
southeast coast. These SEZ’s were to be located in four new areas in the provinces of
Shenzhen, Zhuhai, Xiamen, and Shantou. The purpose of these SEZ’s was to encourage
foreign investment in export projects. These SEZ’s functioned in that the Chinese
government would “build a modern physical infrastructure, provide a well-trained labor
force, and offer preferential tax rates, exemptions, and holidays” (Harding, 1987). Thanks to
their locations with coastal cities providing easy access to major ports for shipping, they also
were located to major populations of overseas Chinese communities, which would become
key sources of investment in these enterprises. These overseas communities included Hong
Kong, which would eventually be incorporated into the PRC in 1997, as well as Macao,
which also joined the PRC in 1999. The importance of placing these SEZ’s where they did
was that it allowed these regions to closely integrate economically with the areas that
Chinese leadership wanted to see return to the mainland. In this way their plan were very
effective. Of course, another key area that Beijing hopes to see incorporated as well is
Taiwan, and SEZ’s off the coast have closely intertwined the two economic systems.

Outside of the SEZ’s, there was another change that could be seen in how a lot of
private businesses operated in areas around the Pearl River Delta bordering Hong Kong as
well as in the Zhejiang and Jiangsu provinces. These areas would prove to be the staging
ground for a revolutionary change, as companies were formed under the guise of being
socialist and state owned, while they operated in all actuality as capitalist enterprises. The
trick was that they had to label themselves as being a “‘collective,’” meaning that they were
owned by the state (Kynge, 2006). Under this new iteration, collective meant that they were
owned a group of private or partly private owners. In order for these businesses to continue
operating meant the complicity of local party officials who would be forced to turn a blind
eye to actions that were clearly not authorized under the law. The collusion of local
government officials could be attributed to the fact that these new businesses were the most
vibrant creators of jobs, and of course ended up being the most consistent source of tax
dollars for local governments. While not part of the special economic zones that Deng Xiaoping created, these areas were often great sources of economic growth and vitality, and for a rather interesting reason. It is because so many people in these regions were willing to disobey the Party’s decrees, and pursue more capitalist policies than were allowed at the time that these areas proved to be so economically dynamic. These areas that have been discussed, such as the Pearl River Valley, which were referred to as development triangles, were seen as trade and investment promotion zones (Harding, 1987). In these areas, greater emphasis was placed on growing and processing agricultural products that would then be sold on the international market. The development triangles and the special economic zones “have transformed all of coastal China, with a population of about 200 million people, into a single ‘development belt,’ offering greater incentives to foreign investors, more freedom to approve contracts with foreign entrepreneurs, and increased control over foreign exchange” (Harding, 1987).

These efforts to modernize the economy have yielded tremendous results in a relatively speaking brief period of time. When one considers that China was just emerging from a time of great upheaval as Mao’s misguided Cultural Revolution complicated their economic situation, as well as leaving much of the country psychologically scarred. That Deng Xiaoping could inherent a nation that was arguably broken following the Cultural Revolution, and through his pragmatic leadership quickly and dramatically alter China’s political and economic course. The pragmatism that led him to seek out the best available options without maintaining an ill-fated course due to ideological blinders is best captured in his famous quote, “it doesn’t matter if a cat is black or white, so long as it catches mice” (Anderson, 2010).
The growth rates following the reforms of Deng Xiaoping have been consistently very high. During this time there were only two years with (relatively speaking) sluggish growth. Those two years, however, prove very significant when discussing the rather precarious position that the CCP faces when it comes to the necessity of strong economic growth for their continued political existence. Growth rates beginning in 1980 have ranged from a low of 3.8 in 1990 to as high as 15.2 in 1984. In only 6 years between 1980 and 2010 have annual growth rates fallen below 8 percent (World Bank.org). This “magic” level of 8 percent growth is what economists say the Chinese economy must seek to maintain. One of those years when the growth rate was at the lowest levels was in 1989 when the annual growth rate was a mere 4.1 percent. This also happened to be the year of the Tiananmen Square democracy protests that captured the world’s attention. This low level of growth is also recognized as a major contributing factor in this period of social unrest. The heavy-handed response by the CCP to the demonstrators in 1989 was pursued with the intent of discouraging any such large-scale protests in the future. While it may be argued that the heavy-handed response by the CCP to those protesting in Tiananmen Square has been effective at deterring such bold demonstrations, the lesson that the CCP came away was clearly that unless the party delivered strong growth their days in power would be numbered. Due to the fear of another Tiananmen Square episode whenever growth dips below the magic 8 percent the CCP is quick to respond with a stimulus package aimed at providing rapid assistance to a stalling economy. An example of such a major stimulus in the face of potential economic headwinds could be seen in the response to the 2008 financial crisis that devastated the economies of the United States and Europe. Obviously China, which depends so heavily on exports to the United States and Europe, could not expect to escape this global
economic downturn unscathed. The CCP feared high levels of unemployment producing wide scale demonstrations, and decided to head off this challenge with a major economic stimulus package. This was in response to projections by the World Bank that economic growth for 2009 could be as low as 6.5 percent, which is significantly lower than the 8 percent the CCP needs to maintain. China was already feeling the effects of the global economic downturn when as one economist from Shanghai stated, “‘it’s tough to be optimistic…the three engines of growth—exports, investment, and consumption—have all slowed down’” (Anderson, 2010). In order to ensure a strong enough response to the economic downturn, the CCP came up with a truly massive economic stimulus plan in the hopes of heading off a serious downturn. This stimulus package would total $586 billion, which would be roughly equivalent to both local and central government spending in 2006. This stimulus spending would be focused on easing credit restrictions, infrastructure, as well as expanding welfare services. It is estimated that this spending allowed for the continuation of 8-9 percent growth. Had the CCP not chosen the stimulus path, the country would have likely seen growth drop to 5-6 percent, which would have significantly raised unemployment levels across the country and possibly provoked civil unrest (Anderson, 2010). This provides an interesting example of the role that the command economy of the CCP may play in the incredible economic expansion that the PRC has enjoyed since the reforms of Deng Xiaoping. In this instance, the central government realized that a massive stimulus plan was needed to head off the negative effects of the global economic downturn, and they were able to quickly produce a very large package to avoid seeing their economy stall as so many others had. In order to juxtapose this response with that of the United States, the Obama Administration produced a stimulus package that was arguably far too small, and did not
have nearly the same positive effect that was seen in the case of the PRC. Of course, in a democracy negotiation and compromise make it difficult to produce such a radical response to a serious economic challenge. This point is confirmed even in the conservative periodical, the *Wall Street Journal*, which in March 2009 declared that “overall, it appears that the state’s push has helped keep China from slipping into a downward spiral…The impressive size of China’s stimulus announced in November, gets some credit for that…But the vestiges of China’s command economy have also proved useful” (Anderson, 2010). The connection between economic growth, social stability, and the future of the Chinese Communist Party is made evident when one considers the potential for large-scale demonstrations should the economy stall, as well as the CCP’s aggressive efforts to prevent such an event from occurring.

One issue that has raised some concerns is over increasing levels of inequality in the PRC. Since Deng Xiaoping’s efforts to introduce some free market principles into their economic system, the Chinese people have witnessed a rising degree of inequality that has rankled many. According to an article in the New York Times, “China has 2.7 million millionaires and 251 billionaires (in United States dollars). But 13 percent of its people live on less than $1.25 per day, according to United Nations data. Meanwhile, average annual disposable income in the cities is about $3,500” (Yin, 2013). This has become a major point of frustration for the Chinese people. Signs of this frustration are easy to detect as one may often hear people regularly complaining about a system that seems rigged against the average person. This is due to the belief among regular people struggling to make ends meet that corruption and party connections play a significant role in allowing a select few to become so wealthy. Of course, there are many nations in the world with high levels of inequality,
including the United States. What makes the PRC any different from these other nations? One could argue that the PRC’s socialist origins, the strongly held belief that corruption or party connections play a major role in the success of some, and finally, an authoritarian system where most citizens remain devoid of the power to change the system, all combine potentially destabilize the power structure of the PRC.

This economic growth has brought about very serious problems when it comes to pollution levels in the country. Of course, this is not only a problem that affects the nation of China, but also the region, as well as the world at large when issues of climate change are considered. Sadly, today the leading cause of death in China is cancer, due most certainly to the shocking levels of pollution that have been the negative consequence of rapid economic expansion. The air quality is terrible throughout the nation, and it is estimated that only 1 percent of the 560 million city dwellers breathe air that the European Union has classified as safe. The levels of water pollution are also a major issue, as well with the World Health Organization finding that the Chinese suffer more early deaths due to water-related pollutants than from the extremely poor air quality. Finally, the waters off the coast of China have not escaped the effects of pollution as China’s State Oceanic Administration finds that over 80 percent of nation’s sea areas are heavily polluted. This pollution, which is the byproduct of lax environmental regulations aimed at increasing growth, may actually be decreasing economic development. According to China’s State Environmental Protection Agency, it was estimated that in 2006 environmental damage caused by these lax regulations actually costs the nation some 10 percent of gross domestic product. The CCP does not attempt to hide the costs incurred by pollution and damage to their environment but rather released their
findings in a white paper entitled, “‘Environmental Protection in China (1996-2005)’” (Anderson, 2010).

As mentioned previously, the pollution levels in China are not only an issue for the Chinese people and their leadership but also represent a serious problem for the region and the world at large. According to the New York Times: “‘Sulfur dioxide and nitrogen oxides spewed from China’s coal-fired power plants fall as acid rain on Seoul and Tokyo. Much of the particulate pollution over Los Angeles originates in China’” (Anderson, 2010). There is also the issue of global warming and China’s significant contributions of greenhouse gases, which are heating up the planet. While China’s reliance on dirty energy and lax environmental regulations have produced high levels of greenhouse gases, the more distressing thing to consider is just how much more they will contribute as their economic output expands. They have surpassed the United States as the world’s largest producer of greenhouse gases, and without major environmental reforms that destructive rise is likely to continue unabated. While the CCP has put forward some initiatives for cutting the national emissions levels for greenhouse gases and has begun to switch over to more green forms of energy, the global economic downturn has made any such effort extremely difficult for the party in these challenging times (Anderson, 2010). Of course, any attempt to improve environmental conditions will fail if it endangers economic growth in China.

The economy stalling followed by rising unemployment levels, and a return to political instability as seen in the Tiananmen Square episode is the greatest fear of the Chinese Communist Party. They will seek to further economic growth in order to ensure their place at the top of the political system. However, aside from the aforementioned scenario, there are a number of factors that could prove detrimental to their presently secure
position. The first is the simple inevitability of a rising middle class demanding more and
more power. As China continues this consistent growth the middle class will
correspondingly grow as well. As the middle class grows in number, and the level of
education in that middle class rises as well, they will seek greater political reforms
demanding more say in the decisions being made at the highest levels. This has been the
pattern throughout the world in free market systems where a middle class becomes more
numerous over time. Eventually, the CCP will have to rein in their control over the
government, and make the transition to democracy (Bergsten et al., 2008).

The second scenario that could play out would be a uniquely Chinese path to
democracy. This very well might have the highest probability of occurring since this plan
bears a striking resemblance to what is often referred to as the East Asian developmental
model. In Japan, following the Second World War this period has been defined politically by
the dominance of the Liberal Democratic Party or LDP. For over 50 years, Japan essentially
was under one party rule, as the LDP remained at the helm guiding the country through
decades of economic growth and development. In Singapore, you see similar trends with the
People’s Action Party or PAP, which has dominated politics since 1959, and likewise guided
the nation through strong growth and prosperity. Even Taiwan did not experience its first
democratic presidential elections until 2000 (Bergsten et al., 2008).

A third potential outcome would be that the CCP refuses to give up power and
continues their authoritarian rule. Should this occur it is likely that the political elites will
become increasingly aggressive and heavy-handed in denying the civil liberties of
individuals, and cracking down on any attempt demonstrate against the regime. Under these
conditions, crony capitalism could likely take hold, and the conditions that allowed for
economic growth would be undercut in the name of political survival. In this worst-case scenario, both political as well as economic gains made since Deng Xiaoping’s reforms would be slowly and irrevocably reversed save for a violent revolution (Bergsten et al., 2008).

As with any economy that is growing at a remarkable rate, the Chinese economy needs substantial sources of energy in order to keep growth rates above 8 percent, and thus preserve the CCP leadership and social stability. This meteoric rise has seen China transform from the largest exporter of energy in East Asia, to the largest importer of energy in the world. China today also ranks as the second largest importer of oil after the United States. The contrast here between the United States and China is an interesting one. The US was able to fuel its economic development in the twentieth century with large oil supplies from states like Alaska, Texas, Oklahoma, the Gulf Coast, California, and Illinois. China was not as blessed in terms of high levels of oil production within their own territory. While they have found a few large fields in the 1960’s and 1970’s, their economic needs quickly outpaced their production capabilities. In 2004 China made up 31 percent of the world’s growth in oil demand, and that high level of demand has had a huge impact on the international price of oil driving ever upward. The signs all point to demand for oil from China only increasing as they become more proactive throughout the world seeking out new sources of oil (Kynge, 2006).

One of the greatest factors in driving up the demand of oil in China along with the pollution levels is the rising number of cars being driven in Chinese cities today. Any examination of the Chinese economy needs to take into account the rising culture of car ownership in a nation with a population of more than 1.3 billion people. Of course, as of
today only a small fraction of that population owns a vehicle, however, car ownership rates are rising quickly, and it would appear that the trends will continue to rise, which is very bad news for the environment. In 2004 alone, over fourteen thousand new cars made their way onto China’s roads. When considering the environmental impact China’s rising car culture means that it will be as much of an automobile polluter as the United States (Fishman, 2005). These trends will also guarantee that energy demand, which is a major consideration in Chinese foreign policy will only increase and possibly quite dramatically in the years to come. As Chinese car ownership increases with the corresponding demand for oil world petroleum prices skyrocket. To put this in perspective, consider that the International Energy Agency predicts that China’s primary energy demand will increase annually by roughly 2.6 percent to 2030. With coal currently providing roughly half of the nation’s energy needs demand for coal is growing at roughly 2.3 percent annually. Oil currently makes up roughly one-quarter of China’s energy use, but demand for oil is rising at 3.4 percent annually. These trends show that while China has invested heavily in other forms of energy such as nuclear, hydro, biomass and waste, and other renewable forms of energy, coal and oil currently represent three-quarters of total energy use with demand rising consistently into the future (Collins, 2008). While demand for both coal and oil are expected to consistently rise into the future, demand for oil will outpace that of coal, and slowly eat into coal’s total overall percentage of energy use in China.

As China sees increasing demand for oil they have shifted from one of the largest oil exporters in East Asia, to the world’s second largest oil importer after the United States. China made this transition from exporting to importing oil in 1993, and its demand for oil has risen steadily through the years. In 2005 production of oil within China was 3.6 million
barrels per day (bpd) with demand levels at roughly 7 million bpd. This ratio is expected to continue, and by the year 2030 it is estimated that China total oil imports will make up about 80 percent of its total oil consumption (Collins, 2008). This means that in order to keep fueling their tremendous economic growth, China has had to seek out oil resources wherever they can thus becoming a major player in the international oil market. This also entails deals for oil and securing new energy sources becoming a dominant consideration of their foreign policy.

Now the question becomes where will China look for the oil it so desperately needs to power its future economic growth? While China has placed a lot of emphasis on diversifying their sources for energy, as with any major oil-importing nation, there are only a few places in the world with oil supplies large enough to satiate China’s demand. The most important source for importing oil is the Middle East. This is not terribly surprising, considering that this region has by far the largest proven reserves in the world, which means that Chinese foreign policy will be greatly enmeshed with Middle Eastern politics for decades to come. It is estimated that by 2015 China will receive some 70 percent of their imported oil from the Middle East alone. After this region secondary sources for oil include West Africa and Russia (Collins, 2008).

The rising demand for oil in China helps explain their foreign policy as applied to regions of the world where oil is plentiful. Take for instance their foreign policy toward the Middle East where they have significant stakes in nations like Saudi Arabia, Israel, and Iran. The Israelis have been hoping that increasing economic ties between the two nations would lead the Chinese to give greater consideration to their perspective on issues within the region. According to Israeli Finance Minister Yuval Steinitz, “China is a growing economic
power…We do hope that if we are able to improve economic ties and connections between Israel and China, it will help us also to explain our positions with regard to the Iranian nuclear threat, with regard to the events in Syria” (Lanman, 2012). While the Israelis have focused their attention on growing their trade with China in the hopes of swaying the CCP’s opinion toward their perspective, the reality is that China is first and foremost interested in Iranian oil. China is currently the largest purchaser of oil from Iran, and as a result of this fact, the Chinese have been firmly on the side of the Iranians, and because of their close alliance with Iran, Syria as well. This dependence on oil from Iran goes along in explaining recent Chinese attempts to block economic sanctions against Iran for their pursuit of nuclear weapons, as well as the Chinese veto of a UN Security Council resolution to force the Assad regime in Syria to cede power, in response to a violent crackdown that has killed thousands of Syrian citizens (Lanman, 2012). The Chinese have placed so much value in their relationship with the Iranians that there is actually talk of the Chinese and Iranians forming a political and strategic axis to balance against the power of the United States. This seems rather unlikely however. While the Chinese certainly do place a great deal of value on their relationship with Iran, and have demonstrated that they are willing to face international scorn by standing up for Iran’s interests, there are a number of points of contention in their relationship. The first and foremost problem is that the Iranians after decades of exploitation by outside powers such as the British have become incredibly hard bargainers with regard to energy deals. The Chinese feel that because of the amount of energy they purchase from the Iranians, as well as the international support they provide them, that special deals should be in order. Along with this point, the Chinese feel that the Iranians with their pursuit of a nuclear weapon have placed the PRC in an awkward position on the international stage. This
Iranian pursuit of nuclear weapons also raises the potential of a military conflict with the United States, which in turn has pushed the Chinese to begin looking elsewhere for oil supplies (Collins, 2008).

The rapid economic growth that China has experienced requires a substantial flow of raw materials to sustain this tremendous growth. These raw materials include iron ore, steel, cotton, and wood. The most important, however, is oil and the need to slake China’s thirst for oil is one of the most important factors in trying to understand their foreign policy decision-making. The Chinese foreign policy is very much the result of rising dependence on oil, as well as China’s growing power in terms of economic and military might. Oil may be seen as a very politicized commodity as it is a vital component for sustaining economic growth along with military power. In this way, it may be argued that securing oil supplies is vital to China’s national security (Guo & Hua, 2007).

For states such as China, which rely heavily on oil imports, their level of vulnerability will depend on a number of factors. If it is believed that the nation has large untapped oil resources within their borders then the state may subsidize exploration efforts, and then exploitation of said oil fields. Unfortunately for the Chinese, it is not believed that there is much in the way of undiscovered oil within their borders, which means that their foreseeable future will have them seeking out new sources of oil to power their economy.

Governments may also implement conservation policies in an attempt to reduce consumption levels. This option is not very likely to have a major effect on China. This is due to the fact that the Chinese would need to divert large amounts of money to conservation efforts, which is unlikely since they are a rising power, and so many other areas such as the
military, infrastructure, and other investments in the economy demand their primary attention.

The third alternative is to try to switch from imported oil to alternative fuels such as coal, natural gas, nuclear power, hydroelectric power, wind, and solar energy whenever possible. To their credit, the Chinese have invested in all of these alternative fuels, and as a result of very productive coal mines within their borders roughly half of their energy use comes from coal. The problem with their heavy reliance on coal comes in the form of environmental degradation, and the negative economic consequences of the terrible pollution that has beset the nation.

The Chinese would be wise to diversify their sources of oil as much as they possibly can, and they have definitely been making an effort in this regard as of late. Increasingly, the Chinese have sought to build strong economic ties to Saudi Arabia and as much as possible challenge the close relationship that has built over decades between the United States and Saudi Arabia. The Chinese have also been exploring oil deals throughout Latin America and Africa as they seek to diversify their sources to a greater extent. This activity has raised some red flags from Washington, as the American leadership worries that the Chinese are essentially underwriting dangerous regimes that are looking for alternatives to the purchasing power of the United States. One prominent example of this may be seen in Venezuela, where Hugo Chavez has often been a thorn in the side of the Americans. Chavez’s newfound close ties with the Chinese have led him “to boast that no longer will the United States be the dominant consumer of Venezuelan oil; now, ‘[Venezuela is] free and place[s] this oil at the disposal of the great Chinese Fatherland’” (Collins, 2008). Washington’s response to this support of dangerous regimes on the part of the Chinese has been to encourage the PRC to
become a “‘responsible stakeholder’” in international affairs, and not to simply try to “‘lock up’” certain energy sources (Collins, 2008). The US argues that recent Chinese efforts to secure oil from disreputable sources will threaten the long-term security of the international system.

As the PRC scours the globe in their search for the energy necessary to power their continued economic growth, they needn’t look far as recent oil discoveries just off their coast could prove incredibly value for the Chinese. One of the areas that is of particular interest to the Chinese is a series of islands known as the Spratlys, which it is estimated could contain as much as 105 billion barrels of oil as well as 25 billion cubic meters of gas (Collins, 2008). The Spratlys are claimed by a number of nations in the region including Vietnam, Taiwan, Malaysia, Brunei, the Philippines, and of course China. This is but one of the areas of serious contention within the South China Sea, that the rising economies of East Asia could conceivably come into conflict, in their attempts to dominate the region’s natural resources. As the price of a barrel of oil continues to rise on the international market, one would expect to see the Chinese become increasingly aggressive in their pursuit of energy resources.

When nationalism is factored in as well, and old enmities as illustrated by the examples of Vietnam and Japan conflict seems all the more likely. As mentioned previously, the CCP view their continued existence at the top of the political system as directly linked to strong economic growth rates. If growth rates are threatened by the rising costs of energy on the international market, one shouldn’t be surprised by aggressive moves on the part of the Chinese military to secure nearby oil reserves. This is the danger faced today off the coast of China. This is also the driving force of the People’s Liberation Army Navy (PLAN) modernization. As previously mentioned, the CCP considers any growth rate that falls under
the magic number of 8 percent annual growth as potentially threatening to their leadership. Growth rates that fail to reach 8 percent also hold the potential to foment social unrest, as illustrated in the case of the Tiananmen Square protests in 1989. The CCP understands that their continued existence in power is increasingly tied to a strong naval capability that may challenge regional rivals seeking to control the natural resources off their shores. China’s emphasis on modernizing their navy also has the added potential of allowing the CCP to forcibly incorporate Taiwan should the attempts at economic integration falter. In recent history, the Chinese have been very successful in utilizing their SEZ’s to drive economic integration with Hong Kong and Macao as they peacefully returned these areas to mainland control. There is a strong nationalistic push on the part of the Chinese people to see Taiwan as well as the disputed islands brought under PRC control. The fact that East Asia overall is filled with populations who have a propensity toward strongly nationalistic belief structures means that violent confrontation over regional disputes is highly likely. Another factor in the mix is the presence of the US Navy in the region, which has its own economic interests in securing safe passage through strategic chokepoints such as the Malacca Strait, thus securing the flow of goods and resources that power the global economy. The modernization of the Chinese economy has fundamentally altered the global economic system, as well as the nature of the international security system. The rise of China’s naval power is a direct result of the PRC’s economic growth, and the resources needed to fuel that continued economic development.
Chapter 4

PLAN History and Development

The PLAN (People’s Liberation Army Navy) has undergone a major restructuring of its force size and mission from its very humble beginnings following the Revolution in 1949. In these early days of the P.R.C., the PLAN was described as a “coastal defense force,” whose main task was to defend the immediate Chinese coastline from attack (Brown, 2000). However, in the last few decades, the PLAN has seen a transition away from this largely “obsolete, vulnerable, coastal defense force…at the end of the Cold War” to a more modern and impressive navy having far greater survivability levels, as well as capabilities to deliver more lethal weaponry (Brown, 2000). This transition can be easily linked with the PRC’s economic modernization. As a result of the Deng Xiaoping’s Four Modernizations, China has become an economic power of the East. One effect of this economic growth is that it has put a great deal of pressure on the CCP to secure energy sources that will further enable China’s economic growth. The P.R.C. has pursued energy deals around the world, including areas that reflect negatively on the perception of the international community as they support much-maligned regimes such as Sudan and Iran. China must now pay close attention to the availability of natural resources within the region’s disputed waters. In order to secure these natural resources, China then must be able to stand up to regional rivals such as the Philippines and Vietnam. Without a dominant navy to deter such states from claiming rights to these resource-rich areas, China cannot secure the necessary fuel its economy needs to continue at an acceptable growth rate. This is an illustration of why there exists in Beijing an intense desire to develop a strong navy for China. In conjunction with economic modernization, comes the necessity of developing a powerful navy that will expand its
sphere of influence in the Pacific until the needs of the economy are met (Hiramatsu, 2001). The modernizations that the PLAN has pursued are done with the ultimate goal of transforming this branch of the military into what is referred to as a “blue water navy” (Gurtov, 1998). As the Chinese engage in their efforts to increase PLAN capabilities, their intentions in the region have concerned the United States, as well as their allies in East Asia.

Naval history in China dates back to 549 BC, when the first recorded naval battle took place between two rival rulers, whose ships fought each other just off the coast of China. The high point of Chinese naval history took place during the Song dynasty, where for roughly five hundred years (AD 960-1279) the Chinese possessed “the world’s most powerful and technologically sophisticated Navy” (Cole, 2010). China would remain a sea power for two more dynasty periods (Yuan and Ming dynasties). However, even during these dynasties, when China deployed such a powerful naval force, their primary security worries lied to the north and west of the country. While the navy was viewed as a means to defend China’s coastline, support trade, as well as defend the state against domestic threats, no dynasties fell as a result of a challenge from the sea. Rather, the Mongols and other Asians threaten security from inland invasions, and this is where the Chinese would focus most of their defense efforts in trying to defend against and rebuff attacks from these invading forces. This will prove to be a common theme throughout Chinese history. While economic benefits may be directly tied to naval power, the primary threats to the regime would come in the form of inland invasions. Therefore, the primary focus of funding would typically go to strengthening the nation’s army, while the navy increasingly receives less-and-less attention from the regime in power. During the Ming Dynasty, the Chinese achieved impressive voyages to the Middle East and Africa, where they demonstrated a
remarkable degree of knowledge in terms of shipbuilding and navigation that went well beyond any of the capabilities of European explorers. Zheng He would lead large fleets of ships displacing over 400 tons on voyages halfway around the world, while the Portuguese were just beginning to explore the west coast of Africa in 50-ton caravels. Incredibly the Chinese allowed these tremendous naval resources to go into decline for a number of reasons. According to Bernard D. Cole, there were three primary motivating factors: “First, the voyages were expensive and the Ming pursued a rigidly conservative economic policy. Second, the court was concerned about the growing power of the eunuchs, who were the chief sponsors of the voyages. Third, ‘Confucian-trained scholar-officials opposed trade and foreign contact on principle’” (2010). These three motivating factors would push China into an era dominated by “‘anti-commercialism and xenophobia,’” leading the government to largely turn its on back on the navy and international trade (Cole, 2010). Clearly, this represented a major step backward for the Chinese, and by the end of the sixteenth century the Chinese were not even capable of defending themselves against attacks by pirates (Cole, 2010).

During the period of the Republican government, the Chinese failed to develop a coherent national naval force again concentrating on inland threats from the newly formed Chinese Communist Party, Russia, and various warlords. What naval action there was during this period typically took place on the rivers and was very limited in scope. Due to the extreme disparity in terms of foreign naval capabilities and those of the Chinese, Great Britain, the United States, and Japan were able to project great strength in China, and strongly influence the course of events with relatively small military forces present. These foreign armies used their naval forces to great advantage as an effective “‘force multiplier’”
that was able to use sea and river transportation routes moving armed forces quickly from one point of conflict to another (Cole, 2010). This period represented a low point for the Chinese as they witnessed their nation being carved up by external powers, while they were for all intents and purposes incapable of standing up to the imperialist powers.

During the early years of the People’s Republic of China following the Chinese Communist Party’s victory over the Kuomintang (KMT), the PLAN remained impotent against attacks by KMT forces launched from Taiwan at Chinese coastal installations, merchant craft, and fishing vessels. The CCP leadership realized that it could no longer devote all of their attention to the military prowess of the nation’s army, but that the navy would need to be upgraded and quickly should they wish to defend against invasion by the KMT as well as the US Navy. This emphasis on coastal defense led to the creation in January 1950 of the new East China Military Command with its headquarters located in Shanghai. The CCP wanted this new military installation to focus on “‘defending both [eastern and southeastern] China coasts and the Yangtze River’” (Cole, 2010). It was also established with the intent of capturing islands off the coast, which had been recently taken over by the KMT. This naval force was a very basic defensive force in the beginning, and the Chinese relied heavily on the Soviet Union for assistance in procuring older ships and submarines. With a loan from the Soviet Union of $300 million, Mao Zedong set about purchasing four old Soviet submarines, two destroyers, and large number of patrol boats. The Soviets also made sure that the Chinese possessed the necessary shore-based infrastructure, helping them build shipyards, naval colleges, and fortifications along the coast. The first major test (and corresponding success) of the PLAN came in April 1950 when the Chinese were able to claim the island of Hainan away from the Nationalists. In the
process, the Chinese suffered heavy casualties but also captured more than 90,000 Nationalist troops in the process (Cole, 2010).

The primary focus of the PLAN, even at this early stage was on capturing the island of Taiwan, and finally defeating their Nationalist enemies in the KMT. Mao had hoped that the invasion, and reclaiming of Taiwan would take place in 1950, but he was forced to reconsider these plans when it became clear that much more planning and naval development would be needed for such a difficult mission. Mao quickly realized that a successful campaign would need “amphibious training, naval transportation, ‘guaranteed air coverage,’ and the cooperation of a ‘fifth column’ on the island—requirements that still apply” (Cole, 2010).

The United States during the Truman Administration began a policy that would complicate Sino-American relations for decades to come when the U.S. Seventh Fleet moved into the Taiwan Strait at the start of the Korean War. According to President Truman, this move was meant as a precaution to protect both sides from launching a war of aggression against the other, but the Chinese would of course see this as a thinly-veiled message that the Americans were going to defend the island of Taiwan from the PRC. The fact that the U.S. Navy was working to complicate and postpone Mao’s obsession with reclaiming this lost territory infuriated the CCP. Premier Zhou Enlai referred to this move by the U.S. as a “‘violent predatory action by the U.S. Government [that] constituted armed aggression against the territory of China and total violation of the UN charter’” (Cole, 2010).

The early history of the PLAN emphasized defense against Nationalist forces attacking from Taiwan or potential imperialistic actions by the U.S. Navy. As time passed, the PRC would become more assertive especially following their successful attack on the
island of Hainan. One would assume that the drive to reclaim Taiwan would propel naval modernization, however, with the United States making it clear to the Chinese that they would protect Taiwan from attack the likelihood of an attack decreased significantly. The CCP realized that the U.S. Navy possessed air and sea superiority in the East Asian region, and logically the Chinese were not about to challenge the United States’ military dominance. Along with this point, the CCP also feared a possible inland invasion from the Soviet Union due to their often-contentious relations. Along with this point, the Chinese had been engaged in an off-and-on border war with the Vietnamese that proved surprisingly difficult and exposed weaknesses in the PLA. The fear of Soviet aggression in association with the experiences in fighting the Vietnamese would drive the CCP to focus their spending on the development of strong ground forces to defend the nation (Erickson, 2010).

The rise of Deng Xiaoping brought about dramatic changes in the political and economic landscape of China. He was of course most famous for the implementation of what he referred to as the Four Modernizations. One of these modernizations would focus on improving the nation’s overall defense. However, with regard to the priority that Deng placed on these modernization efforts, defense was definitely the fourth and final priority. This meant that when first put in place in the early 1980’s, the PLA would actually face a shortfall in their annual budget with much needed funds being diverted to spur economic growth especially in the special economic zones (SEZ’s). The PLA was actually expected to go into business for themselves in order to try to make up for this lost funding. The modernization efforts by Deng Xiaoping did have a major effect on the military; however, even during these difficult times when budget levels didn’t exactly reflect the regime’s interest in modernization. What the Four Modernizations did immediately to help prompt
change was that it opened the door for the free flow of market forces, as well as diversifying the flow of information that the Chinese people had access to in terms of news media. This resulted in the creation of what is referred to as a “‘public intellectual complex’” (Erickson, 2010). Under this new, more open system, scholars and policymakers were more open to debate in various public and private institutions, publish in popular journals, and both groups worked together more open and freely in the policy-making process. Even if the Chinese intellectuals are not directly involved in the policy formulation process their opinions carry a great deal of weight with the political leadership. This period would result in great changes in the force structure of the PLAN, as they begin their transition from a near-coastal defense force to a near-sea defense force.

Beginning in the mid-1980’s, the surface combatants of the PLAN have undergone radical enhancements. New versions of destroyers and coastal patrol craft have come into service as the older versions are effectively retired. One man at the center of the PLAN modernizations is Admiral Liu Huaqing, who was at this time the PLA’s highest-ranking officer. He has been especially important to these modernizations, because of his background working in close association with the defense industrial sector. This involvement has aided Admiral Liu in commencing “new procurement programmes” (Shambaugh, 1997). Another important past associate of Admiral Liu’s is that his former deputy in the PLAN, Admiral Zhang Lianzhong served as the commanding officer of the PLAN until 1996. “Admiral Zhang has succinctly stated development priorities for the navy: ‘The present trend of development is towards guided missiles, electronics, nuclear capability and automation, to be gradually achieved through repairing and refitting old vessels,
purchases from abroad, transferred technologies, and improving on existing models”
(Shambaugh, 1997).

The current structure of the PLAN involves some 260,000 personnel. This number includes both naval air force and marines. The number of surface combatants are as follows: “52 submarines, 50 principal surface combatants, approximately 870 coastal patrol combatants, approximately 121 mine warfare vessels, 54 amphibious landing craft and about 164 support and supply ships” (Shambaugh, 1997). Within this structure, there are three important enhancements that require particular attention. These improvements are in destroyers, guided missile frigates, and submarines.

The PLAN is currently bringing into service its new ships in the destroyer class known as the Luda III and the freshly developed Luhu class. The 15 Luda destroyers nevertheless remain the primary class of destroyer within the PLAN; however, the newer models are being produced in such numbers that they will soon outnumber the obsolete Luda class. The first sea test of the Luda III class destroyer took place in 1991, where it showed what an incredible upgrade the Luda III represented over the original Luda class. The greatest improvement in the PLAN’s new destroyers, however, has to be the Luhu class. The Luhu class destroyer stands as the most modern warship the PLAN now possesses. It has the same armaments as the Luda III with the impressive addition of French Crotale surface-to-air (SAM) and the Chinese cloned version of the French Exocet ship-to-ship missile (SSM). These ships also have very advanced radar systems, electronics, and anti-submarine countermeasures, and a helicopter launching pad for two French-made Dauphin-II helicopters. Currently, there are only a select few Luhu class destroyers in service, but there
are plans for this ship to one day make up the bulk of the PLAN’s destroyers (Shambaugh, 2010).

Frigates have also followed along the same lines of modernization as the destroyers with the *Jianghu II* and *III* providing the PLAN with far more advanced capabilities than the original version the *Jianghu I*. The *Jianghu II* and *III* have a range of 4,000 nautical miles, are able to travel at speeds of up to 20 knots, and carry a crew of 195. These ships “carry twin swiveling Styx anti-ship missile launchers, anti-aircraft guns, depth charge projectors, anti-submarine rocket launchers and mine laying equipment. They are also outfitted with reasonably sophisticated radars, sonars and other electronic countermeasure and anti-submarine equipment” (Shambaugh, 2010). The newest model of frigate, which is known as the *Jiangwei*, is very slowly replacing the *Jianghus*. So far there have only been a handful placed into service so far, but the *Jiangwei* represent the future of PLAN frigates. These frigates will carry more advanced radar systems, *Crotale* SAM launchers, and the Chinese made SAM launchers, the *Hongqi*-61. The range and speed of the indigenously built *HQ*-61 SAM is remarkable as it can travel 8,000 meters at Mach 3 speed (Shambaugh, 2010).

The PLAN has also been working to advance their submarine technology, which was highly obsolete. This improvement has come through the purchase of four Kilo-class conventional submarines from Russia. It is believed that the PLAN will go on to purchase as many as sixteen more Kilo-class submarines in the near future. Two of the Kilo-class submarines purchased are the highly advanced “project 636” model, which is comparable in stealth abilities to the U.S. Los Angeles-class SSN. The Chinese have also been hard at work in the production of the indigenous Song-class submarine. The Song-class submarines are believed to be less advanced than the Kilo-class submarines however (Brown, 2000).
The most important of the modernizations for the PLAN, however would be the placement one or two aircraft carriers into service. This would allow the PLAN to truly project a great deal of power over the region. The Chinese have purchased their first aircraft carrier, however, its presence should not produce a great deal of fear in the region. The Varyag is an ex-Soviet carrier that has since been renamed the Shi Lang in 2008. The Shi Lang will only be able to carry around 60 aircraft at one time, and may only stay out at sea for up to 45 days before needing to return to port. In comparison, the US Nimitz-class supercarriers can hold up to 90 aircraft and may remain at sea for more than 20 years before having to replenish its nuclear-powered engines. In terms of tonnage the Shi Lang is little more than half the size of the U.S. supercarrier. The Shi Lang also possesses what is referred to as a ski-jump launch system, which refers to a ramp that curves up at the end of the carrier’s deck off which the planes launch themselves to achieve flight. The negative aspect of this ski-jump launch system is that it means the jets taking off are faced with a weight limit, meaning that they cannot be fully loaded with weapons, and that they also cannot take off with a full fuel load. Currently the Chinese only have one jet fighter, the J-15, which serves as its only carrier based fighter. The Chinese must also learn quickly how to operate the sophisticated weapons and sensor systems that nations such as the United States have had decades to master. It is believed that this is one of the PLAN’s primary motivations in purchasing this aircraft carrier as they are hoping to learn quickly, and gain knowledge for their own indigenous carrier program (Joshi, 2011).

Another theory for the Chinese purchase of this carrier is that the Shi Lang provides the Chinese with a strong sense of international prestige. The Chinese want to be seen as a powerful, rising nation in the international community, and undoubtedly they were
embarrassed by the fact that they were the only permanent member in the UN Security Council that did not have an aircraft carrier. In this rather simplistic fashion, the nationalism of millions of Chinese citizens may be satiated by the fact that their military prowess is beginning to match their impressive economic gains of late, and this carrier merely serves as a symbol that they have indeed made it into the elite club of economic and military powers. The Taiwanese were quick to display their own nationalistic take on the arrival of this Chinese aircraft carrier to the waters of East Asia. Not long after the first voyage of the newly renamed *Shi Lang*, the Taiwanese trumpeted their latest anti-ship missile with a large billboard displaying an aircraft carrier being destroyed by the Taiwanese missiles. Four days later, the Vietnamese hosted the U.S. supercarrier, the USS George Washington, on a port-call as Vietnamese military and political leaders met with the American captain and crew aboard the ship (Joshi, 2011).

If the economic strength of China continues as is there are several near future objectives that the PLAN has set for itself. The first is that the PLAN hopes to reach the point where its main attack forces will be composed of land-based intermediate-range aircraft and attack submarines. It will also utilize the PLAN’s helicopter-equipped medium-size warships for command and support purposes. There will also be a greater emphasis on education and research units within the PLAN structure altogether. The second objective is to eventually build several light-helicopter aircraft carriers between the years 2000 and 2020. This will of course only happen if the necessary advancements are made with regard to indigenous technology within China. The PLAN hopes to greatly increase troop levels to match the levels of other major naval powers, as well as, to improve their troops operational capabilities to a high enough point where these troops may perform strategic military
objectives at sea under PLAN control. The third and final near future objective, is that between the years 2020 and 2040 the PLAN troop levels, training, and their technological equipment should all be at acceptably high levels, equivalent to any other major naval power. The PLAN at this point will hope to gain an aircraft carrier, which will serve as the centerpiece to their new mobile force. The PLAN will also possess surface ships and submarines all with substantial anti-aircraft, anti-ship, and anti-submarine operational capabilities (Hiramatsu, 2001).

The PLAN has not only experienced an evolution in surface ship, armament, and submarine technologies, they have also undertaken sweeping changes in their basic war doctrine. No longer is the PLAN’s sole emphasis on coastal defense. Today the PLAN’s war doctrine also includes defense of Chinese-claimed islands in the South China Sea, in conjunction with the ability to project force throughout the region. This latter point means that the PLAN will utilize coordinated strike capabilities from the air, land, and sea in order to increase their military options and potentially power in the region. The transformation to a more aggressive PLAN doctrine began in 1985 with discussions concerning potential conflicts in both the South China Sea as well as with Taiwan. “By the late 1980’s, PLAN missions were designated as safeguarding China’s territorial integrity; being prepared for a potential requirement to blockade Taiwan; preventing a sea-based invasion of China; and over the long term, building a survivable, sea-based nuclear retaliatory force” (Shambaugh, 1997). This illustrates the clear transition from a conservative coastal defense force to the more aggressive increased defense perimeter, and widening of military options that the PLAN has assumed. The defense perimeter of the PLAN would be extended from 200 to 400 nautical miles and even to a far greater distance in the South China Sea (Shambaugh, 1997).
Taiwan’s own military modernization does a great deal to counteract the improvements made by the PLA and more specifically the PLAN. During the 1990’s China was busy modernizing its capabilities to the point where a long-range attack on Taiwan became more of a viable option all the time. At the same time however, Taiwan greatly increased its military capabilities thanks in large part to U.S. weapons sales. The technology upgrades that result from the modernization movement in branches such as the PLAN pales in comparison with the weaponry that the Taiwanese can buy from the United States. To illustrate this point the PLAAF (People’s Liberation Army Air Force) deploys SU-27 fighter jets, while Taiwan possesses roughly 150 F-16’s, 60 Mirage 2,000’s, 130 indigenously produced F-16 defense fighters, and finally E2C Hawkeye AWACS. The technology edge is clearly in favor of Taiwan were these two forces to ever face-off against one another. In terms of the PLAN against the navy of Taiwan there is yet another clear mismatch. The PLAN is putting into service more and more sophisticated frigates, destroyers, and submarines yet these ships cannot compare with the U.S. technology that Taiwan is purchasing (Brown, 2000).

The likelihood of the PRC launching a full-scale assault on Taiwan as of now does not seem very likely. This is because the technology advantage held by Taiwan would make such an attack by the PRC an incredibly painful victory if one could even be achieved at all. To add to this point, the Chinese could never be certain that the United States would not intercede on Taiwan’s behalf. The modernizations that are occurring throughout the different Chinese military services do present a grave threat however in the long run. Right now the Taiwanese enjoy a strong tactical edge thanks to foreign weapons sales, but improvements in Chinese capabilities are slowly eating away at this advantage. This fact
could lead one to believe that continued modernization by the PRC would simply increase the likelihood of conflict across the Taiwan Straits (Brown, 2000).

While the effort to regain Taiwan through force if necessary is often cited as the primary motivating there is another major factor that has propelled the modernization of the PLAN. The idea is that instead of merely proposing modernization of the PLAN with the purpose of winning a potential conflict with Taiwan the CCP is actually viewing this modernization as vital to the nation’s economic interests. This argument closely ties in with the economic issues that are at the heart of the CCP’s policy focus. One area where PLAN modernization relates directly to continued economic growth is in securing China’s sea lines of communication (SLOC) through which the vast majority of their oil supplies pass through. The security analysts and intellectuals in China who since the early 1980s have played a far more prominent role in the legislative process have lauded this commitment. As one analyst put it, “‘in order to…effectively capture sea control in a specific area, [the PLAN] must possess the ability to control passage in and out of important strategic passages in times of crisis’” (Collins, 2008). As China’s dependency on imported oil increases steadily every year these SLOC become more and more critical to the continued economic success of the PRC. Today China imports roughly half of its oil from overseas and it is estimated that by the year 2030 they will import more than 75 percent of energy needs (Cole, 2010). Security analysts in China emphatically emphasize the ability of the PLAN to freely navigate critical sea-lanes such as the Malacca Strait through which much of the world’s oil purchased by the PRC passes. It is believed that the CCP greatly fears their inability to secure these narrow passages, as well as their helplessness in the face of another nation’s effort to blockade these sea-lanes. Certainly if the US Navy ever decided to blockade one of these straits the PLAN
would be powerless to break it up. This fear on the part of the CCP has pushed them to spend a great deal of effort on improving the PLAN’s capabilities in order to avoid being stuck in such a situation. This fear is made evident through statements like this: ‘‘[China] must…strengthen the PLAN and PLAAF so that they possess the capability to defend China’s maritime resource and energy supplies, and smash [any] maritime blockades of China’s economy or energy supply and defend [China’s] own tanker transport passages…Regarding the problems…of sea embargo or oil lanes being cut off…China must…repair the house before it rains’’ (Collins, 2008). The CCP have realized that their continued economic growth could be threatened by such contingencies, and increasingly see the connection between national power and a strong navy able to project power well away from the nation’s coastline. This connection was made evident in a government study entitled ‘‘The Rise of Great Powers’’ (Collins, 2008).

The second area of concern for the CCP that again relates to the PRC’s continued economic rise is securing the natural resources just off the coast with a strong PLAN. Of these natural resources the most critical to the CCP is obviously oil. These waters are also very important as a vital source of nutrition for the Chinese people as they represent plentiful fishing grounds. The value of these offshore natural resources to the Chinese economy continues to grow as the Chinese economic output rises in kind.

As mentioned previously, China relies heavily on oil imports for the continued growth in the economy. They are also seeing an inverse relationship over time between their domestic oil production and their oil imports as domestic production doesn’t come close to satisfying their demand. They have scoured the planet seeking new sources of oil in order to ensure that their demand is met and economic growth rates continue unabated. Recent
energy discoveries in the waters off their coasts have provided welcome news to the CCP, as energy is one of the most critical points of concern for the political leadership. There are a number of problems that the Chinese face in attempting to exploit these fabulous natural resources however. The first is that the practice of exploration, discovery, recovery, and finally moving these energy supplies to market is a long process and quite costly. In order to deal with this first difficulty it is believed that the Chinese will rely heavily on outside oil companies already experienced in these matters. The second problem is that the Chinese need to deal with neighboring countries who either want the resources for themselves, or have a pre-existing dispute with the PRC over territorial claims in these waters. One area that has already seen violent confrontations between the Chinese and their neighbors is the South China Sea. In these waters, the PRC has had an ongoing dispute with Vietnam, Taiwan, as well as Malaysia over the Spratly Islands, a small archipelago in the very southeastern section of the South China Sea. In this same section of the South China Sea these very nations have a dispute over the Paracel Islands as well (Kaplan, 2011). Since these island groups have the potential to produce substantial energy supplies the surrounding countries in the region covet them. The US Navy is also involved in these territorial disputes since these nations look to balance the power of the PLAN with that of the powerful US Navy. The US Navy, meanwhile, seeks to form alliances with these nations in the hopes that they may effectively encircle and thus contain the rising power of China with a strong alliance of nations fearful of the intentions of the Chinese. All of these geostrategic alliances and motivations are taking place in a region where energy supplies are believed to exist or are just now being discovered. Clearly these valuable resources only serve to ratchet up the tension level and increase the nationalism that these old territorial disputes enflame. Thus in
order for the PRC to secure these new sources of energy that lie off their shoreline they need to speed up the process of naval modernization. The fact that the regional rivals allayed against the Chinese have purchased advanced weaponry from the United States and/or are directly allied with the US Navy makes this motivation all the more salient.

The PLAN modernization efforts serve the CCP’s interests in a number of interesting ways. The first is that a powerful naval force satisfies the Chinese desire for international prestige as made evident in the example of the purchase of the Varyag later renamed the Shi Lang aircraft carrier. While the Shi Lang may not provide the Chinese with a great advancement in the sense of force projection, what it does provide them with is satiated nationalism. This is because they take pride in the fact that they are no longer the only permanent member of the UN Security Council without an aircraft carrier. As a symbol of power an aircraft carrier goes a long way in telling the world that you’re navy has reached an elite level of power.

The second way that the PLAN modernization is critical for the CCP, and the future of the PRC is in regard to the continued economic growth and vitality of China. A strong naval force is required if the Chinese wish to deter a nation from blockading the sea lanes so vital to international trade and more importantly for the PRC the energy supplies necessary to sustain their high levels of economic growth. Along with this point, the CCP has a very strong interest in seeing the PLAN continue to strengthen as a naval force in order to dominate the region’s energy supplies. At the same time a strong PLAN also fulfills a nationalistic desires to see territorial disputes resolved on Beijing’s terms. The CCP has as one of its ultimate goals in the region the reclamation of the island of Taiwan, a coveted prize that has eluded them for so long. Should the PLAN continue to advance and rise in
power in this potentially volatile region reclaiming Taiwan would seem to become inevitable. A strengthened PLAN would also be able to directly challenge the role that the US Navy has played in the region. For decades the Chinese have resented what they see as an imperialistic naval force just off their coast. The chance to directly challenge this force, and see the region become the unquestioned domain of the PRC, would satisfy the nationalistic tendencies of the Chinese people, as well as, strengthen the position of the CCP.
Chapter 5
Strategic Resources in the Region

As China scours the globe searching for new sources of energy in an increasingly competitive environment with the United States, China, and India all competing for dwindling oil sources the Chinese have in the last few decades discovered large fields of oil and other natural resources just off their coastline. Of course, the Chinese are not the only ones in East Asia to claim these resources as regional rivals compete with the PRC for access to these energy resources. These claims on natural resources are also tied in with often-ancient claims to islands or island chains throughout the regions. As showdowns over territorial claims become more heated in a region where nationalism runs strong throughout these nations, the probability of violent conflict looms large. When one considers the vital importance of oil and energy supplies to power the economic growth of the PRC, that tension is yet again ratcheted up. In order to secure these vital energy resources off the coast of China the CCP is on a fast track to building the most powerful navy in the region. It is hoped by the CCP that once in possession of the region’s most powerful naval force they will dominate the region’s resources, as well as, secure critical sea-lanes and transportation routes, which feed their burgeoning economy with the necessary oil supplies from around the world.

There are two primary areas where territorial disputes and competition over scarce natural resources are complicating relations between the countries of East Asia. The first is the South China Sea, where potentially vast stores of hydrocarbons are embedded within the continental shelf, and critical fishing rights in these waters are necessary to feed large populations. Nationalism adds to the contentious nature of this competition as historical
enmities between these states rise quickly to the surface, and the goal shifts to absolute sovereignty over the resources of a body of water that the laws of the international community believe should be shared accordingly. The CCP has been very aggressive in their attempts to control the resources of these waters, and confront anyone who challenges their perceived supremacy in this regard. With annual economic growth rates at or above 8 percent being the CCP’s chief political concern, the availability of energy resources so close to their shores means that the Chinese are willing to aggressively defend these waters.

In the East China Sea, the second of the two bodies of water where tensions run high between neighboring states, you see a very similar pattern emerging. As with the South China Sea, the goal is not merely to dominate the energy resources hidden within the seabed or the fishing rights, but also to gain control over the islands as well. Of course any attempt at dominating these waters requires control over the islands as a means to deny entry by neighboring nations, as well as, allowing for the stationing of military bases throughout the region. The necessity of controlling islands as a precursor to dominance of the resources is illustrated in the example of the Senkaku/Diaoyu Islands, as both the Japanese and the Chinese claim these islands. The fight for scarce resources in conjunction with the rising economies and nationalism of East Asian societies means that this region could very well suffer from violent conflicts in the decades to come.

As mentioned previously, there are many in the region that look on with trepidation at Chinese efforts to modernize the PLAN and alter its war doctrine. Nationalism has permeated throughout the region. This nationalism is on full display as China has always viewed the seas surrounding the country as “China’s sea” (Hiramatsu, 2001). Admiral Liu Huaqing once declared that it was the duty of the PLAN to guard the three million square
kilometers of China’s territorial waters. This vast amount of territory roughly equals a third of the Mainland Chinese territory, stretching well out into the Yellow Sea, the East China Sea, and the South China Sea. Also included in this area is some 200 nautical miles beyond Taiwan out into the Pacific Ocean. This sent a clear message that Taiwan was considered Chinese territory. The obvious main objective the PRC hopes to achieve with PLAN modernization is to develop and exploit the vast quantities of biological and non-biological resources, with particular focus on the petroleum reserves under the ocean floor. The rapid advancement of the Chinese economy thanks to Deng Xiaoping’s regime, has led the PRC to search out and exploit submarine oil fields in the region in order to continue fueling the Chinese economic success, as oil demand in China far exceeds supply. There are other possible explanations of Chinese intent however. The South China Sea is a critically important strategic area for the region because of transportation issues and military strategic options. With possession of the islands of the South China Sea, all that the PRC has to do is simply threaten the availability of passage through these critical sea-lanes in order to bring a powerful economic blow against Japan, Taiwan, and Korea without firing a single shot.

The drive for PLAN modernization has been fueled in part by PRC interests in the South China Sea. Since the 1970’s, the Chinese have been involved in a very slow expansion process throughout the islands of the South China Sea. The fascinating aspect about this southern expansion is not only the potential for conflict with regional rivals that it presents, but even more so the interweaving of PLAN and national interests that this progression represents.

There has been a definite pattern to the slow but steady expansion that has taken place for China in the South China Sea during the 1970’s and 1980’s. The first phase would be a
buildup of the military around a targeted island, then the establishment of logistic and administrative networks, followed by military exercises or outright clashes, and then finally diplomatic action. What has proven to be the most effective method for the PLAN to gain firm control over an area, has been construction projects on the islands that allow for a physical base of operations on their new possession. From this fortified position, the Chinese then advance to the next area and the process begins anew. Several small naval clashes have erupted between the PRC and Vietnam over the Paracel Islands. Clashes between the PRC and Vietnam later ensued over the Spratly Islands, as both states claimed sovereignty over the islands (Garver, 1992). One such skirmish resulted in seventy-two deaths when PLAN ships sank three Vietnamese ships near the Spratly Islands in March 1988 (Cole, 2010). Obviously, the goal of this steady march is to firmly secure Chinese sovereignty over the whole of the South China Sea.

Even in the face of aggressive actions on the part of the PLAN, Vietnam refuses to concede sovereignty over these islands to the Chinese. Vietnam continues to maintain military garrisons on perhaps twenty different landforms in the Spratlys. Of these twenty landforms perhaps only nine actually remain above water at high tide. The territorial disputes between the Chinese and Vietnamese over the Spratly and Paracel Islands have the greatest potential to produce violent conflict in the South China Sea, as both sides refuse to yield any ground. The obstinacy on both sides is due to the very large petroleum reserves that have been discovered in these island chains. There have been two sea battles fought between the PLAN and Vietnamese forces, along with testy showdowns over oilrigs just west of the Spratlys. According to Vietnamese claims “‘China attacked and seized Vietnam’s Paracel Islands’ in January 1974, and ‘in March 1988, after a military attack on Vietnamese
freighters…occupied Chu Thap, Chau Vien, Ga Ven, and Tu Nghia reefs”’ (Cole, 2010).

Vietnam has also criticized the Chinese for “deliberately ignoring UNCLOS in occupying the Paracels and various Spratly Islands as part of a plan to ‘monopolize the Eastern Sea by [the] early twenty-first century’” (Cole, 2010).

Amidst fears of a regionally destabilizing conflict breaking out, the Chinese Academy of Sciences began an expedition to study the geology and topology of the northwest Spratly Islands in April and June. This expedition received little attention at the time due to the heightened tensions in the region, but would soon present quite interesting findings. These findings wouldn’t be released until December 1989. It was found that the sea floor held some 25 billion cubic meters of natural gas, 370,000 tons of phosphorous, and 105 billion barrels of oil. These newly discovered oil reserves were far greater than China’s inland oil reserves. Another sector known as the James Shoal area possessed likewise a huge reserve of 91 billion barrels of oil (Garver, 1992). By 1992, the Chinese were in negotiations with Crestone Energy Corporation out of Denver, Colorado to explore for oil in 9,700 square miles of the western Spratlys. During the negotiations between the PRC and Crestone, the Chinese assured the American corporation that they would be willing to defend the Spratlys to the full extent of their military capabilities. The decision to go with an American corporation was very clever on the part of the Chinese as any American interference concerning the Spratlys would mean “undercutting the position of an American firm” (Garver, 1992).

Now one may easily identify the convergence of PLAN and national interests in the South China Sea that was previously mentioned. The PRC discovers a vast amount of natural resources in the South China Sea that it wishes to exploit for economic gain while
needing a powerful navy to secure those resources against regional rivals. The PLAN’s interests are realized, as its rapid modernization becomes a serious political priority in Beijing. The value that such maritime resources held for China’s long-term economic development seemed invaluable. An article from *Jiefangjun bao* published in March 1988 discussed two main points concerning the exploitation of these maritime resources. The first was the need to develop further scientific and technological knowledge regarding the extraction of deep resources and the second discussed the depletion of land resources due to global population growth. This article states that:

In order to make sure that the descendents of the Chinese nation can survive, develop, prosper and flourish in the world in the future, we should vigorously develop and use the oceans. To protect and defend the rights and interests of the reefs and islands within Chinese waters is a sacred mission. The reefs and islands in Chinese waters have been invaded and occupied on several occasions. For instance, since the 1970’s, the [Spratly] Islands have been occupied by foreign countries. The Chinese government has solemnly declared many times that these islands and reefs are within Chinese territory and other countries are definitely not allowed to invade and occupy them. The [Spratly] Islands not only occupy an important strategic position, but every reef and island is connected to a large area of territorial water and an exclusive economic zone that is priceless….The defence of the territorial unity and the protection of the rights and interests of the oceans are significant to the security and development of a country. We should not only pay attention to events today, but should also look out for the future (Garver, 1992).

Another article in *Jiefangjun bao* discusses the necessity of defending China’s maritime resources. Published in September 1989 the article says, “‘there has appeared the situation of islands and islets being occupied, sea areas being carved up, resources being looted, and marine rights and interests being wantonly encroached upon. In light of this serious situation, we must give prominent attention to strengthening naval construction’” (Garver, 1992).
With Beijing growing all the more concerned with protecting the valuable natural resources in the South China Sea the PLAN began to push for increased funding levels to modernize and diversify its capabilities. In order to be seen by Beijing as the answer they were looking for the PLAN decided that it would adopt a new war doctrine that better suited the defense of these critical islands. As mentioned previously, Chinese interests in the South China Sea directly led to the adoption of the new war doctrine, which turned the PLAN’s focus away from mere coastal defense to include as well long-distance capabilities in what is known as the offshore active defense strategy. The PLAN’s necessity for securing the South China Sea justified increased spending to modernize its capabilities. According to John Garver, “A close symbiotic relation developed between the tasks the PLA-N had to accomplish in the South China Sea and the progressive modernization of its long-distance, high-seas capabilities” (Garver, 1992). The defense of the Spratlys proved to be the perfect scenario for the PLAN to call on Beijing for increased financial support for modernization. The first reason caters to Chinese patriotism. The PLAN said that it needed to “defend ‘Chinese territory’” against invasion by foreign powers (Garver, 1992). The reality of the situation was that the countries invading this territory were small states that the PLAN could have easily forced out without a great deal of funding for modernization. Another reason is simply that the economic importance of these islands was too high to take any chances as this region could produce immediate and long-lasting economic gains. Distance played a factor as well since the Spratlys were located just far enough away that the PLAN could say it needed a long-distance capability to secure them. The distance to the Spratlys from Hainan Island is equivalent to the distance of Shanghai to Nagasaki. There is also a high level of challenge in navigating what is known as the “‘dangerous ground’” of the South China Sea,
which requires well-trained personnel. The Chinese dispute with Vietnam over control of the islands means that open conflict could result at any time. In order to successfully defend the Spratly Islands the PLAN must be able to launch amphibious assaults, which require both the necessary technology and training. All of these reasons made it much easier for the PLAN to get the increased budget it needed for modernization. Were it not for the Spratlys it would have proved difficult for the PLAN to argue that it needed increased funds for long-distance voyages against unrealistic enemies such as the naval forces of Russia, America, Japan, or India (Garver, 1992).

The South China Sea has seen a large number of countries vying for control over the abundant natural resources present in these waters. Currently there are claims made by China, Taiwan, Vietnam, Brunei, and Malaysia attempting to gain control over the Spratly Islands, Paracel Islands, or the fishing rights to a certain section of the South China Sea. Claims of control over disputed territories such as the Spratly and Paracel Islands are complex with little convincing evidence on any side of the argument. For instance, Japan occupied both the Spratly and Paracel Islands during the Second World War from 1938-1945 when they used the islands as a naval resupply base. Toward the end of the war Chinese forces gained control of the islands as the Japanese army formally surrendered them to the Chinese. However, in the U.S.-Japanese peace treaty in 1951 it was not made clear to whom exactly the Japanese were ceding authority over the islands (Cole, 2010). The Chinese are very clear and emphatic in their view that they have sovereignty over all landforms in the South China Sea. This is not the result of clear historical evidence to support their claims, but rather the product of rising nationalism and the attitude that the seas all around China represent “‘China’s Sea’” (Hiramatsu, 2001). This nationalistic line of thought has led the
Chinese to ignore competing claims and aggressively pursue a campaign of dominance over the islands and natural resources off their coastline. In 1947 the CCP declared that the Spratly and Paracel Islands were officially incorporated as part of the Guangdong Province. In 1951 the CCP criticized the U.S.-Japanese peace treaty for not declaring Chinese sovereignty over these islands. Finally, “Beijing describes the twenty-five islands and more than ‘230 reef shoals and sand banks’ in the South China Sea as accounting for ‘more than one quarter of China’s three million square kilometer marine territory’ and explains its policy as ‘maintaining sovereignty, shelving disputes and seeking common development’” (Cole, 2010).

In the East China Sea were the Chinese to wrest control of the Senkaku Islands and the continental shelf, which holds vast reserves of oil the PRC, would then hold a strong leverage over their regional rivals such as the Japanese (Hiramatsu, 2001). The Japanese are important in any discussion of competition over energy resources in East Asia as they represent the second largest economy in the world, and due to this fact consumes a great deal of the world’s petroleum supplies. When this is considered with the fact that relations between these two nations are often quite antagonistic in nature, the chances for peaceful cooperation and resolution of territorial disputes in the East China Sea seems all the less likely. One of the primary areas of contention between the Chinese and Japanese is over who exactly controls the continental shelf that extends out from the Chinese Mainland to the Okinawa Trough. The Chinese claim that the totality of this continental shelf and all of the waters above the shelf belong to the PRC, and this disputed territory also includes the Senkaku/Diaoyu Islands. Both nations claim these islands as their own, and this explains the two separate names that are often used in reference to these islands, with the Chinese naming
the islands Diaoyu Islands and the Japanese calling them Senkaku Islands (Collins, 2008). The Chinese position argues that “delimitation is that the entire continental shelf under the East China Sea—from the mainland coast to the Okinawa Trough just west of the Ryuku Islands chain—should be Chinese and that delimitation of the maritime boundary should therefore occur in that area” (Collins, 2008). With this line of argument, the Chinese are making their claim to the Diaoyu Islands as they are well within the boundaries of the East China Sea continental shelf. According to the United Nations Convention on the Law of the Sea (UNCLOS) “all states [are given] the right to high seas freedoms in the exclusive economic zone of a coastal state, subject only to the ‘due regard’ standard that is also applied on the high seas” (Collins, 2008). Displaying a great deal of nationalism, the Chinese have shown a total disregard for the consensus declaration of international law and instead have declared “‘sovereignty…over the natural resources’” in the East China Sea (Collins, 2008). This is opposed to the concept of the sovereign right to harvest these natural resources, a right which they would share with all of the nations of this region. Another example of this nationalism rising up over attempts to dominate the natural resources of the East China Sea may be seen in the Chinese statement that, “‘it is perfectly justifiable, reasonable and legal for the coastal State to exercise exclusive jurisdiction within [the exclusive economic zone, and] although other states enjoy freedoms of navigation, overflight, and the laying of undersea cables and pipelines within this zone, such freedoms are conditional and restricted’” (Collins, 2008). This attitude lies at the heart of the Chinese nationalistic conception of their absolute sovereignty over the East China Sea and complicates any efforts of peaceful resolution of territorial disputes. The Japanese likewise have a very large and dynamic economy that demands energy supplies in order to sustain growth, therefore they
are not likely to simply cede these resources to the Chinese. The Japanese base their claim to this continental shelf in the East China Sea on the international agreement established under UNCLOS (Collins, 2008).

The primary complication in these disputed claims lies in the islands referred to as Senkaku by the Japanese or Diaoyu Islands by the Chinese. This set of islands is composed of five small, uninhabited rocky islets with the largest measuring 3.6 square kilometers in area. There is some historical evidence linking these islands to the Chinese as they are discussed in official documents that date back to the time of the Ming Dynasty, however, there is no evidence that the Chinese administered or controlled these islands. Without this evidence, the Chinese are unable to apply international law to claim legitimate sovereignty over this territory. As such, these islands have been administered by the Japanese since 1895 with the sole exception of a brief period following the Second World War when the U.S. controlled this territory. The Chinese claim that these islands were stolen from them following the Sino-Japanese War, and were not returned to their control following the conclusion of the Second World War. Recent years have witnessed a great deal of military posturing, and saber rattling between the Japanese and Chinese military forces as both nations’ naval forces regularly patrol these islands. Some argue that these high stakes standoffs over the islands are purposefully engineered by the CCP in an attempt ratchet up nationalism in China. The fact that this dispute is with Japan makes this point especially prescient since they represent the regional rival with whom the Chinese share a long and often dark history brimming with resentment.

There has been some very positive news with regard to this regional competition between nations attempting to gain control over natural resources. For one thing, China has
shown a willingness to cooperate with Southeast Asian and South Asian states in attempts to exploit the abundant deposits of gas in the region. The South China Sea and East China contain significant deposits of both oil and gas. It is estimated that roughly 60-70% of the hydrocarbon resources in these waters is composed of gas according to the US Geological Survey. The proven oil reserves of the South China Sea are about 7 billion barrels. Oil production is around 2.5 million barrels per day, and the production is continually rising as nations like Vietnam, Malaysia, and the Philippines all attempt to efficiently exploit these resources. With these nations all competing for limited natural resources in the region China has publicly articulated a preference for peace and cooperation. This preference was on display in November 2002 when “China and 10 Association of South East Asian Nations (ASEAN) members signed a Joint Declaration on the Conduct of the Parties, pledging to ‘resolve their territorial and jurisdictional disputes by peaceful means’” (Lai, 2007). Another example of this peaceful, cooperative approach to exploiting the region’s natural resources came in March 2005. At this time, three oil companies representing different nations in the region, China, Vietnam, and the Philippines signed on to a tripartite agreement concerning the exploration of oil and gas in the much disputed South China Sea. Under this agreement, the three oil companies essentially state that they will only explore the areas clearly under the control of the nation they represent. In this way, the oil companies hope that they will be able to avoid any sort of conflict, or the perception of undermining the position of another nation. Perhaps the most important sign of cooperation trumping competition in the whole region of Asia overall may be seen in the relationship between China and India. For obvious reasons, this is a critical relationship as China and India represent two of the fastest-rising powers in the world today. As both nations have seen their economies rise on a steady climb
they have witnessed a parallel increase in their demand for oil to sustain their rapid economic growth. Both states also represent rising military powers in Asia. This information would lead many to forecast a dark future of tense relations on the continent between these two young neighboring powers. Instead, India and China have displayed a remarkable relationship devoid of this tension or conflict. Indeed, they have actually prospered under a cooperative relationship as seen in their supportive relations around the globe pursuing new sources of energy. An example of this may be seen in both countries relations with Iran. As mentioned previously, Iran is a major source of oil for the Chinese as it is likewise for the Indians. For instance, in 2005 India signed a deal with Iran where for $40 billion Iran would be sending some 7.5 million tons of liquefied natural gas annually for the next 25 years to India (Lai, 2007). India has also purchased a large stake in Iran’s largest inland oilfield called Yadavaran as well as the Jufeir oilfield. The PRC has also made significant financial contributions with the hope that these fields may generate huge yields in terms of increased oil production. The Yadavaran oilfield has seen investment from the Chinese, Indians, and of course the Iranian government with a split in the stakes along the lines of 20% for India, 50% for China, and 30% for Iran (Lai, 2007). Meanwhile, China faces an often-contentious relationship with regional rivals like Japan for oil resources in the East China Sea, along with a disagreement concerning the preferred route of the trans-Siberian pipeline. At the same time, India, a rising world power has been able to escape this heated, competitive dynamic in their relations with China (Lai, 2007).

The fact that India and China have been able to come together peacefully, and complement each other in a shared goal of securing energy sources necessary to continue high levels of economic growth in both countries is great news for the international
community. Both nations are very similar in the sense that they are rising world powers, as both their economic and military gains in the last few decades have been staggering. Much like the Chinese, the Indians have also focused on strengthening their naval capabilities for many of the same reasons that the Chinese have. Like the PRC, India is also very concerned about possessing the ability to secure sea lines of communication (SLOC), prevent piracy, as well as the ability to settle territorial disputes in the Indian Ocean and beyond. Along with this point, the Chinese and the Indians share a great deal in terms of the problems that both societies are facing with examples like rapid urbanization, trying to feed millions of poor citizens, and battling corruption. As relatively new powers on the Asian scene, one would hope that they would focus on these similarities and cooperate through a peaceful rise. There is however, a history of strong animosity between the two states. In 1962 the two countries were actually at war with one another along their disputed border. This war witnessed the Chinese thoroughly defeating the Indian Army, and providing the regime of Jawaharlal Nehru with an embarrassing loss of territory to the Chinese. Indeed, these border disputes continue to this day as the Chinese and Indian border is still essentially unsettled. Rising levels of nationalism in both countries could flare up and create problems along this contentious border region. Another potential point of conflict could arise from their respective navies, which are more and more frequently facing off in waters that China perceives as “China’s Sea” (Hiramatsu, 2001). In one instance recently, an Indian warship off the coast of Vietnam received a transmission from PLAN ships to immediately “‘leave Chinese waters’” (Magnier, 2011). Another episode illustrated the increasing nationalism in China as it relates to the disputed border with India. In this example, “an official Chinese brochure used at a November news conference in New Delhi announcing a $400 million
investment by a Chinese state-owned heavy equipment manufacturer featured a map that included as part of China the Indian state of Arunachal Pradesh and sections of Kashmir claimed by India” (Magnier, 2011). For now China and India hold a tentatively peaceful arrangement and have even been cooperative in some regards. The future of the relationship between these two rising world powers holds a number of potential pitfalls where conflict seems likely to result.

The Chinese maritime ideology displays a strong emphasis on exploiting natural resources and energy resources to the greatest degree possible. As mentioned previously, this emphasis is closely tied to the economic success of the nation, and with the Chinese Communist Party’s need for 8 percent or greater annual GDP growth. Without this strong level of economic growth, the CCP will be unable to satisfy the demands of a massive labor force seeking employment and social unrest will undoubtedly follow. Therefore, it is critical for the PLAN to be able to secure the natural resources in the waters bordering China’s coast. This connection between the ability to dominate maritime resources and modernization of the PLAN is made evident in recent naval strategy books that have proved popular with CCP and PLAN leadership. In a book titled The Blue Strategy, the introduction states that “‘in today’s world, the population is growing as land-based resources are depleted. Conflict and competition over maritime rights and interests are intensifying with each passing day’” (Collins, 2008). Another book, A Mighty Force to Protect the Sea, argues, “‘whether or not the serious resource question is resolved will strongly impact how China’s development strategy is realized, and whether China can accomplish its rise and rejuvenation’” (Collins, 2008). A final example comes from the book, Defend the Sea with a Solid Boundary, where the author observes that, “‘turning to ocean resources and also to foreign resources has
become a crucial step for sustaining national economic development’’ and that ‘‘the world has begun to enter a new era of competition and carving up of the ocean’’ (Collins, 2008). The linkage between naval power and economic strength has now come to dominate the CCP as well as the PLA. According to one officer in the PLA, ‘‘from an economic power standpoint, maritime civilizations…are far superior to continental civilizations’’ (Collins, 2008). This is particularly true with regard to a navy’s role in energy security.

Through most of the history of China they have prided themselves on their prowess as a continental power. Now they are shifting their focus to the sea, and on assembling a powerful navy that has the capabilities to secure the critical natural resources off their coast and beyond. It is clear that the PRC’s ultimate intentions with regard to their naval capabilities is to expand their reach beyond East Asia and push for a “blue water navy” (Gurtov, 1998). For the time being, however, their attention seems to be directed toward their regional rivals and settling disputes over maritime resources. With rampant displays of nationalism in East Asia the likelihood that these contests for supremacy over the region’s natural resources turning violent seem to be quite high. To make matters worse, there is the presence of the US Navy, along with other US military forces in the region, attempting to protect the interests of their allies, as well as attempt to keep these feuding nations peaceful in their interactions with one another. The PRC, which is clearly on the rise as a world power, may seek to assert their dominance in the region, as well as on the international stage by challenging not only regional actors like Japan or Vietnam, but may even be so bold as to challenge the role that the US plays in the region. China has taken the perspective that the waters off their shores and the bounties they possess are solely under the dominion of the PRC. This all-or-nothing attitude mixed with nationalistic tendencies in the population not
uncommon in rising powers, means that the Chinese may not be very likely to back down from a challenge to their increasingly assertive behavior in the region. Along with this increasing nationalism, comes the memories of previous conflicts and/or atrocities committed on the part of regional actors, as illustrated in the example of the Rape of Nanking among other horrific actions taken by the Japanese during the Second World War. These memories still intensely affect the Chinese perspective on their current relations with the Japanese, especially since the Japanese leadership has displayed a flagrant lack of repentance for their actions during this period.

The final element that needs to be considered in this discussion, is the importance that the Chinese Communist Party places on securing vital energy sources in order to maintain strong levels of economic growth. As has been mentioned, the CCP has as one of its top priorities the continuation of at least 8 percent annual growth rates. Should the economic growth rates fall below this critical level of 8 percent, the CCP believes that it may be opening the country up to the forces of instability and possible insurrection against communist party rule. This point further illuminates the rationale behind the PRC’s strong stance that they should dominate the exploitation of the region’s natural resources. In order to settle regional disputes through force if necessary, the Chinese need to shift their nation’s attention from being a continental power with large-scale, powerful ground forces to that of a sea power. Once the Chinese possess a powerful naval force they will feel free to assume a position of dominance in the region against their regional rivals vying the same precious resources.
Chapter 6
Military Rivalries in the Region

Today East Asian nations are embroiled in a volatile mix of nationalism and competition over limited natural resources. Add into this mix the rising global power of China, and an increasingly aggressive behavior in the region and one may readily see the potential for conflict. As a rising power, China has behaved in a manner that is to be expected of a nation seeking to increase its role in the region and beyond. This is to be expected as a more robust foreign policy typically follows strong gains regarding economic output. As a desire for a stronger role in the region increases, this is typically accompanied by calls for modernizing the nation’s military capabilities. This has been the pattern with China, and its one that may have been seen with the rise of Great Britain, the United States, and other world powers throughout history. The problem is that as a new power rises there are corresponding changes in behavior that come with it. As a result of this dynamic, there is typically a change in perception by the nation’s regional rivals. Examples of rising powers having a destabilizing effect on a region are plentiful in history with perhaps the most apt analogy to the case of China today being that of the German juggernaut prior to World War I. In this instance, the mighty German dreadnoughts alone terrified Europe, and contributed significantly in pushing the continent into a long-lasting calamitous military confrontation. It is feared that just as the dreadnoughts ushered in a major arms race in Europe, and directly contributed to the commencement of WWI, that such an arms race may be getting underway in East Asia. Nationalism, which has been quite prevalent throughout the region is being stoked increasingly, and will likely continue to rise as the PRC flex their muscles through a more aggressive foreign policy in the region. Throughout the region, countries look on in
fear as the Chinese have pumped larger and larger sums of capital into strengthening their military forces, especially when it comes to their navy. This chapter examines the effect that China’s naval modernization has had on the region’s militaries, including whether it is stirring up a regional arms race, as other nations attempt to keep pace with the PRC.

The first regional rival that will be examined is Japan. The relationship between the Chinese and the Japanese is critical to any discussion of East Asian security, as these two nations represent two of the world’s largest economies, and correspondingly, two of the world’s principal energy importers. There is also the issue of nationalism as a major obstacle to peaceful relations between these two regional and global powers.

Nationalism, in the case study of the PRC and Japan, frequently rears its head in often unusual or surprising ways. There are numerous examples of nationalistic surges in the populations, especially when events mirror or even simply remind the Chinese of the horrific treatment that they suffered at the hands of the Japanese in the Second World War. A commonly discussed event that sees a strong nationalistic response from the Chinese occurs when the Japanese Prime Ministers or other Cabinet members have visited the Yasukuni Jinja shrine. The significance of these visits is that this shrine is dedicated to the memory of the Japanese soldiers lost during the Second World War. These visits by leading members of the Japanese political order have resulted in large-scale protests and eruptions of nationalism on the part of the Chinese people. Another example took place in 2004, when Japanese textbooks downplayed the brutal nature of the Japanese actions toward their Asian neighbors during the Second World War. This led to one month of large-scale demonstrations across a number of cities in China where cars were set on fire, the Japanese embassy and consulate were vandalized, and businesses assumed by the Chinese people to be owned and operated by
Japanese were vandalized and looted. Japanese political figures are often guilty of succumbing to crude nationalistic statements aimed at the Chinese. Takashi Eto, a member of the Liberal Democratic Party in Japan once referred to the Chinese people as "‘Third Worlders,’” while arguing that the number of casualties resulting from the infamous Rape of Nanking was actually far lower than Chinese claims. Tokyo Governor Shintaro Ishihara called the Chinese “‘ignorant,’” as they celebrated the launch of their country’s successful manned space flight mission. According to Ishihara, the Chinese spaceship was outdated, and if the Japanese wanted to they could launch within a year (Dreyer, 2006). These statements and actions on the part of the Japanese illustrate the often-petty nature of nationalism. These statements have a strong effect however on the Chinese psyche, as the Japanese dismissive attitude toward the horrors suffered by the Chinese understandably infuriates the Chinese population. What typically follows is a violent reaction to these statements with vandalism and looting of Japanese embassies and businesses, which angers the Japanese people. Sadly, this is characteristic of the nationalistic tendencies on both sides, which merely serves to enflame tensions between these two powerful nations in East Asia.

The Japanese perspective on these matters is that most of the citizens today were born well after the conclusion of World War II, and therefore have no complicity in any of the terrible events that took place under the auspices of the Japanese military. Overall, the Japanese believe that they don’t really need to feel bad for acts that they took no part in, and they are often shocked at the reaction of the Chinese to events that the Japanese view as rather innocuous in nature. Many of these incidents involved Chinese women and tend to enflame nationalistic tendencies as the Chinese are reminded of the terrible legacy of Japanese soldiers keeping wartime sex slaves. For instance, in April 2004, at a Japanese-
owned sushi restaurant in Kunming, there was a preparation of the nyotai mori, which involves sushi served on the body of nearly naked women who happened to be Chinese. The Chinese viewed this as an outrageous illustration of the Japanese exploitation of Chinese women as if this act were in the same vein as those Japanese soldiers who kept Chinese wartime sex slaves (Dreyer, 2006). In this way, history will always color the relations between the Chinese and the Japanese, and complicate any attempts at peaceful coexistence. Certainly it doesn’t help when the Japanese appear to remain unrepentant for their actions with regard to their Asian neighbors in the Second World War. Again, this behavior may be explained with nationalism as the Japanese attempt to preserve a strong, positive view of their country and its history. Playing down their role in the mistreatment of wartime sex slaves, or the traumatic effect that large-scale slaughters such as the Rape of Nanking had on the Chinese is one (incredibly unhealthy and unproductive) way of preserving such a positive introspective outlook.

One of the major disagreements between the Japanese and the Chinese revolves around the issue of whose claim of control over the Senkaku/Diaoyu Islands takes precedence. That nationalism as a force has become embroiled in this issue is clear in the fact that both sides refer to these islands by different names, which reflect their historical ties to this island chain. While the Japanese control these islands, the Chinese have made clear their claim to them, as well as their desire to dominate the entirety of the East China Sea. Controlling these islands would greatly strengthen their position in this matter. This would also allow the Chinese to proceed with their desire to single-handedly exploit the natural resources of the East China Sea. Since a great deal of the tension between these two nations revolves around maritime issues, it should logically follow that a significant bit of the
military focus will be on the modernization of both sides’ naval forces. The Japanese naval adaptations to the Chinese naval modernization have been by far the most significant in East Asia. Attributing this buildup solely to the historical antagonisms shared between these two nations would be a mistake however.

The Japanese have actually attempted to alter their foreign policy experience as it relates to the Chinese for quite some time. Former Japanese Prime Minister Yoshida Shigeru, a man that many argue produced Japan’s postwar foreign policy, believed that China and Japan would develop close relations in the region. He believed that the Chinese would eventually split away from the Soviet Union’s influence, and that a strong bond between the two countries would eventually develop based on economic interdependence. China following the Cold War was viewed by many political figures as presenting Japan with an opportunity in foreign policy. It was thought that closer relations with China would yield a far more balanced foreign policy than solely relying on close ties with the United States. Following the Tiananmen Square Incident, the Japanese were the first G-7 nation to reach out to the Chinese in an attempt to reopen dialogue. The Japanese viewed this as a great opportunity to serve as a bridge between the Chinese and the West (Erickson, 2010).

The mid-1990’s saw a fundamental change in the positive trajectory of PRC and Japanese relations. The first change had to do with a new class of politicians taking over in Japan. This new collection of political figures, known as the Heisei generation, wanted to see Japan become far more assertive in its foreign policy. They were also far more nationalistic and aggressive in their pronouncements and behavior often drawing the ire of the Chinese people. The other problem that arose concerned the Chinese military’s behavior. The first two major provocations on the part of the Chinese were a nuclear test at Lop Nor,
and then subsequent missile tests off the coast of Taiwan in 1995-1996. These events began a period where the Japanese reassessed their perspective on the Chinese and cemented close relations with the United States. An even greater threat was seen in the PLAN however. The PLAN had been expanding their patrol areas to the point where they frequently began appearing in traditional Japanese sea-lanes again prompting the Japanese to pursue closer security ties with the US. There have been a number of reported aggressive activities on the part of the PLAN involving Japan. Michael J. Green chronicled some of these aggressive activities in the book, *China, the United States, and 21st Century Sea Power*. According to the author:

The Japanese press has reported on incidents over the past few years that include the circumnavigation of Japan and intrusion in Japanese territorial waters by PLA Navy submarines; the suspected mapping of the underwater seabed between Japan and Taiwan for potential submarine warfare; the deployment of three PLA Navy destroyers around the contested Diaoyu/Senkaku Islands that subsequently trained deck guns on a Japanese Maritime Self Defense Force P-3C surveilling the area; the January 2007 antisatellite test; the deployment of close to one hundred medium-range ballistic missiles that range Japan; rapid increases in tactical air and surface warfare capabilities; and the 8 and 21 April 2010 events in which, during a ten-vessel PLA Navy exercise west of the Ryuku Islands, a PLA Navy helicopter reportedly approached within ninety meters of a Japanese Maritime Self-Defense Force Destroyer (Erickson, 2010, pp. 356-357).

Clearly this behavior illustrates an increasingly reckless pattern of confrontational behavior on the part of the Chinese toward the Japanese.

This confrontational behavior by the PLAN is leading to some major changes in how the Japanese Self-Defense Forces identify their mission in safeguarding the nation. Currently, the Japanese Self Defense Force has seen their military spending levels decrease in parallel with the Japanese economy’s downturn. According to Martin Fackler, “Japan’s defense budget has decreased 5.2 percent since 2001 to 4.68 trillion yen, or $56.4 billion at
current rates, though it is still estimated to be one of the five or six largest in the world” (2010). Following the conclusion of the Second World War, Japan’s militaristic tendencies that produced death and destruction throughout the Pacific Theater would be fundamentally altered to yield a non-aggressive, defensive-oriented military force. This point is well illustrated in the statement that the SDF soldiers were in fact not a military force but rather merely “‘special public servants’” (A (Slightly) More Muscular Japan, 2012). A change is taking place, however, and Japan is taking a far more proactive role in the region by aligning their military with likeminded nations fearing potential Chinese hegemony. This also means that the Japanese will rework their military alliance with the United States through a focus on containing the growing threat they see in the PLAN. Of particular concern for the Japanese is the island of Okinawa, which is the first of the island chain that separates China from the Pacific Ocean. Japan has also begun to rethink its overall military strategy with an emphasis on what is described as a “‘dynamic’ defense concept, involving more active protection of the south-western Okinawa islands using agile military hardware and more troops” (A (Slightly) More Muscular Japan, 2012). The Japanese are looking to work more closely with neighboring states sharing strong misgivings about the recent actions and intent of the Chinese in the region. Even more important for the Chinese, is their goal of reworking the fundamental nature of their strategic alliance with the US. Under this new plan, the Japanese would assume more responsibility for protecting the islands surrounding Okinawa, which would then leave the US with more freedom to focus their efforts in other areas of concern. The most notable area that the US would focus on would probably be the South China Sea, where the nations with interests in these waters do not possess the military capabilities of the Japanese. This means that the Japanese will assume a far greater role for maintaining
security in the region than they ever have in the postwar decades (A (Slightly) More Muscular Japan, 2012). According to Yuichi Hosoya, a professor of international politics at Keio University in Tokyo, “‘This is all part of an agonizing soul-searching by Japan…Japan feels itself caught between the reality of Chinese power and questions about U.S. commitments in East Asia’” (Fackler, 2011). Of course, in many ways the Japanese will still remain very reliant on their US allies as their main sea and air commands have been moved to US military bases, so that the two nations may more successfully utilize a greater degree of cooperation and alignment in their mission. The second major aspect of this new strategic alignment on the part of the Japanese is that they are seeking a stronger military partnership with all of the allies of the US in the region. This proposed military alliance includes nations like Australia, Singapore, the Philippines, South Korea, and Vietnam. The framework of alliances would see a transition from the “‘hub and spoke’ system of alliances, with America at the centre, which has defined regional security since the start of the cold war…[toward] what Mr Nagashima calls ‘a network among the spokes’” (A (Slightly) More Muscular Japan, 2012). An illustration of what Japan has planned for supporting the network among the spokes is the supplying of coastguard patrol boats to the Philippines under the guise of developmental aid (A (Slightly) More Muscular Japan, 2012). There has also been a transition away from the cold war-era strategy of large-scale ground forces digging in to defend against a Soviet invasion. Now the focus has changed to sea and air forces as the Japanese have added submarines and helicopter-carrying ships resembling small aircraft carriers, adding new fighter jets, as well as the addition of a new amphibious assault force designed to deny an island invasion force (Fackler, 2010). Clearly there is a distinct shift from an outdated strategy focusing on a large-scale attack from the Soviet Union, to a more
nuanced and concentrated maritime defense involving disputed islands. Relations between Japan and the PRC are critical to the region as these two nations represent the two most powerful military forces in East Asia. The violent mutual history between Japan and the PRC, in association with the nationalism that flows out of this competitive relationship, means that conflict could easily result from misguided actions in the waters of the East China Sea.

Another very important potential regional adversary of the PRC is Taiwan. This country represents perhaps the most likely conflict scenario for the PLAN in East Asia. Also, like China’s relationship with Japan, Taiwan brings with it the baggage of a historical enmity, along with tense relations tied up in strong nationalistic tendencies on both sides of the Taiwan Strait. One Chinese scholar summed up the importance of Taiwan and Hong Kong to the CCP and the Chinese state overall in an article titled, “China’s Relations with the West: The Role of Taiwan and Hong Kong.” According to the author, “‘Hong Kong and Taiwan are fundamental to the very legitimacy of the Chinese Communist Party and China’s government. They have constituted a continuing challenge to Chinese nationalism and China’s potential as a great power’” (Anderson, 2010). The author continues this thought by arguing that, “‘China’s sense of itself as a burgeoning great power, increasingly wealthy and modernizing militarily, has been coupled with changes in Taiwan’” (Anderson, 2010). Reclaiming Taiwan is not only critical to the CCP when it comes to maintaining national integrity, but also vital in the interest of securing the PRC’s position as an emerging global power. If the Chinese are unable to gain control of this key island, they must then face the prospect of a future hemmed in by the first island chain, which would prevent them from obtaining access to the Pacific Ocean. This island chain refers to the islands of Japan,
Taiwan, and the Philippines. It is believed by many Chinese military analysts that Taiwan is needed to provide the PRC with the “strategic space” needed to secure the nation’s long term interests, and truly arrive as a great power (Anderson, 2010). One Chinese scholar, Jiang Yu describes this island chain as a “shackle” that poses a “serious hidden threat” to the PLAN (Yoshihara and Holmes, 2010). According to Yoshihara and Holmes (2010), Jiang Yu continues to argue this point:

If China can retrieve Taiwan—the mid-section of the island chain—through military or political means, then the midpoint of the entire island chain would be severed in geographic terms. The Chinese fleet and naval aviation units can then use Taiwanese bases to directly enter the Pacific, making Taiwan island a major base and a harbor of refuge favoring both the offense and the defense for China’s far-seas fleet. Moreover, the sea and air combat radii from bases on Taiwan would reach the flanks of Japan and the Philippines. The mainland and Taiwan would form a T-shaped battlefield position able to deter the periphery through semi-encirclement. Recovering Taiwan not only distinctly improves the security environment for China’s littoral defense, but it would completely resolve the geographic limits set on Chinese naval power’s eastern entry into the Pacific Ocean (pp. 53-54).

In this way, Taiwan is seen as critical to unleashing the full potential of the PLAN, and denies regional rivals with the ability to contain their strategic reach and power.

The CCP would definitely prefer a peaceful approach when it comes to reclaiming Taiwan, and they are actively pursuing this strategy. It must also be stated however, that the Chinese are unwilling to take the use of force off the table as a potential option. Their PLAN modernization has also kept this strategic goal in mind as amphibious operations and other vital capabilities involved in any attack on Taiwan have been emphasized.

Taiwan has relied on American military protection since June 1950 when President Harry Truman positioned the Seventh Fleet into the Taiwan Strait. President Truman claimed that this was merely an attempt to prevent either side from attacking the other,
however, Beijing understood this to mean that the US was actually committing itself to the
defense of Taiwan. From this point forward, the Chinese have also understood that the US
presence in East Asia means American domination of both the air as well as the sea (Cole,
2010). Just as Taiwan has relied on the physical presence of the US military in the region for
protection, they also need the continued sales of advanced American weaponry, in order to
offset their military disadvantage against the much larger PLA. The Taiwanese merely hope
to achieve the capabilities necessary to successfully defend their island against an attack by
the PLA. They have absolutely no desire, nor the ability to engage the PRC in an arms race.
With the Chinese military modernization in association with difficulties that Taiwan has had
securing advanced weaponry from its democratic allies, Taiwan is having difficulty merely
maintaining this defense capability. The growing disparity between the capabilities of the
PRC and Taiwan has frustrated Taiwanese President Ma who has constantly stressed the
need for foreign military and technological assistance from the US. President Ma makes this
point clear when he states that “‘we have long hoped to acquire F-16 C/Ds and diesel-electric
submarines…The purpose of Taiwan’s weapons acquisition plans was not to pursue a
military buildup but rather to replace aging aircraft and submarine fleets’” (Huang, 2011).
The reality of the situation for Taiwan is that it cannot keep up with the economic and
military changes taking place in the PRC. In the past, Taiwan based their military strategy
against China on the assumption that a far smaller but more technologically advanced
military would be able to deter any assault on their island. However, this strategy is being
overwhelmed by the incredible rate of development in the PLA, and the Taiwanese are no
longer able to keep pace with the changes taking place in the PRC. The other problem is that
Taiwan’s superpower protector, the United States, may be retreating from its prominent role
in the region. The reasoning behind this shift comes from the popularity among members of the Republican Party for increased austerity measures. While Republicans typically support the Pentagon and vast defense budgets, within domestic US politics there has been a rise in calls for large-scale defense cuts, which might mean a diminished US position in East Asia. For these reasons, the Taiwanese political leadership must focus on the continuation of a peaceful rapprochement between the two states. The Taiwanese also should take full advantage of peaceful and open relations to support democracy advocates within the PRC, as well as support for any general political reform to encourage increasing levels of openness and transparency in their government. Again, the changing reality of the situation across the Taiwan Strait is that deterrence on the part of the Taiwanese is an increasingly dire proposition, and this is especially true if there is a strong sense of American retreat from the scene (Yang, 2011).

The next regional rival of the PRC to be discussed is Vietnam who has often frustrated the CCP as a surprisingly obstinate military opponent and oftentimes-troublesome neighbor to the south. The Vietnamese and Chinese have often suffered from tense relations that result from the disputed territories in the South China Sea. These tense relations caused by territorial disputes with the PRC are nothing new for East Asia. What is different about the case of Vietnam is that they have actually seen these disputes devolve into violent conflict between the two nations. For instance, in 1974, the PLAN seized the western Paracel islands from the Vietnamese. Another major clash at sea took place in 1988 when the PLAN sank three Vietnamese navy ships. Once again, the Chinese have taken the perspective that all of the waters off of their coast are “‘China’s sea’” (Hiramatsu, 2001). With this perspective, the Chinese have claimed sovereignty over the entire South China Sea.
This claim represents a large area covering roughly “3.5m square-kilometre[s]…dotted with disputed groups of islands that are also claimed in whole or in part by Vietnam, Taiwan, Malaysia, Brunei, and the Philippines” (Tran, 2010). In the South China Sea, the Chinese have also arrested Vietnamese fishermen, threatened multinational oil companies, as well as increased their naval exercises in a move clearly intended to threaten neighboring states who believe that they have a share in these waters. China has also declared the South China Sea to be an area of “‘core interest,’” which places these waters on the same level of import to the PRC as their claims to Tibet and Taiwan (Tran, 2010).

This aggressive behavior and rampant nationalism on the part of the Chinese has pushed the Vietnamese into closer relations with the US as they seek to balance against the rising power of the PRC. On August 19, 2010, the US and Vietnam held their inaugural US-Vietnam Defense Policy Dialogue in Hanoi. The militaries of the two nations have grown significantly closer as of late. While weapons sales to Vietnam are not taking place due to Vietnam’s self-imposed ban, it does seem likely that this policy will shift, and even allow the education of military officers at staff colleges and other military institutions in the US. With both the US and Vietnam fearful of Chinese intentions in the region, the two nations look to form a strong alliance not only between themselves but also with other countries in the region.

One of the nations that the Vietnamese are looking toward for protection from the Chinese is Asia’s other rising power, India. An interesting dynamic has been taking place with the Indians seeking to expand their alliances and potentially to frustrate the Chinese, a nation that is clearly a great competitor for power and resources in the region. Much like the Chinese, India has been assembling a powerful navy as they look to broaden their influence
in Asia. The relationship between India and China may be one of the most precarious in the sense that they are both growing at a rapid pace not only economically, but also in terms of their military and diplomatic ties throughout the region. With both nations heavily dependent on energy supplies, which they are both competing for on the global stage the potential for conflict will remain high for the foreseeable future. This means that alliances in the region such as the one that is being pursued with the Vietnamese could raise the threat level between these two giants of Asia. As previously discussed, one of the great fears of the CCP is being boxed-in by an alliance of nations. This is especially the case when one considers the position of Taiwan as it relates to the PRC. One of the CCP’s most commonly issued points regarding the need to reclaim the island of Taiwan. As India courts Vietnam and Myanmar, along with other nations in the region, China may feel this constricting effect on their ability to project power. This scenario could push them to lash out at the power driving this alliance, which in this instance would be India. The same argument holds true for the US and the burgeoning set of allies throughout the region, which ring the coast of China (Williams, 2011).

The US has sought to foster a strong alliance with deeper levels of integration in terms of how the militaries are able to coordinate their activities and share intelligence. Vietnam is of course one of the key players as mentioned. Japan and Taiwan also have sought out close relations with the US as they attempt to balance against the rising power of the Chinese in the region. Another nation that falls into this category is South Korea. With the sole exception being Japan, which possesses arguably the strongest military in terms of size and capabilities. The other regional rivals of the PRC, which include Vietnam, South Korea, and Taiwan, must rely heavily on the capabilities of the US to give them support in
the face of what some in region fear is a growing threat in China. This security situation has produced a natural military alliance as Japan has also become more proactive in attempting to aid those in the region fearful of Chinese intentions. The US also seeking to contain Chinese power in the region has been fully supportive of this alliance. Like many in the region, the South Koreans have a long history of domination by Chinese interests and the Chinese culture overall. This influence continues to this day in the sense that the Chinese and the South Koreans are incredibly closely tied together when one considers the level of dependence South Korea has on the Chinese economy. Again, this is nothing new in the region, and there are any number of countries in East Asia where it is easy to see this pattern emerge. The interesting dynamic here though, is that South Korea, much like Taiwan, finds itself in the unusual position of relying heavily on the Chinese in economic matters while depending on the US for security. This has been a constant theme in modern Chinese relations with neighboring countries. It may be argued that the powerful Chinese economy represents a far more insidious weapon than anything possessed by the PLA as it brings regional rivals into submission through economic integration and dependence. Another argument may be made that this is where nationalism will play a defining role in terms of avoiding conflict in the region. While South Korea may be seen as having a strong sense of nationalism when it comes to issues such as reunification of the Korean Peninsula, they do not hold intense anti-Chinese feelings for the most part. In this way, it is much easier for a nation like South Korea to avoid potentially disastrous confrontational saber rattling, where a country with high levels of nationalism like Japan, Taiwan, or Vietnam may be more prone to pursue a reckless course of action.
Overall, East Asia represents a region with high levels of nationalism. South Korea is no different in the sense there is a clearly distinct sense of identity. It may be argued, however, that in the case of South Korea you do not see the rise in nationalism in the sense that their population is especially fearful of Chinese intentions, or even perceived hegemony to the extent that one would expect to see in Japan or Taiwan. One way in which nationalism plays a different role in the case of South Korea is that there are positive, potentially binding aspects of their relationship. For instance, the South Koreans tend to feel closer to China in the sense that both suffered horribly from the Japanese in the Second World War. Of course there is also the very large degree to which the economies of South Korea and China are so intrinsically intertwined. Also, both nations are incensed by Japanese displays of indifference for their role in the atrocities that occurred during this period. Then there is the incredibly complex issue of reunification of the Korean Peninsula. The issue of reunification is where South Korean nationalism is arguably most prescient. The South Koreans find themselves in the most awkward position in the region. They want to maintain their interests in China in the sense that they hope to foster positive relations not only for economic reasons, but also because the Chinese are North Korea’s closest ally. Yet the South Koreans must also balance this close alliance with China with their security pact already in place with the Japanese and the Americans. This is no easy task and it becomes all the more difficult when relations between the PRC and Japan devolve into a nationalistic furor (Snyder, 2009).

The regional rivalries of East Asia represent complex and multi-layered interests as demonstrated starkly in the example of South Korea. South Korea’s balancing act is representative of a growing number of countries in the region. As China’s economic power increases, and the PRC more closely integrates itself in the economies of the region, these
nations will be forced into this same balancing act between the demands of economic growth and those of security issues. The demands of security will force the nations to look to regional military alliances as well as to the United States. Through this security arrangement it is hoped that these states will be able to check the rising military strength of the PRC. Many of these nations are fearful of Chinese intentions in the region, and the looming potential of a Chinese hegemonic power. Other countries like Vietnam see their interests in the natural resources off their coast under threat from the Chinese who have claimed all the seas off their shores as their own. Aggressive actions on the part of the PLAN in the South China Sea have enflamed Vietnamese nationalism in much the same way that these same actions in the East China Sea have enflamed Japanese nationalism. The military alliances may hope to check and contain the rising military might of the PRC, however, they have the potential of unleashing violent conflict in the region. Should the Chinese feel unduly constrained by a US and Japanese-led military alliance designed to hem them in, the PRC could become increasingly aggressive in attempts to breakout. This same proposition might actually make a PLA assault on the island of Taiwan all the more likely as the Chinese seek a way to escape from the island chain holding them back. The issue of Taiwan is perhaps the most fascinating in the region. As the Chinese continue their military modernization efforts it doesn’t seem that time is on the side of the Taiwanese. Their defense efforts will not likely be able to keep pace. Possibly the best hope for Taiwan is that through further economic integration with the PRC they will be able to alter the internal political composition of China. Should the Chinese feel frustrated with their efforts to peacefully reclaim Taiwan then conflict will surely follow. This is but one of many potential flashpoints in the region however. In a region where nationalism runs rampant, military alliances expand and deepen
in commitment, and a superpower attempts to maintain its hold on the region, the probability for conflict is dangerously high.
Chapter 7
US Naval Objectives in East Asia

No discussion of East Asian security issues would be complete without an analysis of the United States’ role and interests in the region. Since the end of World War II, the US has played a key role in the region through a very sizable military footprint as well as a seemingly omnipresent and quite substantial naval presence. This military presence has sought to enforce the political and economic interests of the United States in the region of East Asia. Some of these interests include maintaining peaceful relations in an increasingly volatile region of the world, securing safe passage through the critical shipping lanes that form natural chokepoints for trade in the global economic system, as well as protecting regional allies. As the focus of American foreign policy attention increasingly shifts from the Middle East to the East Asia another interesting dynamic will play out in the region. Following the dissolution of the Soviet Union, the US stands alone as the world’s sole superpower. The postwar decades have seen a US, which stands unrivaled with respect to economic and military might. This international standing is now in doubt however, and the drama is playing is playing out in the region of East Asia where the Chinese, who represent the most notable of the potential usurpers of American power, faces off against what some argue is a superpower in decline. As Chinese interests in the region expand in concert with their desire to project power ever further, the potential for conflict between the PRC, US allies, and the US itself will only increase. One of the greatest foreign policy challenges for the United States in the coming decades will be in peacefully managing the rise of China in East Asia.
The changing dynamics between the PRC and the US plays a large role in setting the interests for the US in East Asia. As mentioned, the US sees its position in the region in a state of flux as it may be more clearly identified as a declining power. Meanwhile, the PRC is rapidly gaining ground on the US in both economic as well as military might with strong GDP annual growth rates for the past three decades with correspondingly substantial investments in the PLA. East Asia still represents a region with significant interests for the US when one considers sea-lanes of communications, oil, and regional allies. President Obama recognizes the importance of this region for the US, and that the potential center of gravity of American foreign policy will be shifting from the Middle East to East Asia. As such he has stationed 2,500 Marines in Australia, sought closer ties to the smaller, littoral states of the region, as well as made clear American interests in maintaining peaceful relations and free passage in East Asia. At the same time that the US is elucidating these interests, the Chinese have a very different set of interests that often conflict with those of the US. For instance, a top national goal for the PRC is reunification with Taiwan. While the Chinese would prefer a peaceful process of unification they are not willing to rule out military intervention should the need arise. Another example of conflicting interests may be seen in the South China Sea, where the PRC is increasingly exerting its dominance through the application of superior PLAN capabilities. The PRC views these waters as within their realm of control, and as such are dismissive of territorial claims made by smaller neighboring nations. The US watches these disputes with trepidation as the South China Sea holds tremendous economic importance. This importance lies in the fact that a high percentage of the global freight passes through these waters. Should conflict arise in the South China Sea it could well prove economically disastrous not only for the US, but for the global economic
system as well. These two political actors facing inverse trajectories with the US arguably in decline, and the PRC clearly a rising power, will most likely decide whether peace or conflict reigns in East Asia.

The first major interest of the US Navy in East Asia is ensuring the security of the region’s critical sea-lanes of communication. Nowhere in East Asia does this represent a graver concern for the US than in the South China Sea, where territorial disputes threaten to produce large-scale conflicts. The South China Sea plays host to a large number of territorial disputes between nations throughout the region, and disputes have only intensified with the discovery of abundant natural resources in these waters. US concern over these disputed waters was made clear in statements by US Secretary of Defense William Perry in October 1994, when he warned that “‘if disputed territorial claims to the Spratly Islands erupt into conflict, it could be a devastating blow to regional security and could threaten sea lines of communication vital to the United States and other countries of the world’” (Erickson, 2010). For the most part, the US has tried to remain neutral in these South China Sea territorial disputes; however, this position has begun to evolve in recent years primarily due to pressure from the media and some congressional representatives. In the case of the Mischief Reef dispute between the PRC and the Philippines, the US has clearly shifted from neutrality to open support for the Philippines. Fearing conflict developing from these disputes, the US has made it clear that it will intervene militarily if need be to ensure that sea lanes in the South China Sea remain open. Former US Assistant Secretary of Defense Joseph Nye made this point clear in discussions with reporters in Tokyo on May 10, 1995. Nye declared that “‘if military action occurred in the Spratlys and this interfered with the freedom of the seas, then we would be prepared to escort and make sure that navigation continues’” (Erickson,
Military intervention on the part of the US may seem to be a drastic step, yet when one considers the economic implications should these sea-lanes within the South China Sea face a disruption of the flow of oil, and other vital goods, then the reasoning behind this becomes clear. Stability in the South China Sea is not only a key issue for the United States, it is also critical for the global economic system. According to former US Secretary of State Warren Christopher, “‘it is a vital sea lane through which one-quarter of the world’s ocean freight passes. The United States will continue to urge countries with competing claims to resources there to resolve their disputes through dialogue’” (Erickson, 2010).

In the postwar years, the US Navy has focused on maintaining freedom of action around the world, which allows their military to project force anywhere in the world where a challenge is presented to American foreign policy goals. The end of the Cold War, however, would see a transition from the primary focus of this period, which was on defeating the Soviet Navy in sea battles to a greater concentration on regional stability. This new mission was clearly stated in the 1994 document “‘Forward…From the Sea,’ the secretary of the Navy and the chiefs of the naval services stated that ‘the purpose of the U.S. naval forces [is] to project the power and influence of the nation across the seas to foreign waters and shores in both peace and war’” (Erickson, 2010). The goal had clearly shifted to projecting power in response to regional challenges. Two interesting new dynamics were beginning to alter the international system however. New economies quickly integrated themselves into the international political economy and rose in prominence. The rise in new economies around the world produced a corresponding increase in maritime trade. This would mean a new set of challenges with regard to international security and stability requiring an emphasis on naval capabilities and law enforcement operations. With this growth in new economies and
the corresponding need to secure international trade through the free movement of international goods, the US has faced dwindling fiscal resources to meet this challenge. This means that the US has had to increasingly rely on a system of alliances to assist in their mission of ensuring that the world’s waterways will be safe for the trade that feeds the international economic system. The maritime threats to the vitality of the international economic system are wide and varied. According to “A Cooperative Strategy for 21st Century Seapower,” the primary threats are represented by “‘a hybrid blend of traditional and irregular tactics…and nonstate actors using both simple and sophisticated technologies in innovative ways’” (Erickson, 2010). In order to ensure success in this endeavor, cooperation among nations is paramount as there isn’t a single nation that “‘has the resources required to provide safety and security throughout the entire maritime domain…and partnerships of common interests are required to counter…emerging threats’” (Erickson, 2010).

In East Asia, the United States has been pushing for a strong alliance among the nations in the region, which are growing more nervous of Chinese behavior and intentions. The US hopes that it will be able to foster a strong alliance through such efforts as the 2007 bilateral Cooperation Afloat Readiness and Training (CARAT) involving states like Brunei, Malaysia, the Philippines, Singapore, Vietnam and Thailand. This alliance includes military exercises between the US Navy, US Coast Guard and their counterparts in the other member countries. These exercises focus on improving security in areas such as the Sulu Archipelago, the Gulf of Thailand, the waters north of Java, the Singapore Strait, and the South China Sea. While the CARAT alliance is bilateral in nature, the US is hoping that its vision of the Global Maritime Partnership will spread and supplant the bilateral efforts with a stronger emphasis on multilateralism. According to the Global Maritime Partnership,
regional actors will assume greater leadership and develop a higher degree of regional cooperation in security matters. The US leadership believes that there should be an innate interest in maintaining commerce, security, as well as freedom of navigation at sea in countries throughout this region so asking these nations taking a more proactive role seems logical. It is also hoped that a greater degree of cooperation between the US and China over issues such as fighting piracy and other nontraditional security threats at sea will strengthen a sense of unity of purpose, and decrease feelings of confrontation in this relationship.

According a senior policy advisor to Hu Jintao, “China’s ‘peaceful rise’ policy is meant in part to achieve for China a role as ‘a responsible big power playing a constructive [part] in the international community’ and that China has an interest in ‘joint efforts to maintain international order’ and recognizes that there is ‘a high degree of convergence of [U.S. and PRC] national interests and mutual needs in the age of globalization’” (Erickson, 2010). While efforts at direct cooperation between the US and the PRC hold the potential to foster a mutually beneficial security arrangement the Chinese do not look as kindly on efforts by the US to further develop military alliances. One prominent example of such an alliance is the Global Maritime Partnership concept. For the PRC these efforts to box in their country through such alliances demonstrate the hegemonic behavior of the United States. They view these actions as the US seeking to prevent the rise of China, as well as strengthen American power throughout the region. This represents the predominant issue in the US/Chinese relationship in the decades to come. Can the US peacefully manage the rise of the PRC in East Asia? Should China’s remarkable rates of growth continue their influence and reach might possibly extend far beyond East Asia as well. Is it possible for the US to pursue
policies such as the Global Maritime Partnership without provoking a strong reaction from the Chinese, which could spark a major regional conflict?

The relationship between the US and the PRC is currently one of a maritime power (US) and a continental power (PRC). China is hoping to change this dynamic obviously with the current PLAN modernizations, however, the journey to PLAN dominance at sea will be a long one. This relationship should remain stable so long as their crucial regional interests do not intertwine, and their militaries do not become actively competitive with one another. If the PLAN is eventually successful in their goal of implementing a powerful navy this could prove to be a major point of contention between the United States and the PRC. The primary American interest in East Asia is in remaining in its current position of strong strategic influence in regional affairs. In order to achieve this objective, the US has aligned itself with several important allies in the region such as South Korea and Japan. These two states allow the US to station troops for a strong and rapid reaction to any threat in the region. The current structure of East Asia presents a very balanced naval theater for US interests. In Japan the US has an ally that possesses a very powerful navy heading up a series of island countries with likewise strong naval capabilities. This string of island countries extends from Japan in Northeast Asia to Malaysia in Southeast Asia. As the current structure exists now a continental power in East Asia would be effectively checked by the strong encirclement of maritime powers in East Asia. Therefore, the US policy in East Asia is to make sure that there are enough strong maritime powers to check any continental power, and this has worked quite well. This policy began as the US vacated the Southeast Asian mainland in 1975. It was designed originally to check the power of the Soviet Union, but now it works effectively in checking PRC power. The US built up this collection of navies
throughout East Asia by utilizing its economic power, as well as its undisputed maritime
dominance of the region. The US has reached arrangements with these states that allows for
access by the US to the state’s naval facilities. These states include Indonesia, Singapore,
Malaysia, and Brunei. Through these agreements, as well as military bases in both Japan and
South Korea, the US has a very effective naval encirclement of the PRC. Finally, the US
may apply pressure to the PRC anytime it so chooses since it has the ability to launch very
rapid air and naval assaults anywhere along the PRC coastline. The US plans to continue
these strategic plans for containment of the PRC through maritime balancing for possibly the
next twenty-five years. The PLAN, however, is hoping that rapid modernization will allow
the PRC to break this encirclement, and effectively negate the controls that are placed on its
ability to act on its own interests in the region. It is also believed that China will attempt to
develop space-based reconnaissance technology in order to monitor and track US, Japanese,
and other maritime powers in the region. The US will then employ an effective
countermeasure thanks to its impressive superiority in electronic warfare. Technological
advancements are being made in the US that even allows an entire fleet of ships to hide from
satellite imaging. Preservation of the status quo therefore, is the simple focus of the US East
Asian policy through forced power stabilization (Brown, 2000).

While the US acts to effectively encircle the PRC, does this mean that the US military
presence in the region will guarantee safety? The simple answer is that the US military
presence will guarantee safety only so long as it is within the active interests of the United
States. To explain this point, one must look to the example of Chinese activity in the South
China Sea. This southern expansion by the PLAN began in the 1970’s and continues to this
day. Both the US and the USSR decided on a policy of non-involvement with the PLAN’s
southern expansionism. In 1974 the Chinese launched attacks on the Paracel Islands with both the PLAN as well as the PLAAF while these islands were officially the possession of South Vietnam. The US did nothing at all to resolve the conflict. Then in March 1988, the PRC sent a large-scale force of the PLAN to the Spratly Islands. The Chinese took control over these islands, placed signs claiming them to be Chinese territory, and began placing troops all over the islands, and again the US and the USSR had no response to the invasion. Relations between Beijing and Washington were very strong at this time with the US even selling weapons to the Chinese. Economic interests built into positive Sino-American relations were far more important to the US than challenging the Chinese over some reefs and small islands in the South China Sea. The USSR under the leadership of Mikhail Gorbachev was also experiencing strong relations with the PRC, and like the US weren’t about to sacrifice this positive momentum over events in the South China Sea. The most glaring example of US timidity in the face of Chinese expansionism occurred when the PLAN took over Mischief Reef in 1995. At the time this area was under the possession of the Philippines with whom the US had a military alliance. When pressured by the Philippine government to act against the Chinese, the US declared that the Spratlys were not covered by their military alliance. So long as the Chinese honored freedom of passage, the US would not intervene over questions concerning the sovereignty of the South China Sea. This event in 1995 was very significant for the PLAN as they secured firm control over the Spratly Islands something they had not been able to achieve before due to poor maritime capabilities. In many areas the Chinese have actually “artificially altered” the reefs in order to allow for the placement of military bases so that their control over “‘China’s sea’” will remain firmly in their grasp (Hiramatsu, 2001). The Chinese have also expressed their desire to achieve a
“peaceful settlement” to these disputes,” however; they will only permit bilateral negotiations, which are designed to legitimize their rule over these islands (Hiramatsu, 2001). The PRC has also stated that it would be happy to share the submarine resources of this area with other states in a “‘joint development’” project (Hiramatsu, 2001). There is a high price to pay, however, to enter into such a “‘joint development’” with China as “Any ‘joint development’ that is suggested by China is posited on the assumptions that the Spratly, Paracel and other islands in the area all belong to China, that the South China Sea is its ‘historical territory,’ and that the other nations surrounding the sea have no territorial rights or jurisdiction over it” (Hiramatsu, 2001). An interesting summary of Chinese behavior in the South China Sea came in an interview with the Vietnamese Deputy Minister for Foreign Affairs who stated that, “‘China’s motive is to justify development inside Vietnamese territory under the pretext of the joint development of the Spratly Islands. If you were asked ‘Let’s have dinner together’ by someone who has snatched the 100-dollar note in your pocket, would you agree to that suggestion’” (Hiramatsu, 2001). It has been made very clear that US policy chose an immediate interest over a long-term interest with regard to the PRC. Instead of confronting the Chinese over their expansionism, which even claimed territory of a US ally, the Philippines, the US instead chose not to risk threatening economic interests. This policy may come back to haunt the United States if China one day restricts passage in the South China Sea a move that could reap a devastating economic windfall for states such as Japan, South Korea, and Taiwan all of whom the PRC views as regional rivals. In association with this point, if the PLAN is successful in modernizing the US may be very limited in its options at that point, fearing an open conflict on the seas against a strong PLAN force (Hiramatsu, 2001).
The successful modernization of the PLAN could prove to be a major obstacle to US interests in East Asia. This is especially true if the nature of the PLAN is as aggressive in gaining areas of natural resources for the benefit of the Chinese economy as it has been in the South China Sea. While the US has a strong policy of maritime encirclement of the PRC the US has not shown itself to be a strong ally in the face of Chinese aggression. The steady march by the PLAN through the South China Sea has frightened many of our East Asian allies especially the Japanese, Taiwanese, and South Koreans. Not only do they fear a modernizing PLAN, but also more importantly a PLAN that while modernizing is becoming increasingly more aggressive in nature as nationalism blends with economic interests. The PLAN could cause serious economic problems for the region in the near future by restricting passage through the South China Sea. Or a strong enough PLAN may one day yield to nationalist aspirations and attempt to take Taiwan by force. For the US to secure its interests in the face of such potentially destabilizing factors, close cooperation is needed between the US, Japan, and Taiwan to secure the success of PRC containment.

The other interesting dynamic at play when the smaller, littoral nations of East Asia align themselves with the US in an effort to balance against growing Chinese hegemony in the region is the role that Chinese economic power plays. With the economy of the PRC growing at a consistently high rate, and all the while integrating itself more and more with these nations who closely align themselves with the US, the long-term effectiveness of PRC containment is called into question. When it comes time to choose between a strong regional economic partner or an outside power will these nations choose to endanger economic output in the name of balancing against Chinese regional hegemony? The Chinese leadership realizes the strength of their position long-term, but still find US meddling in the region as a
hegemonic power still arrogantly trying to hold onto power and block the rise of the PRC. Nowhere is this struggle between the declining hegemonic power of the US, and the rising power of the Chinese more evident than over the issue of Taiwan. Regaining control over the island of Taiwan is of paramount importance to the PRC, and they have made it clear that a full-scale military invasion will be pursued should that option become necessary. The US has promised to defend Taiwan against such an attack.

Should the Chinese seek to pursue a course of action involving an aggressive military attack against the island of Taiwan this would undoubtedly result in a conflict with the United States. This would also represent the most likely scenario in which the PRC attempts to break out from the attempts to encircle or contain the PLAN.

The fate of Taiwan may prove to be the most dangerous flashpoint in this volatile region for the United States. It is in the interest of the US to see Taiwan peacefully coexist with the PRC; however, nationalistic tendencies on both sides of the Taiwan Strait endanger peaceful relations in the region. The inability of the US and the PRC to agree on the status of Taiwan has complicated overall US/PRC relations, and made any attempts at military cooperation between the two states exceedingly challenging. Since 1949, the PRC has placed reintegration of the island of Taiwan as a central tenet of its national policy. The US meanwhile attempts to walk a policy tightrope between guarantees of support for the existence of Taiwan’s democracy while refusing to support Taiwanese independence. This position was well illustrated by former deputy assistant secretary of state for East Asian and Pacific affairs Thomas Christensen who stated that “Americans will not fight and die to defend a Taiwan that declares constitutional independence from the Chinese nation. At the same time, America should warn the mainland that a military attack on a Taiwan that is still
legally Chinese will meet a U.S. military response”” (Erickson, 2010). As Chinese military modernization gains speed, defense of this island becomes increasingly precarious. As a result of this, it is logical to assume that Taiwan will become progressively more reliant on the US Navy in any effort to repel a Chinese attack on the island. The US received some good news with the election of Taiwan’s president, Ma Ying-jeou, who has pursued policies focused on improving relations with the mainland, as well as, furthering economic integration between the two states. This is a drastic improvement over the presidency of Chen Shui-bian, who managed to anger both Beijing and Washington through his erratic and antagonistic behavior while in office. In this instance both nations, the PRC and the US, are essentially trapped by foreign policy commitments regarding the future of Taiwan. As mentioned, reintegration of Taiwan is a centerpiece of Chinese national policy while defense of Taiwan’s democracy is of critical importance to the US. Defending Taiwan’s democracy holds strong support in the US Congress, and a US President refusing to come to the defense of Taiwan in a moment of crisis is politically unthinkable. Therefore, both nations are for all intents and purposes locked in their potential courses of action regarding the fate of Taiwan. Arguably, the optimum outcome for the United States would be for the Taiwanese to refrain from openly declaring independence from the mainland, yet remaining in their current state of unofficial independence. This political gray area keeps PRC military focus on a potential conflict with Taiwan rather than broader goals in the region and beyond. The other benefit for the United States is that this situation allows for the continuation of the island chain containment strategy that is being pursued against the PLAN’s expanding capabilities. Of course, the most important interest for the US in this regard is merely to see peaceful
relations persist across the Taiwan Strait as an onset of hostilities would likely produce a major destabilizing conflict for the region.

While the plight of Taiwan is definitely the greatest potential threat to peace in the region it is by no means the only possible point of contention between the PRC and the US. Another major interest for both nations is oil, which is the lifeblood of both economies and something both nations are more than willing to fight for. The US and China are also the top importers of oil, and with global oil supplies shrinking; competition for available sources around the world is increasing exponentially. While many in the US call for energy independence, the reality is that the US imports roughly 60 percent of the oil it consumes, and this percentage will likely increase in the years to come (Collins, 2008). The same argument that energy independence is an unrealistic expectation may be made with the PRC as well. The incredible growth rate of the Chinese economy demands a large supply of energy to fuel this increasing economic output. This means that both the US and China would seem to be doomed to a future of contentious relations regarding energy supplies. The hope is that the two sides would be able to reach some sort of understanding regarding potential areas of cooperation regarding exploration and exploitation of new energy sources. The fear is that the drive to secure oil sources will result in an all-or-nothing type of attitude by either side. This challenge may already be seen in the often-contentious relations between states claiming rights to the energy resources of the South China Sea. Chinese nationalism quite often rises quickly to the surface as some push for total PLAN domination of these waters. Indeed, the southern expansion of PLAN influence in these waters is seen by Vietnam, the Philippines, Malaysia, and other nations as evidence of Chinese imperialistic tendencies. With so many nations in this area laying claim to the natural resources held
within these waters, claims of Chinese territorial domination of the South China Sea, and aggressive moves on the part of the PLAN escalate tensions. With the US not only very much invested in preserving the peace in these waters American leadership increasingly finds itself dragged into these regional squabbles. There is also the issue of US oil companies in place in the South China Sea working with governments such as Vietnam to explore and extract oil from these waters. As one would expect these developments are often met with derision by Chinese nationalists who regard these foreign companies as illegally entering and exploiting the natural resources of “‘China’s sea’” (Hiramatsu, 2001).

The United States and China face an intriguing inverse relationship, as the US is perceived by many to be a superpower in decline, while the PRC looks to be a rising power. The US meanwhile has a long history of influence, and holds many key interests in the region of East Asia. For some of these interests, they may be perceived by Chinese nationalists as attempts to slow or even halt the stunning progress that the PRC has witnessed over the last three decades. These are interests that present the most concern for those who wish to see this region avoid a major, calamitous military confrontation. The US is in a unique position having spent decades nurturing an alliance of nations across East Asia. In order to avoid conflict it will be vital that the US play a key role in calming tensions whenever possible. This will be accomplished with the powerful military of the US being able to deter regional actors from pursuing a reckless path of military aggression against their neighbors. It will also be critical for the US to serve as a calming influence on key allies such as Japan, the Philippines, and Vietnam who have had, and will likely continue to have, dangerous encounters with the PLAN at sea. The region of East Asia is filled with nations ranking high in their degree of nationalism. This area also suffers from a significant number
of territorial disputes that combine to form a powder keg that could quite suddenly produce a devastating regional war. The US must also take into consideration its relationship with Taiwan, and push their political leadership to avoid bellicose statements and rash actions forcing the CCP to seek a military solution to this issue. Arguably, this is the most dangerous of all the potential flashpoints for conflict in East Asia. Hopefully, the incredible economic success of the PRC will push Taiwan into further economic integration, and eventually lead to a peaceful transition into political assimilation of the two states. This may also have a positive effect on the political nature of the PRC if the Taiwanese are able to influence the CCP into allowing greater degrees of democratization in the PRC. Another serious point of contention between the US and the PRC concerns the search for energy sources. This is not only a major issue of concern today but will grow in importance in the decades to come as global energy supplies dwindle. The US and China represent the top two oil importing nations in the world today. Both of these states rely heavily on energy imports to fuel their economic growth, and this search for new energy sources drives so many of their foreign policy decisions. Finally, it is critical that both the United States and the People’s Republic of China find those areas where their interests intersect, and seek out potential means of cooperation between the two powers to achieve their objectives. If these two powers are able to avoid contentious relations resulting from competition, as illustrated in the example of energy imports, they may peacefully attain their strategic goals without resorting to hostilities. Preserving the peace in East Asia remains America’s primary interest, and may prove to be one of the United States’ greatest foreign policy challenges in the decades to come.
Chapter 8
The Future and the Potential for Conflict

High levels of nationalism, territorial disputes, concerns over the division of natural resources, and a rising power seeking to assert its dominance over the region add up to make East Asia an area of major concern with so many potentially destabilizing underlying factors at work. The US under Presidents Obama and George W. Bush before him, recognized these dangers and have turned their attention away from other areas of vital American interests, such as the Middle East, focusing more and more on East Asia. The US is intrinsically intertwined in East Asia, as the Cold War saw major military commitments, as well as a plethora of security arrangements and alliances throughout the region. These alliances have not only continued following the dissolution of the Soviet Union, they have actually increased in number, and in many cases the strength of allegiance and level of cooperation between these states has greatly intensified. While these security alliances were meant to not only contain Chinese power, but also assuage the fears of regional actors who watch PLAN activity with trepidation, they might actually increase the probability of conflict in East Asia. As the PRC feels more trapped inside the island chain alliance that the US has nurtured over so many decades, a resentful China may seek to breakout through a surprise attack on Taiwan. The South China Sea also provides any number of scenarios that might provoke a dangerous regional conflict. There is also the threat of escalating tensions between Japan and the PRC over the fate of the Senkaku/Diaoyu islands in the East China Sea. There is definitely no shortage of possible flashpoints in this volatile corner of the world. For these reasons and more, East Asia, with its delicate security situation, has become a region that will likely consume the world’s attention for decades to come.
Beginning at the end of the 1980’s, the PRC began to see the US less as a strategic partner, and more as an obstacle that they must overcome if they hope to achieve their major strategic goals. This period saw China attempting to negate the influence of the US in the region of East Asia in the hopes that they could fill the power vacuum left by the US. What they have witnessed instead is a more proactive American effort with the US increasing the level of attention that they have typically paid to East Asia following the end of the Cold War. The United States has invested a great deal in East Asia and looks to remain in a position of strong influence over the region. Not only do they seek to remain the dominant power in the region, but the US also wants to protect its regional allies. This is accomplished through a strong regional alliance of nations who fear a modernizing and emboldened PLAN as they expand their activity further out from China’s shores. This projection of American power throughout the region by building alliances as states seek to balance against China’s rising military power greatly angers the Chinese. The CCP views these moves as actions pursued by a hegemonic power bent on denying the PRC their rightful rise to dominance in East Asia and beyond. It may be argued that “China’s sheer size and inherent strength, its conception of itself as a center of global civilization, and its eagerness to redeem centuries of humiliating weakness are propelling it toward Asian hegemony” (Bernstein and Munro, 1997). The fact that the US is also focusing much of their attention in this regard on two of China’s most troublesome neighbors is also extremely grating to Chinese sensibilities. Of course, the two nations being discussed here are Taiwan and Japan, two countries that have a long and often antagonistic relationship with the PRC. Taiwan represents the greatest challenge to maintaining peace in this region, as China has made reunification of this island one of their top national goals. As long as the Taiwanese leadership avoids a drastic action
such as declaring constitutional independence from the mainland and continues with the path of further economic integration with the PRC conflict may be avoided. This is the scenario that everyone in the region hopes to see including the US who has vowed to defend Taiwan’s democracy in the face of Chinese aggression. As mentioned, one scenario that would greatly increase the likelihood of a Chinese attack on Taiwan would be if the Taiwanese leadership make a move to declare constitutional independence. Jia Xiudong, a member of the China Institute of International Studies, which is essentially the primary think tank of the foreign ministry for the PRC, made China’s position quite clear. Regarding the PRC position on Taiwan, Jia Xiudong states that “‘the first priority is Taiwan. The mainland is patient, but independence is not the future for Taiwan. China’s military forces should be ready to repel any force of intervention. The US likes to maintain what it calls ‘strategic ambiguity’ over what it would do in the event of a conflict arising from secession. We don’t have any ambiguity. We will use whatever means we have to prevent it happening’” (“The Dragon’s New Teeth, 2012). The CCP has utilized its military might in thinly-veiled threats against the island of Taiwan in order to deter their political leadership from even considering this option. This was demonstrated in China’s decision to hold large-scale military exercises in the Straits of Taiwan during Taiwan’s presidential elections in early 1996. These actions led to widespread condemnation of the PRC by the international community, and also prompted the US to deploy two aircraft carrier task forces to the region. This episode clearly was meant to send a message to the Taiwanese leadership, but it is a message that the Chinese would prefer to not to have to send. The CCP is very concerned with the image of the PRC in the international community and hopes to avoid such aggressive actions in the future. They are intent on maintaining their extensive trade and positive relations with the West,
especially the United States. They would also like to minimize to the greatest extent possible, any anti-Chinese sentiment within not only the US Congress but also among the American people as well. The CCP position in political leadership is directly correlated with the economic success of the nation; therefore sustaining a high level of economic growth is one of their top priorities. This helps explain the importance of their nation’s image within the US Congress as well as with the American people overall (Bernstein and Munro 20). The PRC is attempting to carefully manage their rise, balancing between nationalistic tendencies that push them to dominate the region, and a desire to preserve the image in the West of their peaceful rise. A strong current of nationalism pervades their population, and the CCP seeks to turn it on and off in order to achieve objectives, and sustain their right of rule in the eyes of the people. According to Bernstein and Munro, “completing this picture of China is a wounded nationalism, a sense of unredeemed historical suffering, and a powerful suspicion of foreigners…the government encourages and exploits such sentiments in an effort to enhance its legitimacy and control” (1997). It is this nationalism that the CCP may eventually seek to appease with a surprise attack on Taiwan. This scenario becomes all the more likely should China’s growth slow significantly as the CCP looks for legitimacy in the eyes of their people. In such a situation, they might also look to Taiwan as means to divert the attention of the Chinese people away from economic failures, and toward what might prove to be a popular military campaign that attempts to achieve a primary national goal. The most troubling dynamic when it comes to China/Taiwan relations is that the future presents irreconcilable objectives. This is due to the fact that the Taiwanese people overwhelming do not want to be ruled by the mainland with their government, as it exists today. At the same time, the CCP has set the return of Taiwan to PRC control as one of the
nation’s primary objectives, and they have made very clear that all options are on the table when it comes to the means of attaining this goal. Two forces are at play from the position of the PRC that make an attack on Taiwan seemingly inevitable. The first is that the CCP has again attached so much significance to the fate of Taiwan, and deemed the return of this island as of vital import to the prestige of the PRC. In an attempt to appease the nationalistic tendencies of the Chinese people who could very well tire of inaction on this front the regime might look to an attack against Taiwan as a preferable option. The second is that the incredible growth of the PLA overall might make the military push for combat to resolve the Taiwan issue. In the article, “The Coming Conflict with America,” the authors discuss this possibility with a Chinese foreign affairs specialist. According to this specialist, “historically, Chinese leaders have believed in force. Force worked in Tiananmen. It intimidated the intellectuals, and that paved the way for economic growth and political stability. It is realpolitik. And in the Chinese value system, sovereignty, national unification, and preserving the regime have always been higher than peace” (Bernstein and Munro, 1997). In this instance, when the CCP runs out of patience with Taiwan will they be willing to use force to solve the Taiwan issue once and for all?

The second area where conflict is very likely to occur is the South China Sea, where territorial disputes and competition over abundant natural resources make this area a dangerous flashpoint. When considering the most contested sections of the globe, there may be a transition from the dry land of Europe in the last century, to a new century where conflicts will likely be settled at sea. As a result of this shift to a maritime focus, the South China Sea may prove to be one of the great battlegrounds of the future. Just as plans calling for an invasion of Taiwan require an emphasis on naval operations and capabilities, the same
may be said for the PRC hoping to secure their interests in the South China Sea. As a result of this, China has begun to look increasingly to the seas as it moves away from centuries of focus on the nation’s land forces. In the past, securing inland borders took priority as disputes with India, the Soviet Union, and Vietnam preoccupied the PLA. Now that these borders are stable, and the PRC turns their attention to maritime territorial disputes the CCP has placed a great deal of weight on modernizing their naval forces. With a strengthened PLAN China turns their attention to the South China Sea, where they hope to secure the territory and natural resources necessary to satiate their nationalistic and economic needs (Kaplan, 2011).

The South China Sea is critical for not only the nations of East Asia, but also for the global community when one considers how important these waters are to global trade. There are several critical straits that form natural chokepoints for much of the world’s trade. These chokepoints include the straits of Malacca, Sunda, Lombok, and Makassar, and it is through these straits that more than half of the world’s annual merchant fleet tonnage passes. Much of the world’s oil also passes through these straits as well. It is estimated that the amount of oil passing through the Malacca Strait alone is more than six times the amount moving through the Suez Canal and seventeen times greater than what flows through the Panama Canal. These statistics provide a powerful illustration of just how important the sea lines of communication in the South China Sea are to not only East Asia but the global community as well. It is for this reason that the US has made very clear that it will militarily enforce open passage through these chokepoints. Should conflict break out in the South China Sea the US would be left with little option but to quickly intervene (Kaplan, 2011).
Within the South China Sea there exist a number of scenarios that could provoke a conflict between the PLAN and the neighboring countries of Southeast Asia with vested interests in these waters. These waters are home to some of the most contentious territorial disputes in the world today. One of the primary disputed areas concerns the Spratly Islands, a mini archipelago located in the southeast corner of the South China Sea. Vietnam, Taiwan, and China all claim these islands along with the Paracel Islands, which are also located in the South China Sea. Disputes over these islands have resulted in naval skirmishes and lives being lost. The primary reason that these disputes have become so heated lies in the discovery of vast natural resources within these waters. Lying within the South China Sea are proven oil supplies of 7 billion barrels and an estimated 900 trillion cubic feet of natural gas. China more so than the other nations vying for dominance over these waters needs that energy supply, and they have shown a willingness to aggressively fight for their interests. As such the area that China claims as its historical territory in the South China Sea stretches from Hainan Island in the north to near Singapore and Malaysia to the south. This is a distance of some 1,200 miles from top to bottom (Kaplan, 2011). Aside from the PRC, there are nine nations surrounding the South China Sea who all have some claim on these waters. Since China has made such a bold claim and has a military whose size and capabilities far exceed that of the smaller, littoral nations of the region, these states are forced to rely on the military might of the US in order to safeguard their interests. The US likewise has been only too happy to oblige these states, since these alliances allow the US Navy areas to more effectively project their power to deter aggression and promote stability. Of course, the CCP does not look kindly on the American intrusion into the South China Sea. Yet again, the
PRC views these actions as interference from a declining hegemonic power seeking to block the Chinese from achieving their rightful position as the dominant power of East Asia.

A vexing issue from the American perspective revolves around the lack of transparency when it comes to Chinese military spending levels and PLAN activities in the region. With the rapid increases in Chinese spending levels there has been an inverse relationship with their decreasing level of openness regarding spending levels, capabilities, and intentions. All of these factors raise the paranoia level when it comes to PLAN intentions for the region at large, but also elevate US fears of Chinese military expansion. The incredible degree of military modernization that the PLA has seen in the last three decades has come at considerable cost to the PRC. The rate of defense spending, however, has risen quickly in the last few years. In their most recent defense budget the CCP is reporting a double-digit increase of 11.2 percent rise in defense spending (Perlez, 2012). The CCP has also closely guarded which weapons systems or military strategies are being developed with these rising spending levels. US analysts also charge that the officially reported data on defense spending is considerably lower than their actual spending levels. The rise in defense spending has been meteoric in this decade alone. It is estimated that in 2000 defense expenditures were roughly $30 billion. This number would rise to around $120 billion by 2010. Of course obtaining anything near exact measurements for these spending levels is impossible, but it is possible to estimate by knowing areas of spending that are often withheld from official reports. For instance, it is widely accepted that the Chinese do not report costs for basic military items like research and development costs. Therefore, defense specialists often forecast spending at roughly 50% higher than the officially reported data. With this in mind, it is believed that the total military costs for the PRC in the year 2012 are
around $160 billion. The comparison with US defense spending levels today places the US rate at around four-and-a-half times higher than that of the PRC. While the US holds a significant edge over the Chinese at the current overall levels, many forecast that the Chinese will surpass the US based on trends showing annual rising expenditures. Some believe that the PRC defense budget will exceed the US by the year 2035 (“The Dragon’s New Teeth,” 2012).

There are concerns not only for the massive commitment of funding for the PLA, but also for what exactly the Chinese are spending that money on. In the past, the PLA focused primarily on building up their ground forces to help secure border disputes with hostile neighbors. The idea was to have colossal ground forces capable of overwhelming any enemy by sheer numbers. Today the PLA ranks as the largest military force in the world composed of some 2.3 million troops. The composition of the PLA overall, however, has seen quite a bit of transition from this concentration on large land forces meant for face-to-face combat against the enemy where they gain and hold territory through sheer size to a more nimble and modern force structure. The Pentagon believes that the Chinese are adapting their military planning and structure to what is known as A2/AD, or anti-access/area denial capabilities. According to the article, “The Dragon’s New Teeth,” this involves using “pinpoint ground attack and anti-ship missiles, a growing fleet of modern submarines and cyber and anti-satellite weapons to destroy or disable another nation’s assets from afar” (2012). These modernization efforts are clearly aimed at the US forces in East Asia. This strategy is meant to target American aircraft carrier groups and US troop and air force emplacements. With respect to specific goals for the PLA in the region, these structural changes allow the PLA to make it very difficult for any attempt by American forces to quickly respond to an attack in
the region without suffering heavy losses in men and materiel. Clearly this approach is considered critical for the Chinese to successfully deny American assistance to the island of Taiwan should the CCP feel compelled to launch a sudden attack perhaps resulting from a Taiwanese declaration of independence from the PRC. The changes in strategy and the fast rate in technological modernization have raised red flags throughout the region and in the United States. US Defense Secretary Leon Panetta made clear the importance that these changes have regarding American military force projection around the world when he pointed out that Asian security would top the American list of priorities. As discussed in the new “‘strategic guidance,’” which is a document issued by President Obama and Defense Secretary Panetta, “‘while the US military will continue to contribute to security globally, we will of necessity rebalance towards the Asia-Pacific region’” (“The Dragon’s New Teeth,” 2012). The US is clearly shifting their attention away from regions like the Middle East and toward East Asia, which has been neglected due to recent wars in Afghanistan and Iraq. Indeed with some $500 billion in defense cuts ready to be phased in over the next ten years, statements by US political and military leaders are rather demanding of a strong show of force in East Asia. While this stance may be seemingly at odds with massive cuts, according to the document strategic guidance, “‘to credibly deter potential adversaries and to prevent them from achieving their objectives, the United States must maintain its ability to project power in areas in which our access and freedom to operate are challenged’” (“The Dragon’s New Teeth,” 2012). Amid calls for cuts in defense spending, the Pentagon is seemingly pushing back and calling for a stepped-up presence in this volatile region. There is also a strongly held viewpoint among US military circles that China “has the ambition—and increasingly the power—to become a regional hegemon; it is engaged in a determined effort
to lock America out of a region that has been declared a vital security interest by every administration since Teddy Roosevelt’s” (“The Dragon’s New Teeth,” 2012). In order to protect this vital security interest, the Pentagon has pressured President Obama to respond to the gains made by the Chinese in the region. He responded to these calls by announcing in November 2011 that the US would station some 2,500 US Marines in Australia as a not-so-subtle message to the Chinese, that the US would not simply concede their power in the region. In February of 2011, talks also began with the Philippines concerning a likely increase in the US military’s presence there as well (“The Dragon’s New Teeth,” 2012).

The fear that exists for many across the world when it comes to the massive efforts at military modernization by the PRC is that so much of this process has been clouded in secrecy. According to the American strategic-guidance document, “‘the growth of China’s military power…must be accompanied by greater clarity of its strategic intentions in order to avoid causing friction in the region’” (“The Dragon’s New Teeth,” 2012). Along with this point, so much of the recent provocative activity by the PLAN in the South China Sea, the Taiwan Strait, and East China Sea has led many to argue for a more robust US military presence in the region to deter the PLAN. Examples of Chinese nationalism rankling the nerves of neighboring countries are popping up more frequently all the time. Frequently, the triggers for these startling outbursts are the many territorial disputes that the PRC has with other nations in the region. One Chinese writer responded to such disputes in the South China Sea with highly charged language in an editorial in China’s Global Times. The author expresses the belief that “‘if these countries don’t want to change their ways with China, they will need to prepare for the sounds of cannons. We need to be ready for that, as it may be the only way for the disputes in the sea to be resolved’” (“The Dragon’s New Teeth,” 2012).
While this statement may not have been a government pronouncement, it nevertheless passed government censorship as the CCP often allows for quite a bit of freedom of the press when it comes to venting nationalistic rage. Statements like this and others further the fears in the region and in the West of a PRC that is willing to take aggressive, even reckless actions, with the intention of a militaristic domination of East Asia. This leads to the primary issue concerning the military modernization that the PRC has undergone, which is the potential for conflict erupting due to “‘misunderstanding and miscalculation’” (“US Says China’s Military…,” 2010). China’s efforts at military modernization, and the manner with which they have pursued this goal, shrouded in secrecy as it is, has produced tension in the region, and fears around the world regarding their intentions. Another product of these changes is an increased commitment on the part of the US military to East Asia and the American allies in the region, who seek to balance against the growing power of the PRC. This increased commitment has resulted in not only strengthening alliances with regional allies, but also rising numbers of US military forces being stationed throughout the region. It is in this environment brimming with fear and paranoia with the PRC on one side, and the US with regional allies on the other, have been building up and strengthening their armed forces, that one may see a high probability for armed conflict.

Another dynamic that makes the US nervous, is that what little is known about the Chinese efforts to procure new weapons systems and tactics in battle, are primarily focused on the US military as their prime opponent. This in and of itself is not especially shocking since the PRC has viewed the US as its primary obstacle to achieving their goals for the region and beyond. The US is also committed to the defense of Taiwan’s democracy. Clearly, this means that both the US and China have pledged their willingness to devote their
full military resources in the event of Taiwan declaring independence from the mainland. In this scenario, American forces stationed nearby are committed to meeting an attack against Taiwan by the PLA. Nevertheless, the fact that the Chinese are focusing on building new weapons systems, and developing tactics with the express goal of defeating the US ability to quickly aid an ally in combat. These modernization efforts have fueled calls inside the US for greater defense spending, and a more aggressive stance by the US against the PRC in East Asia (Sofge, 2010).

In such a hypothetical showdown between the armed forces of the US and the PRC, the focus of the Chinese strategy would be to slow the American response just enough to allow the Chinese time to accomplish their military objectives. As mentioned previously, their strategic focus is on what is known as A2/AD, or as it is more commonly referred to area denial. According to Jens Kastner, “Anti-access/area denial (A2/AD) is the magic slogan, meaning that the People’s Liberation Army (PLA’s) new shore-based artillery, aircraft and naval assets could deny a rapid deployment by United States forces into the Pacific in the event of a conflict, since the US would face heavy losses” (2012). The Chinese have pursued this strategy of area denial as a result of the asymmetric distinctions between US and PLA military capabilities. In order to give some perspective on the vast differences in capabilities, one need only consider the vast disparity in these nation’s respective navies. For example, the US Navy’s warships possess a combined full-load displacement of 2.86 million tons, while the rest of the world’s warships have some 3.04 million tons. The US Navy also deploys twenty-four of the world’s thirty-four aircraft carriers (Kaplan, 2005). As a result of this disparity, area denial has been deemed to be the only potentially successful approach should hostilities breakout between the two nations. Many consider this approach
to pose real challenges to the US forces in the region. While the PLA plans to utilize this strategy in the event of a conflict with the US under any number of situations, the most likely scenario is in the event of a PLA invasion of Taiwan. There isn’t a great deal of concern on the part of the United States that their forces will be unable to overcome these measures on the part of the PLA however. In order to test the US Air Force’s long-range strike capability against a determined coastal defense, a military exercise referred to as Operation Chimichanga took place in Alaska. Operation Chimichanga “‘was meant to validate the long range strike capability of the B-1s as well as the F-22s’ and F-16s ability to escort them into an anti-access target area…Unofficially, Operation Chimichanga was a proof of concept for the air force’s evolving tactics for battling China over the vast western Pacific…the air force would never say that’” (Kastner, 2012). This military exercise was important for gauging how exactly a hypothetical conflict between the US and China might proceed. The results of this exercise showed that the US Air Force faces a difficult challenge against the technologically advanced and determined efforts of the Chinese shoreline defense. The success of this mission relied on the latest stealth fighters and upgraded bombers in the US Air Force working in concert to destroy thousands of the PLA’s advanced air defense positions. The weaknesses in the US planning for this scenario arises when one considers the availability of these fighters and bombers should such a conflict arise. One of the key points of analysis in the findings was that the “US Air Force has about 150 bombers, only a handful of B-2s are fully stealthy. That makes the lion’s share of the bomber force vulnerable to China’s thousands of air defense positions. In theory, F-22s or the F-35s could first knock these out. But the US has fewer than 200 F-22s operational, which would be hardly enough, while the delay-plagued F-35 hasn’t even been built” (Kastner, 2012). With much of the US
planning heavily dependent on the most advanced weaponry in the American arsenal, the chances are high that the US will simply have to make due with more readily available and less advanced fighters and bombers, and these aircraft will be far more vulnerable to PLA anti-aircraft defense systems.

The US Navy will also face a difficult challenge against the rapidly modernizing PLA. Chinese military leaders have studied in depth the US Navy’s approach to conflicts in the Balkans and the Persian Gulf, and what they learned is that the success of those operations was heavily dependent on naval projection. This refers to the ability of the US Navy to place a carrier battle group within close proximity of the nation or region where hostilities are occurring. Once these naval forces are within a close enough distance to their targets, they can then fire missiles deep inside a nation’s territory to support coordinated ground and air efforts. The Chinese have adapted to the US military tendencies by placing fiber-optic systems necessary for communications during wartime deep underground where they will be difficult to knock out. They have also placed many of their defensive capabilities well inside their borders into Western China. These defensive capabilities will likely remain well outside of the missile range of the US Navy. Along with these strategic adjustments, the Chinese have also developed a strong offensive capability based on advanced missile systems designed to strike US aircraft carriers as well as destroyers and other large support ships. Should the PLA severely damage or sink a US aircraft carrier, the effect militarily and psychologically on the American forces would be devastating. Knowing this the PLA has invested a great deal in developing missile systems along with an impressive array of submarines, designed to deal just such devastating losses to the American forces in the area. The recent expansion of the submarine forces within the PLAN has been
truly remarkable. It is estimated that their combined submarine forces will soon exceed that of the US in terms of quantity. While the vast majority of the PLAN’s submarines are powered by diesel engines, a growing number of nuclear powered submarines have been deployed. This adds to the speculation by many in the West, that the PLAN isn’t satisfied with merely being a green water navy, and is instead looking to expand their reach far out into the Pacific Ocean and beyond. These capabilities that allow for an expansion of the PLAN’s ability to project force to far-flung regions of the world catapults the PLAN into one of the elite navies of the world. Often the ability of a navy to project such a far reach is referred to as a blue water navy. While many of the PLAN’s submarines are older and inferior in design to those of the US Navy, the numerical advantage held by PLAN submarines could be used to create “mobile minefields” to devastating effect in the South China Sea, East China Sea, as well as the Taiwan Strait (Kaplan, 2005). This would make any effort by the US Navy to infiltrate the narrow passageways of the first island chain extremely challenging. It could also result in embarrassing losses for the US as well as the allied navies of the US in the region. The PLA has also devoted large sums of money and time to developing a powerful cyber attack capability. It is believed that with such cyber attacks, the Chinese would be able to demoralize the population of a target nation such as Taiwan by disabling electrical-power grids. While the PRC may not be a democratic nation, that does not necessarily mean that they do not understand the psychological impact that such attacks would have a democratic population (Kaplan, 2005). The final major element of the challenge faced by US military planners when it comes to fighting the Chinese, is that the US may need to prepare to fight blind against the PRC. This is because the PRC will very likely utilize anti-satellite weaponry to disable this critical component of the US war-fighting
strategy. There has been a great deal of analysis regarding the Chinese space program as of late, and the PRC has made great gains at quite a significant expense. Most experts readily agree, however, that the Chinese space program is for all intents and purposes focused on potential military benefits. Certainly for the CCP, military applications represent the primary concern regarding the potential advantages resulting from the PRC’s space program. A great deal of the spotlight in the space program has been on the development of anti-satellite weapons and technologies. Along with direct ascent kinetic kill vehicles; the Chinese has also sought to develop other capabilities in specializations like laser, jamming, microwave, and cyber-weapons. Their reasoning for this pursuit is illustrated in the article “Space, the Missing Frontier” by the New York Times. According to the author Douglas MacKinnon, this is “because the Chinese leadership – the same leadership that has made backing our military and commercial computers a priority – understands that no nation on earth is more dependent for its overall survival on its satellites than the United States. Satellites control our military communications, our financial transactions and our day-to-day lives” (2012). With such tangible benefits arising from their space program the Chinese have spent great expenses in developing these capabilities, and testing them for their potential in a conflict scenario.

While the US may possess far and away the most expensive and advanced military on earth at the moment, the Chinese have created a strong PLA force with the ability to strike at the weaknesses in US military planning and structure.

The likelihood of conflict between the US and the PRC is not especially high at the moment. The most likely flashpoint for such a conflict would concern the fate of Taiwan. Should the Taiwanese political leadership in a display of nationalistic folly, suddenly declare constitutional independence from the PRC, then the PLA would be expected to respond
quickly and violently. The other potential danger, would be if the economy were to slow well below the CCP’s target growth of 8 percent. Should economic growth stall, or even worse if a recession took hold in the PRC, then the CCP might feel compelled to make a drastic move in the region, with the objective being to divert the Chinese people’s anger and frustration. In this situation, PLA saber rattling in the region over territorial disputes or a push for a sudden attack on Taiwan would become a real danger that the US and its allies in the region would have to consider. With internal dissent a major concern for the CCP, the fear is that there will be a searching for external issues to unite the Chinese people in support of the government. Along with this point, the CCP may also feel that their efforts in modernizing the PLA, with their current capabilities and tactics in battle, will allow them to successfully achieve their military objectives against the powerful US military.

East Asia is fast becoming the United States’ center of gravity in foreign policy for decades to come. China is quickly rising as both an economic and military power in a region filled with territorial disputes and high levels of nationalism. It is easy to imagine multiple scenarios sparking a regional conflict, which could easily draw in the ever-present US military. Such a conflict could have far-reaching results, where the dimensions of this critical region for US interests might be forever changed. In order to avoid such a negative outcome, it is imperative that the US attempt to moderate the behavior of critical allies such as Taiwan and Japan in the face of increasingly aggressive PLAN activities in the region. The US must also endeavor to meet obligations regarding the security concerns of these states. While the PRC has worked hard to engrain their influence by means of economic integration throughout the region, the US will have to make it clear that its political and martial focus is on East Asia and promoting peace in the region. Peace in the region will
very likely only come through the application of deterrence by the large, powerful US military footprint in East Asia. Strengthening alliances will also work to prevent PLAN expansionism and prevent conflicts in volatile areas like the South China Sea. The US must also explore areas of mutual interest between themselves and the PRC. These points of mutual interest might include securing the sea lines of communication in the South China Seas, where so much of the world’s commerce and energy passes through. Another area of interest may be the prevention of terrorism, which is a concern shared by both states, and an area where much could be accomplished through cooperation. If the US shirks its traditional responsibilities in this region as a result of damaging cuts in defense or calls for a more modest, reduced role played by the military then it is feasible to foresee two negative outcomes for the US. The first is that without assurances from the US military, traditional American allies in the region will succumb to PRC pressure, and US influence will wane in the face of the PRC’s economic might. The other potential outcome would be a great increase in the likelihood that East Asia experiences conflict as a newly dominant PRC attempts to assert its hegemonic power in the region.
Chapter 9

Conclusion

The rise of the PRC as an economic and military power in the region of East Asia presents significant strategic challenges to not only the political leaders of the region but also for the United States. With East Asia’s mix of nationalism, historical enmities, and territorial disputes avoiding conflict will require a deft political touch by the US and its allies in the region. The effect of economic interests also cannot be underestimated as recent discoveries of vast natural resources in the South China Sea and elsewhere throughout the region complicate relations. China is very much dependent on energy imports to fuel their remarkable growth rates. Without this strong annual growth, the PRC faces an uncertain future with the leadership of the CCP under threat from civil unrest. All of these factors come together to complicate an already difficult situation. If the US hopes to peacefully manage the rise of China in East Asia in the face of all of these complex dynamics, they will have to present a strong front with their allies. This requires both a strong military commitment, as well as, a unity of purpose when it comes to political means to achieve their goals for the region. The fate of Taiwan represents arguably the greatest flashpoint in East Asia as China has made reintegration of this state as their primary national goal. The Taiwanese political leadership will have to be pressed by their American allies to avoid the nationalistic desire to declare constitutional independence from the mainland. Were they to pursue this course of action it would spell disaster for the region. This negative consequence of nationalism illustrates the importance of a unified political front between the US and its allies if conflict is to be avoided. At the same time, the US must commit itself militarily to its regional allies as it attempts to form a powerful bulwark against PLAN expansionism.
How well the US is able to pull off this challenging tightrope between pragmatic and assertive leadership in the region will go a long way to determining whether the region avoids a damaging conflict with unforeseen consequences.

The first issue that must be considered concerns the economic factor involved in this complex issue. High levels of economic growth arguably form the bedrock of the CCP policymaking agenda as they have clearly staked their claim to legitimacy on providing the state with at least eight percent annual economic growth. In order to achieve this high level of growth, there is a great need for energy resources, which the Chinese have scoured the globe searching for new supplies to satiate their growing needs. This has a clear effect on their foreign policy in the region, where recent discoveries of vast natural resources have grabbed the attention of the PRC’s political and military leadership. The effect of an energy-dominant foreign policy may be seen in other more surprising corners of the world. All too often this strong need to pursue energy supplies wherever they may be, pushes the PRC to accept deals with despotic regimes across the Middle East and Africa. The diplomatic challenges that are then transposed on the US and Western nations seeking to alter the political behavior of these regimes complicates already tense relations between the PRC and the US and Europe. The relations between the US and PRC are further complicated as these two states represent the two largest importers of oil in the world today. This competition between the US and PRC for an increasingly limited resource, which is vital to the economic growth of both states further complicates their relationship.

As a localized issue, it is important to consider the importance of the South China Sea in determining the security of East Asia. This is especially important as this area represents a vital US interest in the sense that it is of critical import that the sea lines of communication
remain open and free for the security of the international economic system. The US has already made it clear that it is willing to use military force to ensure the free and open transport of goods through these vital, strategic passageways. The challenge arises when one considers the two predominant factors that make these waters just so dangerous. The first is the discovery of natural resources, which includes large supplies of oil and natural gas. The second is arguably in large part a result of the first. This second factor is that so many nations in this area claim this territory as their own. With so many territorial disputes (and correspondingly so much at stake) in such a relatively small area, the potential for conflict rises quickly. All of these factors taken together have led many analysts to conclude that the South China Seas represent the future hotspot for conflict.

The PLAN has also witnessed a staggering rate of growth and influence in the region. Arguably, much of this growth relates to the economic drive to dominate the energy-rich waters of the South China Sea. Along with this point, there are other factors that must be considered. One argument is that this is an effect of nationalism as the Chinese seek to assert their military influence in direct parallel to their incredible rate of economic growth. As is often the case throughout history, rising powers seek to build powerful navies that will allow for force projection to far-flung corners of the globe, thus demonstrating their might as a nation. In this sense, the Chinese are no different than the Germans before World War I. The fear is that this new rising power will destabilize the international order in such a way as to provoke a conflict, which will draw in a great many nations through alliances or vested interests in the region. The US should keep the example of the Germans in mind when considering their often-challenging relations with the PRC. Clearly, it is in no one’s interests to see a situation arise where such a destructive conflict issues forth as a result of misguided
fears, and a reckless foreign policy aimed at denying a state’s ascension to international prominence. The US political leadership needs to recognize the changing dynamics that China’s rise means for not only the region, but indeed for the international system as well.

It is also quite common for rising economic powers to turn their attention to strengthening their naval capabilities. History is replete with examples of economic heavyweights seeking to produce a strong navy, not only for the projection of power elsewhere, but also for the ability to protect trade. Even nations that are commonly associated with a very pacifistic foreign policy often have powerful naval forces that allow the political leaders the ability to avoid assuming an aggressive stance in their policymaking decisions. Sweden is one such nation that is routinely admired throughout the world for their position of neutrality. This neutrality, however, comes as a result of a powerful navy, which provides a sense of security to political leaders in the often-chaotic realm of international security. Along with this point, many who recognize that the militaristic society that roiled the Pacific in the devastating conflict of the Second World War, is definitely a thing of the past, as so many today regard Japan in a positive light for its pacifistic foreign policy orientation. The reality behind these foreign policies, however, is a very strong emphasis on often-unseen naval might. The Japanese have actually assembled a powerful submarine force that helps mightily in protecting the trade that is the lifeblood of this dynamic economic giant. It is also important to consider the role played by globalization in furthering the development of navies around the world. With the rise in global trade comes the necessity of protecting that trade, which is clearly the responsibility of the world’s naval forces. The PRC, as with so many advanced industrialized nations of the world, therefore has a great stake in securing critical passageways through which so much of this trade flows.
The process of globalization will only serve to increase the need for such security as well. Just as the United States discovered in the nineteenth century that it needed to invest in sea power in order to protect its interests, so the Chinese have also moved to secure their interests at sea (Kaplan, 2005).

Nationalism and image theory are two helpful theories for anyone attempting to understand the underlying dynamics at play in these complex regional interactions. East Asia is a region of the world where nationalistic tensions run high, and tensions between the US and China may often be broken down and analyzed through the prism of nationalism. Within the region of East Asia, Japan and China have their own unique and challenging set of issues negatively affecting relations that arise directly from nationalism. Often nationalism in one nation will produce surprising responses from the other state. For instance, when the Japanese Prime Ministers or other Cabinet members would visit the Yasukuni Jinja shrine, these actions would enflame the nationalism of the Chinese people, who often rise up in large-scale protests and demonstrations against the Japanese leadership. The motivation for these protests is rooted in history, and the inherent symbolism of this shrine, which honors the fallen Japanese soldiers of the Second World War. The Chinese interpret such actions on the part of the Japanese as demonstrating their complete lack of contrition for their horrific treatment of the Chinese people during WWII. The Chinese people often display nationalistic responses to US behavior in the region when they feel that America as a hegemonic power is seeking to deny the PRC its rightful position as the dominant power of East Asia and beyond. The pursuit by the US of an island chain system of alliances, gives the appearance of attempting to contain the Chinese, and prevent them from projecting power out into the Pacific and beyond. Image theory, also plays hand-in-
hand with nationalism as the images that one state creates of another helps the outside observer to more fully understand the complex dynamics involved in international relations. For much of the PRC’s history, they have viewed the Japanese with a great deal of trepidation resulting from their treatment at the hands of the Japanese military during WWII. Even though the Chinese possessed a massive advantage in ground forces, they still viewed the pacifistic post-war nation of Japan as an aggressive and hostile power to be feared. However, in the last decade or so, due to vast increases in military modernization by the PRC, this imperialistic image of the Japanese is beginning to shift to that of an enemy image. Likewise, the Japanese have undoubtedly seen a shift in perceptions of the Chinese to that of an imperialistic threat. As a result of this perception shift, the Japanese are increasingly turning to the United States as well as South Korea, in expanding their security cooperation. Japan seeks the military strength of the US as a balance against the growing threat they perceive in China’s expanding military capabilities.

The US has expanded and deepened their security cooperation with allies in the region, and this is a critical step in preventing conflict in East Asia. Deterring China’s advanced military will require a great deal of help from regional allies, or “‘military multilateralism on steroids’” as one US General put it (Kaplan 5). Along with this point, the US must make clear that they will stand behind their security obligations, and support the smaller littoral states of the region against the far larger and increasingly aggressive PLAN. The good news for the US, is that in response to the aggression of the PLAN throughout East Asia these states are actively seeking a greater degree of military cooperation with the United States. In his article, “How We Would Fight China” Robert Kaplan discusses how this multilateral deterrence of the Chinese could be effectively achieved. He believes that the US
may effectively deter the Chinese through the use of a “geographic hub of comparative isolation—the Hawaiian Islands—with spokes reaching out to major allies such as Japan, South Korea, Thailand, Singapore, Australia, New Zealand, and India” (Kaplan, 2005). Following this collection of states would be Melanesian, Micronesian, and Polynesian archipelagoes, along with other states throughout the region, and even into the Indian Ocean forming a secondary hub. Robert Kaplan argues that “the point of this arrangement would be to dissuade China so subtly that over time the rising behemoth would be drawn into the PACOM alliance system without any large-scale conflagration—the way NATO was ultimately able to neutralize the Soviet Union” (Kaplan, 2005).

Deterring the Chinese through a strong system of alliances in the region is only part of the challenge however. The US, along with their allies in the region must work to ensure that pragmatism prevails in the face of nationalistic passions. This is especially important in the case of Taiwan, where the majority of the population strongly opposes unification with the mainland. While a strong temptation might exist to declare constitutional independence, the US and other regional allies, must implore the Taiwanese political leaders to pursue a path of discretion over nationalistic zeal. Any such move by the Taiwanese would undoubtedly result in a quick response from the PRC, plunging the region into a devastating conflict. It is also important to consider just how challenging conflict with the PRC would be even for a superpower such as the United States. While the international relations of East Asia presents myriad options for the US and its allies to get into a hypothetical conflict with the PRC, getting out of such a conflict is a different story altogether. How exactly would such a conflict end or reach some reasonably satisfactory state of resolution? This is perhaps the most perplexing and fear-inducing question on the mind of anyone considering the
realities of such a dangerous military clash in East Asia. Many analysts believe that the only satisfactory end result of such a conflict from the perspective of the US would be to produce a regime change in China. It is understandable that in such a scenario, the US and its regional allies would find it preferable to avoid leaving a weakened, but far more hostile CCP in power. An interesting idea, however is that the war itself may result in the fall of the CCP. According to one analyst, “‘ending a war with China will force us to substantially reduce their military capacity, thus threatening their energy sources and the Communist Party’s grip on power. The world will not be the same afterward. It’s a very dangerous road to travel on’” (Kaplan, 2005).

This statement carries with it a very important consideration. The CCP sits in a precarious position atop the political hierarchy in China. Part of the pragmatic leadership by the US and others in the region, will be to take into account the insecurity of the Chinese Communist Party’s position. Much of their claim to legitimacy is centered on their management of the nation’s spectacular economic growth. As mentioned previously, if the economy begins to slow it is not difficult to imagine a scenario where the CCP finds the unifying nationalistic power of an external threat as an effective means to divert the people’s attention away from a flagging economy. This is precisely why the US must be assertive in the region and present a strong deterrent threat against any such possible aggressive actions by the PRC.

There are a number of nations in East Asia that have witnessed authoritarian leadership directing successful economic gains for their respective countries. Most of these states eventually yielded to the powerful force of democratic reforms, and it is hoped that China will also follow these trends toward a peaceful shift to a democratic regime. The US
and its allies must do everything in their power to nurture and encourage democratic reforms that are so critical to the future of China and the region at large. Certainly in the case of Taiwan democratic reforms in the PRC would ease the fears that many Taiwanese citizens have when considering an eventual reunification process.

East Asia represents perhaps the most dangerous region of the world where growing economic power accompanies modernizing militaries. Along with this point, high levels of nationalism in a region rife with territorial disputes threaten to sink East Asia into a destructive conflict. Add into the mix the US with a significant military footprint in the region, and it’s not hard to see why East Asia will serve as the new center of gravity for American military officials in the twenty-first century. The future of conflict in this region is difficult to predict, as there are so many potential factors that could throw off this delicate, peaceful balance that exists today. Will there be an economic crisis in the PRC that results in civil unrest? Will the Taiwanese leadership suddenly eschew the slow, steady march toward reunification with the mainland in favor of declaring independence? Will tense relations between the PLAN and any of the other navies representing regional states with a vested interest in the South China Sea eventually erupt in armed conflict? Will the CCP allow for much needed democratic reforms, or will they fight to preserve their authoritarian control in the face of calls for greater transparency, and a stronger voice by economic elites in Chinese society? Finally, can the US peacefully manage the rise of an economic and military power in a region that holds so many powerful interests for the United States? The answers to all of these questions will go a long way in determining whether East Asia becomes the future of conflict, or continues to be a region of vibrant economic growth and prosperity.
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