

# **Chinese Naval Power and East Asian Security**

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## Abstract

This paper examines the evolution of Chinese naval power and its consequent impact on East Asian security. Viewed historically, the 1970s marked a key turning point in the national recognition of Chinese maritime interests and the need to secure and promote them. The Chinese navy now has an offshore forward defence strategy and is in the midst of an extensive and ambitious naval modernization program. The reconfiguration of Chinese naval power poses a potential threat to East Asian stability and security. China increasingly has the capacity to challenge the territorial status quo in Asia and to alter significantly the regional balance of power. It is imperative that the emerging regional security framework encourage Chinese participation. Likewise, China must increase its level of military transparency in order to ease regional apprehensions.

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# I. Introduction<sup>1</sup>

With the ending of the Cold War and the collapse of the Soviet Union, East Asia has entered a transitional phase in which the security relations among major and minor powers alike are fraught with uncertainty. Bipolarity has disappeared to be replaced by an as yet undefined form of multipolarity. The rapid decline of Russian power and influence in the region has occurred simultaneously with a perceptual diminution of the US commitment to remain fully engaged, absent a clear, unambiguous threat to US national interests. Regional states are left with a new configuration of power which has at its core, the looming presence of China. While China is not necessarily viewed as an imminent threat to regional security and stability, the Chinese economic and military potential, coupled with clear aspirations to join the first rank of nations, makes China a source of much regional concern. This is only exacerbated by China's ambitious military modernization program.

To many countries in Asia, the most worrying aspect of China's military modernization has been the gradual enhancement of its ability to project naval power away from its home waters. If this naval modernization program is completed, it will significantly enhance the reach and power of Chinese naval forces in the coming years. It is expected that within twenty years, China will be a major sea power able to exert more influence in the regional military balance. China has disavowed hegemonic aspirations, yet its leadership has shown little reluctance in using coercive pressure to enhance its maritime sovereignty claims and to secure the offshore approaches to the Chinese mainland.

This paper examines the evolution of Chinese naval power and its consequent impact on East Asian security. The concentration on naval issues stems from the fact that the security environment in East Asia is essentially maritime. Many of the states of the region are island groups or have long coastlines. The sea lanes of the region are strategically important both to merchant and to naval traffic. Offshore resources--especially fisheries and oil--are increasingly important sources of revenue and livelihood. Many of the more important and intractable territorial sovereignty disputes concern maritime boundaries and offshore island groups. As a consequence, and without exception, the countries of East Asia are modernizing and expanding their naval capabilities so as to provide the means to secure and protect their multifaceted maritime interests.

China is of particular concern in this regard because its declared interests involve changes to the region's territorial status quo. A modernized People's Liberation Army-Navy (PLAN) is thus likely to be a prime instrument wielded by the Chinese state to affect any changes its leadership views as important to Chinese sovereignty and security.<sup>2</sup> Does the type of navy China is building indicate its international goals and objectives? Does this signal a Chinese threat to regional security? How should regional players respond to these developments?

The paper is divided into four sections. The first section discusses the evolution of Chinese maritime interests and naval power. In particular, it highlights the growing Chinese awareness of the economic and security interests it has at stake in its offshore areas. The second section discusses the military doctrinal review underway since the early 1980s and the new offshore defence naval strategy. The articulation of a forward defence strategy for the Chinese navy has meant a substantial revision to naval force structure, fleet training and weapons and acquisition programs. The third section outlines the current and projected capabilities of the PLAN. The changes now underway will lead to the development of an ocean-going fleet with expanded capabilities configured to secure China's maritime interests. However, significant fleet weaknesses continue to exist which the current modernization program has yet to redress. The final section assesses the threat to East Asian security posed by China's evolving naval

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<sup>1</sup> The author would like to thank Brian Job and Paul Godwin for the many helpful comments on earlier drafts of this paper. The views expressed in this paper do not necessarily reflect the official views of the Canadian Department of National Defence.

<sup>2</sup> Naval power is perhaps the most flexible of military instruments available to a state. Navies are unencumbered by national frontiers and, with appropriate logistical support, can be deployed anywhere in the world to meet a host of contingencies. Naval power is both a military and a political instrument: it can signal commitments, display presence, intimidate opponents, interdict or protect merchant shipping, secure national maritime resources and bring force to bear on coastal states.

force posture. This will include a discussion of the possible contingencies where Chinese naval power may be employed to further Chinese state interests.

The principal finding of this paper is that the growth of Chinese naval power does pose a potential threat to East Asian stability and security, and especially to the security of Southeast Asia. Given China's economic and military power trajectory, the scope of its maritime interests and the reconfiguration of its naval forces, China increasingly has the capacity to challenge the territorial status quo in Asia and to alter significantly the regional balance of power. Whether or not China intends to become more assertive in Asian waters, its growing capabilities pose a challenge that necessitates some response by regional states and those external states with important interests in the region.

## II. The Evolution of Chinese Maritime Interests and Naval Power

China has one of the oldest naval traditions in the world, dating from at least the end of the Warring States period in 221 BC. Nonetheless, China has long been viewed primarily as a continental state.<sup>3</sup> China has always had some interests at stake in its maritime environment, given its long coastline and large coastal population, but most Chinese governments have chosen to accord those interests a low priority. Consequently, successive governments failed to find significance in the protection of China's maritime interests and did not sufficiently develop their naval resources to protect and promote those interests, nor, indeed, secure China's maritime frontier. The exception to this was the period from the 12th to the 15th century (the late Song, Yuan and early Ming dynastic periods), when China possessed a large navy, extensive seaborne trade and an expansionist foreign policy. In the first decades of the 15th century, China was the world's pre-eminent sea power. By the end of that century, however, the Chinese ocean-going fleet had rotted in port.<sup>4</sup> For the next 400 years, China reverted to continentalism, despite the threat posed by Japanese-based and coastal pirates as well as the arrival of the Europeans by sea.

By the start of the 19th century, China had lost control of its coastline--a weakness made abundantly clear in the Opium War and the resulting unequal treaty system. In spite of its overall weakness, China's navy showed signs of progress in the mid-1800s with the development of a modern steam fleet. However, little strategic thinking evolved and the navy remained wedded to passive defensive concepts--a state of affairs which contributed to the disastrous Chinese defeat in the Sino-

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<sup>3</sup> The focus of a continental power lies on the continental landmass. Its concerns centre on developing large land forces capable of securing its borders and establishing and protecting buffers to ensure external security. In contrast, a maritime state has its interests centred on overseas trade, possessions and dependencies. It also typically possesses a strong merchant class, a large merchant marine and a navy capable of controlling surrounding home waters as well as oceanic trade routes. Clark G. Reynolds, *History and the Sea: Essays on Maritime Strategies* (Columbia SC: University of South Carolina Press, 1989), pp.1-11. For a discussion of the continental and maritime traditions in China, see John K. Fairbank, "Maritime and Continental in China's History" in John K. Fairbank, ed., *The Cambridge History of China, Vol. 12, Republican China 1912-1949, Part 1* (Cambridge: Cambridge University Press, 1983), pp.1-27.

<sup>4</sup> There are numerous factors which contributed to the decline of the early Ming navy. One explanation is that the voyages were stopped by Confucian-trained scholar-officials who opposed trade and foreign contact. A second explanation is the loss of revenue and prestige associated with efforts to quell rebellion in Annam (North Vietnam). In 1420, the Ming navy was defeated by Annamese rebels at the Red River. This was the first of a series of setbacks which resulted in the evacuation of Tonkin in 1428. A third explanation is the revival of Mongol power in the Northwest, which became the total preoccupation of the Ming court. A final explanation is the reopening of the Grand Canal in 1411 and the disbandment of the grain transportation fleet in 1412, which destroyed the basis of naval mobilization (ships and trained men). This, combined with the fixation on security in the Northwest, opened the coastline for predation by Japanese-based pirates. The response of the Ming court was to remove the population from coastal areas rather than to confront the pirates at sea. See, for instance, Lo Jung-pang, "The Decline of the Early Ming Navy," *Oriens Extremus*, 5, 2 (1958), pp.149-168; Chan Hok-lam, "The Chien-wen, Yung-lo, Hung-hsi, and Hsüan-te reigns, 1399-1435," in Frederick W. Mote & Denis Twitchett, eds, *The Cambridge History of China, Vol. 7, The Ming Dynasty, 1368-1644, Part 1* (Cambridge: Cambridge University Press, 1988), pp.182-304; and Joseph Needham et al, *Science & Civilization in China, Vol. 4, Physics and Physical Technology Part III: Civil Engineering and Nautics* (Cambridge: Cambridge University Press, 1971), pp.524-527.

Japanese War of 1894-95.<sup>5</sup> China again moved toward naval development in the first decades of the 20th century, but serious internal unrest impeded modernization. Beginning in 1937, Japanese forces invaded and occupied China's coastal provinces. The Chinese navy was incapable of preventing this large-scale invasion and made no impact on the campaigns of World War II.<sup>6</sup>

With the accession of the Chinese Communist Party to power in 1949, the PLAN was formed around a nucleus of ships and personnel who defected from Republican forces during the final stages of the Civil War. By 1957, the PLAN had emerged as a large coastal force. This was facilitated by extensive Soviet assistance, including the transfer of ships and technology, the use of Soviet technical advisors and naval instructors, as well as the adoption of Soviet naval doctrine.<sup>7</sup> During the 1950s, the two maritime threats to China were Taiwan and the US Seventh Fleet. Chinese economic and strategic weakness meant that naval power was viewed only in defensive terms.<sup>8</sup> The PLAN therefore developed as a coastal defence force, with its primary mission being to prevent incursions from Taiwan and the United States. In addition, the PLAN acted as a coast guard, including the escort of merchant ships and fishing boats through areas where they were subject to Republican attacks. Finally, the PLAN acted as a seaward extension of the army in the blockade attempts against several of the offshore islands.<sup>9</sup> As such, during this period, the majority of instances where Chinese naval power was threatened or employed occurred in proximity to Taiwan during its initial period of regime consolidation and therefore may be thought to be closely associated with a resumption of the Civil War.<sup>10</sup> Overall, this represented a limited but coherent maritime strategy that continued in force until the late 1970s.

The 1960s and early 1970s was a difficult period for naval development. The Sino-Soviet split, and especially the withdrawal of Soviet naval assistance in 1960, had an immediate and devastating effect on naval development and operational readiness.<sup>11</sup> Although naval construction and operations resumed (beginning in 1962), the purges of many of the navy's leaders during the Cultural Revolution led to a much more politicized and less professional navy. Moreover, in order to shield the navy from further political turmoil, the Maoist doctrine of "people's war at sea" was applied with new vigour to the naval sphere. The effect was to downgrade the importance of training, professionalism and technologically-sophisticated naval warfare and fleet tactics.<sup>12</sup> Throughout this period, the technological development of the fleet was slow and costly, and the coastal orientation of the fleet remained unchanged.

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<sup>5</sup> Wei Yuan, a naval advocate of the mid-19th century, argued that, "to defend the open sea is not so good as to defend the ports, and this is not so good as to defend the inland rivers." Wei Yuan, *Hai-kuo t'u-chih*, as quoted in John L. Rawlinson, *China's Struggle for Naval Development 1839-1895* (Cambridge, MA: Harvard University Press, 1967), p.28. The Chinese navy viewed its forces as little more than mobile fortresses suited strictly for coastal defence.

<sup>6</sup> Likewise, during the Chinese Civil War naval power played little role in either the Republic defence or the eventual Communist victory. The most significant Republican operation was to transport civilians and military personnel to Taiwan. During 1948-49, the ROC Navy evacuated more than 600,000 military personnel and two million civilians. During the Civil War, PLA operations were largely restricted to river crossings and control of inland waterways.

<sup>7</sup> This comprised a force of nearly 350 warships, submarines and small combatant craft. While many of these were capable of offshore operations, they were kept close to home. Moreover, there was virtually no auxiliary force to sustain offshore operations. David G. Muller, *China as a Maritime Power* (Boulder: Westview Press, 1983), pp.13-40.

<sup>8</sup> The Chinese economy was too weak to sustain the investment necessary to develop an ocean-going fleet. Moreover, it was inconceivable that China could have developed sufficient naval power to challenge the US for control of East Asian waters.

<sup>9</sup> Muller, *op.cit.*, p.51.

<sup>10</sup> Four events are noteworthy: the amphibious operation to recapture the island of Hainan, 1950; the reoccupation of the Dachen Islands, 1954-55; the Quemoy-Matsu Crisis, 1958, including an attempted naval blockade; and the Taiwan Straits naval incidents, 1964-65.

<sup>11</sup> As a result, under the leadership of Mao Zedong, China ultimately adopted a self-sufficient developmental model. Consequently, the Chinese economic and political system developed largely insulated and isolated from global trade and politics.

<sup>12</sup> During this period, naval training and experience was restricted to some limited ocean surveillance, the monitoring of foreign shipping and fishing activities in coastal waters, boat-against-ship warfare and commando-style amphibious assaults. As a result, the navy force structure emphasized three types of capabilities--torpedo boats, land-based naval aircraft and conventionally-powered submarines. In addition, during this period China was very concerned about a disarming, pre-emptive Soviet nuclear strike against China. This provided the primary rationale for the long-term development project to design and build nuclear-powered ballistic missile submarines. Bruce Swanson, *Eighth Voyage of the Dragon: A History of China's Quest for Seapower* (Annapolis: Naval Institute Press, 1982), pp.206-211, 224-245; Muller, *op.cit.*, pp.44-56, 111-116.

All of this began to change during the 1970s. Important domestic concerns included the rapid decline of the coastal fisheries (due to poor conservation practices)<sup>13</sup> and doubts regarding the long-term productivity of onshore oil fields.<sup>14</sup> Both of these events had the effect of spurring interest in the economic uses of marine areas which China claimed as sovereign national territory. Simultaneously, significant changes occurred on the international stage as well. China formally re-entered the international community with UN membership in 1971 and began active participation in international fora such as the Law of the Sea negotiations. In geostrategic terms, the Soviet naval build-up of the 1970s, and especially the increase in the size and operations of the Soviet Pacific Fleet, led to a perceived Soviet “encirclement” of China from the sea. Two key decisions affecting maritime development were made during this period. The first, in 1971, was the decision to expand the Chinese merchant marine and to modernize and enlarge the shipbuilding industry and port facilities.<sup>15</sup> The second, in July 1975, was Mao’s approval of a plan to modernize the PLAN.<sup>16</sup> To a considerable extent, therefore, the 1970s was the key decade demarcating a more proactive Chinese interest in maritime issues.

Substantive changes to China’s domestic political system and leadership priorities since 1978 have proven pivotal to maritime developments. In short, the end of “politics in command” with the ascendancy of Deng Xiaoping opened up tremendous economic, political and military opportunities. Military modernization has been a stated priority since 1978, and within this context, naval and air forces have received proportionately larger shares of national defence revenues. Perhaps most significant of all, the policy of modernization through “open door” market socialism has increased the importance of international investment and trade to the Chinese economy. The shipping and shipbuilding industries have become more important both as a source of revenue and as the primary means to transport Chinese goods to foreign markets. The concentration of foreign investment in coastal regions has transformed the coastal provinces from relative peripheries into the focal point of continuing Chinese economic development. Likewise, the rapid pace of economic development and burgeoning demand for consumer goods has placed new strains on China’s energy resources. This has made more urgent the requirement for new sources of energy (including offshore and Middle Eastern oil) to meet rapidly expanding domestic demand.

Internationally, China’s geostrategic environment has undergone a dramatic transformation with the collapse of the USSR and the diminution of the Soviet threat. As stated at the outset, the regional balance of power has shifted in the direction of multipolarity. Chinese officials now publicly express concerns over a potential US “hegemony” following the ending of the Cold War. In addition, despite generally positive Sino-Japanese economic and political relations, Japan is nonetheless viewed as China’s most important potential regional challenger.<sup>17</sup> Finally, the rapid economic development characterizing much of East Asia has freed national resources for military modernization, which, in most instances, has

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<sup>13</sup> Huming Yu, “Marine fishery management in PR China,” *Marine Policy*, 15, 1 (January 1991), pp.24-27.

<sup>14</sup> The potential for offshore oil resources was first brought to light by a series of geophysical surveys conducted under the auspices of the UN Economic Commission for Asia and the Far East (ECAFE). See, in particular, K.O. Emery et al, “Geological Structure and Some Water Characteristics of the East China Sea and the Yellow Sea,” *Technical Bulletin*, Committee for the Co-ordination of Joint Prospecting for Mineral Resources in Asian Offshore Areas (CCOP), UN ECAFE, Vol. 2 (May 1969), pp.3-43; and M.L. Parke et al, “Structural Framework of the Continental Margin in the South China Sea,” *Technical Bulletin*, CCOP, UN ECAFE, Vol. 4 (June 1971), pp.103-142.

<sup>15</sup> Charles N. Dragonette, “The Dragon At Sea--China’s Maritime Enterprise,” *US Naval Institute Proceedings*, 107, 5 (May 1981), pp.78-93; Yann-huei Billy Song, “Shipping and shipbuilding policies in PR China,” *Marine Policy*, 14, 1 (January 1990), pp.60-63.

<sup>16</sup> Earlier that year Mao had stated that the navy was inadequate for current and future strategic needs. Muller, *op.cit.*, pp.145-155, 179-195. In January 1974, Chinese naval power was employed to expel South Vietnamese forces from the Paracel Islands in the South China Sea. This event coincided with the return to active duty of many of the key officers purged in the Cultural Revolution as well as the 1973 reappearance of Deng Xiaoping, who became Vice Chairman of the Military Affairs Commission and a full Politburo member.

<sup>17</sup> See, for instance, Ralph A. Cossa, “The PRC’s National Security Objectives in the Post-Cold War Era and the Role of the PLA,” *Issues and Studies*, 30, 9 (September 1994), pp.8-10; David Shambaugh, “Growing Strong: China’s Challenge to Asian Security,” *Survival*, 36, 2 (Summer 1994), pp.48-51; Suisheng Zhao, “Beijing’s Perception of the International System and Foreign Policy Adjustment in the Post-Cold War World,” *Journal of Northeast Asian Studies*, 11, 3 (Fall 1992), pp.73-80; and Bonnie S. Glaser, “China’s Security Perceptions: Interests and Ambitions,” *Asian Survey*, 33, 3 (March 1993), pp.256-261.

translated into the purchase of increasingly sophisticated naval warships, missile systems and combat aircraft. In short, there has been a sea change in the security relations of East Asia. For China, maritime power lies at the heart of its actual and potential role in this new geostrategic setting.

To summarize, during the 1970s, China began to realize that its acknowledged maritime interests warranted protection. This has since been heightened in the 1980s and 1990s. China therefore has legitimate claims to the acquisition of a large and capable navy. First, substantial naval power has long been recognized as one of the requisites of great power status: global powers have global interests, and the most flexible state instrument to secure and enhance those interests remains an ocean-going navy. China clearly has great power ambitions which reflect the Chinese perception of its place in the regional and global arena.<sup>18</sup> Second, for the time being at least, China is unencumbered by urgent land conflicts (the Russian threat has diminished and the border dispute with India has been ameliorated). At the same time, however, China has numerous disputes with its neighbours over maritime boundaries and the sovereignty of offshore island groups.<sup>19</sup> A powerful navy therefore serves to enhance and secure China's maritime sovereignty claims. Third, China has a long coastline that adjoins some of the world's busiest shipping lanes. China has become a trading nation increasingly reliant on its large merchant marine that requires free access to these regional sea lanes. Moreover, until such time as the road and rail network is expanded considerably, much of China's internal movement of goods continues to depend on shipping travelling along the inland waterways and in coastal waters.<sup>20</sup> Finally, a large percentage of China's population lives in the coastal provinces, many of whom are engaged in maritime-related activities--trade, fisheries, shipbuilding and offshore oil and mineral exploration.<sup>21</sup> It is these booming coastal areas, especially along the southern coast, which are the engine of Chinese economic growth and prosperity. Therefore, because of the current direction and dimension of these various maritime issues, naval power is likely to play a vital role in any future Chinese regional activities.

### III. National Military Doctrine and the Offshore Defence Strategy

The previous section highlighted the significant domestic and international events that increased the salience of maritime issues for the Chinese leadership and spurred the development of modern naval power. However, it is misleading to discuss naval strategy and force structure absent the broader strategic context of national political objectives and emergent military doctrine shaping all elements of the PLA.

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<sup>18</sup> As China's economy continues to grow, it appears to be aspiring to become the region's pre-eminent power and eventually a global naval power. See Larry M. Wortzel, "China Pursues Traditional Great-Power Status," *Orbis*, 38, 2 (Spring 1994), pp.157-175.

<sup>19</sup> These include sovereignty disputes over the Paracel (Xisha) and Spratly (Nansha) Islands in the South China Sea, maritime delimitation disputes with Vietnam in the Gulf of Tonkin and with South Korea and Japan in the East China Sea and sovereignty claims to the Japanese-controlled Senkaku (Diaoyudao) Islands situated northeast of Taiwan. Table 1, "Sovereignty, Legitimacy and Territorial Conflicts in East Asia," Desmond Ball, "Arms and Affluence: Military Acquisitions in the Asia-Pacific Region," *International Security*, 18, 3 (Winter 1993/94), p.88.

<sup>20</sup> This only accentuates the importance of China's major ports. China has relatively few ports able to handle container traffic. These include Dalian, Tianjin, Qingdao, Shanghai, Huangpu and Xiamen. These coastal outlets are critical to Chinese trade. The addition of Hong Kong in 1997, the busiest port in the world and possibly its finest harbour, greatly expands China's port capacity. See Ross Robinson, "The changing patterns of commercial shipping and port concentration in Asia" in Ross Babbage and Sam Bateman, eds, *Maritime Change: Issues for Asia* (St. Leonards NSW: Allen & Unwin, 1993), pp.69-88.

<sup>21</sup> For the first time in over 500 years, China is a major commercial shipping power. Ranked only 14th in the world in 1980, the Chinese merchant fleet now ranks fifth (in deadweight tonnage for national and foreign-flag ships controlled by China). *Shipping Statistics No. 12* (Bremen: Institute of Shipping Economics and Logistics, December 1980), p.9; *Shipping Statistics and Market Review No. 11/12* (Bremen: Institute of Shipping Economics and Logistics, November/December 1994), p.21.



In effect, naval policy must be viewed within the context of a comprehensive national strategy, for it is that which sets both the strategic objectives of the military and the means to achieve them.<sup>22</sup>

What should be apparent is that by the mid-1980s China had begun to redefine what David Shambaugh has described as China's "strategic frontiers" (i.e., the territorial parameters of its national security interests).<sup>23</sup> There has been a marked shift from continental to regional/maritime interests, including the Indian Ocean and Straits of Malacca, as well as renewed emphasis on the South and East China Seas.<sup>24</sup> This strategic redefinition has been central to the reevaluation of China's defence doctrine.

The starting point for the PLA doctrinal transition came with the ascendancy of Deng Xiaoping in 1978 and the recognition of the need to modernize China's defence establishment. In the ensuing years, China's military and political leaders grappled with the problems of modern warfare and determining the continuing relevance of the Maoist concept of "people's war." In 1985, the Central Military Commission (CMC) made a series of pronouncements on the nature and probability of future conflict. The general views articulated by the CMC included the assessment that the superpower military balance was essentially in equilibrium, and that neither was likely to start a world war. As such, the potential for world war had diminished and the PLA should no longer prepare for an imminent global nuclear conflict. Moreover, it was determined that future conflicts were likely to be intense but limited regional wars. As a result, the PLA should be restructured and streamlined to meet these regional contingencies. This called for the PLA to develop capabilities to meet a range of contingencies, including nuclear attacks, conventional land and air operations, long-range deployment of forces and coastal and blue-water naval engagements.<sup>25</sup> In short, the core conceptual change was the shift away from preparing for major nuclear war in favour of preparations to fight and win potential limited wars in China's area of strategic interest.

Throughout the late 1980s, the PLA continued to adjust its doctrine, force structure and training to prepare for limited war contingencies. However, given the costs associated with the replacement of weapons and equipment inventories, the technological upgrade of the PLA proceeded only gradually. The 1991 Gulf War had a major impact on the pace and nature of PLA modernization. The decisive employment of Allied force, and especially air power, left the Chinese leadership abundantly aware of its own strategic and technological backwardness.<sup>26</sup> Consequently, military research and development now receives a higher priority, especially with regards to weapons development programs. At the same time, the purchase of "off-the-shelf" systems and licensed production agreements (especially from Russia) serve to fill gaps in inventories and increase Chinese access to advanced technologies.<sup>27</sup> Moreover, it was

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<sup>22</sup> The function of military doctrine is to provide guidelines for the conduct of a war, as well as to determine the organizational structure, the weapons procurement policies and the internal practices of the military in line with the kind of war they are expected to fight. In effect, doctrine outlines the fundamental principles by which military forces guide actions in support of national objectives.

<sup>23</sup> Shambaugh defines "strategic frontiers" as the "territories to which [a country] would be willing to commit military forces in pursuit of goals that it defines to be in its national interests." David Shambaugh, "The Insecurity of Security: The PLA's Evolving Doctrine and Threat Perceptions towards 2000," *Journal of Northeast Asian Security*, 13, 1 (Spring 1994), p.14.

<sup>24</sup> *ibid.*, pp.14-15.

<sup>25</sup> For more detailed discussion of the PLA doctrinal shifts, see Paul H.B. Godwin, "Changing Concepts of Doctrine, Strategy and Operations in the Chinese People's Liberation Army 1978-87," *The China Quarterly No. 112* (December 1987), pp.572-590; Ellis Joffe, "'People's War under Modern Conditions': A Doctrine for Modern War," *The China Quarterly No. 112* (December 1987), pp.555-571; Shambaugh, *op.cit.*, pp.3-25; and Shulong Chu, "The PRC Girds for Limited, High-Tech War," *Orbis*, 38, 2 (Spring 1994), pp.177-191.

<sup>26</sup> Lessons from the Gulf War emphasized the importance of advanced technology, including the role of satellites for targeting and intelligence, electronic warfare, sea-launched cruise missiles, stealth technology, precision-guided munitions and airborne command and control. Moreover, the war demonstrated that the effective use of such complex advanced systems depends on highly trained and educated military personnel. In short, a highly professional military organization is a prerequisite for high-technology warfare. In addition, the rapid deployment of Allied forces reinforced the value of in-air refuelling technologies and airlift and sealift capabilities. Finally, the performance of the US Navy in particular (whose Gulf War deployment included aircraft carriers and their escorts, attack submarines and amphibious assault task forces), demonstrated the flexibility and utility of projecting naval power.

<sup>27</sup> The December 1991 meeting of the CMC endorsed the notion of "reducing quantity and increasing quality" in order to deal with modern limited regional war (i.e., qualitative military modernization as the main priority). See Cheung Tai Ming, "Decimated Ranks: Peking further cuts PLA in bid to modernize military," *Far Eastern Economic Review*, 155, 8 (February 27, 1992), p.15.

recognized that China could not afford a wholesale modernization of the military. Consequently, selected rapid reaction units would receive priority in terms of equipment, training and exercises.<sup>28</sup>

National military doctrinal changes have been reflected in naval programs. By the early 1980s, a recognition of the potential role of naval power as an instrument of the state resulted in the shift of naval missions from reactive, inshore defence to geographically-extended forward defence on the high seas. This reformulation of naval roles has been reflected in the offshore defence (jinyang fangyu) strategy.<sup>29</sup> The objective of this strategy is for the PLAN to engage the enemy in the outer approaches and prevent incursions into coastal waters. Geographically, the doctrine redefines the area of offshore operations to cover a large portion of the Western Pacific littoral, well beyond the outer limits of China's maritime sovereignty claims. It embraces Chinese waters adjacent to Vladivostok in the north and the Strait of Malacca in the south, and continues eastward into the Western Pacific. This results in a forward defence area which covers Japan (including the Ryukyu Islands), the Philippines, and all the waters of the East and South China Seas and the Yellow Sea.<sup>30</sup>

Clearly, the naval program is directed to meet the requirement to prepare for limited, regional conflict. China's concept of national territorial integrity is challenged by Asian littoral countries. China claims approximately three million square kilometers of maritime territory. Of this, approximately one-third is occupied or being "illegally" exploited by other countries, with the Spratly Islands and the adjacent waters of the South China Sea being the most serious violations.<sup>31</sup> In light of this, the PLAN must prepare to defend China's maritime interests and to fight and win regional conflicts. Since the PLAN lacks sufficient ocean-going capabilities to stop the encroachments on China's perceived territorial integrity, it is in the process of acquiring enhanced capabilities to respond to any regional crises, including a credible capacity to project power beyond home waters.

At the same time, a PLAN reconfigured to prepare for limited, regional conflict may also serve to enhance China's ability to deter or limit great power actions directed against China. In particular, expanded ocean-going capabilities may serve to deter interference by the US or other major powers in any Chinese moves to enhance its claimed sovereignty over offshore areas, as well as in the Taiwan Straits area.

In order to implement the offshore defence strategy, the PLAN force structure is in the midst of a substantial modification and modernization. The new naval program has established interim goals to transform the PLAN into an ocean-going navy. The first stage, extending through the end of the century, places emphasis on the construction of major surface combatants (destroyers, frigates and submarines) equipped with guided missiles and advanced electronics. The second stage, through to about 2020, calls for the building of two aircraft carriers, and the requisite aircraft and warships to form carrier task forces. The third stage, from 2020 onwards, calls for the PLAN to begin to approach global naval status (i.e., comparable to the former Soviet fleet and possibly even US Navy capabilities) and to be able to conduct large-scale naval operations anywhere in the world.<sup>32</sup> It must be noted, however, that these goals reflect

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<sup>28</sup> This may be 25 percent or less of the total strength of the various services.

<sup>29</sup> Tai Ming Cheung, *Growth of Chinese Naval Power, Pacific Strategic Paper 1* (Singapore: Institute of Southeast Asian Studies, 1990), pp.38. Since the start of the 1980s, the operational emphasis has shifted to gaining more open-ocean experience. PLAN fleet elements now occasionally deploy in Antarctic waters, the Indian Ocean, the Western Pacific, although such deployments occur only infrequently.

<sup>30</sup> You Ji & You Xu, "In Search of Blue Water Power: The PLA Navy's Maritime Strategy in the 1990s," *The Pacific Review*, 4, 2 (1991), pp.137-149.

<sup>31</sup> Cheung, *op.cit.*, pp.7, 9. In February 1992, The National People's Congress passed the "Law on Territorial Waters and Their Contiguous Areas of the People's Republic of China." This law formally reasserted China's claims that the disputed offshore areas are sovereign Chinese territory. The law was formulated in order to enable China to "exercise its sovereignty over its territorial waters and its rights to exercise control over their adjacent areas, and to safeguard state security as well as its maritime rights and interests" (Art.1). Xinhua Domestic Service, 25 February 1992 (*Foreign Broadcast Information Service Daily Report--China*, 28 February 1992), pp.2-3; Hong Kong AFP And China Daily, 26 February 1992 (*FBIS-CHI*, 26 February 1992), pp.19-20. Japan was particularly disturbed by the explicit reference to the Senkaku Islands. With the establishment of Sino-Japanese relations in 1972, both governments agreed to shelve the dispute for "future generations" to resolve.

<sup>32</sup> Cheung, *op.cit.*, p.42; You Ji, "A Test Case for China's Defence and Foreign Policies," *Contemporary Southeast Asia*, 16, 4 (March 1995), pp.378-380.

the preferences of the PLAN, which may not be entirely shared by China's current or future political leadership. Clearly, while the first stage is being acted upon, there are no guarantees that the PLAN will ever receive the funding to become a true ocean-going navy.<sup>33</sup>

#### IV. Current and Projected PLAN Capabilities

The PLAN is organized into three separate fleets which are thus somewhat tied to coastal regions. The North Sea Fleet has its headquarters at Qingdao and operates ships from an additional two major and 10 minor bases. It is responsible for defence of the coast from the border with North Korea to 35° north latitude, which comprises the Gulf of Bohai and the Yellow Sea. The East Sea Fleet has its headquarters at Ningbo and operates ships from an additional three major and 10 minor bases. It is responsible for defence between 35 and 23° north latitude, including the Taiwan Strait, the island of Taiwan, and the mouth of the Chang Jiang (Yangtze River). The South Sea Fleet has its headquarters at Zhanjiang and operates ships from an additional two major and 17 minor bases. It is responsible for the South China Sea, including operations in the Spratly and Paracel Islands. It is believed that the major surface combatants and submarines undertake training in the waters of all the fleets.

In terms of size and numbers of ships, the PLAN is one of the largest navies in the world. Naval personnel are estimated at 265,000 officers and men, including a 25,000-man naval air force, 5,000 marines and a 28,000-man coastal defence force. The navy possesses in excess of 1,700 warships of various classes and more than 700 combat aircraft.<sup>34</sup> Of the warships, however, the majority are minor coastal combatants.<sup>35</sup> Technologically, most of the warships and aircraft are obsolescent and two generations behind those of advanced Western navies.

The modernization plan outlined above calls for a large and diversified acquisition and construction program to bring into service newer and more capable warships. However, it bears noting that the replacement program has proceeded only slowly and there has been no increase in the size of the fleet. Moreover, the augmented capabilities of the PLAN, as new ships enter service, remain deficient by Western standards. Even the most modern PLAN warships are outclassed by comparable warships in the fleets of Japan, the United States, and even some of the small navies of Southeast Asia. Even if the PLAN naval modernization program is fully implemented, substantial weaknesses will continue to exist. Most notable are the inadequate attention devoted to fleet defence systems, the limited ability to provide at-sea replenishment for sustained operations, the lack of air cover for offshore operations and a marginal amphibious assault capability available for a contested entry against a reasonably well-equipped defender.

The PLAN continues to rely on numbers rather than capabilities, which may not prove effective in a high-threat environment against an opponent equipped with sophisticated precision-guided munitions. Therefore, while noting the wide range of improvements that the PLAN is now implementing,

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<sup>33</sup> One need only recall the fate of the US "600-ship" navy of the 1980s or Canada's ambitious naval plans contained in the 1987 White Paper to recognize how quickly strategic, political and fiscal priorities can change.

<sup>34</sup> Capt Richard Sharpe, ed., *Jane's Fighting Ships 1994-1995* (Coulson: Jane's Information Group, 1994), p.113. The numbers of warships may not be entirely accurate since China does not issue public statements concerning military holdings. In addition, China retains a large number of older vessels in reserve and it is impossible to assess with any accuracy their operational status and capabilities. By way of comparison, the US Pacific Fleet operates approximately 150 major vessels. This includes 29 nuclear-powered attack submarines, 6 aircraft carriers, 17 guided-missile cruisers, 20 destroyers, 13 frigates, 27 amphibious ships and 14 major logistical support ships. Additionally, the Japanese Maritime Self-Defence Force (JMSDF) has an operational fleet which includes 15 patrol submarines, 41 destroyers, 20 frigates, 8 amphibious ships and 4 major logistical support ships. As will become apparent over the successive pages, even a fully modernized PLAN would not be a match for the capabilities of the US Navy or the JMSDF. For US and Japanese naval capabilities, see *Jane's Fighting Ships 1994-95, op.cit.*, pp.764-829, 349-367.

<sup>35</sup> This includes an active strength of approximately 160 missile-equipped fast attack craft (FAC), some 300 other FACs equipped with torpedoes or guns and a large force of mine countermeasure vessels (approximately 64 MCMV). A new class of offshore patrol vessel is under construction and *Houxin*-class missile-FACs are being built at a rate of three per year. *Jane's Fighting Ships 1994-95, op.cit.*, pp.125-129.

it is imperative not to lose sight of the low baseline from which naval modernization has commenced. While the PLAN may eventually become an effective ocean-going fleet with substantial force projection capabilities, that prospect is many years into the future. In the interim, the PLAN will remain a large fleet, but one with very modest capabilities across the range of fleet elements.

### *Major Surface Combatants*

The main elements of the PLAN's ocean-going fleet are its 18 destroyers and 37 frigates (by way of comparison, the Japanese Maritime Self-Defence Force maintains a modern operational force of 41 destroyers and 20 frigates).<sup>36</sup> This sizable force has already demonstrated naval presence beyond home waters in the South China Sea. However, except when deployed in overwhelming numbers, it is not clear that China's destroyers and frigates have the operational capabilities to contest for control of the sea against any reasonably well-equipped modern navy. As such, while its destroyers and frigates are the core of the PLAN's ocean-going force, their relative obsolescence, vulnerability to submarines and aircraft and the lack of adequate logistical support capabilities limits their ability to deploy offshore for extended operations.

As a consequence, the fleet of major surface combatants is in the midst of a substantial overhaul as regards both ship design and weaponry.<sup>37</sup> Many of the very oldest ships have been scrapped. Those remaining (those built since the early 1970s) have been upgraded. The reliance on naval guns has been replaced or augmented by anti-ship missiles. The displacement on new classes of frigates and destroyers has been raised substantially, which improves sea-keeping capabilities and allows them to be fitted with more advanced weapons and ship-borne helicopters.<sup>38</sup> Fire control and navigation systems have been upgraded throughout the fleet through the purchase of Western technology and armaments. The deployment of French-designed helicopters aboard the destroyers and some classes of frigates has also improved the fleet's anti-submarine warfare (ASW) capability.<sup>39</sup> Since 1990, two Luhu-class guided-missile destroyers, one Jianghu(IV)-class guided-missile frigate and three Jiangwei-class guided-missile frigates have entered service. Series production for these classes continues.

Nonetheless, serious problems continue. The slow pace of construction of new destroyers and frigates means that the PLAN's ocean-going fleet continues to comprise largely obsolescent warships which must be presumed to be ill-equipped to fight and survive in a high-threat naval environment. Only the newest classes of warships have indigenous defences against aircraft (i.e., at least the short-range Crotale SAM), and only a small number of warships are fitted with ASW helicopters. While most destroyers and frigates are equipped with anti-ship missiles, they remain vulnerable to aircraft and submarines. Until the new classes of warships enter service in greater numbers, fleet defence remains a very serious problem.

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<sup>36</sup> *ibid.*, pp.117-124, 352-361.

<sup>37</sup> Serious problems include the poor sea-keeping capabilities of the older designs. Moreover, the older *Luda*-class destroyer and *Jianghu*-class frigate were designed to operate primarily with naval guns. Thus, substantial refits and redesigns have been necessary to bring their capabilities in line with modern naval warfare conditions. Finally, most frigates lack even a short-range surface-to-air missile system (bar the very latest *Jiangwei*-class FFG). This reflects the previous naval focus on coastal defence wherein the fleet could be brought under the protection of land-based aircraft.

<sup>38</sup> The 'substantial' increase in displacement must be viewed in relative terms. The older classes of PLAN frigates and destroyers on average displace 1,500 and 3,250 tons (standard) respectively. The latest *Jiangwei*-class FFG displaces 2,180 tons (standard) and the *Luhu*-class DDG displaces 4,200 tons (standard). However, in comparison to the JMSDF, PLAN warships remain small. For instance, the new Aegis-equipped *Kongo*-class DDG displaces 7,250 tons (standard).

<sup>39</sup> ASW is generally considered to be the primary PLAN weakness, and many ships continue to use antiquated sonars and weapons. This will require much greater attention as many Asian states are now seeking to acquire modern conventionally-powered patrol submarines. ASW helicopters deploy aboard the two *Luhu*-class DDGs, the *Jianghu(II)* FFG and the five *Jiangwei* FFGs. The PLAN has 10 Zhi-8 (SA-321G *Super Frelon*), now being built locally, and 50 Z-9A *Haitun* (*Dauphin 2*). It is reported that two Ka-27 ASW helicopters have been delivered from Russia for evaluation. *Jane's Fighting Ships 1994-95, op.cit.*, p.124.

## *Submarines*

The PLAN submarine service comprises one nuclear-powered ballistic missile submarine (SSBN),<sup>40</sup> one Golf-class SSB in reserve, five nuclear-powered attack submarines (SSNs), one cruise missile submarine and approximately 38 conventionally-powered patrol submarines (SSKs).<sup>41</sup> Given that only one ballistic missile boat is in active service, the Xia-class SSBN is inadequate to maintain the sea-based element of China's nuclear deterrent on continuous patrol.<sup>42</sup> A new SSBN design is thought to be under development. The squadron of five Han-class SSNs are more noted for their problems than their capabilities. High internal radiation levels and an inability to fire missiles while submerged casts doubt on their operational effectiveness and utility in wartime against a competent ASW-equipped opponent. A successor design is being developed but no date has been given for the start of construction.

The PLAN also maintains an operational fleet of 38 SSKs, most of which are based on the Soviet Romeo design of the 1950s. The limited endurance and high noise levels of these boats significantly impede their operational performance. Consequently, their operations are restricted largely to coastal waters. Eight indigenously-designed Ming-class SSKs began entering service after 1987, although their capabilities are thought to be only a marginal improvement on the Romeo. The US Naval Institute Proceedings reported the May 1994 launch of a new indigenous submarine class--the Song--which is thought to be an improved variant of the Ming.<sup>43</sup> More recently, in late 1994, China took delivery of the first of four Russian Kilo-class SSKs.<sup>44</sup> The Kilos represent a substantial improvement over the obsolescent Ming/Romeo designs and would enhance the PLAN's ability to exercise sea denial in offshore areas. However, the small number of Kilos being acquired may indicate an interest in licensed technology production which will be applied to the new Song-class submarines.

## *Naval Aviation*

The Chinese People's Naval Aviation Arm (CPNAA) is one of the largest in the world. However, given the limited radius of most of its aircraft, it cannot provide adequate protection for ships that go beyond immediate offshore areas. Indeed, even in a coastal defence role, the CPNAA relies more on sheer weight of numbers than capabilities, although this may be changing slowly. The majority of the naval aircraft in service are based on 30-year old Soviet designs. Coastal/inshore air defence is provided by three types of relatively short-range strike/fighters: 280 J-6 (MiG-19 Farmer) strike/fighters for fleet air defence and anti-shipping strike; 70 J-7 (MiG-21 Fishbed) fleet air defence fighters with limited strike role against enemy shipping or beachhead; and 50 Q-5 (MiG-19 Fantan) strike aircraft in beachhead and coastal shipping attack roles.<sup>45</sup> In addition, since 1990, 30 J-8II Finback all-weather dual-role fighters

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<sup>40</sup> China began building the *Xia* in 1978 and it was launched in 1981. It did not enter service until 1987. The first satisfactory test launch of a CSS-NX-3 missile occurred in September 1988. The *Xia* has 12 missile tubes from which to launch CSS-NX-3 SLBM (with a range of approximately 2700 km) which deliver a single two megaton warhead. An improved missile--the CSS-NX-4 (possibly with multiple warheads)--is being developed. *Jane's Fighting Ships 1994-95*, *op.cit.*, p.114.

<sup>41</sup> *Jane's Fighting Ships 1994-95*, *op.cit.*, pp.113-116. The cruise missile submarine (SSG) is a modified *Romeo* rebuilt as a trials SSM platform. It has to surface to fire its missiles.

<sup>42</sup> At least three boats are generally thought to be necessary to maintain one on continuous patrol. This is necessitated by the requirements for maintenance, crew rest and time enroute to station.

<sup>43</sup> *US Naval Institute Proceedings*, 121, 3 (March 1995), p.112.

<sup>44</sup> The March 1995 cover of *Proceedings* displayed a remarkable photograph of the *Kilo* lashed to the deck of a Russian freighter. The *Kilo* (Russian Type 636) is the latest export version of the *Kilo* design (which first appeared in the 1970s), and has better weapons systems coordination and improved accommodation than the earlier ships of the class. Reportedly, the Chinese government signed a contract with Russia in July 1994 for 4 *Kilos* and also may be seeking a license to build more boats in its own yards. The *Kilos* are equipped with 18 torpedoes and have the capability to carry 24 mines (in lieu of torpedoes). The ability to lay a large number of mines could be very useful should China ever wish to threaten or impose a naval blockade around Taiwan. *Jane's Fighting Ships 1994-95*, *op.cit.*, pp.115, 541.

<sup>45</sup> *Jane's Fighting Ships 1994-95*, *op.cit.*, p.125; Mark Lambert, ed., *Jane's All the World's Aircraft 1993-94* (Coulson: Jane's Information Group, 1993), pp.44-46, 51-53.

have entered service and production continues.<sup>46</sup> A new generation of fighter-bomber--the B-7--is under development and will be configured for anti-shipping roles.<sup>47</sup>

Given the limited combat radius of CPNAA strike/fighters, the PLAN lacks effective air cover when operating beyond coastal waters. This is especially problematic given Chinese ambitions in the South China Sea. Even with the addition of an air base in the Paracel Islands, the PLAN is presently unable to depend on land-based air support for any operation in the Spratly Islands. As a consequence, an in-flight refuelling capability is thought to be under development.<sup>48</sup> The eventual deployment of an effective in-flight refuelling capability would substantially improve the effectiveness of land-based fighter and strike aircraft to undertake fleet air defence and anti-shipping missions in the offshore approaches to the Chinese mainland.

Open-ocean surveillance and control is provided by the 30 H-6 (Tu-16 Badger) with a range of approximately 4,800 km. Since the early 1980s, China has used the H-6 for regular surveillance patrols in the Spratlys. In 1986, the PLAN introduced into service 4 SH-5 (PS-5) multipurpose amphibians, based near Qingdao with the East Sea Fleet. With a range of 4,750 km, they are intended for a wide range of duties, including anti-submarine and anti-shipping warfare, minelaying, search and rescue and carriage of bulk cargo. ASW and avionics upgrades are reportedly being sought.<sup>49</sup> In addition, the CPNAA is experimenting with other airframes to fill the maritime patrol function.

Despite these improvements, naval aviation remains a key problem for the PLAN's blue-water aspirations. The very large gap between advanced technology and obsolescent aircraft designs remains a serious deficiency. Even the newest generation of fighter (J-8II Finback) is based on a 1960s-vintage Soviet aircraft. As a result, China has turned to Russia to fill the substantial weaknesses in aircraft design and capabilities. In 1992, the PLA Air Force acquired 26 Su-27 Flanker air defence fighters, which may eventually deploy on Hainan Island.<sup>50</sup> In the absence of a much larger delivery of Su-27s, the significance of this acquisition lies in the opportunity it affords to leap two generations in terms of aircraft design, avionics and weapons systems.<sup>51</sup> Nonetheless, it will be many years before China develops and deploys advanced combat aircraft in sufficient numbers to effectively fill fleet air defence and maritime strike roles.<sup>52</sup>

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<sup>46</sup> These aircraft are designed to operate both as a high altitude interceptor and as a ground attack aircraft. The J-8 *Finback* is of Chinese design, and incorporates technology gleaned from the Soviet MiG-23 fighter which entered service in Soviet air defence units in 1973. It is believed that China received one or more MiG-23s from Egypt in 1976 as part of a technology transfer agreement. The J-8 is a delta-wing aircraft and is substantially larger than the J-7. The J-8II version incorporates substantial design modifications from earlier versions produced in the 1980s. *Jane's All the World's Aircraft 1993-94, op.cit.*, p.56.

<sup>47</sup> *Jane's All the World's Aircraft 1993-94, op.cit.*, pp.58-59.

<sup>48</sup> International Institute of Strategic Studies, *The Military Balance 1994-1995* (London: IISS, October 1994), p.166. The *Far Eastern Economic Review* has reported that the in-flight refuelling technology was acquired from Iran and Israel, but China has yet to get it working smoothly. Nayan Chanda, "Fear of the Dragon," *Far Eastern Economic Review*, 158, 15 (April 13, 1995), p.25.

<sup>49</sup> *Jane's Fighting Ships 1994-1995, op.cit.*, p.125; *Jane's All the World's Aircraft 1993-94, op.cit.*, pp.48-49.

<sup>50</sup> *Jane's Fighting Ships 1994-95, op.cit.*, p.124.

<sup>51</sup> The Su-27's avionics package includes an infra-red search/track sensor (IRST) and a track-while-scan coherent pulse Doppler lookdown/shutdown radar with a search range of 240 km and a tracking range of 185 km. Integrated fire control systems enable radar, IRST and laser rangefinder to be slaved to the pilot's helmet-mounted target designator. The Su-27 typically carries up to 10 anti-air (AA) missiles in air combat roles: two short-burn semi-active radar homing *Alamo A* anti-air (AA) missiles; two short-burn infra-red homing *Alamo B* AA missiles; two long-burn semi-active radar-homing *Alamo C* or infra-red *Alamo D* AA missiles; and four *Archer* or *Aphid* close-range infra-red missiles. It also carries one 30 mm gun with 149 rounds. In a ground attack role, the Su-27 also typically carries 5-round packs of 130 mm rockets or larger rocket pods. This mix of avionics, fire control and missile capabilities are unprecedented for the PLA. *Jane's All the World's Aircraft 1993-94, op.cit.*, p.314.

<sup>52</sup> There has also been much speculation that China has arranged to produce under license up to 200 MiG-31 *Foxhound* fighters. One analyst has reported that the delivery of 24 MiG-31s began in mid-1992, and that additional aircraft will be manufactured at Shenyang by the end of the decade. Desmond Ball, "The Post Cold War Maritime Strategic Environment in East Asia" in Dick Sherwood, ed., *Maritime Power in the China Seas: Capabilities and Rationale* (Canberra: Australian Defence Studies Centre, Australian Defence Force Academy, 1994), p.15.

## *The Aircraft Carrier Program*

Since the mid-1980s, there has been widespread speculation that China was seeking to acquire an aircraft carrier. In 1993, the PLAN announced plans to have two 40-45,000 ton aircraft carriers in operation by the middle of the next decade.<sup>53</sup> It is likely that China will attempt to design or purchase STOVL aircraft, although it may choose to deploy standard fixed-wing carrier jets (such as the Su-27 Flanker D).<sup>54</sup> Deployment of carriers of even limited capabilities would significantly enhance the PLAN's ability to project power since they could provide indigenous air cover for amphibious and surface task group operations. In particular, this could improve the PLAN's ability to establish sea control in the South China Sea region in any future naval operations.<sup>55</sup> However, the chief problem associated with the potential deployment of carriers is the inability of PLAN forces to protect them. Even a modest carrier would be a highly lucrative target. The current weaknesses in fleet defence would mean that the carrier task group (including deployed aircraft) would have to focus its energies on defending the carrier platform.<sup>56</sup> Even if the task group could successfully prevent the disabling or sinking of the carrier, it would nonetheless preclude or limit the primary mission of the carrier--namely, the forward projection of air power.

The carrier program has elicited greatest interest in Asian and Western defence circles, since it signals both aspirations for great power status and an emphasis on force projection capabilities. It appears unlikely that the 2005 target date can be met, since any construction has yet to commence. Moreover, given the exorbitant costs of the design and construction of two carriers of this size, it is doubtful that the PLAN could afford the project without constraining severely the ongoing modernization programs of other fleet elements. If the program proves unaffordable, it is more likely that the PLAN will seek a scaled down project similar to what is being discussed currently in Japan--namely, a multi-purpose amphibious ship.<sup>57</sup>

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<sup>53</sup> In 1993, Vice-Admiral Zhang Yuanhai made public that a 1.2 billion Yuan research and development program was underway to indigenously design and build carriers, although no construction had commenced. Stephen L. Ryan, "The PLA Navy's Search for a Blue Water Capability," *Asian Defence Journal*, 5, 94 (May 1994), p.29. China had initially discussed the possibility of purchasing the Soviet *Kuznetsov*-class carrier *Varyag*. It is now thought that the indigenous design may be based on a merchant ship hull, augmented by the purchase of Russian technology. The 40-45,000 tons displacement (standard) would make this carrier somewhat smaller than the *Varyag*, but substantially larger than the Indian carrier, *Viraat* (28,700 tons full load).

<sup>54</sup> Much will depend on the actual carrier design and the technology available. It is probable that size constraints will necessitate a 12<sup>o</sup> ski jump. In 1985, China bought the Australian carrier *Melbourne* as scrap, but it is believed that naval engineers carefully dismantled the ship and its steam catapults. If these rumours are true, China may have the technology to launch heavier aircraft. In 1987, a J-8 fighter was shot off a catapult at the Lushun Naval Base. Nayan Chanda, "China: Aiming High," *Far Eastern Economic Review*, 157, 42 (October 1994), p.15. A carrier of approximately 40-45,000 tons may be capable of deploying approximately 20 fixed-wing aircraft and 15 helicopters. The actual configuration of the air wing will depend on the design features of the carrier and its expected missions.

<sup>55</sup> Nonetheless, the deployment of a carrier in the South China Sea would have to be undertaken with great caution. Protecting carriers is a difficult proposition given their vulnerability to submarines and anti-ship missiles launched from warships or aircraft. PLAN deficiencies in terms of missile defence and anti-submarine warfare could leave a carrier dangerously exposed. With regards to the South China Sea specifically, Chinese carriers would be potentially vulnerable to land-based aircraft, particularly Malaysian MiG-29s operating from Sabah. Moreover, the geophysical make-up and seasonal climatic factors of the South China Sea make this a particularly treacherous body of water. It certainly would not be to the PLAN's advantage to deploy a carrier far forward in a body of water containing numerous rocks, atolls and submerged reefs.

<sup>56</sup> While the carrier may prove useful against Southeast Asian states which have minimal long-range strike capabilities, it may prove to be a liability rather than an asset against a sophisticated enemy. The modern fleet elements of the PLAN would be fully stretched in protecting two carriers. The greatest danger is from sophisticated long-range anti-ships missiles launched from surface warships, aircraft or submarines.

<sup>57</sup> The JMSDF has formally requested four "large-size transport ships with aircraft carrier functions" whose design features resemble a smaller version of the USN *Iwo Jima*-class LPH. The class of vessels is estimated to displace 8,900 tons (standard) and will contain a flight deck (130 x 23 meters), from which to launch and retrieve helicopters and/or Harriers, and two air-cushion landing craft (LCAC). It will also have a transport capacity of 1,000 men. *Tokyo Shimbun* (June 14, 1995).

## ***Amphibious Forces***

The core of the PLAN's amphibious assault capability is its marine force. By the mid-1980s, the marines had undergone radical reorganization. The force size was reduced from approximately 55,000 to a 5,000-man brigade unit deployed with the South Sea Fleet.<sup>58</sup> The brigade comprise three mechanized infantry battalions with supporting artillery, armour, engineer and communications units. The brigade also has indigenous fixed-wing and rotary-wing aircraft.<sup>59</sup> As part of the general restructuring of PLAN missions, the marines have been reconfigured as an elite commando unit--a transformation which underlines the emphasis on limited regional conflict scenarios rather than on large-scale invasion operations.<sup>60</sup> Marine training stresses high mobility, long-distance independent war-fighting, the capability to lead landing operations, to attack and hold islands and coastlines and to capture and hold advance bases for follow-on operations.<sup>61</sup>

The primary weakness with regards to the strategic use of the marines or a PLA formation in amphibious operations is the lack of appropriate amphibious lift capability. The majority of the PLAN's 300+ landing craft are small and incapable of open-ocean navigation.<sup>62</sup> Until quite recently, most of China's landing ships were relatively small and more than 40 years old (i.e., ex-US ships left by retreating Republican forces). In short, while the PLAN maintains a substantial amphibious lift capability, it is dispersed across a large number of relatively small vessels. Only since 1980 has China begun to build amphibious ships with displacement of more than 3,000 tons. Since then, four Yukan-class and one Yuting-class LSTs have entered service. This has been augmented by seven Qionsha-class attack transports (AP).<sup>63</sup> An additional problem is the absence of an extensive amphibious assault capability. Hence, the PLAN's amphibious force may be suited for resupply missions in the South China Sea, but it may well prove ineffective in a contested-entry against a capable opponent. There are reports that China is actively studying the idea of converting a roll-on/roll-off (Ro-Ro) ship into an aviation support ship.<sup>64</sup> Such a development would significantly improve China's amphibious capability out of range of shore-based aircraft.

## ***Fleet Logistics***

A key element for a more geographically-dispersed power projection force is logistics. China requires logistic supply ships with greater range and carrying capacity than the PLAN currently possesses. The two largest of the 26 or more supply ships (the Fuqing-class AORs) displace 7,500 tons (standard) and 21,750 tons (full load). Although the Fuqing-class are capable of underway replenishment operations, their relatively limited size and the fact that China has only two of them, impedes the PLAN's ability to conduct sustained open-ocean deployments. Moreover, the average size of the PLAN's AOR/AOTs is only approximately 2,500 tons (standard) and 4,800 tons (full load).<sup>65</sup> More recently, two

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<sup>58</sup>The previous large size of the marines reflected the long-standing planning preoccupation of an invasion of Taiwan. For a very interesting if dated assessment of the Chinese marine force, see LCdr Bradley Hahn, "The Chinese Marine Corps," *US Naval Institute Proceedings*, 110, 3 (March 1984), pp.121-127.

<sup>59</sup>*The Military Balance 1994-95, op.cit.*, p.172.

<sup>60</sup> Given the reconfiguration of the marines, it is safe to assume that two types of operations are planned: (1) rapid deployment by commando-style elements on search, destroy or seizure raids against limited opposition; and (2) conventional amphibious assault by a reinforced brigade or larger force against beachhead resistance.

<sup>61</sup> The training of the brigade has been heavily influenced by US Marine Corps practices. Until the rupture of bilateral defence relations following the Tiananmen incident in 1989, Chinese marine officers visited US Marine Corps installations and facilities in the United States.

<sup>62</sup> There are an additional 500 or so minor LCM/LCVP types (landing craft, mechanized/vehicles personnel) used to transport stores and personnel.

<sup>63</sup> All of the *Qionsha* are deployed with South Sea Fleet. The first of what may be three *Yuting*-class LST has entered service. This ship is capable of carrying two medium helicopters. The *Yukan*-class LSTs can reportedly carry a single helicopter. The *Yukans* may eventually become a class of 14 ships. *Jane's Fighting Ships 1994-95, op.cit.*, pp.129-130.

<sup>64</sup> If developed, it could be assumed to deploy with VTOL aircraft, principally helicopters. This would reflect the current air wing configuration aboard US amphibious ships. *Jane's Fighting Ships 1994-95, op.cit.*, p.129.

<sup>65</sup> The two *Fuqing*-class AORs have been operational since 1979. *Jane's Fighting Ships 1994-95, op.cit.*, pp.134-135.



11,000 ton (full load) Dayun-class stores ships (AK) have entered service. Equipped with two SA-321 Super Frelon helicopters, they are capable of vertical replenishment. Three supply ships are believed to be under construction, although it is not known if they are suited for at-sea replenishment operations. In the long run, and despite improvements, this logistical deficiency will have serious consequences for the ability to conduct open-ocean extended operations by PLAN task forces. This, in turn, constrains China's blue-water aspirations.

Therefore, despite its large size, the PLAN remains an essentially coastal fleet with relatively obsolescent warships and aircraft. Nonetheless, as the PLAN continues to upgrade its capabilities and extends control gradually into offshore areas, the new naval strategy becomes increasingly viable. Procurement trends indicate efforts to build larger, ocean-going warships, newer and quieter submarines, a reconfigured amphibious lift capability, and an enhanced capability to provide air cover for offshore operations. However, serious limitations remain unaddressed, especially the weaknesses in fleet defence systems, the inadequacy of at-sea replenishment capabilities and the slow pace of replacement of obsolete warships and aircraft. Moreover, the current PLAN force structure and projected procurement programs continue to emphasize offensive capabilities at the expense of fleet defence and logistics. This may reflect either a willingness to risk losing large numbers of warships in any conflict scenario or a bureaucratic preoccupation with expensive, high-profile projects.<sup>66</sup> Regardless of the reason, this imbalance may have serious consequences if it is not redressed in the coming years.

## V. The PLAN and East Asian Security

This section considers the possible contingencies where naval power may be employed in support of China's foreign and security policy objectives.<sup>67</sup> In addition, it will discuss how the enhancement of naval capabilities in China (and other states) may change the regional balance of power and contribute to an exacerbation of rivalries between China and its major regional competitors. The speculative nature of this analysis is due to an inability to predict with any certainty the future course of events, as well as to the fact that little is known about actual Chinese plans and intentions since China has been very reluctant to publish information pertaining to its military programs.<sup>68</sup> Therefore, this analysis is based on what is known about Chinese doctrine, strategy and force structure, as well as an assessment of the current and projected direction of Chinese maritime interests.

The principal source of uncertainty in Asia is China, and the regional arms-build up has been caused at least in part by a fear of China's potential. The primary role of the PLAN is to secure China's

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<sup>66</sup> In short, the PLAN may suffer from the quite common malady of becoming preoccupied with big-ticket items. What is more puzzling is the lack of attention devoted to missile-defence systems. Given the extensive Chinese investment in anti-ship missiles (including the CSS-C-2 *Silkworm*), it would seem logical that a simultaneous counter-measures program would have been developed. Any study of the "Tanker War" in the Persian Gulf during the late 1980s and the 1982 Falklands War would make clear the absolute importance of fleet defence against missiles, whether launched from coastal artillery, aircraft or warships.

<sup>67</sup> There are no references to the area of operations of the North Sea Fleet--the Gulf of Bohai and the Yellow Sea--because China has no maritime disputes with its neighbours in these waters. The Gulf of Bohai is surrounded by Chinese territory and China has no maritime boundary disputes with North or South Korea in the Yellow Sea. South Korea's claimed continental shelf does conflict with waters claimed by China, but this area is to the south of the Korean Peninsula in the East China Sea. Consequently, the most likely scenarios where North Sea Fleet forces would be employed would be beyond its peacetime area of operations.

<sup>68</sup> China does not publish defence White Papers or other statements pertaining to military plans and objectives. This lack of military transparency is best demonstrated by Chinese statements concerning annual military expenditures. China's official 1995 defence budget is US\$7.5 billion--a figure which defies belief. It is simply impossible to maintain a standing military force of 2.9 million men on such a low figure, let alone fund R&D, infrastructure upgrades and ongoing weapons and equipment acquisition programs. Outside estimates place the actual Chinese defence budget figure at between US\$10 billion (SIPRI) and US\$50 billion (ACDA). Nayan Chanda, *op.cit.*, p.25. Most likely, the Chinese defence budget is in the vicinity of US\$16-20 billion.

maritime interests--namely, enhancing Chinese sovereignty claims and protecting sea lines of communication. Consequently, the ongoing modernization of the PLAN, the shift from coastal to offshore operations and the emphasis on preparing for decisive regional contingencies may have serious implications in the emergent multipolar security environment in East Asia. If China only sought to maintain the existing balance of power and the current territorial configuration in East Asia, there would be little reason to discuss its actions. However, that does not appear to be the case. China is not a status quo power in Asia. It has maritime boundary and sovereignty disputes with most of its neighbours. While China is not necessarily seeking conflictual relations with its neighbours, its apparent regional objectives and modified naval force posture may increase the likelihood of such conflict.

China holds an inflexible definition of its territorial sovereignty, although it has not always been enforced. In this regard, China's claims to offshore areas are by definition non-negotiable. In short, there can be no final legal or political settlement that does not leave China in full possession of its claimed offshore areas, and especially the island groups of the South China Sea.<sup>69</sup> The Chinese government has discouraged multilateral approaches to resolving the Spratly Islands dispute, especially when they involve external powers, precisely because such settings dilute China's ability to control the outcome. China has expressed willingness to set aside its maritime sovereignty disputes in favour of bilateral joint resource development with other claimants, but this in no way impinges on China's territorial claims to those areas and may in fact enhance them (given that such a concession by the other claimants would provide added legitimacy to China's claims). The emphasis on expanding the power projection capabilities of the PLAN gives China the option of using force should diplomacy prove unsuccessful in securing full sovereignty rights, as well as increasing China's leverage during any negotiating process. In short, naval power gives China the opportunity to enforce its claims, should it choose to do so.

If past actions are any guide for the future, the most likely area where China's naval power may be employed is in the South China Sea. China claims the entire sea as sovereign territory and reserves the right to use force to protect its claims. In order to enhance its forward position in the South China Sea, the PLAN has built an air base and anchorages on Woody Island in the Paracel Islands. The development of these facilities has extended the combat radius of land-based aircraft and provides forward logistical support for possible operations in the Spratly Islands.

Although China has long claimed the Spratly Islands, it was only in March 1988 that China forcibly re-entered the Spratly dispute. Following a brief naval clash with Vietnamese forces, China was able to occupy its first six atolls in the archipelago. Since then, China has gradually but steadily increased its area of control in the Spratlys. Therefore, China has already demonstrated an ability to project power in the region, albeit in a limited manner. More recently, in February 1995, the Philippines discovered that Chinese forces had erected military structures on Mischief Reef and placed territorial markers on numerous other features in the area. These reefs lie within the portion of the Spratly Islands claimed by the Philippines. The importance of this event is that it marks the first time that China has directly challenged a Spratly Islands claimant other than Vietnam. In short, the other Spratly claimants--the Philippines, Malaysia and Brunei--can no longer assume that Vietnamese claims will be the only target of

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<sup>69</sup> The competing liberal internationalist perspective would argue that as the webs of interdependence expand, China will feel increasingly constrained from threatening or using force. However, the Chinese leadership adheres to a rigid conception of sovereignty (resting on the twin principles of territorial integrity and strict non-interference in the internal affairs of states) seemingly at odds with this perspective. China continues to behave as a state sovereign unto itself, regardless of the level of foreign investment, trade dependence or international condemnation of its human rights practices. Whether or not this conception of state sovereignty is appropriate to contemporary international relations, the conduct of the Chinese state more closely conforms to realist than liberal internationalist expectations. In short, if China does not view itself as being profoundly constrained by interdependence in its international behaviour, the chances are that it will not be constrained if an important national interest is at stake. David Shambaugh, "China's security policy in the post-Cold War era," *Survival*, 34, 2 (Summer 1992), pp.92-93. For an application of realist and liberal theoretical concepts to East Asia, see Samsung Lee, "Peace and Security in Northeast Asia: Reality and Vision," *Asian Perspective*, 18, 1 (Spring/Summer 1994), pp.129-158; Denny Roy, "Hegemon on the Horizon? China's Threat to East Asian Security," *International Security*, 19, 1 (Summer 1994), pp.149-168; Michael Ng-Quinn, "International Systemic Constraints on Chinese Foreign Policy" in Samuel S. Kim, ed., *China and the World: Chinese Foreign Policy in the Post-Mao Era* (Boulder & London: Westview Press, 1984), pp.82-110; and Gerald Segal, *China Changes Shape: Regionalism and Foreign Policy*, *Adelphi Paper 287* (London: International Institute of Strategic Studies, March 1994).

Chinese activities in the South China Sea. It has been speculated that this operation may have been directed at testing the resolve of the Association of Southeast Asian Nations (ASEAN), of which the Philippines is a member, and the extent of the US commitment to the Southeast Asian states with which it has close defence relations.<sup>70</sup> If this was the intent, then the absence of ASEAN condemnation of the Chinese moves and the US declaration of neutrality over the issue can only be viewed by the Chinese as encouraging.

The inability of the Southeast Asian states to coordinate a coherent and forceful response to Chinese actions may make them individually vulnerable to surprise Chinese operations in the South China Sea.<sup>71</sup> Consequently, the Spratly claimants may find themselves unable to prevent a gradual and piecemeal extension of Chinese control in the area. The naval modernization programs now underway throughout Southeast Asia must be viewed at least in part as a reaction to expanding Chinese naval activities since the late 1980s. Whether or not these states view China as an imminent threat to their national security interests, Chinese actions in the Spratlys have reinforced the perception that increased self-reliance, vigilance and expanded naval and naval air capabilities are necessary to deter incursions into claimed marine areas. Moreover, it has reinforced the importance attached to continuing US Navy patrols in the region and the US commitment to keep open Asian sea lines of communication against any challenger.<sup>72</sup>

Another possible contingency for the employment of Chinese naval power is against Taiwan, should the Republican government formally declare independence from the mainland. In such an eventuality, an expensive and high-risk invasion of Taiwan is unlikely. However, the PLAN modernization program is expanding the capacity to impose a naval blockade around Taiwan. The PLAN emphasis on patrol submarines (with mine-laying capabilities), anti-ship missile systems and maritime strike aircraft affords the opportunity to interdict shipping in the Taiwan Strait as well as the ocean approaches to the island.<sup>73</sup> Such a blockade could cripple the Taiwanese economy. Consequently, such an operation could enable the Chinese government to punish Taiwan without a huge expenditure of military power.

At present, the probability of such military actions is low since both sides are aware of the potential dangers inherent to changes in Taiwan's legal status. The Taiwanese government has carefully avoided the question of independence even as it expands its trade and tacit political relations with China and other members of the international community. Likewise, while the Chinese government continues to block formal Taiwanese participation in key international fora, it has shown greater tolerance of non-defence-related trade between Taiwan and other states. Indeed, relations between China and Taiwan are

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<sup>70</sup> Rodney Tasker, "A Line in the Sand," *Far Eastern Economic Review*, 158, 14 (April 6, 1995), pp.14-16. For recent overviews of the South China Sea disputes see Allan Shephard, "Maritime Tensions in the South China Sea and the Neighbourhood: Some Solutions," *Studies in Conflict and Terrorism*, 17, 2 (April/June 1994), pp.181-211; and Esmond D. Smith, "China's Aspiration in the Spratly Islands," *Contemporary Southeast Asia*, 16, 3 (December 1994), pp.274-294. ASEAN membership presently includes Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Vietnam is expected to join ASEAN in July 1995.

<sup>71</sup> Of course, part of the problem is that there is no consensus within ASEAN concerning the potential threat posed by China. Lack of coherence is also attributable to diverging national security priorities among ASEAN members. Moreover, the three ASEAN Spratly claimants--Malaysia, Brunei and the Philippines--dispute each other's claims as vociferously as they do those of Vietnam, China and Taiwan. See S.E. Speed, "The Evolving Maritime Environment in Southeast Asia: ASEAN Naval Procurements and Regional Security," 1995 (unpublished).

<sup>72</sup> The continuing importance of the US Navy role was made clear in 1992 when Singapore, Malaysia and Indonesia signed agreements with the US to provide repair and logistical support for naval vessels, and access to naval and air bases. While the US will remain neutral with regards to the sovereignty dimension of the South China Sea disputes, the importance that the US attaches to the freedom of navigation will likely mean that any challenge to that interest in Southeast Asia will be resisted. Therefore, the continuing presence of US Navy in Southeast Asian waters may serve to dampen enthusiasm for large-scale Chinese operations in the South China Sea.

<sup>73</sup> Taiwan is vulnerable to submarine attack. The Taiwanese navy operates a fleet of 27 destroyers and frigates, equipped with ASW systems (and most deploy ASW helicopters), and 40 land-based S-2 *Tracker* MP/ASW aircraft. However, Taiwan has only two modern Dutch-built submarines. The absence of a larger, modern submarine fleet inhibits Taiwan's ability to deter or defend against a naval blockade. *Jane's Fighting Ships 1994-95, op.cit.*, pp.669-676.

becoming more congenial as contacts and investment continue to expand.<sup>74</sup> However, this relatively positive relationship is fragile. Much will depend upon how smoothly the transition to Chinese rule proceeds in Hong Kong and Macao, and whether the Guomindang can retain political power in Taiwan. If the transition is marred by coercion or the opposition Democratic Progressive Party (which supports independence) gains power in Taiwan, Sino-Taiwanese relations could deteriorate rapidly. Consequently, the Taiwanese government remains painfully aware of its tenuous position close to the Chinese mainland. Therefore, Taiwanese defence planners pay close attention to the Chinese military modernization program and continue to take steps to improve Taiwanese self-defence.<sup>75</sup>

Viewed in strategic terms, China's naval program is directed beyond securing geographically-defined offshore frontiers. The longer-term objective is to develop an ocean-going navy which can be employed both against regional contingencies and to extend Chinese influence beyond the immediate Asian littoral. In effect, the development of a capable ocean-going fleet can be employed in any contingency where another state might seek to challenge Chinese power and status in the region. As China achieves great power status, Chinese interests and influence are likely to grow and expand outward. This will increase the possibility of Chinese power impinging on the security interests of other powers, which in turn increases the possibility of conflict which may not be limited in size, scope or intensity.

Within the regional context, Japan is perceived as the most likely challenger to any Chinese attempts to expand its influence in Asia. At present, Sino-Japanese economic and political relations are generally positive. Japanese investment in and trade with China is large and as such, Japan has a vested interest in China's continuing economic development. However, military relations have not kept pace with economic and political developments. Japanese actions in China during the 1930s and 1940s continue to have an important influence on Chinese security perceptions. China has opposed any steps towards a more active Japanese international role, even to the point of condemning the use of non-combatant Japanese military personnel in UN peacekeeping. For its part, Japanese officials have reacted with alarm to Chinese plans to acquire aircraft carriers and to China's reassertion of its claims to the Senkaku/Diaoyudao Islands.

In effect, the potential for conflict exists. Both states are expanding their long-range naval capabilities and the defensive perimeters patrolled by each state's navy overlap in the East China Sea.<sup>76</sup> While there is little prospect of a dramatic change in bilateral relations in the foreseeable future, a withdrawal or the significant downsizing of US forces in Japan could have important consequences. The loss of the US security guarantee would almost certainly cause Japan to expand its military forces. China would be unlikely to allow such an expansion to proceed uncontested. If relations deteriorated dramatically, the most likely contingency where Chinese naval force might be threatened or employed would be to challenge Japan's commitment to retain control over the Senkakus. However, it bears noting that the PLAN is no match for the JMSDF, against which it is at a substantial technological disadvantage in all fleet elements. Therefore, for the foreseeable future, such a contingency is considered most unlikely.

Another potential regional challenger to Chinese ambitions is India. Like China, India has aspirations to become a blue-water naval power, and to retain its status as the pre-eminent state in the Indian Ocean region. The history of Sino-Indian relations is one of acrimony and conflict. Although no serious fighting has taken place since the 1962 border war, the threat potential of each has long been

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<sup>74</sup> In addition, given their identical claims in the South China Sea (since both claim to be the legitimate government of China), Taiwan provides tacit support for Chinese activities in the Spratly Islands. Both governments have reportedly agreed to conduct a joint exploration of the South China Sea seabed.

<sup>75</sup> Taiwan's Admiral Liu Ho-chien, Chief of the General Staff, was recently quoted as saying that, "[i]f China should one day possess the ability to invade Taiwan, we have to assume they will have the intention to do so." Julian Baum, "Idling Threat: Taipei planners debate chances of a Chinese attack," *Far Eastern Economic Review*, 158, 5 (April 13, 1995), p.29.

<sup>76</sup> In 1981, largely in response to US pressure, Japan agreed to patrol a defensive perimeter out 1,000 nautical miles from Tokyo. This effectively extended the JMSDF operational area to within proximity of the Bashi Strait, separating the Philippines from Taiwan. Sakonjo Naotoshi, "The Security of Sea Lanes in East Asia and the Western Pacific: A Japanese View" in Lau Teik Soon & Lee Lai, eds, *The Security of Sea Lanes in the Asia-Pacific Region*, (Singapore: Centre for Advanced Studies, National University of Singapore, 1988), p.98.

acknowledged. In terms of size and power, both India and China are in a position to become the dominant powers in their respective geostrategic regions. However, the longer-term problem may be that their areas of strategic interest overlap in Southeast Asia: India's strategic frontiers extend through the Straits of Malacca, while China's extend into the Indian Ocean. Until recently, neither state encroached on the other's area of direct interest. That apparently has now changed with the possible Chinese military presence in Burma (Myanmar). Reportedly, China may have access agreements to Burma's new Chinese-built naval bases. In addition, China may be in the process of setting up a monitoring station on Burma's Grand Cocos Island, straddling the Andaman Sea and the Bay of Bengal.<sup>77</sup> The potential for regular Chinese naval patrols in the Andaman Sea area places Chinese forces within striking distance of India's Andaman Islands (and within range of Indian land-based aircraft). If such Chinese activities materialize, India is likely to respond by increasing naval patrols of its own. Such heightened naval operations may only serve to increase the tensions in bilateral Sino-Indian relations and increase the danger of inadvertent conflict.

A final concern stems directly from China's economic expansion: China has now become a net energy importer. In addition to making control of the potentially energy-rich East and South China Seas even more desirable, China may seek to use its naval power to secure its energy supplies coming from the Middle East.<sup>78</sup> As a result, it is in China's broad interest to become more active in Middle East politics.<sup>79</sup> Securing access to future energy supplies may also translate into seeking to control East Asia's shipping lanes. This, in turn, potentially jeopardizes a large percentage of global trade and directly challenges the traditional role of the US Navy as a champion of the freedom of navigation.<sup>80</sup> Although China is unlikely to take coercive steps that will potentially jeopardize its own ability to trade, increased Chinese naval presence in or near the region's major shipping lanes is a direct challenge to the economic and security interests of the states of East Asian littoral and those, such as the United States, with important interests in the region. This can only exacerbate the ongoing region-wide naval build-up and increase the risk of inadvertent conflicts or incidents at sea. The continuing US commitment to preserve the freedom of navigation may prove decisive in preventing or limiting such activities.

What the foregoing has indicated are the potential contingencies where Chinese naval power may be threatened or employed in support of Chinese national security objectives. There is an additional factor which should be discussed which may have an important effect on China's external behaviour: namely, the prospect of heightened nationalistic impulses as the transition phase of Chinese economic and political development intensifies. A series of important issues appear set to converge in the next few

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<sup>77</sup> For a discussion of these issues and the wider Sino-Indian rivalry, see J. Mohan Malik, "Sino-Indian Rivalry in Myanmar: Implications for Regional Security," *Contemporary Southeast Asia*, 16, 2 (September 1994), pp.137-156. There is considerable speculation in the open literature as to what China is up to in Burma and the possible implications for regional security. A very balanced examination of this issue is, William Ashton, "Chinese Bases in Burma--Fact or Fiction?" *Jane's Intelligence Review*, 7, 2 (February 1995), pp.84-87.

<sup>78</sup> With economic liberalization, the number of vehicles on Chinese roads is increasing at an extremely high rate. Given China's huge population, its potential energy consumption is staggering.

<sup>79</sup> Weapons sales to Iraq, Iran and Saudi Arabia may be seen as part of this drive for expanded relations and influence with key states in that region. For a discussion of Chinese weapons sales, see Karl W. Eikenberry, *Explaining and Influencing Chinese Arms Transfers, McNair Paper 36* (Washington, DC: Institute for National Strategic Studies, National Defense University, February 1995).

<sup>80</sup> Recent activities in the East and South China Sea point to a direct challenge to the principle of freedom of navigation. The International Maritime Bureau (IMB) has reported worrisome acts of piracy or illegal interceptions by Chinese government vessels in the East and South China Sea, well beyond China's territorial waters. Many such interceptions have involved bringing vessels into Chinese ports where their cargoes are confiscated. In the so-called Hong Kong-Luzon-Hainan triangle, 17 such incidents were confirmed in 1993 and six more in the first three months of 1994. The Marine Department of the Hong Kong government has stated that almost one half of the 98 attacks reported between September 1992 and March 1994 involved official Chinese vessels. *Sing Tao Daily* (March 16, 1994); *Eastern Express* (April 7, 1994). Sporadic incidents continue to occur in the South China Sea. In 1993, 20 such incidents were confirmed in the East China Sea, 17 of which involved Russian vessels. Such attacks seem to have ceased since mid-1993 after Russia deployed a naval flotilla in the East China Sea and threatened to "blow pirates out of the water." China has claimed that some interceptions were legitimate operations to curb smuggling, even if they were conducted in international waters. The government, however, has stated that most incidents involve "rogue elements" of customs and public security forces who were not acting under official orders. The IMB believes that all such incidents were officially sanctioned. Michael Vlatkiotis et al, "Gunboat Diplomacy," *Far Eastern Economic Review*, 157, 24 (June 16, 1994), pp.22-28.

years, with possibly profound implications for internal stability. This includes the looming leadership succession when Deng Xiaoping and the Revolution-era generation of leaders finally passes away. In addition, given the growing pressures for political change produced by rapid economic development, there are also questions about the future nature of the Chinese political system. Finally, the transformation from socialist to market principles has produced large and widening gaps between the prosperous coastal areas and the poorer hinterland. This has only intensified the tensions between the centre and the various regions and increased the competition and protectionist impulses between localities for resources and investment. In short, there is a potential for regional fragmentation within China. The consequences of all these developments may be a weaker central state and an internally unstable China. This, in turn, could have profound effects on China's national security policy.

One assessment is that an internally unstable China will curtail its external activities since the PLA would be forced to concentrate on internal rather than external security. That is, internal crises may be a constraint on Chinese assertiveness.<sup>81</sup> However, the opposite assessment, is that the combination of internal pressures could lead China to become more confrontational externally, even as it becomes less cohesive internally.<sup>82</sup> A weakened central state may perceive or create external threats to its national interests and might then employ military power to protect those interests.<sup>83</sup> While this dim projection is far from certain, nonetheless it further complicates an already complex strategic picture in East Asia. In short, an increasingly assertive and powerful China is becoming a reality. An increasingly powerful China that is also internally unstable may be even more likely to use its military power. Without doubt, this is the worst-case scenario for the region.

## VI. Conclusions

Nothing in the foregoing should be taken to imply that conflict is inevitable. Nonetheless, the combination of naval modernization, a forward defence strategy and claims against the territories of other countries is not a state of affairs that can be ignored by defence planners in China or elsewhere in the region. Prudence dictates that Chinese forces prepare and train for contingencies as prescribed by the national leadership. For their part, the military planners of other regional states cannot assume a benign security environment nor hope that the increasing webs of interdependence with China will be strong enough to preclude future conflict. The ultimate responsibility of any military establishment is to defend the state and to secure state interests, whether that be through offensive or defensive preparations and operations. The military build-up in Asia, however undesirable, is hardly surprising given that the most powerful Asian state has territorial sovereignty disputes with most of its neighbours.

Therefore, the potential threat posed by China to East Asian security is real, although that potential varies with each possible contingency. For the foreseeable future, the capability of the PLAN's task forces will remain less than adequate by world standards. The navy continues to confront significant weaknesses in its fleet capabilities which current programs are only beginning to address. Until the PLAN fills the considerable gaps in its inventories, it will be incapable of major fleet actions against relatively modern opponents of roughly comparable size. Likewise, the fleet would remain incapable of supporting and sustaining a major amphibious invasion force beyond immediate offshore areas. In effect, only when PLAN has built up its power projection capabilities will it pose an imminent threat to Asian maritime security.

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<sup>81</sup> Greg Austin, "The Strategic Implications of China's Public Order Crisis," *Survival*, 37, 2 (Summer 1995), pp.7-23.

<sup>82</sup> Shambaugh, "China's security policy in the post-Cold War era," pp.88-89. For a discussion of the potential implications (both positive and negative) of a decentralizing China, see Segal, *China Changes Shape*, pp.21-28, 40-48.

<sup>83</sup> Indeed, even if China does not become internally unstable, there is a strong possibility that with the uncertainty over leadership succession, any leadership group that emerges is likely to stress nationalist appeals so as to strengthen its position within the Chinese polity.

However, the fact remains that many of China's most likely opponents are the small naval powers of Southeast Asia. China's use of force in the South China Sea has so far been gradual and limited. If China continues with this policy, the threat looms of China gradually picking off isolated islands and expanding its area of control. The Southeast Asian Spratly claimants would likely find these types of operations difficult to counter, especially if acting alone. Therefore, while the PLAN still has a long way to go before becoming a blue-water fleet, even with its many material and technological deficiencies it is still a major security concern for the states of Southeast Asia. The prospect of the PLAN becoming a more capable ocean-going navy, with expanded power projection capabilities, only intensifies these concerns.

Whether one perceives Chinese intentions as benign or aggressive, the realities of China's current and potential power capabilities are a source of regional instability and insecurity. China has no apparent territorial ambitions beyond what could be defined as China's historic zone of influence and control. In one sense, therefore, the potential Chinese threat in East Asia is largely the extent to which China will pursue the recovery of the historic Chinese state. Unfortunately for many of China's neighbours, however, the historic Chinese state includes territories that they themselves presently claim and/or occupy. By definition, China threatens the territorial status quo in East Asia. Moreover, as China's military power grows, its strategic frontiers may continue to expand, and the chances of increased rivalry with regional and external powers may expand accordingly. This, in turn, could have profound consequences for inter-state relations in East Asia. As such, the continuing commitment of US forces in the Western Pacific is vital to retaining a stable naval balance in East Asian waters.

Therefore, the evolving East Asian security environment is becoming increasingly complex and poses severe challenges for security management. It is critical that the region-wide military modernization programs currently underway do not develop out of step with the ability of political leaders to control events. The potential for a regional arms race exists and with it, the potential for inter-state conflict. In order to ameliorate regional tensions, a climate of cooperation and trust must be nurtured simultaneous with current efforts to improve self-defence. China must be encouraged to expand its participation in regional fora (such as the ASEAN Regional Forum) and increase its level of military transparency. If Chinese intentions are benign, the publication of a defence White Paper and a realistic statement of annual defence expenditures would go a long way to easing regional apprehensions. China's current leadership views China as a peaceful and responsible member of the regional and international community of nations. However, China must go beyond statements of friendship in order to alleviate suspicions. Chinese military transparency may be only one step in the process of building regional confidence, but it is an important one that continues to elude East Asia. Without moves in this direction, regional apprehensions may continue to grow and China may find itself confronting a region united only by a fear of Chinese intentions.