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THE MARITIME POWER OF CHINA ON THE ASIAN HIGH SEAS



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The Maritime Power Projection of China on the Asian High Seas

Synopsis:

Insecurity is the defining element in the relationship between China and its Asian neighbors. In this atmosphere of uncertainty, the Asian nations have continued to modernize their forces. This paper tries to make an evaluation of the Chinese maritime ambitions under special consideration of its regional interests.

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I. Introduction

In 2009, the public Chinese television station CCTV broadcasted a huge naval parade in celebration of the 60th anniversary of the People's Liberation Army Navy with the inherent propaganda: China's fleet is a high seas fleet, which could operate on a world-wide scale by 2050 (Kamphausen & Lai & Scobell, 2010). China as the maritime powerhouse of the 21st century – a realistic perspective?

With regard to its 14.000 km coastal line and its strong export-orientated economy could assume that China already possesses a great and powerful navy to protect its coast and maritime trade routes. Also because China claims some islands in the South China Sea, it seems as if China's fleet is capable to operate against an intruder at any time. Moreover, China moves its sphere of influence westward to harbors along the Eurasian coastal line, nicknamed the "string of pearls"¹. Recently, not only the United States but also China has sent a flotilla in order to protect the coastal area of Somalia against piracy.

However, skirmishes like in 2009 between China and the U.S. espionage/research vessel USS Impeccable² show a different facet: Fishing boats are defending the Chinese homeland. Furthermore, it is quite rare that People's Liberation Army Navy vessels are going to a fleet visit abroad. The technological standard of the Chinese fleet is still much lower than that of other western countries. That is the reason why there is a low international interest in buying Chinese battleships.

Nevertheless, the Bush-Administration already saw the tipping point a decade ago: toward an unrestrained modernization of the fleet in order to take-over Taiwan as well as building-up its supremacy in the South China Sea and the Indian Ocean (Fisher, 2009 & Dean, 2005).

As diverging as these perspectives are, they primarily disclose the lack of solid evidences about the development status of the Chinese fleet. Therefore, it is difficult to make an assessment, which has the potential to endure for a while. Often there is only speculation, which eventually approves the overestimation of Chinese possibilities to regulate their own objectives: Building-up the country's naval forces.

What are Beijing's ambitions for its navy and how are they integrated in its foreign policy? This paper tries to make an evaluation of the Chinese maritime ambitions under special consideration of its regional interests. Therefore, it focuses on China's approach in the Indian Ocean and the South China Sea. It shows that the Chinese naval build-up is not only based on short-time threat perceptions, but also has a long-time agenda to increase the influence of the People's Republic of China on the high

1) For more details on the "string of pearls" refer to chapter IV, paragraph 1 of this paper.

2) On March 8, 2009, the Impeccable was 75 miles south of Hainan, China, when it was shadowed by five Chinese ships: a Bureau of Maritime Fisheries Patrol Vessel, a State Oceanographic Administration patrol vessel, a People's Liberation Army Navy ocean surveillance ship, and two Chinese-flagged naval trawlers. Two Chinese trawlers dropped pieces of wood in the Impeccable's path and stopped directly in front of it, forcing it to do an emergency stop to avoid a collision. Once the Impeccable got underway, the crew aboard one of the trawlers used a grappling hook to try to snag Impeccable's towed sonar array.

seas. It will show to what extent the economic interests of China are relevant in terms of the emerging conflict potential in this region. The Chinese naval arms build-up corresponds with a world-wide tendency toward more "maritime security." This process of "securing the high seas" will lead toward a militarization of the oceans. As a result, the risk of military conflicts will increase.

II. China's underlying military conditions

1. China's basic intentions

The "Grand Strategy" phrase often appears in statements of China's future goals(Kane, 2002 & Goldstein, 2001: 835-864). Chinese officials do not use this expression, but it has become a synonym for China's aspiration for international leverage(Goldstein, 2001: 836). There is no doubt about China's rise and its increasing influence. The question is, whether China will pursue its foreign policy as a hegemonic-unilateral "world power"(Zhang, 2003: 74) or a multilaterally engaged "responsible country"(Zhang, 2003: 74).

The Chinese goal to become a great power cannot be proved through official statements, but through drawing inferences from the Chinese foreign policy about its underlying aim(Zhang, 2003: 73). From this perspective, the recently increased Chinese international engagement is remarkable. It is obvious that only those who show engagement on an international level can exercise their influence in regard to decision-making. As a consequence of that, in 2007 China for the first time assumed control over an UN mission(Annual Report to Congress, 2008: 6). But also the participation in the ongoing anti piracy mission at the Horn of Africa, which from a geographical point of view is by far the most dislodged maritime mission for the Chinese fleet yet, is another clue for that goal(Annual Report to Congress, 2009: 46).

The fact that China is seeking for more influence in the world as part of its "Grand Strategy" is beyond dispute. Because the important territories for China's future are maritime territories, a strong, modern equipped high seas fleet is vital for China's great power ambition. The realignment of its fleet policy already started in the 1980s, by the time China realized an increasing demand for raw materials due to its economic growth. By understanding the necessity of energy imports in a long-term perspective, the aforementioned realignment of its fleet policy took place. Therefore, the primary goal of securing coastal waters changed toward securing spheres of influence in relevant maritime territories. In a first step, China tried to get control over territories rich in natural resources in the South China Sea. Today, China also seeks control over important transport routes in the Indian Ocean. A great maritime power needs control over every ocean in the world, not least in order to face down the US American hegemony(Kane, 2002: 39). Of course, a Chinese presence in the Pacific or even in the Atlantic as well as a global acting great power China is imaginable, at least in a remote future. The United States would not stand on the sidelines to see their maritime supremacy challenged(Zhang, 2003: 173). There are manifold means available, not only military ones. A political isolation through the Western world would cause an enormous impact toward the Chinese economy, and as a side effect also toward the Chinese leadership(Kane, 2002: 54). China's dependency on trade with the Western world as well as on technological transfer is a basic condition for its economic growth and political stability.

As a result, an overly aggressive behavior to achieve more influence is not to be expected, at least toward the Western hemisphere(Zhang, 2003: 164). At the same

time China has to face down the US, because of the US American supremacy over the oceans, and therefore over important trade and transport routes. To lower the US influence, China needs a strong blue-water navy to show global presence(Kane, 2002: 63). The Chinese aircraft carrier program is symptomatic for its prudent behavior on the borderline between the current US maritime hegemony and the Chinese aim to become one(Goldstein, 2001: 858 & Kane, 2002: 39).

China's fleet modernization expresses on the one hand its great power ambition, but on the other hand it also has a positive side effect. A strengthened fleet in the backhand allows China to build-up pressure, which can be used in diplomatic consultations. Therefore, the enforcement of Chinese interests, especially in terms of energy supply, is possible(Annual Report to Congress, 2008: 29). In the same way China already succeeded frequently in the South China Sea.

The means for the implementation of the "Grand Strategy" can be briefly and concisely stated as the overall modernization of China's armed forces(Goldstein, 2001: 836). Especially important is an increase in maritime capacities with a focus on building-up a blue-water navy capability(Kane, 2002: 2 & 64). On the basis of its increasing rivalry with the United States and India, China's future as a great power depends significantly on its capabilities of maritime power-projection(Kane, 2002: 1).

2. China's security situation

Information about the Chinese views on the international system is available in chapter 1 of China's national defense white book(China's National Defense in 2008, 2009). There are two main arguments for a modernization of the armed forces. The first one is directly related to the military capacities of China relative to those of other states. Because the "...international military competition is becoming increasingly intense, and the worldwide revolution in military affairs is reaching a new stage of development"(China's National Defense in 2008, 2009). Examples for this "revolution in military affairs" are the Iraq-War and the Kosovo-War, and therefore it is necessary for China to modernize its armed forces to keep pace(Zhang, 2003: 165). The white book of 'international military competition' differentiates between 'major powers', obviously the U.S., and 'developing countries'(China's National Defense in 2008, 2009). This refers indirectly to India, which is China's biggest regional challenge(Kane, 2002: 126). Therefore, the modernization of the Chinese armed forces also "...lays stress on deterring crises and wars..." to prevent open conflicts(China's National Defense in 2008, 2009 & Zhang, 2003: 172). The U.S. and India are supposed, due to the deterrent effect of modern equipped Chinese armed forces, not to violate China's sphere of interest.

The second argument is based on an expected change of the international system. The end of the Cold War eliminated the bipolar world order, and therefore China's relatively insignificance on the international stage. China anticipates a change toward a multi polar regime, where it could be one of the poles to better enforce its interests as a global peacekeeping power(Zhang, 2003: 142). It expects that the U.S., Russia, Europe, Japan and China itself will be the five powerhouses of the future(Zhang, 2003: 146). In chapter 1 of the Chinese defense white book, China particularly expects armed conflicts over resources(China's National Defense in 2008, 2009). Such "...local conflicts and wars..." over "strategic resources" must be won, due to a preponderance in high technology which necessitates an investment in modern warfare capabilities(China's National Defense in 2008, 2009 & Annual Report to Congress, 2009: 1). The current Chinese superiority in terms of deterrent arms

capabilities is sufficient to exercise control over its direct Asian neighbors(Kane, 2002: 80 & 108). The other extreme would be a confrontation with the United States. But China's willingness to compete with the U.S. over a "local conflict" is rather unlikely(Kane, 2002: 71). Serious conflicts for both extremes are improbable, whereas India lies between both extremes.

To summarize, China justifies the modernization of its armed forces on the basis of a technological backlog, deterrence toward potential competitors, and preparations for expected future conflicts over resources. Therefore, China will be able to implement its specific defense policy only with technologically modernized armed forces.

3. China's defense policy

Crucial for the national defense policy of China is explicitly the "...principle of coordinated development of economy and national defense..." (China's National Defense in 2008, 2009) Both areas are heavily interconnected and inseparable. Economic development is unimaginable without military reinforcement. China's economy is extremely reliant on the import of resources, and therefore a targeted fleet policy is essential for its access to these economically vital resources(Annual Report to Congress, 2008: 10). Modernization and armament in turn require the financial resources generated by the economic boom, which they in turn themselves support due to the backup of resources. In other words, just as the military armament relies on the economic boom, the boom is dependent on the increasing military armament. The fleet policy is based on the modernization, the existence of huge maritime resources, and disputable territorial claims of particular importance to the Chinese leaders.

Amidst the economic boom and modernization of the armed forces, there is a distinct preference for the former, which has enabled this dynamic of mutual dependency(Kane, 2002: 62). Because the Chinese party leadership draws its legitimacy from the economic boom, the Chinese government won't put its economic interests on the back burner(Annual Report to Congress, 2009: 7). Therefore, the Chinese fleet policy will be aligned in the future with the aim of protecting its resources. Access to resources is the determining factor in China's increasingly aggressive fleet policy, whereas Chinese ambitions towards more power at an international level are ranked second.

4. China's defense budget

Enormous expenditures are essential to implement the aforementioned naval strategy. Therefore, the focus is now laid on China's defense budget. Due to the lack of transparency in China's defense budget, it is difficult to determine the Chinese de facto defense expenditure(Annual Report to Congress, 2009: 32). Theoretically, China is dedicated to its own goal, "...that defense expenditure should grow in line with the demands of national defense and economic development..."(China's National Defense in 2008, 2009). It is debatable what the exact impact of this statement is. From 1998 to 2007, the average growth regarding its Gross Domestic Product was 12.5 percent, whereas the annually increase of its defense budget was 15.9 percent, and therefore higher than the economic growth(Chen & Feffer, 2010 & Umbach, 2002: 66). Also in 2008, the economic growth was less than the increase of the defense budget(Annual Report to Congress, 2008: 31). With the exception of the years 2002 to 2005, the annually increase of the defense budget since 1996 was significantly higher than the economic growth(Annual Report to Congress, 2009: 34).

No direct linkage is apparent other than an approximate guideline within economic reasons.

Another problem appears in terms of the accuracy of statements from China. Obviously, the Chinese government seems to publish only the lower numbers of its de facto defense expenditures(Annual Report to Congress, 2009: 32). The Pentagon estimates the real Chinese defense budget for 2008 to have been between US \$105-150 billion, contrary to the official report of US \$60 billion(Annual Report to Congress, 2009: 31-32). China insists on its official numbers, because it reduces its defense expenditures relative to that of the western countries, especially the United States of America. The official figures suggest that China's defense budget is less than a tenth of the U.S. defense budget(China's National Defense in 2008, 2009).

Although there is a broad consensus that China lowers the numbers in its official defense budget, the estimates by the U.S. Ministry of Defense should also be viewed cautiously. Nevertheless, China is definitely on a path toward manifesting its regional military preponderance(Annual Report to Congress, 2009: 35). This poses the question, why China as a regional hegemon needs a disproportional defense budget. Therefore, it is important to examine China's perception of its security situation.

III. China's strategy in the South China Sea

Naturally, the Chinese fleet policy is dealing geographically with far more than the Indian Ocean and the South China Sea. There are also strategic considerations regarding the East China Sea(Kane, 2002: 38). Especially the concept of the "1st/2nd Island Chains" constitutes a defensive line toward the Pacific(Annual Report to Congress, 2009: 18). Taiwan is of course another hot spot of Chinese security policy(Zhang, 2003: 155). China's future maritime focus will definitely tend toward securing various resources(Zhang, 2003: 151). Therefore, in this particular case the importance of the South China Sea as well as the Indian Ocean will increase. At the same time, China's ambition to become an influential great power is clearly recognizable due to its fleet policy.

The Asian-Pacific region is the only region in the world where a continuously ongoing arms build-up of all regional states took place over the last years(Umbach, 2002: 20). The reason for that process is, that all South Asian states seek influence over the South China Sea(Kane, 2002: 38). One of the important international trade routes is the Sunda strait, which is a passage in the vicinity of Jakarta, lying between two main islands of Indonesia and leading toward the South China Sea(Kane, 2002: 38). By using this route to get from the Indian Ocean into the South China Sea, significant roundabout routes are unnecessary. That is the reason why its strategic importance is essential for China. The possibility to operate there without any limitations is one of the cornerstones of China's future as a maritime great power, because a strong presence in the South China Sea implicates control over important westward sea routes as well as over energy resources(Kane, 2002: 119). Above all, natural resources in the past frequently led to armed territorial conflicts, e. g. in 1974 between China and Vietnam regarding the Paracel Islands(Kane, 2002: 69).

The UN Convention on the Law of the Sea took place in 1982 and is responsible for an aggravation of the situation, because it allowed the extension of the exclusive economic zones from the edge of the territorial sea out to 200 nautical miles from the baseline, which caused an overlapping of economic zones claimed by littoral states(Umbach, 2002: 32). Subsequently, China claimed a majority of the South China Sea and in 1992 for the first time published nautical maps with the whole South

China Sea as belonging to the country's territories(Umbach, 2002: 33). To alleviate the problem within the framework of ASEAN, an initiative was made in 1994 but remained unsuccessfully. These territorial conflicts are ever-present and still occur today. China's tactical approach was to claim the territory first, than to compel respect from the littoral states by military means, and finally to consolidate the military success also politically. In 2008, China has signed some bilateral agreements with the South China Sea littoral states to come to terms with the boundary of the exclusive economic zone, as well as with the extraction of resources in the South China Sea(Annual Report to Congress, 2009: 5). In contrast to the 1994 ASEAN initiative, all agreements were initiated from China and on a bilateral basis, which decreased the bargaining position of the littoral states far more than in a multilateral framework. This led toward an enforcement of Chinese interests in the region. China's claims as well as those of the littoral states were legally justified according to the UN Convention on the Law of the Sea. The main problem of this convention is the lack of inherent mechanisms to solve claims when territorial overlapping occurs(Umbach, 2002: 84). With that said, China was free to display its military supremacy and to secure its claims militarily under the cloak of defending the country's territories.

The recent disputes and military clashes, as those of 2012, are many. They principally take place between the claimants to the Spratly Islands, and to a lesser extent the Paracel Islands, which involves China and Taiwan but also four of the ASEAN countries: Vietnam, Brunei, the Philippines and Malaysia. The risks are very considerable and increasing. This is an arena where there have been clashes in the past, principally between China and Vietnam, although more recently a standoff between the Philippines and China. It's also an area where the two great powers – the United States and China – are increasingly active: China for the obvious reasons; the US, although it had never turned its back on Asia and the Pacific has become or is trying to be more assertive through the pivot towards Asia(China's Territorial Disputes, 2012). Due to the ongoing modernization process of the People's Liberation Army Navy, China already possesses the capabilities to project its claims in the South China Sea through coercive means. These capabilities do also put China in a position to use them as meaningful "weapons" when it comes to diplomatic consultations over the territorial disputes in the area.

Being on course to consolidate its reach of power in the South China Sea, China is determined to do the next step toward a maritime great power and has already started to expand its influence toward the Indian Ocean. By using China's approach to enforce its interests in the South China Sea as a blueprint, an aggressive strategy of creating a *fait accompli* appears. Having said this, a far less aggressive behavior is expected toward its power projection claims in the Indian Ocean, because in contrast to the Indian Ocean the South China Sea is regarded a traditional Chinese reach of power(Holslag, Security Dilemma, 2008: 25). Furthermore, in contrast to its rivals in the South China Sea, India is a far more competitive one.

IV. China's approach in the Indian Ocean

1. The security dilemma

The relationship between the two Asian powers – India and China – is without a doubt one of the most interesting ones. Immediately after World War II, India quickly recognized China officially, but this hopeful start had completely ended by 1962 with

the Chinese-Indian border war. The outbreak of open warfare was followed by decades of détente(Holslag, Security Dilemma, 2008: 28). Despite these first steps, insecurity is the defining element in their relationship, because of the absence of regional guarantees for safety(Holslag, Security Dilemma, 2008: 29). Therefore, their future relationship is uncertain. In this atmosphere of uncertainty, both nations have continued to modernize their forces. Development and growth have absolute priority in terms of their aspiration. Economic cooperation presently remains an incentive for detente and rapprochement(Holslag, Partnership, 2008: 12). Nevertheless, there is a chance that particular economic ambitions could lead to an arms race or a conflict. In this regard, the necessity of economic growth has led China and India on the crossroad between cooperation and competition(Holslag, Partnership, 2008: 14).

Because of this high conflict potential in the Indian Ocean, the Chinese government has expressed its aim of developing the capability to act in the Indian Ocean as a reason to modernize its maritime fleet(Umbach, 2002: 347). Powerful Chinese and Indian ships are already in action, which increases the risks of an escalation(Umbach, 2002: 86).

At the moment, however, China does not possess an independently acting high seas fleet. Despite this strategic lack, China currently uses various harbors of friendly nations, such as Pakistan, Sri Lanka and Bangladesh, to gain a partial capability of acting in the Indian Ocean(Kaplan, 2009: 22). This “string of pearls”³ strategy is, from an Indian point of view, seen as interference in its own sphere of interest in the Indian Ocean(Holslag, Security Dilemma, 2008: 21).

That is the underlying reason for India's attempt to separate the island nations of the Indian Ocean from China by engaging in bilateral agreements(Holslag, Security Dilemma, 2008: 15). China seeks to gain a large advantage by processing its “string of pearls” strategy in terms of securing one of the economically most important sea routes, which is the Strait of Malacca(Kane, 2002: 127). Therefore, China will certainly proceed with this strategy. If China wants to increase its influence on the high seas, then it must increase its presence in the Indian Ocean, which has a high level of transit(Kane, 2002: 39).

To sustain its maritime presence in the Indian Ocean, China needs a secure access to the Strait of Malacca to supply its high seas fleet. However, the Chinese fleet presence is, as proclaimed in the annual Indian defense report, definitely “...a matter of concern...”(Annual Report 2007-2008: 2). The Chinese attempt to gain influence in the Indian Ocean and the maritime modernization of its fleet serves as a justification for the Indian government's own policy of armament and military modernization(Hilali, 2001: 756). India takes this Chinese threat seriously and has therefore relocated its “Far Eastern Naval Command” on a stronghold as close to the Strait of Malacca as possible(Umbach, 2002: 346). India is obviously apprehensive about the extension of Chinese influence toward the Strait of Malacca and is ready to prevent this at all cost(Umbach, 2002: 345). Paradoxically, China has the same fear in

3) The "string of pearls" is a string of facilities, established by China, along the coastal line from Shanghai to the Middle East. The purpose of these facilities is to secure its resource requirements and to build a supply route for maritime and military operations. Starting points of the string are the homeports in the South China Sea – like the naval base of Sanya in the province Hainan. From there it spans to a station on one of the bigger Spratly Islands and to a radar station in the southern part of Myanmar close to the Strait of Malacca. In the northern part of Myanmar as well as in Bangladesh there are two more ports. The string continues to the naval base of Hambantota, which is in Sri Lanka, and to the port of Gwadar in Pakistan. The western end of the string is in Port Sudan at the Red Sea.

terms of the nightmare of an Indian blockade of the Strait of Malacca(Kaplan, 2009: 23). In this manner, a dilemma situation is progressively arising. Due to India's further growth, China considers its influence over the trade routes in the Indian Ocean in danger(Holslag, Partnership, 2008: 11). China's solution to the problem of an increasingly strong Indian influence in that region is its development of more powerful maritime capabilities. Correspondingly, the Chinese alignment toward the Indian Ocean justifies the Indian armament and modernization programs(Holslag, Security Dilemma, 2008: 26). This dilemma arises from the same goal shared by both nations: regional stability(Holslag, Partnership, 2008: 10). On the one hand, only open trade routes are a guarantee of free access for worldwide trade and resources. On the other hand, only the development of their own power will give them a guarantee of regional stability. Their primary goal is to prevent their counterpart from gaining ascendancy in this power struggle. The inherent problem in this arms race is that the more India and China upgrade their maritime weaponry, the more unlikely is any stability in the Indian Ocean region, and the more likely is some conflict between them. Their mutual attribution of hostile aims to each other while enforcing their own interests rationalizes their respective build-up of their high seas fleet(Holslag, Security Dilemma, 2008: 29).

A solution will only be possible if the two nations sign a bilateral agreement or both join a multilateral agreement. However, in the absence of any such agreement, this situation will be exacerbated in the future. The Indian and Chinese dependency on international resources, the trade through the Indian Ocean, and therefore the importance of trade routes and resources in the Indian Ocean will all increase(Kaplan, 2009: 20). This increasingly competitive situation will also markedly increase the conflict potential in the Indian Ocean. The underlying reason for the strong engagement of India and China in the Indian Ocean is obviously the economic importance of the resources and sea routes there.

2. The economic importance

The economic importance of the Indian Ocean for China and India is illustrated by the following economic data: 40 percent of all worldwide traded goods traverse the Strait of Malacca(Kaplan, 2009: 20), including 50 percent of the worldwide container traffic and 70 percent of the worldwide oil products(Kaplan, 2009: 19). For China, 60 percent of all exports and 90 percent of all oil imports take this trade route through the Indian Ocean(Holslag, Security Dilemma, 2008: 22). This extreme dependency has naturally had an impact on the Chinese fleet policy(Annual Report to Congress, 2008: 10). Similarly, the Indian Ocean has an outstanding importance for India's trade and especially energy imports, as well as obviously being of even greater regional importance(Holslag, Security Dilemma, 2008: 18). No matter how important it is to China, the Indian Ocean is obviously even more important for India. Therefore, India perceives a threat to its lifelines due to any potential future insecurity of its energy supply as a reaction to the increasing competition(Annual Report 2007-2008: 6). This further explains India's intention to control the sea routes of the Indian Ocean by itself(Holslag, Security Dilemma, 2008: 19).

The critical economic importance of the Indian Ocean is the underlying reason for these concurring interests. Both nations are driven by the attempt to expand their sphere of interest to secure their demand for resources. The location for this power play will be the Indian Ocean(Kaplan, 2009: 22).

India's fleet policy is also not restricted to securing resources for its economy. As in

the case of China's great power ambitions, India also pursues a regional preponderance(Mitra, 2006: 23). On the basis of this regional hegemony, India also wants to gain more influence on the international stage(Mitra, 2006: 19). Because of the geostrategic situation of India, which is the case for China too, this will only be achieved with a modern, high seas capable fleet. Therefore, the rebuilding of the Indian maritime fleet into a powerful high seas fleet, capable of long and independent action, is an essential part of the Indian fleet policy(Annual Report 2007-2008: 738). The enormous increase in the Indian maritime defense budget can be seen as proof of this strategy(Holslag, Security Dilemma, 2008: 15). Another indicator is the Indian armament program for developing a nuclear submarine fleet, which was established in 2007(Holslag, Security Dilemma, 2008: 15). Therefore, a potential clash between China and India in the Indian Ocean is at risk because of the Indian attempts to gain more influence as a regional powerhouse. Another reason is the Indian fear of an excessively powerful China. India's strategy is therefore also an attempt at the containment of China(Kaplan, 2009: 28). A future with China becoming too powerful, or a new U.S./China bipolar system developing, would be not in the best interest of India(Maaß, 2001: 26). Therefore, India needs a powerful fleet, capable of controlling China's power ambitions in the Indian Ocean.

To implement its strategy goals of becoming the regional power and containing China, modernized and well-equipped maritime capabilities are necessary. Consequently, both of these causes can be traced back, as in the case of China, to the original thesis of the conflict potential in the Indian Ocean being ultimately founded on economic interests. For India too, finance is the basis for a modern maritime fleet(Annual Report 2007-2008: 737). In the same way, its continuing economic boom can only be secured by a powerful maritime fleet, which provides resources and sea routes(Annual Report 2007-2008: 6). As in the case of China, the economy and maritime fleet are mutually dependent. The original driving force behind both Indian and Chinese fleet policies is the need for resources(Maaß, 2001: 28). The conflict of interests between India and China in the Indian Ocean is based on the demand for control over the important sea routes and resources, and therefore on the contrary economic interests of both nations(Kaplan, 2009: 32).

Both nations justify their position on the twin necessities of economic growth and maritime modernization. The former creates the basis for the latter, just as the latter is the guarantor of the former. Because economic growth has the highest priority for both states, a modern maritime fleet must have the same status, and it is this dynamic on which the increasing conflict potential in the Indian Ocean is founded. Of course, it is also possible to use a modern fleet independently from resources to gain more influence in terms of becoming a regional powerhouse or following great power ambitions. Nevertheless, strong economic growth is the essential basis for the costly modernization of maritime capabilities. Finally, only economic concerns such as the search for resources, the need to ensure economic growth, and the desire to acquire the power-projection offered by a modern maritime fleet constitute the underlying reasons for the increasing conflict potential between India and China in the Indian Ocean.

That this threatening conflict is appearing on the high seas is no coincidence, because maritime areas are much more uncertain in their potential for territorial conflicts than are land areas(Zhang, 2003: 164). Furthermore, both countries are still in the process of building up their naval capabilities, and thus do not yet possess the deterrent power of their land forces(Holslag, Security Dilemma, 2008: 26). Therefore, China and India are already locked in a state of competition on the high seas for

access to maritime resources and sea routes. Their consequent attempts to secure access toward resources and trade routes are simply a legitimate approach followed by sovereign states (Kaplan, 2009: 36). Nevertheless, this does not imply the need or right to use all available means. Furthermore, the potential clash of the comprehensive modernization programs of these two nuclear powers obviously generates worldwide concern.

This conflict scenario has to be seen within its limitations. The first of which being that China and India have to concentrate on their traditional, short- and middle-term security problems, i.e., Taiwan and Pakistan, respectively (Holslag, Security Dilemma, 2008: 29). Nevertheless, the mutual attention of both nations will increasingly become focused on the Indian Ocean.

Despite the exacerbated rivalry in the Indian Ocean, any armed clash between them is extremely unlikely in the foreseeable future, at least as long as the U.S. as a hegemon supports India (Holslag, Security Dilemma, 2008: 24). The pivotal question is how long the U.S. can maintain this role and what will be the impact of a multipolar world order in terms of the rivalry between India and China.

V. Conclusion

There is no doubt about China's rise and its increasing influence. From this perspective the recently increased Chinese international engagement in the ongoing anti piracy mission at the Horn of Africa is remarkable. It is obvious that only those who show engagement on an international level can exercise their influence in regard to decision-making.

The fact that China is seeking more influence in the world as part of its "Grand Strategy" is beyond dispute. Because the territories which are important for China's future are maritime territories, a strong and modern equipped high seas fleet is vital for China's great power ambition.

By understanding the necessity of energy imports in a long-term perspective, the aforementioned realignment of its fleet policy took place. Therefore, the primary goal of securing coastal waters changed toward securing spheres of influence in relevant maritime territories. In a first step China tried to get control over territories rich in natural resources in the South China Sea. Nowadays, China also seeks control over important transport routes in the Indian Ocean.

A great maritime power needs control over every ocean in the world, not least in order to face down the US American hegemony. Of course, a Chinese presence in the Pacific or even in the Atlantic, as well as a global acting great power China is imaginable, at least in a remote future. The Chinese aircraft carrier program is symptomatic for its prudent behavior on the borderline between the current US maritime hegemony and the Chinese aim to become one. A strengthened fleet in the backhand allows China to build-up pressure, which can be used in diplomatic consultations.

The two main arguments for a modernization of the Chinese armed forces are, firstly, directly related to the military capacities of China relative to those of other states and, secondly, toward an expected change of the international system. The end of the Cold War eliminated the bipolar world order, and therefore China's relative insignificance on the international stage. China anticipates a change toward a multipolar regime, where it could be one of the poles to better enforce its interests as a global peacekeeping power.

The principle of coordinated development of economy and national defense are

heavily interconnected and inseparable. China's economy is extremely reliant on the import of resources, and therefore a targeted fleet policy is essential for its access to these economically vital resources. Just as the military armament relies on the economic boom, the boom is dependent on the increasing military armament.

Naturally, the Chinese fleet policy is dealing geographically with far more than the Indian Ocean and the South China Sea. But China's future maritime focus will definitely tend toward securing various resources. Therefore, the importance of the South China Sea as well as the Indian Ocean will increase, because China intends to have control over important westward sea routes as well as over energy resources.

Due to the ongoing modernization process of the People's Liberation Army Navy, China already possesses the capabilities to project its claims in the South China Sea through coercive means. These capabilities also put China in a position to use them as meaningful "weapons" when it comes to diplomatic consultations over the territorial disputes in the area. Being on course to consolidate its reach of power in the South China Sea, despite recent naval clashes, China is determined to do the next step toward a maritime great power and has already started to expand its influence toward the Indian Ocean.

Because of this high conflict potential in the Indian Ocean, the Chinese government has expressed its aim of developing the capability to act in the Indian Ocean as a reason to modernize its maritime fleet. At the moment, however, China does not possess an independently acting high seas fleet. Despite this strategic lack, China currently uses various harbors of friendly nations such as Pakistan, Sri Lanka and Bangladesh to gain a partial capability of acting in the Indian Ocean. This "string of pearls" strategy is, from an Indian point of view, seen as interference in its own sphere of interest in the Indian Ocean.

Due to India's further growth, China considers its influence over the trade routes in the Indian Ocean in danger. China's solution to the problem of an increasingly strong Indian influence in that region is its development of more powerful maritime capabilities. Correspondingly, the Chinese alignment toward the Indian Ocean justifies the Indian armament and modernization programs. This dilemma arises from the same goal shared by both nations: regional stability.

Despite the exacerbated rivalry in the Indian Ocean, any armed clash between them is extremely unlikely in the foreseeable future, at least as long as the U.S. as a hegemon supports India. The pivotal question is how long the U.S. can maintain this role and what will be the impact of a multipolar world order in terms of the rivalry between India and China.

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<Abstract>

**The Maritime Power Projection of China
on the Asian High Seas**

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Insecurity is the defining element in the relationship between China and its Asian neighbors. In this atmosphere of uncertainty, the Asian nations have continued to modernize their forces. This paper tries to make an evaluation of the Chinese maritime ambitions under special consideration of its regional interests. Therefore, it focuses on China's approach in the Indian Ocean and the South China Sea. It shows that the Chinese naval build-up is not only based on short-time threat perceptions, but also has a long-time agenda to increase the influence of the People's Republic of China on the high seas. Economic concerns, such as the search for resources, the need to ensure economic growth, and the desire to acquire the power-projection offered by a modern maritime fleet, constitute the underlying reasons for the increasing conflict potential between China and its competitors. China is already locked in a perilous competition on the high seas.

Key words: China, fleet modernization, resources, trade routes,
power-projection, Indian Ocean, South China Sea
