

CHAPTER 10

Chinese Security in 2011

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2011 Highlights

Feature: Moderation alongside invocation of threats and demonstration of prestige

Chinese security in 2011 is characterized by the response to “America’s pivot to Asia.” Without a doubt China sought to pose a threat and demonstrate prestige by manifesting military power and otherwise. At the end of the day, however, China exercised moderation and assumed a cooperative posture, including dialogue. The aim was to ensure that “America’s pivot to Asia” would not be a disadvantage to the country. This stability, nevertheless, is nothing more than temporary.

More precisely, it suited the interests more of Hu Jintao, Xi Jiping, and their group than of China itself to maintain stability in Asia. The Party Congress to be convened in the fall of 2012 will mark an end to Hu Jintao’s decade-long reign since 2002 and the arrival of Xi Jiping’s administration of the decade ahead. Had U.S.-China relations severely deteriorated in 2011, the political bedrock of Hu Jintao and Xi Jiping would have weakened. Had U.S.-China relations deteriorated, the Chinese economy would have been adversely affected, and the military—a potential rival of the Chinese Communist Party—would have assumed an increasing role. This would have weakened the position of civilians such as Hu Jintao and Xi Jiping. While the political interests of these two are not necessarily in congruence, on this point they are in agreement.

Furthermore, by means of external policy, China had to keep “America’s pivot to Asia” from becoming a significant disadvantage to China. The U.S. will hold a presidential election, and the pivot to Asia may slow down once the election is over. There was little prospect of the situation rapidly worsening, and the Chinese leadership did not find itself in a bind in 2011. Nonetheless, a dramatic improvement in the circumstances surrounding China could not be expected. In other words, in 2011, China was able to count only on the maintenance of temporary stability and

that was sufficient.

The highlight of Asian security in 2011 was the East Asian Summit (EAS) in November, participated by the U.S. President for the first time. The Shangri-La Dialogue in June and the ASEAN Regional Forum (ARF) in July were a prelude to EAS. In Chinese eyes, the minimum requirement was to engage in external and security policies that would keep “America’s pivot to Asia” from gaining momentum at EAS and prevent the U.S. and its East Asian allies or amicable partners from strengthening their bonds. This would allow China to buy time and boost its advantages.

In the meantime, China’s actions, including the collision of a Chinese fishing boat and a Japanese patrol vessel off the coast of the Senkaku Islands (Chinese name: Diaoyu Islands), were viewed as coercive by Japan and Southeast Asian countries, and fostered a heightened sense of caution toward China. Consequently, China temporarily refrained from using the expression, “core interest,” due to concerns that this would provoke other countries.

Following the Shangri-La Dialogue in June, the *Global Times*, a newspaper of the *People’s Daily*, published an article underscoring the need to review the South China Sea strategy. By July, many more such commentaries were published underlining the stability of the situation in Asia. As of the summer of 2011, the perception was that, with the U.S. pulling itself out of the mess in Iraq and Afghanistan, focus would again be placed on Asia where U.S. forces were slightly thinning out since 2001. With China’s actions over the South China Sea being seen as coercive at this time, it is presumed that China began to exhibit a moderate posture, growing weary that its actions would provide an excuse for America’s pivot to Asia.

On the other hand, an article published on June 21 in *Wenweipo*, a Hong Kong newspaper, contended that China should suspend its *taoguang yanghui* policy of “hiding one’s capabilities and biding one’s time” with respect to the military. The assertion was based on the viewpoint that drills, including the Japan-U.S.-Australia drills off the coast of Brunei in July and the U.S.-Vietnam drills, were opportunities for these countries to flaunt their military power and solidarity, and China could not act weak. Nonetheless, it is extremely rare for the Chinese official media to make

these arguments. It suggests that the expression of such opinions may have been controlled within China, given also that the article was published in the Hong Kong newspaper, *Wenweipo*.

Background

2012 is a critical election year not only in the U.S. but also in key Asian countries, including China and the Republic of Korea. During an election year, primary interest is directed toward domestic politics, and external policies are strongly influenced. In Taiwan, an election took place in January 2012. China was not in a circumstance where a domestic crisis had to be overcome as a result of an external crisis. While coercive diplomacy raises the prestige of the administration in the country and was therefore necessary to a certain extent, coercive diplomacy did not need to exceed a level that would significantly destabilize order in Asia. China is embedded in the international economy. Therefore, it had to bring the economic crisis (2008) under control and advance future measures through mutual dependence. A global crisis would have further contracted economic activities. Such a crisis would have caused China, with insufficient domestic demand, to lose a vital international market.

Researchers of the strategy of the People's Liberation Army (PLA) are uncertain about the future method of warfare, except for IT. China will not necessarily wrap up an armed conflict in a short period of time while the situation is still favorable to China. Even should China achieve a victory in a short period of time, it would create a powerful enemy, making the chances high that China would be in a less advantageous position than before.

Although Japan cannot make any major moves in the wake of the Great East Japan Earthquake, Japan-U.S. bonds are anticipated to grow closer (paper written by a Chinese Academy of Social Sciences researcher for *Liaowang: Outlook Weekly*, June 27, 2011). For this reason, the strategy environment may not necessarily be very advantageous to China.

Action (Demonstration of Prestige)

As represented by Teng Jianqun's statement in June that the goodwill of China did not mean China is weak, he objected strongly to China's moderate response being seen as a weakness of China. Teng Jianqun is a researcher at the China Institute for

International Affairs and is knowledgeable on arms control and non-proliferation policy. He is a former Colonel of the PLA and made proactive statements on the South China Sea issue in 2010. China has conducted military drills repeatedly, as if to vouch these statements.

China's display of military power reached its peak with China's test navigation of its aircraft carrier. In August 2011, a test navigation of the aircraft carrier, *Varyag*, was conducted twice and was reported by the media with photographs. Many overseas military experts pointed out the aircraft carrier's lack of carrier-based aircrafts and auxiliary vessels as a major drawback. In response, Chinese media showed the development of Chinese carrier-based aircraft, drills that make use of them, the construction of new missile destroyers, and more. By January 16, 2012, four test navigations were conducted.

However, alongside these media reports and commentaries exhibiting China's pride in the aircraft carrier, many cautious opinions were also voiced. There were two lines of cautious views. One seemed to assume an official view, which was that the aircraft carrier did not signify a change in defensive naval strategy, and seemed to highlight the defensive intentions of China (July 2011, navy researcher and Ministry of National Defense official).

The other opinion pertained to the military significance of the aircraft carrier and was expressed by military officers, in particular, the Chinese navy. There were marked differences, however, in what they stressed. In short, one opinion was that the aircraft carrier was not very significant to actual operations and was intended for political and psychological uses. This opinion was shared by many military technology experts as well as middle-ranking navy officers and above. The other opinion fixated particularly on the aspect that the aircraft carrier plays an important role in raising national prestige, while acknowledging that its military significance is questionable. This was the mainstream opinion held among retired navy officers.

In sum, the Chinese aircraft carrier symbolized three main aspects of China's military power: 1) The increase in China's military power; 2) The limits of the military role of the aircraft carrier; and 3) The significant role of the aircraft carrier for political and psychological uses.

Most of the media reports now state that the aircraft carrier is operated mainly in the South China Sea. This is inferring also that the aircraft carrier will not be operated in waters near Japan for the time being.

Striking a balance between coexistence and containment: maritime issues become a focal point

There is a tendency to think in the following spheres: Contact and dialogue signify cooperation, whereas military signifies threat, friction, and confrontation, and these two sides are opposite in nature. It must not be forgotten that contact, dialogue, and military exchanges signify not only cooperation but also containment. Furthermore, threat and fear serve as powerful catalysts for realizing cooperation.

Nevertheless, outright threat or fear may invite aggression from others. 2011 is characterized by suppression of threat and fear and cautious actions. By displaying military power through military drills, as well as demonstrating through joint military drills its large number of allies and amicable partners, China has tried to make negotiations favorable to the country. In 2010, military operation information leaked. Guangzhou Military District officers leaked the outline of China's South China Sea operations (*Asahi Shimbun*, December 30, 2010). As is supported by the leaked information, China lodges psychological operations underpinned by military power. China's approach is long-term. It expects not the surrender of Japan or Southeast Asian countries but the advancement of negotiations in a way that is favorable to China.

China endeavored to achieve a balance between coexistence and containment, particularly on maritime issues. This was a major characteristic of Chinese security in 2011.

Containment is conducted unilaterally by Chinese vessels through: passing through the straits of neighboring countries; having a military presence in the exclusive economic zones (EEZ) and continental shelves claimed by other countries; or intercepting ships of other countries in such waters (although China has not admitted this). In June and July 2011, China performed a number of military drills in nearby waters before and after the Shangri-La Dialogue and ARF. Meanwhile, U.S. vessels also entered the EEZ of China.

It must not be forgotten that bilateral and multilateral security dialogues were carried on in tandem with these containment actions. Even if dialogues were conducted through cooperation and compromise and based on a quiet and calm posture and tone, in actuality, containment and threat also played a part. At the U.S.-China Strategic Security Dialogue in May, the Shangri-La Dialogue in June, ARF in July, and EAS in November, China rejected U.S. involvement in the South China Sea and sought to settle the matter through negotiations. Amid these developments, news broke out of the U.S. deployment of littoral combat ships (LCS) in Singapore.

The military concept itself was based on a containment approach. In the context of U.S.-China relations, China's A2/AD (Anti-Access/Area Denial) and the U.S. Joint Air/Sea Battle are examples of this. A2/AD is a word created by the U.S. and is not a Chinese word. The Chinese concept closest to A2/AD as used in the U.S. is perhaps, "Local War under Information Age Conditions/Informationized Local Wars." While this is not a maritime-centered concept, the concept of "Local War under Information Age Conditions/Informationized Local Wars" underlines the evolvement from the concept of "Local War under High-Tech Conditions."

China conducts analyses of the Joint Air/Sea Battle. It views the Joint Air/Sea Battle less as a realistic strategy and more as a long-term strategic initiative. Furthermore, it believes that the realization of the Joint Air/Sea Battle is becoming difficult due to the U.S. financial crisis. China perceives that the Joint Air/Sea Battle is a psychological weapon which is used to convince China of the unparalleled superiority of the U.S. through discussions on future military strategy. The Joint Air/Sea Battle initiative signifies containment against China.

South China Sea issue: the conflict between international law and historical rights

The exchange of opinions on the South China Sea strongly reflects mutual containment policies. Schematically, the U.S. and Vietnam freely navigate the South China Sea and assert their positions on the issue of territories and territorial waters pursuant to the United Nations Convention on the Law of the Sea (UNCLOS). In response, China has asserted its position in accordance with the historical background and gradually has begun making assertions based on UNCLOS. However, China has expressed discontent over the existing law of the sea with respect to its application

for determining whether military drills conducted by other countries within the EEZ are right or wrong.

On the South China Sea issue, Defense Minister Liang Guanlie requested at the Shangri-La Dialogue that other countries do not intervene to exacerbate the dispute. While “peaceful development” is at the root of China’s policy, the country does not rule out counterattacks in self-defense for protecting “justifiable interests.” China does not welcome armed conflict. Its suggestion of the possibility of the use of force is meant more as a threat or for containment in order to indirectly reject U.S. involvement.

Simply put, China’s position is that the South China Sea is a valid territorial water of China, and that other countries, including the U.S., are intervening unduly. It views that the U.S. utilizes “freedom of navigation” as a pretext for intervening, and that Southeast Asian countries are misunderstanding China’s goodwill and are taking arbitrary actions (*People’s Daily Overseas Edition*, July 26, 2011). There is a persistent sense of disgruntlement at China’s neighboring countries that depend on China economically and rely on the U.S. for security (*Liaowang: Outlook Weekly*, June 27, 2011).

Notwithstanding this, China has not developed a well-formed response to criticisms from the U.S. and Asian countries that the meaning of China’s “nine-dotted line” of the South China Sea presented to the Commission on the Limits of the Continental Shelf is unclear. On these grounds, it is speculated that China’s leadership has not sufficiently coordinated its decision on the South China Sea issue.

In addition, one of the major meanings behind China’s media reports on bilateral and multilateral contacts, is to send out a message to the people in the country. Chinese newspapers and official websites carried feature articles on the visit of Chairman of the Joint Chiefs of Staff Mullen of the U.S. to China, the Shangri-La Dialogue, ARF, and other forums.

Long-term Background: The Rise of China

The Chinese economy continues to grow in the early 21st century. Despite a

deceleration of the growth rate, China's growth is believed to be maintained at a level higher than that of any developed country. China has been deepening its economic ties with the U.S. and Asian countries. Since the economic crisis in 2008, the relations of economic mutual dependence between China and these countries have worked to the favor of China. These economic relations have deepened to the level that China is important to these countries not merely in terms of economic efficiency and price but for their economic survival, and these countries cannot permit their relations with China to deteriorate.

As a result of the rise of China's power, power has shifted and the existing regional order of Japan-U.S. alliance vs. China is transitioning toward a regional order centered on U.S.-China relations. For China, Japan is a country which cannot be ignored but is no more than one of the major countries in the area. In the long-run, Japan's role to China will diminish comparatively. Economically, no country in the world is able to counterbalance China independently, and China has established its superiority within Asia. Although theoretically, the U.S. is able to counterbalance China independently using military power, the U.S. neither has the intention to nor the economic means to do so.

Most countries, including Japan, have reluctantly begun to acknowledge the favorable position and leadership of China. Nonetheless, they do not wish to be positioned as its subordinate. While they consider a military clash with China as a worst-case scenario, they take their relations with the U.S. into account primarily for political and psychological purposes to avoid being placed in this subordinate position.

The major aspects in regard to China's military are as follows. First, the modernization of military power not only continued; this power was projected to as far as the Western Pacific Ocean, East China Sea, South China Sea, and even the Indian Ocean and Arabian Sea. This power is played out mainly in the seas and oceans. Secondly, China's military power is projected not only to the seas and oceans but also to outer space and cyber space. The projection of power to these new spaces was already noted by 2004 and has become viable as of 2011-2012. Thirdly, there have been recent moves in China to integrate and systematize individual weapons and to improve military power as a whole through so-called "system integration." There is a belief that even if the system is currently inadequate, it will be well developed in the

near future. Previously, focus had been placed on “pocket excellence,” in which the excellence of the Chinese military power was piecemeal, such as the development and deployment of individual weapons and equipment, including for outer space and cyber space.

In light of this economic and military situation, China faces a growing “dilemma from the rise of China.” In other words, China is rising, but this has not brought about a sufficient turnaround in the strategic environment surrounding the country. As China’s ties with the international community deepen, the “national interests” that China ought to safeguard have expanded from national defense to other areas, including the sea lane, resource security, and the lives and properties of Chinese people living overseas. This requires the maintenance of stability in countries and regions that have deep ties with China as well as administrations that continue to maintain amicable relations with China. However, this in turn increases friction with the major Western countries which already have close ties with these countries.

As a result, China’s rise, rather than increasing international trust, has invited a heightened sense of caution among major countries and surrounding countries. Hence, friction with these countries is increasing, and a coalition is being formed against China. In other words, this is creating a structure in which countries rely on the U.S. for security while depending on China economically. Such a situation will mean that China will have to review its external policy principle of “*taoguang yanghui*” (hiding one’s capabilities and biding one’s time). The review will discuss not only external policy and security policy approaches of how to safeguard and what to do, but also what should be protected, leading to a review of the definition of “national interest.”

China’s capabilities have not reached the level of being able to largely transform this situation. While China is a “future superpower,” it is currently a developing country in principle. At the same time, it is an economic power, and its fundamental international role is no more than that of an economic power. China’s economic power ranks second in the world, and China has a strong interest in the Eurozone crisis. However, it is passive about bearing a burden of the risk to resolve the crisis, and does not yet have the capability to bring the global economic crisis under control single-handedly. Thus, while China’s economic relations have expanded even to

Africa and Latin America, there is a tendency for China to be seen as a free rider.

China has promoted external policies through peaceful negotiations centered on cooperation. However, cooperation is viewed as compromising and showing weakness to the counterpart and is not necessarily welcomed in the country. Indeed, the Chinese public opinion and hard-liners largely support the display of prestige and coercive methods. But their assertions are no more than emotional and sentimental feelings, and it seems they will not willingly accept the cost of war. In general, prestige is necessary. The dilemma is that prestige cannot be established without threat and intimidation and there is a large risk of worsening external relations.

On the whole, there have been no outbreaks of large-scale armed conflicts, the level of tension is relatively low, and the dependence on China has already surpassed the point of no return. However, countries carry a deep-rooted sense of caution toward China, and Asian countries are strengthening their military ties with the U.S. for checking China. The optimal approach for the time being is for China not to take military countermeasures but to take a measure that prevents the U.S. and Asian countries from pursuing a strategic option that gives them the advantage over China. A three-pronged approach may be conceptualized for achieving this: 1) Maintaining relations with the U.S.; 2) Maintaining relations with Asian countries; and 3) Weakening and dividing up relations between the U.S. and Asian countries and among Asian countries. This approach leverages the deepening of economic mutual dependence and the different levels of threat that countries feel toward China.

China does not think it is expanding. Its logic is this: China is no more than restoring its legitimate rights which were taken away from them historically. Furthermore, it believes their actions are based on a defensive intention of protecting China's national interest under new circumstances where "national interest" is not limited by geographical space. China perceives that other countries have invaded its legitimate interests, territories, and territorial waters, but wishes to exercise self-restraint and settle the matter peacefully. It believes U.S. intervention in the South China Sea issue is unjustifiable. In Chinese eyes, the U.S. is the cause of other countries pursuing a forceful response, as demonstrated by the military drills of the Philippines and Vietnam.