

China's Near-Seas Challenges

By Andrew S. Erickson

The U.S. National Intelligence Council forecasts that China will become the world's largest economy (measured by purchasing-power parity) in 2022. *Jane's* predicts that by 2015 People's Liberation Army (PLA) funding will double to \$238 billion, surpassing that of NATO's eight largest militaries after the United States combined. The International Institute for Strategic Studies says that China's defense spending might surpass America's as early as 2025. Even if these projections prove exaggerated, economic, technical and industrial activity of an amazing scope and intensity is already affording China potent military capabilities. This is especially the case when such capabilities are applied—most likely through peacetime deterrence, or a limited skirmish with a neighbor such as Vietnam—to the “near seas” (the Yellow, East China and South China Seas), currently a major Chinese strategic focus.

Allowing Beijing to use force, or even the threat of force, to alter the regional status quo would have a number of pernicious effects. It would undermine the functioning of the most vibrant portion of the global

commons—sea and air mediums that all nations rely on for trade and prosperity, but that none own. It would undermine important international norms and encourage the application of force to more of the world's many persistent disputes. Finally, it would threaten to destabilize a region haunted by history that has prospered during nearly seven decades of U.S. forces helping to preserve peace. No other nation has the capability and lack of territorial claims necessary to play this still-vital role.

A number of strategists appear to believe that America faces the threat of conflict with China in the future, but that it can be avoided through accommodation or prepared for over a protracted period. In fact, a different scenario is more likely: even as the two Pacific powers are sufficiently interdependent to avoid direct hostilities—and share significant interests on which they may cooperate increasingly—China is already beginning to pose its greatest challenge to U.S. influence and interests in the Asia-Pacific.

American psychologist Abraham Maslow's hierarchy of needs depicts a fundamental reality that is directly applicable to China's strategic priorities and efforts: basic needs must be fulfilled before higher ambitions can be pursued. From the origins of the Chinese Communist Party (CCP) and its PLA, the party has prioritized its own leadership authority and continuity—deemed essential for China's physi-

Andrew S. Erickson is an associate professor at the Naval War College and an associate in research at Harvard University's Fairbank Center for Chinese Studies. His Jamestown Foundation monograph, “Chinese Anti-Ship Ballistic Missile (ASBM) Development: Drivers, Trajectories and Strategic Implications,” offers further details about the subjects discussed in this essay.

cal integrity, stability and modernization—above all else. Before 1949, the CCP devoted itself to achieving political control over a Chinese state; no particular geographic element could trump that prerequisite.

To ensure its continued authority, the CCP relies on an extensive, elite party-state structure. The CCP boasts eighty million members, roughly equivalent to Germany's population. Consider the task the Organization Department faces simply in maintaining its dossiers and presiding over its assignment. This governmental structure extends first over China's core homeland territory, which for centuries has been dominated by an overwhelming Han majority. Chinese bureaucratic governance of this area in some form or another is perhaps unmatched by any other civilization in its duration and cultural assimilative capacity; any modern Chinese government must preserve stability here to maintain both national functions and its own ethnocultural and political legitimacy. At the country's outer limits are borderlands with significant racial, linguistic and religious minorities. Vast in area, rich in resources and traditionally associated with imperial China under various arrangements sometimes more nebulous and contested than is the case today, these areas are integral parts of the Chinese state but their history can generate instability. Ensuring Beijing's control therein has entailed the expenditure of significant resources since 1949, initially in the form of "sticks"—military, paramilitary and domestic-security activities—and more recently supplemented with major "carrots" of economic development and preferential policies. While exact figures remain elusive, and metrics are fiercely contested by foreign analysts, it is widely reported that China's domestic-security budget today exceeds its military budget.

During the Cold War, China's land borders were hotly contested, and

Beijing suffered disputes with nearly all of its fourteen continental neighbors. It has since reached settlements with all but two: India and Bhutan. Such settlements included major concessions on Beijing's part, particularly with Russia. Here China acted because of imperial treaty obligations, and because its leaders judged that an environment conducive to national development necessitated stable relations with its vast land neighbor. Indeed, pacifying the vast majority of its land borders offers China the prospect of becoming the first great continental state since the Persian and Roman Empires to make a successful transition from land power to sea power—though the most realistic outcome is for China to become a continental-maritime hybrid.

Rather than its land borders, it is China's immediate maritime periphery that is most contested today. The issue of cross-Strait relations aside, China has not reached comprehensive agreements with any of its eight maritime neighbors. The near seas contain the vast majority of China's outstanding claims, all of its island and maritime disputes, and significant resources that Chinese strategists believe can replace depleting continental reserves. These are of paramount importance to a China that feels acutely wronged by history, has largely addressed its more basic security needs and craves further development. Beijing is therefore focusing its latest military capabilities on the near seas and their immediate approaches. The PLA faces enduring weaknesses in real-time coordination and data fusion, but fiber optics, high-powered line-of-sight communications, missiles and sea mines offer workarounds for operations in the near seas.

Beyond the near seas, it remains much harder for China to fight major militaries. The further from China one looks, the



fewer forces it can deploy and support, the less capable they are, and—in a worst-case scenario—the more susceptible they are to disruption and destruction. Beijing lacks the robust network of overseas allies, bases, logistics and defenses that America has developed over decades to mitigate such problems. Reducing this disparity even incrementally would require spending, time and policy changes on a scale that Beijing may well prove unwilling or unable to muster.

To understand China's military development clearly, then, it is necessary to view it through the lens of distance. China's ability to deploy military force and project power resembles gradually dissipating waves. Close to home, they are cresting dramatically, threatening to overtop nearby seawalls. Yet virtually the only waves China is making far away are the wakes of its ships protecting merchant vessels from pirates in the Gulf of Aden and engaging in diplomacy beyond.

China is achieving rapid but uneven military development. Its capabilities are divided among PLA services limited in real-time coordination ability. To further its near-seas interests, China is attempting to undermine the efficacy of, and decrease the likelihood of involvement by, U.S., al-

lied and friendly military forces there. By developing abilities to hold foreign military platforms at risk, Beijing hopes to deter them from intervening in areas of sensitivity to China in the first place, and to persuade Taipei, Tokyo, Manila, Hanoi and other regional actors that Washington's assistance will be neither reliable nor forthcoming. The PLA thus systematically targets limitations in foreign military platforms stemming

from laws of physics: for example, the fact that missile attack tends to be easier and cheaper than missile defense. China is on the verge of achieving major breakthroughs in multiaxis cruise-missile strikes, antiship ballistic missiles (ASBM), antisatellite weapons and navigation satellites. Such achievements, coupled with determination to address near-seas disputes, promise to enhance China's "keep out" capabilities and undermine regional stability.

China's DF-21D ASBM has reached initial operational capability and has already been deployed in small numbers. While it is only one of manifold advanced weapons systems that China has developed and deployed, the ASBM is illustrative of Beijing's ability to utilize its defense industrial base to develop a novel major system to respond to an emergent strategic need—a capability that only a handful of nations possess. China's ASBM development is an example of "architectural innovation" (linking existing design concepts in new ways), which is potentially disruptive and unpredictable. The ASBM stands out from this already-potent antiaccess/area-denial effort because it draws on over half a century of Chinese experience with ballistic missiles. It may be fired from mobile, highly concealable platforms, and it has the range to strike targets hundreds of kilometers from China's

shores. It also exemplifies the vulnerabilities and risks inherent in Beijing's current approach.

For all their disruptive aspects, however, China's ASBMs and associated systems did not emerge from a vacuum. For over three decades, Chinese leaders and strategists have been thinking of using land-based missiles to hit threatening targets at sea. Beginning in the late 1970s, Chinese experts scrutinized America's Pershing II theater ballistic missile, and appear to have incorporated, or at least emulated, some of its key technologies. China's space program has furthered relevant capabilities. And China's Second Artillery Force, which assumed conventional missions for the first time in 1993, has capitalized on leadership support for missile development and controls land-based ballistic missiles, including the ASBM.

China's ASBM development dates at least to the 1995–1996 Taiwan Strait crisis, which underscored Chinese feelings of helplessness against U.S. naval power. But it was perhaps the physical destruction and damage to sovereignty caused by the United States' accidental bombing of Beijing's embassy in Belgrade in May 1999 that most strongly catalyzed China's efforts to develop the ASBM and other “keep out” weapons systems, along with the supporting command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) infrastructure. The bombing reinforced the visionary thinking of China's paramount leader of the time, Jiang Zemin, concerning the future of warfare and prompted other leaders' support. Accordingly, that same month China began funding megaprojects for the development of “assassin's mace” weapons, systems that promised disproportionate effectiveness vis-à-vis a top military power such as the United States despite China's overall technological inferiority.

These events demand American reflection on the unintended consequences that the use of force can have. As a prominent Chinese policy expert once told this author, “The problem with you Americans is that you go off and hit someone but then forget that you did it. Later, you wonder why they remain reluctant to become close friends with you.” In this sense, China's ASBM development constitutes in part a reaction to actual U.S. force deployments in the 1990s. A negative reaction, to be sure, but hardly surprising.

Broad-based Chinese ASBM development since then suggests that China will continue to make great progress on the infrastructure supporting these missiles. China enjoys a formidable science and technology base, and can be expected to devote considerable resources and expertise to “keep out” weapons development. An emerging network of air- and space-based sensors promises to radically improve PLA targeting. The DF-21D's C4ISR infrastructure is already sufficient to support basic carrier-targeting capabilities.

Beijing is likely seeking to influence strategic communications regarding ASBMs, with its exact motives unclear. However, it seems most likely that China's significant and growing ASBM capability could be part of a larger pattern in which Beijing is becoming increasingly “translucent” (if still not fully transparent) regarding selected capabilities in order to enhance deterrence.

China must have conducted a rigorous program of tests sufficient to demonstrate that the DF-21D is mature enough for initial production, deployment and employment. This has likely entailed a variety of flight tests, albeit not yet fully integrated over water—perhaps because of a desire to avoid embarrassing failures. Moreover, manifold challenges may limit the ASBM's tactical and strategic utility. Data fusion, bureaucratic

coordination and “jointness” remain key limitations.

For the first time since the 1920s, the United States thus faces a direct threat to the platform that has represented the core of its power projection: the aircraft carrier group. Already, U.S. decision makers must face the possibility that China might decide to use ASBMs in the unfortunate event of conflict, and that they might be able to strike and disable one or more aircraft carriers.

When it comes to targeting a carrier, there will not be a sharp red line between initial operational capability and full operational capability. This is part of a larger analytical challenge in which Chinese “hardware” continues to improve dramatically, but the caliber of the “software” supporting and connecting it remains uncertain and untested in war.

China’s present focus on developing potent capabilities to use—or, preferably, to threaten the use of—military force to resolve disputes in its favor in the near seas jeopardizes stability and important international norms in a critical area of the global commons. Beijing seeks not a global Soviet-style military presence, but rather to carve out the near seas and the airspace above them as a zone within which existing global legal, security and resource-management norms are subordinated to Chinese interests. That would be a loss for the world: these are the same standards that ensure the global system operates openly and effectively, for the security and prosperity of all. Beijing wants to use this zone to address China’s historical grievances and rise again as a great power that commands its neighbors’ deference.

While Beijing emphasizes cooperation, it continues to insist on acknowledgment of its sovereignty as a precondition for joint resource development in disputed areas. China’s rapid, broad-based development

of maritime law enforcement (MLE) forces, now coalescing as a unified coast guard, is giving it a broad spectrum of regional coverage, signaling and escalation options. As the 2012 Scarborough Shoal standoff demonstrated, the Philippines was handicapped in its interaction with China by not having an equivalent to China’s MLE vessels that it could deploy. Indeed, the United States itself faces a challenge in responding to China’s assertiveness with civilian “white hulls,” as the majority of its forces in the region are naval “gray hulls.” This leaves Washington with difficult alternatives: Should it risk escalating an already-sensitive situation, or appear acquiescent to bullying behavior? Facilitating development of China’s neighbors’ MLE forces could help limit Chinese coercion while reducing the risk of escalation.

While substantial Sino-American cooperation is already possible—and in most cases highly desirable—regarding many global issues, particularly those involving commerce and nontraditional security threats, there is at present regrettably little hope of reaching an effective, durable understanding on traditional security issues in China’s immediate backyard.

Growing challenges stand in the way of China fulfilling its objectives in the near seas and shifting emphasis to safeguarding growing overseas interests and resource imports through “far seas” operations. First, China insists on preconditions involving recognition of its sovereignty over disputed claims that its neighbors are unlikely to accept. It is difficult to see how Beijing can hope to realize its objectives anytime soon over its neighbors’ growing opposition and Washington’s continued commitment to preserving regional peace. Second, overseas objectives lack strategic

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coherence, limiting support for military approaches. This is especially true as the U.S. provides substantial global-commons security gratis.

Even larger factors are in play, however. More basic Chinese security achievements could come undone. While China's continental neighbors remain reluctant to disrupt its borders, even cross-Strait integration—however unlikely to happen rapidly—portends complex historical-political questions that could convulse Chinese society. Then there is the continued question of stability in China's hinterlands, particularly given increasing cross-border trade and international religious and ethnocultural currents. Yet even in China's core homeland territory, a wide range of domestic challenges could rapidly rise to the fore. China faces profound environmental damage, resource constraints, worsening health problems, corruption and income inequality—all issues that greatly concern even the most nationalistic Han citizens. Chinese leaders themselves acknowledge these problems' existence and importance.

Yet the tools available to meet these challenges may be increasingly limited. As the work of American political scientist Robert Gilpin demonstrates, great powers typically follow an "S-curved" growth trajectory. Initially, national consolidation and infrastructure construction, combined with competitive labor costs, unleash rapid economic development. The resulting increases in economic, military and political power facilitate domestic consensus and international influence. Eventually,

however, internal inefficiencies and external overextension slow growth. It is fashionable to trace such patterns in American power, but observers are only just beginning to appreciate how this type of analysis might apply to China. While Beijing—to its credit—has studiously avoided Moscow's Cold War military overstretch, domestically it faces rent-seeking behavior, aging, rising labor costs and growing welfare demands.

Moreover, unlike other nations, China is already facing such headwinds long before it has achieved high per capita income, comprehensive welfare programs or an innovative, high-efficiency economy that can absorb rapid cost increases generated by temporary or permanent resource scarcity. Demographics represent one of China's most intractable growth challenges: three decades of a largely enforced one-child policy combined with one of history's largest, most dramatic urbanization efforts make it virtually impossible for China's already-low birthrate to recover. That leaves transition to a consumption-driven economy as one of the few conceivable ways to sustain rapid growth. Achieving this new growth model will require significant economic reforms, however, and it remains to be seen how politically entrenched vested interests can be made to yield.

With these gathering challenges come both risks and opportunities. One risk is that Beijing will seek to compensate for waning economic achievements by bolstering its one other major source of popular legitimacy: nationalism. While China's leaders are unlikely to seek diver-

sionary *war*, fanning historical grievances and pursuing diversionary *tension* vis-à-vis its near-seas claims may be a real temptation. Efforts at deterrence themselves, however envisioned, can have significant strategic consequences; “defensiveness” is in the eye of the beholder. Disturbingly, authoritative PLA sources reveal overconfidence in China’s ability to control escalation. Close encounters between Chinese and foreign military platforms could readily produce an accident, yielding at best a crisis harming all parties involved. That is one of the reasons why Washington must continue to play its role of maintaining its presence and preserving the peace.

From the perspective of the United States and many of China’s neighbors, Beijing has voiced concerns about regional tensions but maintained that it is always other parties that must make concessions to reduce them. China’s leaders are motivated at least in part by genuine domestic pressure, which is fueled in turn by China’s meteoric rise and corresponding expectations. Why agree to something today when you will be much stronger tomorrow? Chinese citizens and officials alike show signs of expecting treatment based not only on how strong their nation is today, but also on how strong it is projected to be in the future. Yet no economy is permanently immune to the business cycle, and rare is the straight-line projection that is proven in practice. No matter how capably managed, China cannot defy the laws of economics.

An abnormally weak China became vulnerable to invasion and humiliation two centuries ago, and it is understandable that its people have spent decades ensuring that this unjust history can never be repeated. From now on, however, achieving the great-power status to which China understandably aspires will hinge largely on what it provides the world, not what it demands from it. Receiving the recognition

China craves requires embracing reciprocity and a “responsible stakeholder” mentality. A popular movie says this better than any demarche: with great power comes great responsibility. There are direct implications for China’s fulfillment of its hierarchy of priorities: absent military contests with other nations, defense of Chinese citizens, assets and imports from substate malefactors and natural disasters is readily achievable and affordable. Other nations might even be willing to help toward this end as Beijing might desire.

Perhaps slowing growth will eventually help moderate public expectations and thereby allow Chinese leaders to pursue positive approaches even in the sensitive near seas. Until that happens, however, only U.S. security capabilities and partnerships can preserve the peace there that underwrites the success of all Asia-Pacific nations, including China itself.

Beijing is here to stay as a great power, and has the potential to recapture its historically preponderant regional status, as well as achieve unprecedented influence in a globalized world. Yet in the longer term, likely within a decade, China’s growth rate is almost certain to slow considerably and its domestic challenges proliferate while the United States—for all its problems—enjoys sustained advantages in national power and influence. Time is likely to be far kinder to America’s approach and overall position in the Asia-Pacific than to China’s. This may finally establish a basis for the two Pacific powers to achieve a “competitive coexistence” by allowing Beijing to adjust on its own rather than pressuring Washington. The key for the United States is to weather the present window of vulnerability without making unilateral concessions, losing credibility vis-à-vis its allies or China, or—worst of all—allowing Beijing to change the status quo through the threat or use of force. □

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EDITOR *Jacob Heilbrunn*

The National Interest • 1025 Connecticut Avenue, N.W. • Suite 1200 • Washington, D.C. 20036
Phone (202) 467-4884 • Fax (202) 887-5222 • editor@nationalinterest.org

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