

## ***China, the South China Sea and Implications for India***

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The 4,982,900 sq km of maritime area in Asia-Pacific is poised to become a cockpit of tension through the present decade, with the area attracting renewed attention of major powers: there are conflicting and overlapping interests of a number of countries in the region. China's leadership is intent on exercising sovereignty over this area and wants to restrict the scope of activity of the US and other powers in Asia-Pacific waters. China's ambition is to dominate at least the area within the "first Island chain", which is bounded between the Chinese mainland up to southern Japan along the Philippines and down to Brunei and Vietnam.

The maritime area of serious Chinese interest comprises large areas of the Sea of Japan (978,000 sq km), Yellow Sea (380,000 sq km), East China Sea (124,900 sq km) and South China Sea (3,500,000 sq km). On the sidelines of the fourth session of the Eleventh National People's Congress (NPC) – China's version of a parliament – held in Beijing in March 2011, a *Xinhua* news agency despatch reiterated that China's maritime resources extended over 3 million sq km of offshore waters and said that these contained proven marine oil reserves of 24.6 billion tonnes and 1.6 billion cu m of natural gas.

A mix of ambition and misinterpreted signals over the past few years seemingly persuaded China's leadership that the US would acquiesce in China's dominance over large portions of these waters. In consequence, the People's Liberation Army Navy (PLAN) enlarged the scope of its activity and received increased prominence. Chinese strategists and military officials began referring to the South China Sea as China's "core interest". The situation changed with the unprecedented large-scale US-South Korea naval exercises in March 2010, which were correctly interpreted in Beijing as aimed at China. On 8 February

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2011, the Chairman of the US Joint Chiefs of Staff, Admiral Mike Mullen, signed the US National Security Strategy, a document in which China's influence was implicit throughout. Release of the document, though it was ready earlier, was deferred till after the visit to Washington by Chinese President Hu Jintao in January 2011. The document stated that US "strategic priorities and interests will increasingly emanate from the Asia-Pacific region" and that "for decades to come" the US military would keep a robust presence in North-East Asia, across South-East Asia and the Pacific. "Assured access to and freedom of maneuver within the global commons – shared areas of sea, air, and space – and globally connected domains" were declared to be of enduring interest to the US. This was a slap on China's wrists and accentuated the strains in Sino-US relations.

Separately, Russia announced its intention of deploying troops on the disputed Kurile Islands. Defence Minister Anatoly Serdyukov said on 26 February 2011 that to ensure the security of the islands, which were "an inalienable part of Russia", Russia would deploy military units on the Iturup and Kunashir islands. They would have an integrated machine gun-artillery division and would be reinforced with the newest communications systems, electronic warfare equipment and radar stations. S 400 missile defence systems could also be possibly deployed.

China's leadership stays focused on ensuring the security of vital energy sea lines and "recovering" sovereignty over claimed maritime territories. Accordingly, "deterrence" and "reach" will remain the guiding philosophy for PLAN in the present decade. Beijing's determination to push forward with its policies for "recovering" these territories was evident in 2010 even when it felt itself under pressure by the largest ever US-South Korean joint naval exercises and when the US nuclear-powered aircraft carrier *George Washington* entered the Yellow Sea after deferment of a few months. China, which had earlier warned that the Yellow Sea was in close proximity to its vital economic and political centre, responded by conducting a series of widely publicized military exercises at that time to express its anger. Pointedly, the Second Artillery, China's strategic missile force, undertook a major exercise in Beijing's vicinity on the eastern seaboard. This was obviously to demonstrate that it could protect Beijing and had acquired a capability to launch missile attacks against hostile aircraft carrier groups. The implied reference was to the DF-21D anti-ship ballistic missile (ASBM), which has an estimated range of 1500 km and is believed to have been first deployed with Second Artillery, created in July 2010 in Shaoguan, Guangdong province. Since then it is believed to have been deployed to other units too.

While Beijing's determination to achieve the national objective of "recovering" its claimed maritime territories and dominating the region is unwavering, quite significantly and as part of strategic policy, it made a differentiation at the time between the US and other neighbouring countries. Beijing eased off on its angry-about-US rhetoric; and more than 230 senior US and Chinese officials quietly exchanged visits and finalized business agreements to ensure a good atmosphere for President Hu Jintao's visit to the US in January 2011. China's Party and military leadership additionally publicly asserted that China had no intention of "confronting" or "challenging" the US.

During his US visit, President Hu Jintao did not categorize the South China Sea as one of China's "core interests" along with Taiwan and Tibet: it had earlier in May 2010 been so described by Dai Bingguo, a former Chinese Vice Foreign Minister and currently State Councillor and China's Special Representative to various countries, including India. Also, in response to a survey posted on the website of the *People's Daily*, asking readers whether the South China Sea should be labelled a "core interest" of China, as of January 2011, 97 per cent of the nearly 4300 respondents said "yes". China also acquiesced to the US being designated an Asia-Pacific power in the joint communiqué issued at the end of Hu Jintao's visit.

In contrast, China showed no similar softening of stance against its neighbours. An example was the protracted pressure exerted on Japan in regard to the captain of a Chinese fishing vessel which Japan claimed had intruded into its territorial waters. Beijing insisted on the release of the vessel and demanded an apology from Japan. It reinforced the pressure with suspending exports of vital Rare Earths to Japan; also, all shipments were halted ostensibly due to procedural delays in customs. For Japan, these Rare Earths are essential ingredients for the manufacture of a variety of items ranging from hair dryers to iPods to missile guidance systems. Exports were resumed after almost three months. The objective in this case was to make Japan – and other nations in the region – understand the limitations of US support.

In recent months Beijing has reasserted its claims to the Spratly and Paracel archipelagos in the South China Sea and the Diaoyu Islands disputed with Japan. This reiteration of China's claims comes in the backdrop of unusually high tension in the South China Sea. Three incidents occurring within hardly two months stand out in particular. In two of these there was specific mention of the term "core interests" – implying non-negotiable national sovereign interests – while referring to the maritime territorial disputes in the

South China Sea and East China Sea. On 29 August 2011 *Xinhua* warned Japan's new Prime Minister, Yoshihiko Noda, "to respect China's core interests", which included "China's national sovereignty and territorial integrity, especially when it came to matters concerning Diaoyu islands, which are an integral part of China's territory". Included in this warning were injunctions against visiting the Yasukuni Shrine and to "properly" treat Japan's wartime past. The *Xinhua* despatch cautioned that burgeoning trade relations alone could not ensure good bilateral relations.

On 31 August, just before Philippines President Aquino's arrival in Beijing at the head of a 250-member delegation of entrepreneurs, *Xinhua* again suggested that good relations could not be based only on strong economic ties, but required "commitment to a proper settlement of the maritime disputes in the South China Sea". It added: "China has always made itself loud and clear that it has indisputable sovereignty over the sea's islands and surrounding waters, which is part of China's core interests. That is based on unambiguous and undeniable historical facts." The despatch assured that Beijing was willing to shelve differences and seek joint development, but objected to the Philippines President and Congressmen staking their claim on Zhongye Dao Island in the South China Sea.

The third incident, very different, may suggest that Beijing is testing the waters before raising the threshold for enforcement of its maritime territorial claims. It occurred on 22 July 2011 and involved an Indian Navy ship. *INS Airavat* (5650-tonne, *Shardul*-class amphibious ship), indigenously built, was sailing in international waters 45 nautical miles off Vietnam's Nha Trang port when it received a broadcast on an open radio channel from someone identified merely as "Chinese Navy". The voice said that the Indian ship was entering "Chinese waters" and instructed it to leave. The *Airavat's* captain identified no ships on the radar nor sighted any ships in the vicinity and continued on his journey. This particular incident has not been confirmed by the Vietnamese authorities; the Chinese Foreign Ministry spokesperson simply responded that no reply had been received from the Chinese Ministry of Defence on the matter. This incident, the first of its kind, could suggest that Beijing has singled out India, as it did around the time of the largest-ever US-ROK joint naval exercises in March 2011.

Coinciding with the United States' joint military exercises with South Korea and Japan, official Chinese media articles bracketed Japan, India and Vietnam as countries that were drawing closer to the US to "contain" China. While some articles had earlier observed that history had imposed limits on the extent to which China's relationship with Japan and India could develop,

others said that China would have to ultimately use military means to settle outstanding border disputes. For this, it would choose one of two bigger nations, namely India or Japan; India would likely be the first choice. The purpose would be threefold: to demonstrate to other countries in the region that it would be of no use, and possibly even counterproductive, to forge close relations with either of these bigger countries in the region against China; that the US would be unable to come to their assistance in time; and that China would be unchallenged in the region.

At the same time the PLA and PLA Air Force (PLAAF) sought to enhance the pressure that China had been applying on India since late 2007, by staging at least three major exercises inside Tibet across the Line of Actual Control (LAC). The Chinese media continued in the succeeding months to publicize the exercises conducted by the Chengdu Military Region and other Military Regions in geographic areas resembling the high-altitude Tibetan plateau. China recently raised the ante by officially warning India against going ahead with the offshore oil exploration agreement signed with Vietnam on the ground that the site was within Chinese territorial waters. Interestingly, this was a valid commercial contract signed years earlier. Furthermore, the area of these claims is not recognized as an international dispute.

This policy of being tough with neighbours was amplified in a signed article published in *Qiushi* (Seeking Truth), the authoritative theoretical magazine of the Central Committee of the Chinese Communist Party (CCP). The article was published on 10 December 2010, prior to Premier Wen Jiabao's visit to India and President Hu Jintao's visit to the US. The article detailed its perception of the US strategy against China and how China should counter it. Among the seven listed forms of US pressure on China and China's countermeasures, one section dealt with "attacking a nearby enemy". To quote:

The U.S. seems highly interested in forming a very strong anti-China alliance. It not only made a high-profile announcement of its return to East Asia, but also claimed to lead in Asia. What is especially unbearable is how the U.S. blatantly encourages China's neighboring countries to go against China. We cannot completely blame the U.S., as flies do not stare at seamless eggs. Countries like Japan, India, Vietnam, Australia, the Philippines, Indonesia, and Korea are trying to join the anti-China group because they either had a war or another conflict of interest with China. They are attempting to gain benefits by using the U.S., and these are the countries that surround China. Throughout the history of the new China (since 1949), peace in China has never been gained by giving

in, only through war. Safeguarding national interests is never achieved by mere negotiations, but by war. Therefore, China must adhere to a basic strategic principle: We will not attack unless we are attacked; if we are attacked, we will certainly counterattack. We must send a clear signal to our neighboring countries that we don't fear war, and we are prepared at any time to go to war to safeguard our national interests. China's neighboring countries need China's international trade more than China needs them, with the vast majority of China's trade deficit caused by these countries. Therefore, they, but not China, will suffer greater damage by antagonizing China. China should make good use of these economic advantages and strategic power. This is also the most effective means to avoid a war.

This thought process was articulated again during the 2011 session of the NPC. While justifying the hike in the current year's defence budget, Rear Admiral Yang Yi of China's National Defence University mentioned the "changed complex international situation" and said, "In particular, the issue of crisis escalation and even the danger of military conflict exist in many hot spots, especially those around China. China needs to strengthen its military forces in order to defend national security and keep peace and stability in the region." This kind of articulation has particularly come to the fore after US President Obama's visit to Australia and the EAS Summit.

These are indicators of China having revised its position on asserting itself on issues of national sovereignty and territorial integrity. China's bid to systematically prepare a legal basis for its claims in the South China Sea and East China Sea by legislating laws and flourishing ancient maps to reinforce its claims to sovereignty have continued to progress. At the NPC session of March 2011, China was scheduled to release the results of an "islands census". Liu Cigui, head of the State Oceanic Administration (SOA), disclosed on the sidelines of the session that the "census is aimed at clarifying the total number, area and resources data of the country's islands". China had promulgated and put into effect a "Law on Island Protection" on 1 March 2010, which Liu Cigui described as being "conducive to better island protection and the management of uninhabited islands". China last conducted an "island census" in the 1980s, according to which the country had over 6500 uninhabited islands accounting for 93.8 per cent of the total.

An article in *Jiefangjun Bao* of 27 July 2011 stated that "currently the People's Republic of China is facing a very grim situation in the protection of its rights and interests in the seas. More than half of the three million sq km of waters that should fall under China's jurisdiction according to the UN

Convention on the Law of the Sea are under demarcation disputes with peripheral countries.” The article claimed that large quantities of China’s oil, gas and fishery resources had been plundered. An official disclosure the same month declared that the SOA would have an enhanced role in safeguarding the country’s maritime territories. With that objective the SOA is to increase its inventory of ships to 350 by 2015 and to 520 by 2020.

China has also spoken of the historicity of its claims, pointing out that other claimant nations, like Vietnam and the Philippines, staked no claims till the late 1970s, when huge reserves of oil and natural gas were discovered. For example, in July 2011, the *China Daily* declared that the Chinese people first sailed in the waters off the islands more than 2000 years ago and discovered and named many of them. Maps published in April 1935 and February 1948 showed eleven dotted lines encircling the four archipelagos, with their southernmost point at Zengmu’ansha: these were the first maps to mark China’s U-shaped maritime boundary in the South China Sea. Meanwhile, a former Chinese Ambassador to Pakistan has referred to China’s “core interests”. More recently, in the first week of March 2012, China objected to Japan renaming 38 islands in the Diaoyu archipelago and retaliated by giving Chinese names to 72 of them, while reiterating its sovereignty over them. China in end February 2012 similarly objected to the Philippines’ actions in the South China Sea.

Neither Vietnam nor the Philippines shows any signs of backing off. The Philippines has renamed the maritime area as the West Philippines Sea, while Vietnam refers to it as the East Sea. China and Vietnam have both conducted “live fire” drills in the area. The US has also chosen to demonstrate its presence in the area and conducted a first-ever military exercise with Australia in these waters. It has called for ensuring neutrality and unhindered free passage in these seas and for a peaceful negotiated settlement between the various claimants. Secretary of State Hillary Clinton, while in Hanoi in mid-2010, implicitly suggested support for Vietnam and the Philippines and reiterated this the following year during her tour to Indonesia – after a three-day stopover in India.

At the commencement of President Obama’s tour of Australia, in a Press briefing the White House spokesman observed that “a core message of this entire trip” was that the US was now “refocusing attention in a substantial way on the Asia Pacific region” and “that the United States is going to play a larger role and a long-term role in shaping the future of the region”. He added: “It’s a part of the U.S. sending a signal that we’re going to be present, that we’re going to continue to play the role of underpinning security in this part

of the region. Part of that context is a rising China". Obama's emphatic underlining of US interests in Japan, Thailand, the Philippines, South Korea, Indonesia, Malaysia, Singapore, Vietnam, Cambodia and "in our welcome of India as it 'looks east' and plays a larger role as an Asian power", was an oblique reference to the confluence of interests between these nations and the US.

Meanwhile, the PLAN's emphasis on the rapid construction of more advanced and new missiles, ships and submarines confirms that Beijing intends, in due course, to "recover" sovereignty over major parts of the South China Sea and establish its dominance in the maritime territory of its interest. The addition of aircraft carriers from 2015 will significantly upgrade the PLAN's capabilities. A potentially important feature of the effort to enhance maritime capability has been China's steady focus on the design, development and manufacture of Unmanned Underwater Vessels (UUV) to augment its submarine fleet, which currently is the largest in the region. The UUVs would be part of China's asymmetric subterranean warfare strategy. Initiated as part of the "863" Programme, China displayed the first UUV at the Zhuhai Show in 2006. It was described as useful for long-range reconnaissance, communication relay, electronic interference, target strike, submarine mines search, anti-submarine combat, etc. In 2007, China telecast visuals of a PLAN minesweeper using a UUV for counter mine operations.

Lyle Goldstein of the China Maritime Studies Institute of the US Naval War College has assessed that the UUVs could be used as part of an undersea network for sensing, shooting or as communication relay stations. They would also be low cost. Chinese researchers are probably already working on advanced guidance systems for the UUVs for use in undersea warfare. Their deployment would initially be in the Taiwan Strait and the waters surrounding the Spratlys and Paracels, with the potential for deployment in other areas from mother-ships. The potential sale of UUVs to Pakistan would be a destabilizing factor in India's immediate neighbourhood.

After President Hu Jintao's visit to the US and President Obama's recent visit to Australia and the EAS Summit, Beijing's efforts at "recovering" sovereignty over the South China Sea have become low-key and subterranean. Nevertheless, the current decade is likely to witness more instances of China asserting its maritime territorial sovereignty, leading to heightened tension in the region. Renewed US activity in the region has heightened Chinese suspicions. If Beijing's perception that India is collaborating with the US in encircling China gets accentuated, it could contemplate translating its threats against India into action. India, meanwhile, has to formulate a resilient policy



on the issue of neutrality of the global maritime commons in the South China Sea as well as unfettered international right to navigation of these waters. Additionally, it will have to stand firm on its right to exploit offshore oil and gas reserves in these waters, on the basis of legally valid commercial contracts, even where claims over territory are contested between China and another country like Vietnam. Any sign of weakness or backtracking on the issue will seriously undermine India's relations with South East Asia and ASEAN nations.

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