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THESIS

**THE GROWTH OF THE CHINESE PEOPLE'S
LIBERATION ARMY NAVY:
IMPACTS AND IMPLICATIONS OF REGIONAL NAVAL
EXPANSION**

by

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December 2007

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IMPACTS AND IMPLICATIONS OF REGIONAL NAVAL EXPANSION**

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ABSTRACT

China's growing economic dynamism has made it a powerful actor in the globalized economy. Continued growth of China's economy requires guaranteed sea access to foreign energy resources and markets. In response to the need for sea access, the People's Liberation Army Navy (PLAN) of the People's Republic of China (PRC) is undergoing an expansion and force modernization process intended to ensure China's access to vital sea lines of communications (SLOCs). In recent history, post-Meiji Restoration Japan and early twentieth century Germany provide two examples of the impact of rising economic powers with expansive maritime strategies. In both cases, efforts by regional competitors to maintain relatively superior naval forces led to heightened tensions and, ultimately, war. Through the unintended promotion of regional naval arms races, both the Empire of Japan and the German Empire contributed to the destabilization of their respective region's security.

This thesis argues that, based on the historical record of competitive naval growth, an expanding PLAN will destabilize East Asia as China challenges the dominance of the leading naval power in the Western Pacific – the United States Navy. However, China's rise differs from the rise of Japan and Germany in important ways. Diplomatic efforts by Washington and Beijing to identify shared maritime interests can serve to alleviate the destabilizing effects associated with naval growth. Additionally, security tensions associated with naval arms races may be mitigated through a thorough U.S. analysis of the actual threat posed by China's growing naval power.

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I. INTRODUCTION

A. PURPOSE

Recently, a great deal of attention has been given to the rise of China. Most notably, China's growing economic dynamism has made it a powerful actor in the globalized economy. Continued growth of China's economy requires secure access to foreign energy resources. In response to this need, the People's Liberation Army Navy (PLAN) of the People's Republic of China (PRC) is undergoing an expansion and force modernization process that is intended to ensure China has access to energy resources via well-guarded sea lines of communications (SLOCs). The overall nature and impact of China's expanding maritime strategy remains unknown. In recent history, post-Meiji Restoration Japan and late-nineteenth/early-twentieth century Germany provide two historical examples of the impact of rising economic powers with expansive maritime strategies. A review of both case studies will assist in assessing the potential ramifications of China's expanding maritime strategy for regional and global strategy.

B. RELEVANCE TO U.S. FOREIGN POLICY

Throughout the world, the United States guarantees the freedom of the seas. That guarantee ensures open access to energy resources that fuel modern economies, as well as the free exchange of the finished goods those economies create. Toward that end, the United States has developed the most technologically capable navy in the world. Capable of operations worldwide, no other navy challenges the dominance of the United States Navy (USN) on the high seas. However, some analysts see a growing PLAN as a potential threat to the USN's dominance in the Western Pacific and beyond. In order to accurately assess the nature and degree of threat that the PLAN presents to the USN, it is necessary to take into account both the reasons behind China's drive to establish a more capable navy and the potential ramifications of a larger PLAN for Asian security. Once the driving interests behind the PLAN's modernization are understood, American policy-makers and strategic planners will be better equipped to devise an appropriate response.

For the USN, the key area of concern is how to respond to the PLAN's increased force structure. Historically, two periods in modern history demonstrate the effects of the expansion of a rising power's naval force structure alongside that of the navy of a geopolitically dominant state – post-Meiji Japan and the Second German Reich. An analysis of the rise of the Imperial Japanese Navy prior to World War II and the rise of the Imperial German Navy prior to World War I will present general themes that occur over the course of significant naval arms expansions.

How United States foreign policy makers and the USN respond to China's naval expansion will have a significant impact on Washington's role in East Asian geopolitics for the next several decades. Careful analysis of the issue is necessary to avoid potential security-pitfalls.

C. LITERATURE REVIEW

Along with the economic and political aspects of national power, the military dimension of the rise of the People's Republic of China (PRC) is a topic of great speculation and, more often than not, concern. In particular, the People's Liberation Army Navy (PLAN) stands out as a highly dynamic sector of the Chinese military. Current trends indicate that the Chinese naval fleet will surpass the world's largest navy, that of the United States, in number of vessels by 2015.¹ Discernable motivations for China's continued naval modernization range from the desire to establish PRC domination of Taiwan via military force to the capacity to guard offshore energy and sovereignty issues. Of key interest to the United States is the fact that, "observers believe that broader...goals of China's military modernization...include...defending China's claim in maritime territorial disputes...(and) protecting China's sea lines of communication (SLOCs)..."² Both maritime territorial disputes and the protecting of SLOCs highlight a key consideration for Chinese policy makers: "...transport by sea is

¹ Ronald O'Rourke, *China Naval Modernization: Implications for U.S. Navy Capabilities – Background and Issues for Congress* (Washington, DC: Congressional Research Service, 12 July 2007), 1. The number of vessels in a navy is not necessarily the best measure of its capability, however. The Soviet navy was far larger than that of the United States during the last years of the Cold War.

² Ibid., 25.

China's most viable mode of energy supply.”³ In light of that fact, some Chinese strategists have argued for increased funding of the PLAN because “access to the sea (is) an indispensable condition and decisive factor for China's rise.”⁴ One source notes that naval modernization is a direct reflection of the Chinese leadership's awareness that over 80 percent of China's oil imports pass through the Malacca Straits – a chokepoint where the Chinese have no tangible military presence and are unable to guarantee freedom of the seas.⁵ The available literature on the PLAN indicates that the PRC is intent on expanding the size and operational sphere of the PLAN. Looking at the causes and effects of previous naval force expansions by regionally rising powers will provide a longer perspective from which the PLAN's expansion and modernization may be better understood.

Following the Meiji Restoration of 1868, the leaders of Japan inaugurated a concerted program of modernization and industrialization that revolutionized the country. A common theme in the literature on the rise of Japan's navy notes that, along with the economic growth of Imperial Japan, “(t)he Imperial Japanese Navy was...emblematic of the rise of Japan as a world power.”⁶ Within decades of embarking on modernization, Japan had the third largest navy in the world. Literature that outlines *why* Japan's navy grew so quickly is not as abundant as sources that outline *how* the navy grew. However, the available literature agrees that there were both economic and political justifications for the navy's growth. One source notes that the Japanese navy “secured and defended Japan's colonial interests and demonstrated to the world that Japan had emerged as a modern industrial power.”⁷ Economically, colonial interests provided essential raw materials for the Japanese economy, while the international respect garnered from the

³ Christopher J. Pehrson, *String of Pearls: Meeting the Challenge of China's Rising Power Across the Asian Littoral* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, 2006), 7

⁴ Ibid., 7.

⁵ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007* (Washington, DC: U.S. Government Printing Office, 2007), 8.

⁶ David C Evans and Mark R. Peattie, *Kaigun: Strategy, Tactics, and Technology in the Imperial Japanese Navy, 1887-1941* (Annapolis, MD: Naval Institute Press, 1997), xx.

⁷ J. Charles Schencking, *Making Waves: Politics, Propaganda, and the Emergence of the Imperial Japanese Navy, 1868-1922* (Stanford, CA: Stanford University Press, 2005), 223.

Imperial Japanese Navy's defeat of both Chinese and Russian forces around the turn of the twentieth century served Japan's political objective of regional power and influence.⁸ The success of Japan's naval expansion had a notable impact on one peer competitor's naval forces. By 1906, the United States Navy had drawn up its official War Plan Orange – a detailed plan of how to counter Japanese aggression in the Western Pacific, which shaped American naval strategy for over thirty years.⁹ Overall, the connection between post-Meiji Japan's industrialization and naval expansion is supported by numerous secondary sources, as is the impact of naval expansion upon one of Japan's peer competitors, the United States.

The rise of the Imperial German Navy at the turn of the twentieth century is well covered by secondary sources. Already a powerful industrial force, Germany made a decision in 1884 to pursue overseas colonies. Colonies would serve as “markets for goods and sources of raw material.”¹⁰ Several sources note that Germany's naval establishment assessed Germany's geographic position as poorly suited for maintaining security of trade via SLOCs.¹¹ Although the Royal Navy of Britain provided maritime security worldwide, the rise of the Imperial German Navy is widely viewed as an attempt to “protect German merchant shipping...and guarantee unimpeded passage to the oceans...”¹² Several sources identify Germany's expansive naval strategy as a key component in the escalation of tensions between Britain and Germany prior to World War I. One source specifically notes that, coupled with Germany's economic might and nationalism, “...the growing German navy represented a potential hegemonic threat and a cause for concern over the Reich's intentions.”¹³ Overall, there exists a significant body

⁸ Evans and Peattie, 135.

⁹ Sadao Asada, *From Mahan to Pearl Harbor: The Imperial Japanese Navy and the United States* (Annapolis, MD: Naval Institute Press, 2006), 23.

¹⁰ Robert K Massie, *Dreadnought: Britain, Germany, and the Coming of the Great War* (New York, NY: Ballantine Books, 1991), 85.

¹¹ Rolf Hobson, *Imperialism at Sea: Naval Strategic Thought, the Ideology of Sea Power, and the Tirpitz Plan, 1875-1914* (Boston, MA: Brill Academic Publishers, Inc., 2002), 123-125, and James R. Holmes, “Mahan, a ‘Place in the Sun,’ and Germany's Quest for Sea Power.” *Comparative Strategy* 23 (2004): 45-46.

¹² Massie, xxiv.

¹³ Hobson, 326.

of material from which to evaluate the historical case study of Germany's naval expansion and the expansion's impact on regional powers.

For United States maritime strategy, the problems of the present may take counsel from the lessons of history. The importance of these lessons directly connects to the question of how the United States should respond to China's expansive maritime strategy. A common question in the literature is, "how does an existing hegemon manage a rising power?"¹⁴ Although not yet a global power, "China's offshore national security concerns...are problems whose resolution will require the ability to prevail in a maritime environment."¹⁵ While the PLAN is now only a regional force, the fact that several sources note its developing orientation towards an "offshore active defense"¹⁶ raises questions regarding how the PLAN intends to interact with the dominant maritime power in the region, the United States Navy. The available literature addresses the issue of how the United States can best respond to the changing geopolitical reality of naval strength in the Western Pacific. A review of historical precedent will help answer the question of the United States' best response to the expansion of the PLAN.

D. METHODOLOGY

In order to review historical precedent, this thesis's primary methodology is comparative historical case studies. While the historical case studies rely mostly on secondary sources, official government documents and primary sources are utilized where available.

The first case study focuses on the growth of the Imperial Japanese Navy in the late nineteenth and early twentieth centuries. The response of rival powers, notably the United States, is reviewed. A second case study focuses on the growth of the Imperial German Navy in the late nineteenth and early twentieth century. The response of the United Kingdom's Royal Navy highlights the regional impact of Germany's naval

¹⁴ Toshi Yoshihara and James Holmes, "Command of the Sea with Chinese Characteristics." *Orbis* 49, no. 4 (2005): 691.

¹⁵ Bernard Cole, *The Great Wall at Sea: China's Navy Enters the 21st Century* (Annapolis, MD: Naval Institute Press, 2001), 9.

¹⁶ *Ibid.*, 166, and Yoshihara and Holmes, 681.

expansion. Both case studies address the ambitions, restrictions, and limitations, both external and internal, that growing maritime powers face. Ultimately, the historical record of how successful growing navies were able to integrate with regional peers provides historical lessons that may be applied to potential present and future naval competition between China and the United States.

Alongside case study analyses, this thesis will consider the more general role that maritime strategy plays as an instrument for pursuing broader national interests, and especially economic interests, which have always been a particular focus of maritime power. In the end, the ability of China's maritime strategy to serve its national interests without antagonizing regionally powerful actors will serve as a measure of geopolitical success or failure.

II. CHINA'S NAVAL MODERNIZATION

The rise of China covers several facets of state power and prestige. Foremost among China's strengths is its economy. Along with its economy, China has cultivated diplomatic relationships with numerous powers in both the developed and developing world. Finally, China's military strength is a topic of considerable speculation for both its current strength and the direction of its developments. The combined economic, diplomatic, and military strength of China reveal the country's considerable power, as well as its likely position of dominance within East Asia in the near future.

China's rise raises several issues regarding its place in the international community. Specifically, as China's political, economic, and military power increases, the way in which other countries respond will define the course of international politics for years to come. Of particular concern to the United States is the growth of the Chinese People's Liberation Army Navy (PLAN), whose growth has coincided with, and is dependent upon, that of its economy.

A. CHINA'S ECONOMY

The growth of China's economy within the past 30 years has been nothing short of remarkable. Between 1978 and 2005, China's economy has averaged 10 percent growth of its gross domestic product (GDP).¹⁷ By 2006, when measured utilizing market exchange rates, by 2006 the consistently high rate of growth resulted in China becoming the world's fourth largest economy. When measured by purchasing power parity (PPP), China's economy ranks second only to the United States.¹⁸ To understand how the Chinese economy has grown and expanded at such a rapid rate, it is necessary to look at both how the economy developed since the late 1970s, and how the economy interacts

¹⁷ See Susan L. Shirk, *China: Fragile Superpower* (New York, NY: Oxford University Press, 2007), 19, and Barry Naughton, *The Chinese Economy: Transitions and Growth* (Cambridge, MA: The MIT Press, 2007), 3.

¹⁸ World Bank, "World Development Indicators Database," *WorldBank.org* (14 September 2007) <http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP.pdf> and http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP_PPP.pdf (accessed 7 November 2007).

with the greater global economy. Finally, concerns that stem from China's current condition will highlight the economic area that most impacts China's naval policy – energy.

1. Economic Growth, 1978-2007

In the late 1970s China had a per capita GDP characteristic of low-income countries. With industry accounting for 44 percent of the country's economic output, China had the industrial capacity of a medium-income country.¹⁹ The net effect was a country that was over-industrialized and failing to service the more modest needs of the still largely agrarian populace. To counter that failure, in 1978, the leadership in Beijing began a process of economic restructuring. Limited use of market liberalization for farmers was introduced gradually across the countryside. In line with capitalist theories of production, entrepreneurs produced more for the market once they realized they could keep and reinvest profits from excess grain sales.²⁰ Such policies were cautiously expanded to towns and villages. Restructuring was combined with limited efforts by Chinese leader Deng Xiaoping to open special economic zones to external investment and trade. The result was an inflow of capital coupled with reduced interference by central planners. Together, the capital inflow and reduced state-interference promoted increased manufacturing and export of goods as tools of economic growth. Between 1978 and 2001, China's foreign trade volume increased twenty-five times in volume.²¹ More importantly for China, its status as a world power has risen as its share of world GDP has grown. From a low of 4.5 percent of world economic activity in 1950, by 2005, the Chinese economy accounted for 15.4 percent of the world's economic output.²² Clearly, the 30 years since 1978 have proven fruitful for a Chinese economy striving to recover from the doldrums of Communist-Party-driven state planning.

¹⁹ Naughton, 9.

²⁰ Naughton, 89-90.

²¹ Shirk, 19.

²² David M. Lampton, "The Faces of Chinese Power," *Foreign Affairs* 86, no. 1 (January/February 2007): 117.

2. Current Economic Drivers

What is most striking about China's economy today is its dependence on exports. Since 1990 investment in productive capacity has been greater than domestic Chinese demand for products, and the logical result has been the exporting of goods manufactured, but not consumed, within China.²³ Between 1994 and 2004, export totals grew at a rate of 17 percent per year. The net effect was to expand the value of Chinese exports from \$100 billion to \$593 billion.²⁴ By 2006, the total value of exports was \$969 billion with a \$177.6 trade surplus.²⁵ Up to 75 percent of China's GDP is due to foreign trade.²⁶ This fact indicates the importance of two key factors. First, in a reversal of the policies stressed by Mao, Beijing has become a firm supporter of international economic regimes. Although still wary of global institutions after its international isolation following the 1989 Tiananmen Incident, Beijing has learned to recognize the economic benefits of international regimes that require all powers, including the United States, to operate by agreed upon rules and guidelines.²⁷ Second, China's export-driven economy requires extremely high levels of capital investment. In order to maintain 10 percent growth, recent trends indicate that 35 to 40 percent of GDP must be reinvested.²⁸ China's level of reinvested GDP, approximately 10 percent higher than that of other East Asian nations, indicates inefficient capital investment. Overall, China's high growth requires a high level of all inputs (capital, labor, and primary commodities) to ensure a high level of output. With inefficiency haunting the financial sector, and a reliance upon continued external demand, China's economy is constrained by the very restructuring that allowed it to grow to the size it is today.

²³ David Dollar, "China's Economic Problems [and Ours]," *The Milken Institute Review* (September 2005): 50.

²⁴ Dwight H. Perkins, "China's Recent Economic Performance and Future Prospects," *Asian Economic Policy Review* 1 (2006): 34.

²⁵ Wayne M. Morrison, *China's Economic Conditions* (Washington, DC: Congressional Research Service, 9 August 2007), 9.

²⁶ Shirk, 24.

²⁷ Michael Yahuda, *The International Politics of the Asia-Pacific* (New York, NY: RoutledgeCurzon Press, 2004), 283.

²⁸ David Dollar and Shang-Jin Wei, "Underutilized Capital," *Finance and Development* 44, no. 2 (June 2007): 30.

3. Areas of Concern

Beijing has two primary areas of concern with the Chinese economy. The first involves the social stability that is challenged by economic forces. The success of privately-owned and export-oriented manufacturing has challenged the validity of state-owned enterprises (SOEs). As the state has sold thousands of inefficient factories, millions of workers have been added to the rolls of the unemployed.²⁹ Coupled with the weakness of China's financial system, which has contributed to poor reinvestment efficiency and continues to loan money to poorly performing SOEs, Beijing finds itself highly reliant upon the export markets in order to ensure the economic growth necessary to offset the negative trends from the relics of the state-planned system, the SOEs.

The second area of concern involves energy. Beginning in 1990, China's oil imports climbed at a rate of 30 percent annually; by 2004, that rate of growth made China the second largest consumer of petroleum products in the world.³⁰ China's use of energy is relatively inefficient. The economy must expend three times the amount of energy the U.S. economy expends to expand GDP by one dollar.³¹ China will require more and more energy, particularly petroleum products, in order to fuel the continued growth of its manufacturing-intensive, export-oriented economy. Varying estimates hold that between 2025 and 2030, China will import up to nearly three-fourths of its then approximately 14 million barrels-per-day (bpd) consumption.³²

How and where that oil is acquired will have a significant impact on China's future economic and political relations. With an economy that direly needs access to export markets and available energy resources, it is important to fully analyze the energy concerns of China in order to place its naval policy within a fully coherent economic and security context.

²⁹ Naughton, 186-188.

³⁰ Dollar, "China's Economic Problems [and Ours]," 54, and Shirk, 23.

³¹ Philip C. Saunders, *China's Global Activism: Strategy, Drivers, and Tools* (Washington, DC: NDU Press, 2006), 6.

³² Saunders, 6, and Shirk, 23.

B. CHINA'S ENERGY CONCERNS

China is currently the second largest consumer of energy in the world. Despite relatively low per-capita energy use, only one-seventh that of the United States, China will surpass the United States as the largest user of energy within a few decades.³³ As a net importer of energy since 1996,³⁴ China's concerns regarding projected future use, acquisition, and security are central to framing the context within which Beijing views its energy requirements.

1. Energy Use

The largest source of energy for modern China is coal. The United States Department of Energy estimates that, in 2002, 64.6 percent of China's net energy consumption was in coal, while only 24.5 percent of consumption was in oil.³⁵ With the second largest estimated coal reserves in the world, Beijing has pushed coal production to the point where China is the largest producer and consumer of coal in the world.³⁶ While China's coal supply is securely under the control of the regime in Beijing, the source of oil presents the regime with a serious issue regarding reliance upon the global markets. China's demand for energy has expanded significantly since it first became a net oil importer in 1993; as of 2006, 47 percent of oil used within China was imported, most of it via sea-lines-of-communication (SLOCs).³⁷ Access to oil will define China's interaction with both world energy markets and foreign governments for the next few decades.

³³ Economist Intelligence Unit, "Energy for China," *Economist.com/Global Agenda* (12 July 2007) http://www.economist.com/agenda/displaystory.cfm?story_id=9488954 (accessed 7 September 2007).

³⁴ Bernard D. Cole, *"Oil for the Lamps of China" - Beijing's 21st-Century Search for Energy* (Washington, DC: NDU Press, 2003), viii, and Mehmet Ogutcu, "China's Energy Future and Global Implications," in *China's Economic Security*, ed. Werner Draguhn and Robert Ash (New York, NY: St. Martin's Press, 1999), 93.

³⁵ Robert E. Ebel, *China's Energy Future: The Middle Kingdom Seeks Its Place in the Sun* (Washington, DC: The CSIS Press, 2005), 62.

³⁶ Cole, *"Oil for the Lamps of China,"* 7, and Ebel, 62.

³⁷ David H. Shinn, "Africa, China, the United States, and Oil." *CSIS Africa Policy Forum* (8 May 2007) <http://forums.csis.org/africa/?p=34> (accessed 2 November 2007).

China's need for oil imports has made it a major powerhouse in world energy markets; between 2002 and 2006, China accounted for over 40 percent of the world's demand growth in oil.³⁸ According to the United States Energy Information Agency, the current rate of 47 percent of oil sourced from imports will rise to 77 percent by 2025.³⁹ Although oil is but one-fourth of China's energy source, highly inefficient Chinese industries will require as much energy as they may acquire to sustain China's growth. Because of that, the energy sector that consists of oil is fundamental to the security of China's expanding economy.

2. Energy Acquisition

To guarantee continued growth, China must ensure that it can continually acquire the energy required for economic expansion. With coal, China is fortunate to have a large enough internal supply to comfortably isolate itself from international coal markets. Oil, however, presents a different challenge. One avenue utilized by state-owned Chinese oil companies, to include the Chinese National Petroleum Corporation (CNPC) and China Petroleum and Chemical Corporation, or Sinopec, is to develop partnerships with foreign companies. Partnership with, and partial ownership of, foreign companies is seen as necessary to both successfully integrate Chinese oil corporations into the world economy and to strengthen an indigenously weak energy sector.⁴⁰ Another avenue pursued by Beijing is to court countries that are shunned by the international community due to human rights issues and unfavorable regimes. Currently, China receives 20 percent of its oil imports from Sudan and Iran, two countries marked by the United States and the greater international community as regimes requiring either overhaul or replacement.⁴¹ Finally, China pursues a policy that any savvy businessman would in order to minimize risk – it diversifies its resource locations. In 2004, 45.4 percent of China's oil imports arrived from the Middle East, 28.7 arrived from Africa, 14.3 from Russia and Western

³⁸ Ebel, 2, and Shirk, 23.

³⁹ Economist Intelligence Unit, "Energy for China."

⁴⁰ Cole, "Oil for the Lamps of China," 15.

⁴¹ Wu Lei and Shen Qunyu, "Will China Go to War Over Oil?" *Far Eastern Economic Review* 169, no. 3 (April 2006): 39.

Hemisphere nations, and 11.5 percent arrived from the Asia-Pacific region.⁴² Beijing is currently looking at the Russian Far East and Central Asian nations for possible development of advanced oil pipelines that could transport larger percentages of oil than those currently received.⁴³

What is most striking about China's oil acquisition is the amount that arrives from the sea. China is heavily dependent upon critical sea lanes for its energy imports; approximately 80 percent of China's crude oil imports transit the Straits of Malacca (See Figure 1).⁴⁴ Additionally, although 90 percent of China's domestic oil production is onshore, recent discoveries of oil reserves have been offshore. Finally, with its 1992 Law of the Territorial Sea and the Contiguous Zone, China claimed sovereignty over almost the whole of the South China Sea; this claim simultaneously lays claim to an estimated 28 billion barrels of oil while contending the claims of Vietnam, Malaysia, Brunei, the Philippines, and Indonesia.⁴⁵ For China, the question of energy security is a question of petroleum imports. Petroleum imports raise further questions of sovereignty and maritime access that are the primary concerns of China's energy policy.

3. Energy Security

China has made a significant effort to utilize "soft power" to ensure its energy access. As partially outlined above, a significant aspect of that effort has been the inclusion of foreign corporations into Chinese efforts to extract and import oil. One perspective regarding China's use of foreign companies, particularly U.S. companies, is that any international crisis between Beijing and another nation would involve citizens of the foreign power working on Chinese rigs in international waters. Attempts to extract their citizens would place countries in direct conflict with China's on-scene military force, likely the People's Liberation Army Navy (PLAN).⁴⁶

⁴² David Zweig and Bi Jianhai, "China's Global Hunt for Energy," *Foreign Affairs* 84, no. 5 (Sep/Oct 2005): 28.

⁴³ Cole, "Oil for the Lamps of China," 24.

⁴⁴ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 9.

⁴⁵ Cole, "Oil for the Lamps of China," 21-23.

⁴⁶ Cole, *The Great Wall at Sea*, 59.



Figure 1. China's Critical Sea Lanes.⁴⁷

Domestic policy makers in Beijing have encouraged state-owned oil corporations to secure exclusive exploration and supply contracts with states that produce petroleum products. At the same time, Beijing has courted the governments of these countries with foreign aid, infrastructure development, and debt forgiveness.⁴⁸ As outlined above, often the countries that receive this attention are countries marginalized by the international community and the United States in particular; Beijing's courting therefore places it in opposition to Washington's interests. When Washington's interests are matched with those of the American business community, China may pay a price for its expansion. In 2005, the China National Offshore Oil Corporation (CNOOC) effort to purchase Unocal, a California-based company, led to inquiries and denunciations from American political and business interest. CNOOC withdrew its offer and Unocal was purchased for a lower bid by American-based Chevron-Texaco. To Beijing, the incident raised questions as to

⁴⁷ Office of the Secretary of Defense, *Military Power of the People's Republic of China* 2007, 9.

⁴⁸ Zweig and Jianhai, "China's Global Hunt for Energy," 26.

the openness of the free market.⁴⁹ If China could be blocked from accessing oil in certain areas or polities, alternative options must be entertained.

China is ultimately concerned with the physical ability to guarantee the flow of oil into the country. As most oil arrives from Africa and the Middle East via SLOCs, the issue of maritime security is central to China's energy security. Retired naval officer and academic Bernard Cole stated the matter succinctly: "Petroleum is China's preeminent offshore economic interest."⁵⁰ Beijing is very aware of the vulnerability of China's oil imports to constriction via chokepoints, most notably the Strait of Malacca. That awareness has informed China's military posture and preparation as military force is contemplated as a guarantor of sea passage.⁵¹ Finally, China sees the most likely cause of vulnerability to be its most pressing foreign policy issue – Taiwan. As outlined in the 2005 Anti-Secession Law, Beijing has not ruled out force to guarantee the return of Taiwan to Beijing's sovereignty.

As the United States has maintained an ambiguous posture regarding assistance to Taiwan in the case of Beijing's use of force, Beijing is concerned that the United States would respond to the use of force by disrupting the flow of energy supplies that arrive from the sea. The fear of a U.S. response to a Taiwan Crisis that could disrupt China's economic growth informs Beijing's defense and foreign policy, and is a key input to its military development.⁵² In the end, Beijing's energy policy is driven by concerns about China's increasing energy vulnerability. These concerns directly inform China's strategic outlook and input a military dimension to China's economic status.⁵³ As the majority of imports arrive from the sea, China's maritime strategy directly hinges upon how Beijing interprets its strengths, weaknesses, and opportunities. A review of Chinese military

⁴⁹ Zha Daojong, "China's Energy Security: Domestic and International Issues," *Survival* 48, no. 1 (Spring 2006): 184.

⁵⁰ Cole, *The Great Wall at Sea*. 37.

⁵¹ Ebel, 3.

⁵² Lei and Qinyu, "Will China Go to War Over Oil," 39, and Ebel, 55.

⁵³ Philip Andrews-Speed, Xuanli Liao, and Roland Dannreuther, *The Strategic Implications of China's Energy Needs* (New York, NY: Oxford University Press, 2002), 71.

thought alongside the nature of maritime strategy will frame the issues facing Beijing's development of a cohesive naval doctrine.

C. CHINESE MILITARY THOUGHT

1. Patterns in Chinese Military Thought

When approaching traditional Chinese military thought, a common starting point is the seminal work *The Art of War* by Sun Tzu, or Sun Zi. Within Sun Zi's work, a common theme is the ability of the commander to rationally control the forces utilized in warfare. Writing to guide rulers in the selection of military leaders, Sun Zi notes, "If a general follows my estimation and you employ him, he will certainly be victorious and should be retained. If a general does not follow my estimation...so dismiss him."⁵⁴ The confidence that a competent military leader can completely control the multi-faceted aspects of conducting military lends itself to an emphasis on stratagem and deception as artful tools that can be used by generals to guide the course of warfare. Sun Zi continues:

After estimating the advantages in accord with what you have heard, put it into effect with strategic power (shih) supplemented by field tactics that respond to external actors...Warfare is the Way (Tao) of deception. Thus although [you are] capable, display incapability to them. When committed to employing forces, feign activity. When [your objective] is nearby, make it appear as if distant; when far away, create the illusion of being nearby...Attack where they are unprepared...These are the ways military strategists are victorious...⁵⁵

Throughout the text, it is emphasized that the military leader must control and manipulate the situation at hand through their thorough understanding of all aspects of warfare. Aside from Sun Zi, another aspect of ancient warfare that informs modern Chinese strategic thought is the idea of *shi*. *Shi* roughly translates as the "strategic configuration of power," or the advantageous "alignment of forces."⁵⁶ Although there is no direct Western theoretical equivalent of *shi*, it is thought to serve as one of two key

⁵⁴ Sun Tzu, *The Art of War*, trans. Ralph D. Sawyer (Boulder, CO: Westview Press, 1994), 168.

⁵⁵ Ibid., 168.

⁵⁶ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 7.

ingredients in current Chinese strategic thinking. The other, “comprehensive national power,” or CNP, is a relative ranking of economic, diplomatic, and military power used by Chinese strategists to weigh the relative strength of China within the international community.⁵⁷ Based on the classical formulation of the leader’s capacity to exercise strategic power and the unique aspects of *shi* and CNP, China’s history seems to dispose Beijing to a uniquely Chinese way of framing security concerns.

Recent scholarship questions the idea of a uniquely Chinese way of viewing security issues. Following extensive research in Chinese military works, excluding *The Art of War*, Harvard University’s Alastair Iain Johnston found that different formulations of security issues throughout history did not result in security choices different from what Western powers might have selected. Although Sun Zi and other works of Chinese strategy, including the *Seven Military Classics*, indicate a preference for deception and a minimal use of force that is arguably based on traditional Chinese philosophy’s aversion to violence, Johnston notes the following:

...while there is evidence that a Chinese strategic culture does exist and influences grand strategic choice, this strategic culture is not self-evidently unique, or different from certain strains in Western realpolitik thought and practice.⁵⁸

Between 1927 and 1985, Johnston notes that China responded to foreign policy crises with military force in eight out of eleven instances, or 72 percent of the time. That percentage is higher than other great powers over the same period; the United States used violence 18 percent of the time, and the Soviet Union used violence 27 percent of the time.⁵⁹ China’s temptation to use force in crises indicates that, regardless of rhetoric, Beijing sees military force as a useful and valid means of solving international disagreements.

⁵⁷ Office of the Secretary of Defense, *Military Power of the People’s Republic of China 2007*, 6.

⁵⁸ Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History* (Princeton, NJ: Princeton University Press, 1995), 31.

⁵⁹ *Ibid.*, 256.

Although Johnston has argued that, “China has a strategic culture, and it is realism,”⁶⁰ the recognition of China’s frequent use of armed force, coupled with traditional rhetoric that emphasizes an aversion to violence, has led to a more troublesome conclusion regarding Beijing’s understanding of military action. The parallel dialogue emphasizing aversion to the use of force and the actual use of force indicates a China that is quite willing to engage in military action while refusing to admit that its actions are anything but noble. Andrew Scobell of the Army War College’s Strategic Studies Institute has called this condition the “Chinese cult of defense.”⁶¹ Scobell notes that:

The key point is that the defensive-mindedness and preference for nonviolent solutions to interstate disputes are not merely empty rhetoric or symbolic discourse, but rather are a part of a belief system that has been deeply internalized by Chinese civilian and military elites. The outcome...is a China that assertively protects and aggressively promotes its own national interests, up to and including acts of war, but that rationalizes all military moves as purely self-defensive.⁶²

The inherited belief within China that its motives are always pure is buttressed by present day Chinese defense intellectuals. The Academy of Military Science of the Chinese People’s Liberation Army has published a text that outlines the broad strategic outlook of the Chinese defense elite. Titled *The Science of Military Strategy*, the text highlights several characteristics of Chinese warfare, including the defensive nature of Chinese military action. In particular, it notes that:

If a war breaks out, may it be anti-invasion, anti-separation, anti-interference, our country will be forced into it...We have no choice but to take action. The war will be defensive and just because China would not use forces in an unlimited and unjust way.⁶³

⁶⁰ Quoted in Arthur Waldron, “The Art of Shi,” *The New Republic*, 23 June 1997, 38.

⁶¹ Andrew Scobell, *China and Strategic Culture* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, 2002), 4-5.

⁶² Andrew Scobell, *China’s Use of Military Force: Beyond the Great Wall and the Long March* (New York, NY: Cambridge University Press, 2003), 38.

⁶³ Peng Guangqian and Yao Youshi, eds. *The Science of Military Strategy* (Beijing, China: Beijing Yihang Printing Co., 2005), 448.

While the rhetoric of only using force as a last resort is not unique to China – it is, of course, widespread in the West as well – the insistence that China is always forced into conflict indicates that any military response on the part of Beijing, to include possible offensive operations against separatists, will be justified as a necessary defensive response to provocation. In Beijing’s eyes, the impetus to use military force is defined in a tautological manner; China only uses force for defense, so any use of force is therefore defensive. These key patterns of Chinese military thought have informed two recent periods in Chinese history: Communist China under the leadership of Mao Zedong, and post-Mao China.

2. Chinese Military Thought in the Time of Mao

In the modern era, the “Chinese Cult of Defense” is in part grounded by the idea of “active defense.” For years, the central strategy that defined Chinese military planning, “active defense,” assumed an enemy’s technological superiority and relied upon an initial strategic defensive to absorb the attack of an invading force. Mao Zedong elaborated that “active defense” takes place within the context of “people’s war,” where necessity dictates that geography and a larger population will serve as China’s military strengths.⁶⁴ It is important to understand that “active defense” is not a passive attempt to accept the likely superior military qualities of an attacking force, but instead is a doctrine that advocates a proactive use of modern China’s material inferiority and numerical superiority. In blurring the line between attack and defense, “active defense” goes so far as to not rule out the use of a first strike.⁶⁵ Mao’s utilization of “active defense” within the framework of “people’s war” served as an important foundation in modern Chinese military thought.

Developed by Mao during the Chinese Civil War and the Second Sino-Japanese War, “people’s war” focused on a prolonged war of attrition by which conventional and

⁶⁴ David Shambaugh, *Modernizing China’s Military: Progress, Problems, and Prospects* (Berkeley, CA: University of California Press, 2002), 58.

⁶⁵ Scobell, *China and Strategic Culture*, 13.

unconventional forces would exhaust and defeat an invading force.⁶⁶ The strategy focused on three phases. During the first phase, a strategic defensive emphasized that battles with doubtful outcomes were to be avoided as the Chinese traded land for time in the hope that the enemy would tire and experience increasingly difficult logistical problems. The second phase, a strategic stalemate, focused on mobilization of the populace and harassment of the enemy's consolidated positions with unconventional forces. Finally, during a strategic offensive phase conventional forces would be utilized to outmaneuver and destroy invaders.⁶⁷ Following the founding of the People's Republic of China (PRC) in 1949, the "people's war" paradigm maintained its position as China struggled to advance its industrial and technological base. With renewed tension with the Soviet Union following the dissolution of the Sino-Soviet alliance in the late 1950s, Mao continued to emphasize the central importance of the "people's war" to Chinese grand strategy.⁶⁸ As the Soviet Union posed a significant continental threat to China into the 1980s, "people's war" and "active defense" shaped the context of Beijing's international security interactions from the 1950s well into the 1980s.

During this timeframe, the PLAN served a minor role in Chinese defense policy. As "people's war" emphasized the use of geography as a major tool to be used in exercise of a strategic defensive, the PLAN found that maritime-oriented action that emphasized movement away from shore was deemed insignificant. The maritime power of Mao's China was developed almost solely for defensive purposes. Wars with Japan in Manchuria and the United States in Korea, as well as border disputes with Vietnam, India, and the Soviet Union, included no significant naval action. The neglect of the PLAN by Beijing's defense planners thus appears to be a rational response to the security situation between the 1930s and 1980s.⁶⁹ As China had neither the military means nor the

⁶⁶ Mark Burles and Abram N. Shulsky, *Pattern's in China's Use of Force: Evidence from History and Doctrinal Writings* (Santa Monica, CA: RAND Corp., 2000), 22-23.

⁶⁷ Ibid., 23-25.

⁶⁸ Avery Goldstein, *Rising to the Challenge: China's Grand Strategy and International Security* (Stanford, CA: Stanford University Press, 2005), 37.

⁶⁹ Cole, *The Great Wall at Sea*, 7-8.

immediate need to challenge dominant maritime powers, primarily the United States, maritime missions were limited to coastal defense and control.

3. Contemporary Chinese Military Thought

A central feature in reorienting modern Chinese military thought has been the decline and fall of the Soviet Union. With the death of Mao in 1976, Beijing began to modify the Mao-dominated concept of “people’s war.” By 1978, the leadership in Beijing pushed to adapt the concept of “people’s war” to the reality of modern warfare; the new concept, really only a modification, was titled “people’s war under modern conditions.” Under the leadership of Deng Xiaoping, “people’s war under modern conditions” attempted to deal with the Soviet Union’s assessed ability to rapidly strike and seize limited objectives along the Chinese border. The new theory accordingly sought a way to emphasize the importance of conventional forces during the opening phases of a conflict.⁷⁰ Due to the possible loss of industrial capacity and territory from a rapid Soviet advance, Beijing no longer envisioned the first phase of “people’s war” to be an entirely defensive affair. Key locations in the north and east would require defense in order to maintain China’s growing vibrancy.⁷¹ By 1985, analysts in Beijing assessed that the Soviet Union no longer loomed as China’s most significant strategic threat. Rethinking its security threats, Beijing revised its assessment of what most challenged China. Instead of “people’s war,” “local” or “limited war” became the strategy of choice.

Characterized as conflicts with limited geographical boundaries, high intensity, and minimal parties involved, “local/limited war” permitted the first ever strategic assessment in which China realistically began to address interests other than those dominated by concern over invasion from the Asian landmass.⁷² The Persian Gulf War of 1991 forced Beijing to realize that technologically-dominant militaries held a significant battlefield advantage. In response, Beijing further modified the PLA’s operational

⁷⁰ Burles and Shulsky, 26-28.

⁷¹ Paul H.B. Godwin, “Compensating for Deficiencies: Doctrinal Evolution in the Chinese People’s Liberation Army: 1978-1999,” in *Seeking Truth From Facts: A Retrospective on Chinese Military Studies in the Post-Mao Era*, ed. James C. Mulverson and Andrew N.D. Yang (Santa Monica, CA: RAND Corp., 2001), 94.

⁷² Shambaugh, 64 and 66.

doctrine to emphasize the previously-neglected benefits of advanced weaponry and technological dominance. Known as “limited war under high-tech conditions,” the new outlook melded the need to innovate military equipment with the new orientation towards localized military objectives.⁷³ In Beijing, it was acknowledged that military equipment was outdated and that the operational doctrine that the PLA had inherited from the Mao years was obsolete.⁷⁴ To meet its security requirements in the 21st century, Beijing wanted a military that was modern in both doctrine and equipment. Of note, while “limited war under high tech conditions” appears to be an evolution of Chinese military doctrine, the impetus to support both “people’s war” and the defensive mind-set of that doctrine is alive and well in Chinese doctrine. The official white paper on China’s military needs, *China’s National Defense in 2006*, continues to proclaim that the Chinese defensive policy will only ever be defensive in nature, and that the concept of “people’s war” is not one that has been discarded but is undergoing development.⁷⁵ As China modifies antiquated doctrine and equipment to face the prospect of modern war, the ideological and historical value of the “people’s war” doctrine, along with its implicit “active defense,” remains a part of Beijing’s defense policy planning.

As China’s military thought has evolved, so too has its orientation towards the sea. Alongside the beginnings of its strategic reevaluation in 1985, the economic center of gravity has shifted from the interior to China’s littorals; this shift has prompted a significant rethinking of Beijing’s strategic interests away from the continent and towards maritime matters.⁷⁶ The orientation towards the sea has precipitated a new conception of territory and is the principal redefinition within China’s strategic outlook. China now views its territorial interests as including all ocean space out to the limits of its Economic

⁷³ Shambaugh, 69-70.

⁷⁴ Godwin, “Compensating for Deficiencies: Doctrinal Evolution in the Chinese People’s Liberation Army: 1978-1999,” 101.

⁷⁵ Information Office of the State Council of the People’s Republic of China. *China’s National Defense in 2006*. (December 2006) <http://www.fas.org/nuke/guide/china/doctrine/wp2006.html> (accessed 7 November 2007).

⁷⁶ David M. Finkelstein, “Commentary on Doctrine,” in *Seeking Truth From Facts: A Retrospective on Chinese Military Studies in the Post-Mao Era*, ed. James C. Mulverson and Andrew N.D. Yang (Santa Monica, CA: RAND Corp., 2001), 122-123.

Exclusion Zone (200 nautical miles from shore), a fact codified in Beijing's 1992 maritime law (Law on the Territorial Sea and the Contiguous Zone).⁷⁷ Within the claimed region rests most of the South China Sea and the island of Taiwan, itself the most pressing strategic concern of the modern regime in Beijing. Both regions are considered vital for both the reclamation of national sovereignty and for the vital access they provide to shipping lanes and the Straits of Malacca.⁷⁸ For political and economic reasons, the sea has taken on a central place in Chinese strategic thought. With a new emphasis on maritime interests as central to the well-being of China, there exists a newfound relevance of maritime strategy to China's security. To gauge the success of Beijing's attempts to modernize the PLAN, it is necessary to summarize the basic tenets of maritime strategy as a whole alongside the efforts of China's strategic planners to implement maritime-oriented defense policies, policies driven by China's interests.

D. MARITIME STRATEGY AND THE PEOPLE'S LIBERATION ARMY NAVY

1. A Summary of Maritime Strategy

Warfare at sea has a quality distinct from warfare on land. As the sea provides an environment that encourages independent movement over large areas, overly prescriptive attempts to define how naval officers ought to fight have historically been discouraged, if not outright ignored. Traditionally, the offensive instinct and judgment of a ship's captain served as all the theorizing that was required in naval warfare.⁷⁹ However, as naval warfare is not the only component of a maritime strategy, there is more to a nation's orientation and policy regarding the sea than simply outfitting a sound navy. Maritime strategy involves all activity accounted for on, under, and above the ocean, including shipping, fishing, mineral exploration, and coastal defense. In short, a navy serves a

⁷⁷ Guangqian and Youshi, 440, and Shambaugh, 67.

⁷⁸ Shambaugh, 69.

⁷⁹ Geoffrey Till, *Seapower: A Guide for the Twenty-First Century* (Portland, OR: Frank Cass Publishers, 2004), 25-26.

nation's maritime strategy; the strategy does not serve the navy.⁸⁰ As a maritime strategy addresses all of a nation's actions with regard to the sea, the role of economics is central to the understanding of a maritime strategy. During a state of war, economic considerations include the movement of goods, personnel, and resources between theaters and campaigns; states with sea borders must consider the safe movement of their goods while contemplating the endangerment of their enemy's goods.⁸¹ According to naval historian Nicholas Tracy, the reality of the movement of goods at sea traditionally shaped the understanding of the purpose of a "maritime strategy," with the term "used to indicate the employment of naval forces to achieve political ends by their impact on international trade."⁸² Due to its use as a means to conduct trade, "sea control," the guaranteeing of friendly access to sea trade while denying the enemy the same, is the central feature in the naval warfare component of a maritime strategy.⁸³

2. Sir Julian Corbett and Alfred Thayer Mahan

Although naval officers have resisted attempts to codify the principles of sea warfare into a theory of maritime strategy, two prominent thinkers of the late nineteenth and early twentieth century produced works that most closely fill the role of foundation works in maritime thought.

The first, Sir Julian Corbett, was a British lawyer and naval historian writing around the time of World War I. Corbett recognized the central place of trade to naval warfare and sought to define how a campaign at sea might best accomplish national objectives. Recognizing the geographically unique aspects of the sea, Corbett understood that, unlike land warfare where a nation might expend all of its energy against an enemy, the sea was distinct:

⁸⁰ John B. Hattendorf, "What is Maritime Strategy?" in *Naval History and Maritime Strategy: Collected Essays* (Malabar, FL: Krieger Publishing Co., 2000), 235-236.

⁸¹ Nicholas Tracy, *Attack on Maritime Trade* (Buffalo, NY: University of Toronto Press, 1991), 235.

⁸² *Ibid.*, 1.

⁸³ Norman Friedman, *Seapower as Strategy: Navies and National Interests* (Annapolis, MD: Naval Institute Press, 2001), 40.

A (maritime) war may be limited not only because the importance of the object is too limited to call forth the whole national force, but also because the sea may be made to present an insuperable physical obstacle...That is to say, a war may be limited physically by the strategic isolation of the object...⁸⁴

The nature of war at sea is limited in scope. Not only is war at sea limited due to the isolation of the objective, but war at sea is also limited in its ability to direct force against a well-supported continental power. Due to its limited nature, a maritime strategy should never plan to defeat a land power with sea power alone; some form of land power must be acquired for that purpose. For Corbett, the true purpose of a maritime strategy was to outline the relationship of sea forces to land forces; naval force was simply one aspect of the broader maritime strategy, the strategy that characterized all aspects of a nation's interaction with the sea.⁸⁵ Limited in capacity by its environment and intended to support the political objectives of a state, the navy's ultimate role was tied to the land. Corbett outlined that orientation by claiming it was the task of the navy to ask "What does the Army want to do?" while the land component of force, the army, asks "What can the Navy do for us?"⁸⁶ As the movement of trade has traditionally been the purpose of maritime strategy, sea power can best support an army through its ability to guarantee the movement of friendly trade and troops while hindering the same for an enemy. Corbett summarized this aspect of sea power as having both a positive and negative connotation:

The object of naval warfare must always be directly or indirectly either to secure the command of the sea or to prevent the enemy from securing it...The mere assertion...that the object of naval warfare is to get command of the sea actually connotes the proposition that the command is normally in dispute. It is this state of dispute with which naval strategy is most nearly concerned...⁸⁷

⁸⁴ Julian S. Corbett, *Some Principles of Maritime Strategy* (New York, NY: Longmans, Green and Co., 1911; reprint, *Principles of Maritime Strategy*, Mineola, NY: Dover Publications, 2004), 56.

⁸⁵ Till, 48.

⁸⁶ Quoted in John B. Hattendorf, "Sir Julian Corbett on the Significance of Naval History," in *Naval History and Maritime Strategy: Collected Essays* (Malabar, FL: Krieger Publishing Co., 2000), 84.

⁸⁷ Corbett, 87.

Corbett is clear that supporting the objectives of land-based power, ensuring the movement of friendly goods, and disrupting an enemy's movement of goods are at the heart of naval warfare. Corbett's emphasis on both sea access and the denial of sea access present a broad context in which a nation may exercise naval power.

Alfred Thayer Mahan, a captain in the United States Navy and an older contemporary of Corbett's, also understood the central importance of trade to a nation's well-being. Published in 1890, his *The Influence of Sea Power Upon History* claimed that the use of the ocean as a means of promoting trade was the core of a nation's maritime activity, and a navy only existed to protect that trade.⁸⁸ Refining his definition of what made trade beneficial, Mahan noted the central importance of production, shipping, and colonies to the creation of great maritime powers:

In these three things – production, with the necessity of exchanging products, shipping, whereby the exchange is carried on, and colonies, which facilitate and enlarge the operations of shipping and tend to protect it by multiplying points of safety – is to be found the key to much of history, as well as of the policy, of nations bordering upon the sea.⁸⁹

Mahan argued that it was the need for shipping that defined the navy's role. That role was to promote and protect trade. During wartime, in order to promote and protect trade, Mahan thought that it was not enough to simply harass an enemy by interdicting the occasional vessel. Instead, to truly pressure an opponent's economy a nation had to have the naval force to prevent the enemy from engaging in any trade. Arguing for the ability to dominate an enemy, Mahan outlines his objective for command of the sea:

It is not the taking of individual ships or convoys, be they few or many, that strikes down the money power of a nation; it is the possession of that overbearing power on the sea which drives the enemy's flag from it, or allows it to appear only as a fugitive; and which, by controlling the great

⁸⁸ John B. Hattendorf, "Alfred Thayer Mahan and American Naval Theory," in *Naval History and Maritime Strategy: Collected Essays* (Malabar, FL: Krieger Publishing Co., 2000), 67.

⁸⁹ A.T. Mahan, *The Influence of Sea Power Upon History, 1660-1783* (Boston, MA: Little, Brown, and Co., 1890; reprint, Mineola, NY: Dover Publications, 1987), 28.

common, closes the highways by which commerce moves to and from the enemy's shores. This overbearing power can only be exercised by great navies...⁹⁰

Along with the need for a great navy to drive an enemy's flag from the sea, any navy would have to contend with an opposing navy that intended to do the same to friendly shipping. Hence, an effective navy that could truly protect one's own shipping and threaten another's, a navy that could withstand an opposing force, would be a navy prepared to gain absolute control of a sea by engaging the enemy fleet and establishing dominance. Mahan expanded on his theory of denial of the sea to others via command of the sea with an emphasis on offensive and decisive action. Believing the navy to be the equivalent of an army on a field, Mahan argued that the role of the navy was to be offensive in character; ports served the role of defense in naval warfare, but fleets have a uniquely offensive character.⁹¹ Starting from his emphasis on the importance of trade, Mahan's thought leads to the conclusion that the purpose of a navy is to have the offensive ability to project force against another navy. While he and Corbett agree about the central role of trade and sea access to defining maritime strategy, Mahan places greater emphasis on a navy's ability to ensure both positive command of the sea and project offensive power. Mahan's works have been used by naval planners in several countries to justify the expense of large navies in support of a nation's maritime ambitions. His emphasis on the offensive character of navies has at times led purported followers of his thought to neglect the centrality the Mahan assigned to the movement of men and goods over the sea. The United States Navy's Maritime Strategy of 1986, with its emphasis on attacking the Soviet Union's periphery, falls into this category.⁹²

Corbett and Mahan both start their analysis of maritime strategy by identifying the central role of trade to a nation's economic well-being. Differences arise in matters of emphasis. Corbett views command of the sea as fleeting, while Mahan espouses the

⁹⁰ Mahan, *The Influence of Sea Power Upon History, 1660-1783*, 138.

⁹¹ A.T. Mahan. *Mahan on Naval Warfare: Selections for the Writings of Rear Admiral Alfred T. Mahan*, ed. Allan Westcott (Boston, MA: Little, Brown, and Co., 1941; reprint, Mineola, NY: Dover Publications, 1999), 71-73.

⁹² Till, 43-45.

necessity to utilize battle fleets to exert true sea control. What is important to recall is that the heart of naval warfare is the promotion or interdiction of trade. Distraction from that central task takes away from a navy's ability to support a maritime strategy. A consideration of the reception of these two theorist's works by the PLAN and strategic thinkers in Beijing will better outline the formulation of modern Chinese naval thought.

a. Corbett and Chinese Naval Thought

The first aspect of Corbett's thought that is applicable to China's navy is the notion of limited warfare. With a fleet that is unable to challenge the supremacy of the United States Navy, Beijing must look for means of engagement that would not escalate beyond the capabilities of the PLAN. The limited nature of war at sea presents China, the weaker power, with that means. Corbett is clear that the sea is not the land; it cannot be conquered. Instead, Corbett relates that, "(c)ommand of the sea, therefore means nothing but the control of maritime communications, whether for commercial or military purposes."⁹³ Limiting the intensity of war at sea by selecting when to harass an enemy who cannot command all parts of the ocean is a key factor in naval warfare that favors the weaker power. Additionally, although seeking out the enemy is generally considered an important factor in warfare, Chinese thinkers conclude that, as searching for the enemy implies reacting to the enemy's disposition, devotion to the imperative to seek out the enemy surrenders the initiative to the enemy.⁹⁴ Instead, Corbett's emphasis on dispersing fleets and controlling the initiative, an emphasis very much in line with Sun Zi's advocacy of controlling the enemy's perception through deception,⁹⁵ best serves the needs of a navy that does not wish to plan a major sea engagement.

A concept closely related to limiting war through dispersion is the idea of sea-denial. Due to the seas' open geography, it is impossible to police all of the sea at once. This openness allows a navy to upset a strategic status quo by harassing a stronger

⁹³ Corbett, 90.

⁹⁴ Thomas M. Kane, *Chinese Grand Strategy and Maritime Power* (Portland, OR: Frank Cass Publishers, 2002), 48.

⁹⁵ Michael I. Handel, "Corbett, Clausewitz, and Sun Tzu," *Naval War College Review* 53, no. 4 (Autumn 2000): 111.

fleet at its weak points.⁹⁶ Through harassment, it is possible to fulfill one-half of Corbett's dictum regarding the object of naval warfare – preventing enemy security at sea. With a smaller navy and forces that operate close to shore, sea-denial is a strategy that is well-suited to the PLAN.⁹⁷ Technology gives the PLAN a particularly attractive means of enacting a strategy of sea-denial. With predominant air and surface forces, there is little the PLAN could do to counter its most likely maritime threat, the USN. Instead, the use of submarines would somewhat guarantee freedom of movement and the ability to harass a powerful surface force. As a tool that makes the prospect of absolute command-of-the-sea nearly impossible, the submarine is ideal.⁹⁸ A PLAN that desires to enact a Corbett-like strategy of sea-denial would most likely acquire as modern a submarine force as possible. The use of a submarine fleet to conduct a strategy of sea-denial also conforms to the idea of the first period of “active defense” – the strategic defensive.⁹⁹ Using the mobility and surprise of submarines would allow the PLAN to engage a menacing fleet far from shore, thereby beginning the process of wearing down an invader before they arrive at China's shores. A key statement in the 2006 version of *China's National Defense* appears to confirm a theoretical outlook that has not entirely abandoned the “people's war” from which “active defense” arises: “The Navy is enhancing research into the theory of naval operations and exploring the strategy and tactics of maritime people's war under modern conditions.”¹⁰⁰

b. Mahan and Chinese Naval Thought

Aside from the frequently identified emphasis on trade and offensive power, Mahan's work serves as a useful tool for the analysis of geopolitics. Specifically,

⁹⁶ Kane, 45.

⁹⁷ Bernard D. Cole, “The PLA Navy and ‘Active Defense’,” in *The People's Liberation Army and China in Transition*, ed. Stephen J. Flanagan and Michael E. Marti (Washington, DC: NDU Press, 2003), 136.

⁹⁸ Peter Howarth, *China's Rising Sea Power: The PLA Navy's Submarine Challenge* (New York, NY: Routledge Press, 2006), 69.

⁹⁹ Cole, “The PLA Navy and ‘Active Defense’,” 131.

¹⁰⁰ Information Office of the State Council of the People's Republic of China, *China's National Defense in 2006*.

in his outline of the conditions that affect a maritime power, Mahan lists six topics: geographical position, physical conformation, extent of territory, the size of the population, the national character, and the character of the government.¹⁰¹ While China has a large population, vibrant commercial sub-culture, and government that currently supports maritime growth, China's geography tends to weaken its resolve to strive for great sea power status. Mahan notes that geography can impact a country in the following way:

It may be pointed out...that if a nation be so situated that it is neither forced to defend itself by land nor induced to seek extension of its territory by way of the land, it has, by the very unity of its aim directed upon the sea, an advantage as compared with a people one of whose boundaries is continental.¹⁰²

Mahan's argument is that a nation distracted by continental concerns has a disadvantage in acquiring dominant maritime power when compared to a nation with solely maritime geographic concerns. An apt comparison would be England and France during the Napoleonic Wars. Able to focus on its seapower, England thwarted the particular ambitions of Napoleon that relied upon maritime dominance, e.g. an invasion of England. Surrounded on three sides by large land borders, and with numerous border disputes, China's maritime potential will always be hindered by the concerns on its land borders.¹⁰³ This concern with geopolitics lends itself to great debate within the Chinese defense planning community. Chinese intellectuals often highlight the diversity, and therefore complexity, of China's geography. With regards to the sea, concerns with sovereignty and control of its resources are now often equated with continental concerns.¹⁰⁴ Additionally, the growing economic reliance on access to the sea is a critical impetus to China's new geopolitical orientation. Combined with concerns regarding the full return of Taiwan to the PRC's control, the centrality of sovereignty over geographic

¹⁰¹ Mahan, *The Influence of Sea Power Upon History*, 28-29.

¹⁰² Ibid., 29.

¹⁰³ Kane, 43.

¹⁰⁴ Guangqian and Youshi, 440-441.

locations is a key aspect of China's emerging maritime strategy.¹⁰⁵ It is no surprise that PLAN Senior Captain Xu Qi, writing in the military journal *Chinese Military Science*, argues that China's current security concerns exist where China has the most interest and least experience – the sea. He states:

There exist many uncertain factors in the security environment along China's borders, especially in the maritime dimension...From a geostrategic perspective, China's heartland faces the sea, the benefits of economic development are increasingly dependent on the sea, [and] security threats come from the sea.¹⁰⁶

If geography serves as a mitigating effect to a continental power's attempt to acquire significant maritime power, the Chinese, in accord with Mahan's comments on geography, seem well aware of the need to focus outward and deal with the complexities of sea power.

The topic that Mahan espoused that most resonates with Chinese naval planners is that of the offensive character of naval war. With the ideology of communism lost, the PRC has turned to nationalism and economic development as legitimizing principles of the regime. With regards to economic development, strategists in Beijing increasingly combine an awareness of the importance of the SLOCs to economic growth with what is viewed as Mahan's outline of the absolute nature of true command-of-the-sea.¹⁰⁷ Viewed in this light, Mahanian naval theory takes on a certain zero-sum quality, one where guaranteeing a nation's economic well-being lends a sense of inevitability to the prospect of war at sea. In order to protect and guarantee trade, competitor nations must eventually come to blows regarding access to the sea.¹⁰⁸ To prevail in conflict, a nation requires a strong fleet.

¹⁰⁵ Toshi Yoshihara and James Holmes, "Command of the Sea with Chinese Characteristics," 686.

¹⁰⁶ Xu Qi, "Maritime Geostrategy and the Development of the Chinese Navy in the Early Twenty-First Century," trans. by Andrew S. Erickson and Lyle J. Goldstein. *Naval War College Review* 59, no. 4 (Autumn 2006): 56.

¹⁰⁷ Yoshihara and Holmes, "Command of the Sea with Chinese Characteristics," 682.

¹⁰⁸ James R. Holmes and Toshi Yoshihara, "The Influence of Mahan upon China's Maritime Strategy," *Comparative Strategy* 24 (2005): 25.

An early proponent within China for a strong fleet that could win future battles at sea was Admiral Liu Huaqing. A veteran of the Chinese Civil War, in 1954 Liu was sent to the Frunze Naval Academy to study under the future head of the Soviet Navy, Admiral Sergei Gorshkov. At Frunze, Liu would have learned of Gorshkov's belief that a great power must have a strong and capable battle fleet.¹⁰⁹ Additionally, he is likely to have absorbed Gorshkov's belief that the purpose of a navy is to both defend the Motherland and attack an adversary from the sea¹¹⁰ As head of the PLAN from 1982-1988, Liu presided over the force at the same time Deng Xiaoping transitioned Chinese military doctrine away from "people's war" and towards "people's war under modern conditions." Liu used this opportunity to change the primary mission of the PLAN from coastal defense to "offshore active defense." In doing so, he extended the redirected the operational reach of the PLAN further offshore, turned the PLAN away from a reactive and defensive posture, and instituted a more offensive mission.¹¹¹ Without abandoning the long-time doctrine of the PLA, "active defense" in "people's war," Liu turned from defense to the offense; conceptually, "offshore active defense" appears to be a version of "active defense" projected onto the sea.¹¹² The emphasis on an offensive capability that can exert sea control has been outlined in recent Chinese writings. The 2004 *China National Defense* white paper states that, "the PLA Navy is responsible for safeguarding China's maritime security and maintaining the sovereignty of its territorial seas along with its maritime rights and interests."¹¹³ While the 2006 paper does not explicitly mention sovereignty and China's maritime interests, it declares that the PLAN must develop a "gradual extension of strategic depth for offshore defensive operations."¹¹⁴ It is within the context of the need to protect its sovereignty and interests that China seeks a

¹⁰⁹ Howarth, 25-26.

¹¹⁰ Roger W. Barnett, "Soviet Maritime Strategy," in *Seapower and Strategy*, ed. Colin S. Gray and Roger W. Barnett (Annapolis, MD: Naval Institute Press, 1989), 300.

¹¹¹ Howarth, 44.

¹¹² Cole, "The PLA Navy and 'Active Defense'," 131.

¹¹³ Information Office of the State Council of the People's Republic of China. *China's National Defense in 2004* (December 2004) <http://www.fas.org/nuke/guide/china/doctrine/natdef2004.html> (accessed 5 November 2007).

¹¹⁴ Information Office of the State Council of the People's Republic of China. *China's National Defense in 2006*.

strong fleet capable of offshore defensive operations.¹¹⁵ Mahan's conceptual outline that traces the need for offensive naval power back to the necessity to guard trade, seems to perfectly justify China's desire to expand its fleet in the service of its economy.¹¹⁶ It is possible, however, that Mahan's writings have more frequently served as a respectable theoretical justification within the PLAN for the offensive orientation already included within the "active defense" on which Liu's "offshore active defense" is based.

With geopolitics at the fore of China's concern regarding its seapower and with the shift towards a more offensive orientation, the PLAN has developed an outward orientation that Liu Huaqing codified in the "offshore active defense" strategy. The implementation of "offshore active defense" has been coupled with attempts by Beijing's to extend its maritime strength beyond China's periphery – an effort termed the "string of pearls" approach. Together, the "offshore active defense" and "string of pearls" provide the strategic direction the PLAN requires to modernize its forces. Understanding the intent and implications of these doctrines is central to understanding the growth of China's PLAN.

E. THE MODERNIZATION OF THE PEOPLE'S LIBERATION ARMY NAVY

With definable and unsecured geographic and economic interests in the sea and with an understanding of naval warfare as both an extension of "active defense" and a distinct form of warfare with a nature of its own, China's naval leaders needed to develop a maritime strategy that could serve China's unique outlook and needs. There are two concerns that are essential to the success of a strategy. The first is a question of the extent to which a strategy achieves national objectives. The second concern relates to the

¹¹⁵ "Defining China's Sea Power in Grand Strategy," *Beijing Renmin Haijun* (6 June 2007) FBIS CPP20070822436006.

¹¹⁶ As Chinese naval officers were exposed to Mahan as early as the 1950s, recent scholars have argued that Mahan shaped Chinese naval theory, particularly Liu's theory, in the modern era. What is difficult to reconcile is how between the 1950s and the 1980s Chinese naval theorists would have secretly developed naval doctrine with Mahanian theory as its core when Maoist China officially condemned the work of Mahan for its influence on "imperialist colonialism." See Howarth, 116, Cole, "The PLA Navy and 'Active Defense'," 129, and James R. Holmes and Toshi Yoshihara. *Chinese Naval Strategy in the 21st Century: The Turn to Mahan* (New York, NY: Routledge Press, 2008), 28-29.

specific strategic culture from which the strategy is developed; with regard to the second concern, a strategy for the PLAN would have to be acceptable to the PLA and Chinese leadership.¹¹⁷ The strategy chosen – the “offshore active defense” – took advantage of China’s unique maritime geography and its limited naval forces. A review of the implications of the “offshore active defense” will shed light on the direction of China’s recent force modernization.

1. Liu Huaqing, Offshore Active Defense, and the String of Pearls

Liu Huaqing’s transformation of the PLAN’s overall mission is the key turning point in Chinese naval modernization. Liu ensured that “offshore active defense” closely mirrors the PLA’s “active defense” doctrine in design. Specifically, “offshore active defense” includes the necessity of ensuring coastal defense, mobile warfare at sea, and the harassment of an enemy far at sea by guerrilla-type units.¹¹⁸ Combined, these elements would allow for a defense-in-depth through the utilization of two “island-chains” as offshore lines of defense.¹¹⁹ The PLAN’s new doctrine leverages China’s familiarity with land power by defining the offshore objectives of its maritime strategy through adjacent land masses.¹²⁰ Additionally, multiple lines of defense allow for flexibility and a degree of uncertainty regarding where the PLAN will emphasize its strength (See Figure 2). The “first island chain” includes a line that stretches from the southern approaches of the South China Sea, up through the Ryukyu Islands, and finally to the southern tip of Japan. Included within this line are the Yellow Sea, most of the East China, and the whole of the South China Sea.¹²¹ A “second island chain” stretches from the Kurile Islands in the north, past the Marianas Islands and Guam, finally down through

¹¹⁷ For a discussion on the importance of strategic culture to the success of strategy, see Roger W. Barnett, “Strategic Culture and its Relationship to Naval Strategy,” *Naval War College Review* 60, no. 1 (Winter 2007): 24-25.

¹¹⁸ Cole, *The Great Wall at Sea*, 166.

¹¹⁹ Office of the Secretary of Defense, *Military Power of the People’s Republic of China 2007*, 16.

¹²⁰ Kane, 73.

¹²¹ Cole, *The Great Wall at Sea*, 166.

the Caroline Islands.¹²² The aspect of the “offshore active defense” that appealed to the PLAN’s superiors in the PLA is the delineation of the strategy into “phases;” the use of “phases” as objectives is traditionally a practice of land warfare where fixed geographic boundaries serve to delineate a military’s goals.¹²³ While the delineation of “island-chains” serves to guide the PLAN in developing increased levels of operational reach, the ultimate long-term objective of the strategy is to consistently increase the offshore range of the PLAN until China is able to field a blue-water force with a global reach. The flexibility of Liu’s strategy serves to both conceal the likely maximum geographical objectives of the PLAN and allow for the expansion of the PLAN’s mission beyond currently defined limits.¹²⁴ In keeping with the three aspects of warfare derived from “active defense” – guerilla warfare, mobile warfare, and positional warfare – a PLAN planned around the “offshore active defense” will seek decisive strength near-shore, the ability to engage another fleet in the seas near China, and the ability to harass an enemy farther out to sea. The strategic depth and defensive advantages of the “offshore active defense” are in accord with traditional Maoist strategic thought.¹²⁵

Along with the “offshore active defense,” analysts of the PLAN have identified another key element to China’s maritime strategy. In line with Mahan’s thought that a maritime power must have production, shipping, and colonies for overseas access, Beijing has initiated dedicated efforts to increase its geopolitical influence through a pattern of offshore presence and economic influence. Termed the “string of pearls” by Western analysts, the strategy involves the diplomatic and economic development of various nodes, or “pearls,” along China’s SLOC that connects China to the Middle East.¹²⁶

¹²² Cole, *The Great Wall at Sea*, 166, and Office of the Secretary of Defense, *Military Power of the People’s Republic of China 2007*, 16.

¹²³ Cole, *The Great Wall at Sea*, 167.

¹²⁴ Office of Naval Intelligence. *China’s Navy 2007* (Washington, DC: U.S. Government Printing Office, 2007), 26.

¹²⁵ Alexander Chieh-cheng Huang, “The Chinese Navy’s Offshore Active Defense Strategy: Conceptualization and Implications,” *Naval War College Review* 47, no. 3 (Summer 1994): 13.

¹²⁶ Christopher J. Pehrson, *String of Pearls: Meeting the Challenge of China’s Rising Power Across the Asian Littoral* (Carlisle, PA: U.S. Army War College, Strategic Studies Institute, 2006), 3.



Figure 2. The First and Second Island Chains.

PRC military theorists conceive of two island “chains” as forming a geographic basis for China’s maritime defensive perimeter. (From ¹²⁷)

Various “pearls” include investment in the development of deep-water ports at Sittwa, Myanmar and Gwadar, Pakistan. Undertaken in an effort to build relationships with countries near China’s vital sea lane, the “string of pearls” represents Beijing’s attempt to expand not only its military power but also its economic, diplomatic, and ideational power.¹²⁸ With 70 percent of its oil imports arriving from Africa or the Middle

¹²⁷ Office of the Secretary of Defense, *Military Power of the People’s Republic of China* 2007, 16.

¹²⁸ Lampton, “The Faces of Chinese Power,” 116.

East, China is developing the “string of pearls” specifically to build relationships that will help guarantee China’s economic interests in a time of increased competition for natural resources.¹²⁹ As China increases its overseas involvement via the “string of pearls” policy, it should be of no surprise that the PLAN attempts to expand its offshore capability in order to protect China’s interests. Beijing recognizes the increased importance of overseas development and wishes to ensure its safety; in that light, the argument for a powerful navy, one that does not rely on the goodwill of others to protect China’s SLOC and the overseas economic concerns delineated by the “string of pearls,” serves as a powerful driving force in the expansion of the PLAN.¹³⁰

Together with the “string of pearls” strategy of China’s foreign policy, the implementation of Liu Huaqing’s “offshore active defense” serves as a powerful driving force in China’s maritime strategy. China’s maritime strategy has, in turn, served to direct the PLAN’s greater force modernization. A review of the PLAN’s force modernization will highlight both the relative importance of the PLAN in China’s defense planning and how well the PLAN’s development meets the needs of the broader maritime strategy of China.

2. Force Modernization

a. Force Structure

The present-day PLAN consists of approximately 260,000 personnel divided equally between officers, non-commissioned officers, and conscripts. With a PLA of 2.3 million, the PLAN makes up 12.6 percent of the total force.¹³¹ Although the PLA as a whole has undergone several force reductions since 1985, the most recent force reduction in 2003 called for the culling of 200,000 positions within the PLA. Notably, while the ground forces were reduced by 1.5 percent, the PLAN was increased by 3.8

¹²⁹ Pehrson, 6.

¹³⁰ Ni Lexiong, “Sea Power and China’s Development,” *People’s Liberation Daily* (17 April 2005) http://www.uscc.gov/researchpapers/translated_articles/2005/05_07_18_Sea_Power_and_Chinas_Development.htm (accessed 8 November 2007).

¹³¹ Office of Naval Intelligence, *China’s Navy 2007*, 58.

percent.¹³² The restructuring of the PLA that led to the growth within the PLAN is in keeping with the 2004 *China's National Defense* white paper's explicitly stated goals of optimizing service composition to increase the size of the technical services (PLAN, PLAAF, and rocket forces).¹³³

In terms of command structure, the fleet commanders are subordinate to the ground unit commanders in charge of the military regions that contain the fleets. Such a subordination to land forces indicates a secondary role for the PLAN even during a time of maritime conflict.¹³⁴ The command relationship is further confused by the PLA's distinction between military rank and positional rank. Fleet commanders are the same military rank as military region commanders, but the positional rank of the fleet is one step below the military region.¹³⁵ A change has occurred in the policy-planning level of the PLAN. In 2004, the head of the PLAN, Admiral Zhang Dingfa, was added to the body that commands the whole of the PLA, the Central Military Commission.¹³⁶ Although Zhang was personally promoted in positional rank, the PLAN as an organization was not simultaneously elevated in positional status. The PLAN remains subordinate to the ground forces' four general departments, a situation that provides the PLAN with a voice at the highest levels of China's defense policy-makers while still keeping the service subordinate to the institutionally dominant ground forces.¹³⁷

b. Budget

In terms of budget numbers, Western sources have consistently assessed that the PLA's published budget does not represent the actual defense expenditures of China. Failure to account for various personnel costs, the strategic rocket forces, the

¹³² Information Office of the State Council of the People's Republic of China, *China's National Defense in 2006*.

¹³³ Information Office of the State Council of the People's Republic of China. *China's National Defense in 2004*.

¹³⁴ Shambaugh, 165.

¹³⁵ Cole, *The Great Wall at Sea*, 81.

¹³⁶ O'Rourke, 30.

¹³⁷ Office of Naval Intelligence, *China's Navy 2007*, 11.

paramilitary People's Armed Police (PAP), and foreign military sales handled through the foreign affairs bureaucracy account for the discrepancy. Beijing claims its 2007 defense budget was \$45 billion, while the U.S. Defense Intelligence Agency (DIA) estimates China's 2007 military related spending to be between \$85 and \$125 billion (See Figure 3).¹³⁸

As a measure of the service's relative importance within the PLA, the PLAN's percentage of the overall budget has increased during past several decades. One estimate holds that between 1950 and 1980 the PLAN received the smallest percentage of the PLA's budget – 18.4 percent.¹³⁹ A key indicator that Beijing is relying more and more on its navy to shoulder the burden of defense has been the increase in the PLAN's budget percentage since 1980; maritime interests are seen as holding an increased level of importance in China's national defense.¹⁴⁰ By 1991, the PLAN's percentage of the PLA's budget had risen to 32.7 percent.¹⁴¹ If allocation of funding and resources is an indication of relative importance within the defense planning process, recent decades have seen that the PLAN's importance has dramatically increased.

Interestingly, the importance of the military within the greater Chinese budget has decreased in recent years. From 1950 to 1980, the PLA's budget averaged 6.35 percent of Beijing's expenditures; by the 1990s, that percentage had dropped to 1.4 percent.¹⁴² Additionally, while China's economy has averaged almost ten percent growth since 1980, the average increase in the reported annual defense budget between 1996 and 2006 has been 11.8 percent.¹⁴³

¹³⁸ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 25.

¹³⁹ Shambaugh, 192.

¹⁴⁰ Howarth, 27.

¹⁴¹ Huang, "The Chinese Navy's Offshore Active Defense Strategy: Conceptualizations and Implications," 9.

¹⁴² Shambaugh, 191.

¹⁴³ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 25. The 2007 budget increase of 17.8 percent is a singularity that at present does not indicate significantly increased defense spending over national economic growth rates.

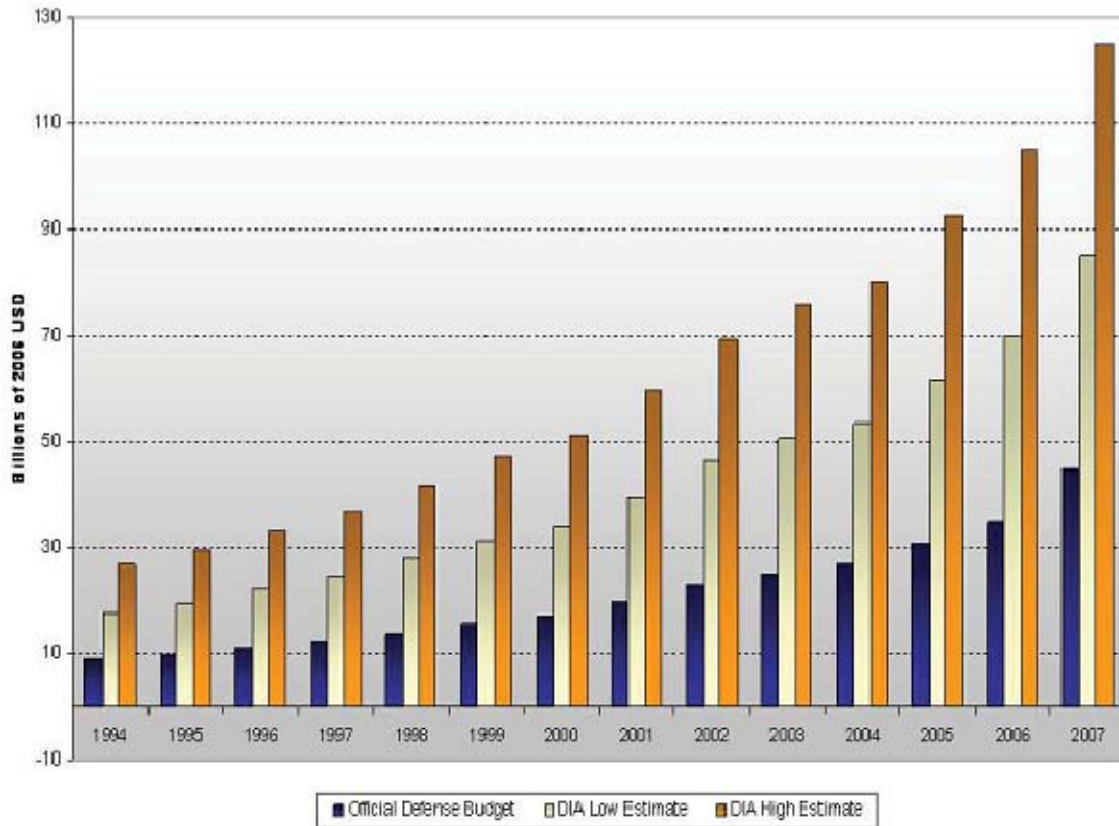


Figure 3. Chinese Defense Budget and Estimates of Total Defense-Related Expenditures.

The graphic depicts China's official defense budget since 1994, and associated Defense Intelligence Agency estimates of actual defense expenditure. All figures in 2006 US Dollars (From ¹⁴⁴)

The defense budget increase is not significantly greater than China's GDP growth, indicating that increased Chinese defense budgets are due to the fact that an economically prosperous China has more money to spend. Even taking into account U.S. estimates of a budget higher than what Beijing reports presents a fairly even picture of defense allocation. Between 1994 and 2005, Beijing's announced budget averaged 2.0 percent of national GDP, while U.S. estimates of defense spending as a percentage of China's GDP have consistently been near 8.0 percent on the low end and 11.8 percent on

¹⁴⁴ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 27.

the high end.¹⁴⁵ Beijing's defense spending is significant but, as a share of the overall economy over time, it has remained relatively unchanged.

In the end, the increased funding for the PLAN represents an internal reorientation of the PLA towards maritime interests. China's defense budget is growing as China's economy grows. It is the manner of allocation that indicates the central place of the PLAN in fulfilling Beijing's long-term policy objectives.

c. The Fleet

Divided between the North Sea, East Sea, and South Sea Fleets, China's navy has a substantial number of vessels. As of 2007, it included at least 72 surface combatants, 58 attack submarines, and 50 heavy and medium amphibious vessels.¹⁴⁶ Notably, the fleet has no aircraft carriers and only three oilers capable of extending operations with refueling at sea.¹⁴⁷ A breakdown of vessel modernization by type will highlight areas of importance to the PLAN.

Even though it was instituted two years after the 1949 founding of the PLAN, the submarine service is listed first in order of protocol among the five branches of the PLAN (submarine forces, surface forces, naval aviation, coastal defense, and Marine Corps).¹⁴⁸ Since 1990, the submarine force has decreased in number from 92 to only 58 hulls. However, the number of high-tech hulls has increased during that same period from one to 22.¹⁴⁹ Among those high-tech hulls, China has recently acquired eight Russian-made Kilo submarines, diesel-powered boats capable of firing modern SS-N-27 Sizzler anti-ship cruise missiles (ASCM).¹⁵⁰ The Russian-made submarines join a force of domestically produced hulls that include the high-quality Song and nuclear-powered Shang submarines. Altogether, between 2002 and 2007, China either purchased or

¹⁴⁵ Anthony Cordesman and Martin Kleiber, *Chinese Military Modernization: Force Development and Strategic Capabilities* (Washington, DC: CSIS Press, 2007), 55.

¹⁴⁶ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 3.

¹⁴⁷ Cordesman and Kleiber, 124.

¹⁴⁸ Office of Naval Intelligence, *China's Navy 2007*, 31.

¹⁴⁹ Cordesman and Kleiber, 120.

¹⁵⁰ O'Rourke, 8-9.

produced 21 attack submarines capable of utilizing ASCMs, wake-homing torpedoes, or mines.¹⁵¹ Based on the production-rate of higher-end hulls, combined with the acquisition of Russian hulls, foreign analysts have developed a degree of respect for China's industrial and technological capacity to develop a competent and effective submarine force.¹⁵² What is interesting is that the actual utilization of China's submarine force is low; between 2000 and 2006, the USN estimated that the PLAN averaged only three extended submarine patrols per year.¹⁵³ China is expanding its modernized submarine force, but the operational competence of that force is in question.¹⁵⁴

The surface forces of the PLAN have also undergone significant modernization. Since the 1990s, China has purchased four Sovremenny-class destroyers from Russia, each capable of carrying the SS-N-22 Sunburn ASCM.¹⁵⁵ The Sovremenny-class destroyers are complemented by a total of eight new indigenously produced destroyer and frigate classes. Of the destroyers, nine hulls of five different classes have been produced, while 16 frigate hulls of three classes have been produced.¹⁵⁶ Aside from the significant anti-surface capabilities of the Sovremenny's, the general trend in China's surface force is to develop improved anti-air capabilities. The newest destroyer-class, the Luzhou, appears to be built specifically as an anti-air platform. Although only two are in service, the Luzhou-class carries the SA-N-6 surface-to-air missile (SAM), capable of intercept at distances up to 50 nautical miles.¹⁵⁷ Altogether, the Chinese surface force represents an attempt to solidify anti-surface force while developing China's lagging anti-air capability.

¹⁵¹ O'Rourke, 9-10.

¹⁵² Andrew S. Erickson and Lyle J. Goldstein, "China's Future Nuclear Submarine Force: Insights from Chinese Writings," *Naval War College Review* 60, no. 1 (Winter 2007): 55.

¹⁵³ O'Rourke, 12.

¹⁵⁴ A 2006 surfacing of a Song-class submarine within sight of the USS KITTY HAWK was touted as evidence of China's undersea warfare competence. The singular event does not indicate whether the broader force is capable of extended at-sea operations.

¹⁵⁵ O'Rourke, 14.

¹⁵⁶ O'Rourke, 15-16.

¹⁵⁷ Cordesman and Kleiber, 129.

A topic of great speculation has been that of China's possible acquisition of a functioning aircraft carrier. China's likelihood of acquiring a functioning carrier will depend on two factors. The first is how well the PLAN's current operational doctrine incorporates a carrier into its design.¹⁵⁸ Within the PLAN, an aircraft carrier is seen as a key symbol of a powerful nation. During an interview regarding the PLAN's aircraft carrier plans, PLAN Senior Colonel Zhang Chengmao was clear as to the value of a carrier for China's fleet:

The modern aircraft carrier is a reflection of the great power of a nation's navy. It is also a comprehensive reflection of the political, economic, national defense, and scientific and technological power of a nation. From a certain perspective, possessing a modern aircraft carrier is not only an indication of whether or not a navy is powerful, but is also a reflection of a nation's naval strategy and overall national strength.¹⁵⁹

Unfortunately, while air coverage over the South China Sea would assist the PLAN in controlling it, should the need arise, the current PLA focus on the return of Taiwan does not require the PLAN to field aviation assets far out to sea. Shore-based aircraft are adequate for that task.¹⁶⁰ A carrier's value to China's prestige is thus not matched by China's immediate strategic requirements.

The second issue is cost. China has attempted to acquire carriers through foreign purchase. In the recent past, China has acquired four out-of-service carrier hulls – the former HMAS *Melbourne*, and ex-Russian ships *Minsk*, *Kiev*, and *Varyag*. With the exception of the *Varyag*, these vessels have since been either dismantled or turned into tourist attractions. The most likely reason is cost – the cost of refitting an aircraft carrier is prohibitive. Estimates of the Indian Navy's attempt to refurbish the ex-Russian carrier *Admiral Gorshkov* at a cost of \$2.0 billion USD would be far too taxing to the PLA.¹⁶¹

¹⁵⁸ Andrew S. Erickson and Andrew R. Wilson, "China's Aircraft Carrier Dilemma," *Naval War College Review* 59, no. 4 (Autumn 2006): 27.

¹⁵⁹ "PLA Navy Official on Importance of Aircraft Carriers in Military Development," *Zhongguo Qingnian Bao* (24 August 2007) FBIS CPP20070824710012.

¹⁶⁰ Ian Storey and You Ji, "China's Aircraft Carrier Ambitions: Seeking Truth from Rumors," *Naval War College Review* 57, no. 1 (Winter 2004): 87.

¹⁶¹ *Ibid.*, 89.

With the requirement of three carriers in order to field one at sea (one in work-ups, one in overhaul), the total cost of \$6.0 billion to refurbish, equip, and man a carrier and carrier air wing, one effective aircraft carrier would require between 5.7 to 8.5 percent of the PLA's budget.¹⁶² China may choose to pursue a helicopter carrier, but a blue-water aircraft carrier capable of dedicated air control is not in accord with either the PLA's most pressing strategic concern, Taiwan, or its budgetary restrictions.

The PLAN Air Force (PLANAF) suffers from its secondary status to both the PLAN's submarine and surface forces and the PLA Air Force (PLAAF). The most important element within the PLANAF is its helicopter force. The first Chinese service to use helicopters, the PLANAF continues to provide support to surface vessels at sea. Unfortunately, the PLANAF lacks critical fixed-wing capabilities, including anti-submarine warfare (ASW) platforms and a lack of effective in-flight tankers.¹⁶³ While the shore-based bomber fleet is outdated, modernization to the PLAN's fighter component has been extensive. A total of 48 out of 346 fighters are recently acquired Russian-made Su-30MK2s. 24 Su-30MK2s are considered nearly equal to a U.S. battle group's air wing.¹⁶⁴ Unfortunately, the modernization of the air fleet has not coincided with an extension of its effective offshore range. With no aircraft carriers and limited in-flight refueling, the effectiveness of the PLANAF for anything but near-shore defense is minimal.

A key aspect of China's naval strategy is its missile inventory. Advanced ASCMs, to include the SS-N-22 and SS-N-27, have been acquired, and surface-to-air (SAM) missile systems have been improved to cover the whole of the Taiwan Strait.¹⁶⁵ Of more pressing concern is the large numbers of short-range ballistic missiles (SRBMs) China has acquired. As of October 2006, the U.S. Department of Defense (DOD) estimated that between 875 and 975 SRBMs, particularly CSS-6 and CSS-7 missiles

¹⁶² Based on U.S. intelligence estimates of a 2006 PLA budget between \$70 and \$105 billion USD. See Cordesman and Kleiber, 53.

¹⁶³ Cole, *The Great Wall at Sea*, 107.

¹⁶⁴ Cordesman and Kleiber, 134.

¹⁶⁵ O'Rourke, 7.

capable of hitting targets up to 350 nautical miles from shore, are aligned across from Taiwan; estimates are that number will increase by 100 missiles per year.¹⁶⁶ Of particular note, the PLAN has expressed the desire to develop the ability to attack vessels at sea using SRBMs equipped with maneuvering re-entry warheads.¹⁶⁷ Designed particularly for use against approaching aircraft carriers, the desire for ship-killing SRBMs launched from shore indicates a near-shore anti-access intent, one that fits well with China's desire to keep other forces, notably U.S. forces, from interfering with a theoretical military action against Taiwan.

Reviewed as a whole, the Chinese fleet modernization appears directed towards denying access to interlopers near China's shore. This particularly suits the desire to prevent interference in case of a violent conflict with Taiwan. Increased anti-air capability on surface platforms would help deny air superiority to opponents when those platforms sail to the South China Sea. Otherwise, the emphasis on submarines and missile systems, both shore and sea based, that would slow an intruder are in line with the "active defense" precept of utilizing the ocean as a defensive barrier against attack. China is slowly developing forces that can move farther from shore, but the still limited capability to logistically support these forces indicates that command-of-the-sea along China's SLOCs is still a goal for the PLAN. At best, sea-denial is the doctrine with which China is most capable of achieving proficiency.

3. Matching Means and Ends – The Purpose of the Modern PLAN

With an economy that requires guaranteed access to offshore energy resources coupled with significant sovereignty issues, China will determine the worth of the PLAN by its ability to deter external interference in what Beijing considers internal territorial matters. Additionally, as oil is Beijing's most prominent offshore economic interest,¹⁶⁸ the PLAN's capacity to secure vital sea lanes over which resources are transported is a

¹⁶⁶ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2007*, 42, and O'Rourke, 5.

¹⁶⁷ O'Rourke, 74-75.

¹⁶⁸ Cole, *The Great Wall at Sea*, 37.

defining task in the PLAN's modernization. With territorial claims that lie beyond the accepted norm of international law and a rapaciously hungry economy, Beijing has presented its navy with a significant challenge.

Although China's military has a traditionally continental orientation, the PLAN has successfully utilized Mao's "active defense" to define a strategy at sea that both serves to define China's maritime boundary and provides a justifying narrative for increased allocation of resources to the PLAN. The United States presents the perfect antagonist within the "active defense" paradigm. As China is the weaker power, a short-term goal that directs the PLAN's modernization is the ability to threaten U.S. naval power, particularly aircraft carriers, with a strategic defense centered on submarine and surface forces. The PLAN's modernization in these areas directly reflects Beijing's desire for the PLAN to act as an anti-access force.¹⁶⁹ In the longer-term, the very forces used to prevent interference near shore, and particularly in the case of a conflict with Taiwan, will have the capacity to sortie further from shore in order to protect SLOCs and distant maritime resource interests.¹⁷⁰ The increase in China's surface AAW capability would permit a PLAN task force to deny an opposing land-based or maritime force the ability to freely challenge Chinese movement in distant regions with air power. Developments in the PLAN's surface and submarine forces clearly indicate that Beijing is planning to leverage its naval force to prevent others from interfering with China's broader maritime strategy of sea lane security and maritime resource development.

True command-of-the-sea is both difficult and too costly for Beijing to contemplate. While an aircraft carrier capability would increase China's assessment of its comprehensive national power, the use of non-military tools within China's "string of pearls" compensates by involving China directly in the maritime interests of other nations. Militarily, China has decidedly chosen to focus its PLAN modernization around

¹⁶⁹ O'Rourke, 32.

¹⁷⁰ Ibid, 35-36.

the principle of “sea denial.”¹⁷¹ The 2004 *China’s National Defense* white paper indicates that the more defensively oriented “sea denial” is a conscious choice within Beijing’s leadership:

The PLA Navy is responsible for safeguarding China’s maritime security and maintaining the sovereignty of its territorial seas along with its maritime rights and interests. The Navy has expanded the space and extended the depth for offshore defensive operations.¹⁷²

While partly influenced by China’s traditionally defensive rhetoric, the idea of “offshore defensive operations” as an objective of the PLAN is matched by Beijing’s recent focus on submarine and near-shore defensive forces. Unable to challenge the predominant naval power of the time, the USN, the PLAN is ably developing its capacity to challenge the USN’s absolute freedom of movement at sea. To a degree, China is adjusting well to its inferior status. As Corbett notes:

Where a Power was so inferior in naval force that it could scarcely count even on disputing command by fleet operations, there remained a hope of reducing the relative inferiority by putting part of the enemy’s force out of action.¹⁷³

A modern fleet built around the principle of “sea-denial” represents China’s hope of reducing the inferiority of the PLAN compared to the USN. With geographically defined strategic depth in the strategy of “offshore active defense” and a modern fleet of submarines and anti-access surface and missile forces, Beijing is building a force structure that will better allow China to delineate and enforce its maritime economic and sovereignty claims in the East and South China Seas. In time, the extension of maritime power along China’s vital SLOCs will increase as the PLAN slowly develops its blue-water capabilities.

The expansion of the PLAN due to a desire to challenge the USN’s absolute freedom of movement in the Western Pacific raises questions regarding how the United

¹⁷¹ Cordesman and Kleiber, 118.

¹⁷² Information Office of the State Council of the People’s Republic of China, *China’s National Defense in 2004*.

¹⁷³ Corbett, 229.

States will respond to a perceived growing threat. Chinese security theorists are adamant that, in an age still dominated by great power politics, it is necessary for China to strive to develop a powerful fleet. In Beijing's eyes, China's economic growth is too important to rely upon international cooperation for the movement of resources. Chinese national security expert Ni Lexiong states:

Those who believe we don't need a strong navy because "international cooperation" is the only choice we have to guarantee our life line at sea are misguided in imagining a false premise, i.e., the world has irreversibly been marching toward an eternal peace. This is to use wishful thinking to replace "uncertainty." China's considerations for sea power strategy should not be based upon our wishful thinking, but on a realistically established sense of "uncertainty." Based upon this understanding of our future's uncertainty...it is China's necessary choice to build up a strong sea power...we can now conclude that China must establish a strong Navy.¹⁷⁴

As the PLAN continues to grow, it will eventually present a significant threat to the USN. The increasing reach of China's naval forces is a threat to which the USN must respond.¹⁷⁵ How the United States and the USN respond will have an impact on greater East Asian security.

To assess likely effects of China's naval growth, a review of two historical case studies may shed light on general themes that occur when a dominant naval power is challenged by the expansion of a competitor nation's fleet. Both pre-World War II Japan and pre-World War I Germany present two examples of growing economic powers that chose to expand a navy in order to guarantee various offshore interests. By reviewing the actions of both powers, as well as the reactions of their competitors, the United Kingdom and United States, general themes involved in naval arms races may present the United States with options in responding to the growth of the PLAN.

¹⁷⁴ Ni Lexiong, "Sea Power and China's Development."

¹⁷⁵ See former USN Chief of Naval Operations Admiral Vern Clark's comments at the American Enterprise Institute, 20 June 2005. Quoted in O'Rourke, 52-53.

III. THE RISE OF THE IMPERIAL JAPANESE NAVY, 1868-1941

History is filled with multiple instances of a once minor player on the international stage that is able to transform itself into a central power. During the late nineteenth and early twentieth centuries, Japan modernized and attained a dominant position among the regional powers of East Asia. Under increasing pressure from both domestic economic tensions and the forced opening of Japan by foreign powers, the Tokugawa Shogun ceded control of the country by late 1867. With the centralization of power under the Emperor Meiji's name in 1868, the once feudal and isolated nation sought a new path that would guarantee the military, economic, and political status to ward off foreign powers. Over time, Japan's growth heavily influenced its view of its rightful place amongst the nations of East Asia. From humble origins in the 1850s and 1860s as a power subservient to Western diplomatic entreaties, pre-World War II Japan presented a formidable adversary that challenged the Asian interests of Western powers.

Prior to World War II, there were debates within the Empire regarding how Japan could best take its rightful place in the world. Economic growth needed secure access to offshore resources and raw materials. For Japan, a key means of enacting that policy was the dedicated effort to expand, modernize, and utilize the Imperial Navy. Japanese strategists foresaw that the Navy could be used to great national benefit. One explanation for why Japan sought to expand its navy has to do with the welcome reception within Japan of Alfred Thayer Mahan's work *The Influence of Seapower on History*. Officer of Imperial Navy "inhaled deeply the heady...fumes of Mahan's classic brew of imperialism and saltwater."¹⁷⁶ Mahan's ideology of decisive seapower in the form of battle fleets appealed to Japan's ambitions. Another, and less ideological, explanation of Japan's naval rise posits an assessment of Japan's immediate geopolitical situation as key to the growth of the Imperial Navy. By that interpretation, it is important to note:

¹⁷⁶ Ronald Spector. *Eagle Against the Sun: The American War with Japan* (New York, NY: The Free Press, 1985), 43.

The military weakness of Asia...the immense land and sea distances separating the region from important western...naval concentrations, the manner in which the Japanese islands commanded the western Pacific littoral and the numerous closely spaced islands leading...to the south – all these factors favored the success of maritime aggressions.¹⁷⁷

In order to grasp the varying forces that drove Japan's naval growth, both ideological and practical concerns must be evaluated.

The buildup of the Imperial Japanese Navy had a significant impact on the balance of power in pre-World War II East Asia. To understand both the nature of Japan's naval growth and the response of competitive powers, it is necessary to first outline the context of Japan's Meiji Restoration and the subsequent push for regional great power status and leadership. Once the broader background has been framed, the strategy Tokyo pursued to attain regional strength, as well as its impact on global affairs, will be outlined.

A. MEIJI RESTORATION

Japan's rise following the restoration of the Meiji Emperor as head of state can be described as nothing less than stunning. In order to understand Japan's maritime ambitions, the forces that allowed a cloistered, feudal state to transform into Asia's most industrialized nation-state must be reviewed.

1. Pre-Meiji Restoration

Prior to the Meiji Restoration, Japan's political structure can best be defined as a feudal system. With the emperor serving a symbolic role, control of the country fell to a military warlord, known as a shogun. Starting in 1603, the Tokugawa shogun served as Japan's de facto ruler. Fearing external influences that could challenge internal rule, the shogunate successfully initiated an exclusionist policy. Only Chinese and Dutch East Indian merchants were allowed to gain access to Japan, and then only through a single port, Nagasaki. By the 1800s, Japan's exclusion, coupled with unresponsive centralized

¹⁷⁷ Alexander Kiralfy. "Japanese Naval Strategy," in *Makers of Modern Strategy*, ed. Edward Mead Earle (Princeton, NJ: Princeton University Press, 1943), 463.

rule, created several significant issues. Economically, inflation had shifted wealth from the elite, the samurai, to the merchants and farmers. Attempts to curb economic issues did not address fundamental fiscal issues, and therefore “...innovative experiments more often than not simply ended up promoting chaos, shortages, and higher prices, the very economic dislocations that they had hoped to overcome.”¹⁷⁸ These economic issues increased pressure on a rigid social order that did not readily accept change. Externally, the shogunate was faced with the challenge of Western powers imposing demands for access and trade. Starting with Commodore Matthew Perry and his squadron of “black ships,” Japan witnessed the superior technological and military might of foreign powers. Aware of China’s embarrassment at the hands of the British in the Opium Wars, the shogunate responded to United States Envoy Harris Townsend’s warnings “that Japan would do well to submit voluntarily to what it could not hope to avoid by resistance.”¹⁷⁹ Following several examples of Japan’s vulnerability, the Tokugawa recognized that “(r)esistance to foreign demands was clearly foolhardy.”¹⁸⁰ The result of agreements with the United States, the United Kingdom, Netherlands, and France was internal discord amongst the shogun’s vassals (*daimyo*). Unable to quell internal discord and forced into agreements by foreign powers, the shogunate discovered that its foreign policy acted as “a kind of slow poison which gradually destroyed the *bakufu* [traditional government] by depriving it of its power of independent decisions.”¹⁸¹ By 1868, the shogun’s rule, considered inadequate to handle the challenges that Japan faced in the modern world, was replaced by the restoration of the Emperor Meiji to the leadership of Japan.

2. After the Meiji Restoration

Of the many challenges faced by the Meiji court, few were as immediate as the influence of foreign powers on the affairs of Japan. Most members of the imperial court were well aware that “Japan was independent in name but not independent in

¹⁷⁸ James L. McClain. *Japan: A Modern History* (New York, NY: W.W. Norton & Co., 2002), 129.

¹⁷⁹ Marius B. Jansen, *The Making of Modern Japan* (Cambridge, MA: Harvard University Press, 2000), 279.

¹⁸⁰ R.H.P Mason and J.G. Caiger, *A History of Japan* (Boston, MA: Tuttle Publishing, 1997), 263.

¹⁸¹ *Ibid.*, 263.

practice.”¹⁸² The existence of foreign troops and the condition of extraterritoriality meant that, in practice, Japan had no authority over visitors within its borders. To reverse the humiliation and apparent weakness that had allowed unequal treaties to be forced upon the Japanese, the Meiji Court focused on the development of a powerful state capable of asserting Japan’s interests.¹⁸³ As the Western powers were strong, the Meiji Court sought strength from Western teachers and advisers. Of fundamental importance to the Japanese was the need to create a “prosperous nation, strong military,” or *fukoku kyohei*. With that combination, Japan could correct the embarrassment that it had suffered under Western pressure. Beginning with industrialization and the training of a military by French and English advisors, the early Meiji successfully embarked upon a path to “provide a foundation of national strength so that the newly modernizing nation could escape the predatory threat of Western imperialism.”¹⁸⁴

3. The Role of National Unity

One particular aspect of note during Japan’s early Meiji period was the drive to create a modern notion of national unity. Japan’s long isolation under the Tokugawa had created a deep sense of cultural unity. However, having few foreign nations with which to compare themselves, the Japanese did not develop a sense of nationalism. In order to motivate the populace at large, Japan’s intellectual and political leaders pushed the people to seek both, civilization and enlightenment (*bunmei kaika*), as well as success (*risshin shusse*). Sold on the idea that “Japan had to ‘achieve its place,’ and it could best do so if its citizens achieved theirs,”¹⁸⁵ the average citizen rallied to the idea that Japan could be great if the Japanese worked together “‘(f)or the sake of the country’ ”¹⁸⁶ In the long run, the politics of naval expansion would rely upon Japan’s early establishment of a modern sense of nationhood. By 1868, Japan’s new naval leaders sought the authority

¹⁸² Ian Nish, *Japanese Foreign Policy 1869-1942* (Boston, MA: Routledge & Kegan Paul, 1977), 12.

¹⁸³ John Curtus Perry, “Great Britain and the Emergence of Japan as a Naval Power.” *Monumenta Nipponica* 21, no. 3/4 (1966): 310.

¹⁸⁴ McClain, 207.

¹⁸⁵ Jansen, 460.

¹⁸⁶ *Ibid.*, 460.

and support to “create impressive, awe-inspiring navy on a scale unmatched in East Asia...unlike anything Japan had ever possessed”¹⁸⁷ with the hopes of fulfilling the Emperor’s guidance to unify the country with a strong military presence. Starting in the 1880s, the national efforts to create a unified, modern state produced the beginnings of an official state ideology, known as *kokutai*. Loosely defined as “the distinctive character of Japan’s institutions and processes of government,”¹⁸⁸ *kokutai* served to both remind the Japanese people of the uniqueness and endurance of their long-standing cultural institutions while imprinting a distinctively Japanese stamp on imported Western institutions. The appeals to *kokutai* served to remind the Japanese of their shared values, values that “had the general effect of promoting national solidarity in good causes as well as bad.”¹⁸⁹

B. JAPAN’S GEO-POLITICAL OUTLOOK, LATE NINETEENTH – EARLY TWENTIETH CENTURIES

Japan’s enforced interaction with the West, and the modernizing reforms that this inspired, caused its economy to grow at an impressive rate. An expanding population and industry were key factors in making Japan an emerging powerhouse in East Asia. For the leadership in the newly renamed Tokyo, success raised several concerns regarding relations with powers in both East Asia and the West.

1. The Drive for National Strength

Not considered a threat by Western powers, Japan showed signs of an ambition beyond that of a minor power. Embittered by their initial treatment, Japan’s public sector focused on economic development to fulfill the slogan of “prosperous nation, strong army.” Goals of varying importance drove governmental reform with the hope that “...the creation of a constitutional government...would preserve the sovereign powers of the emperor and unite the Japanese populace into a nation-state.”¹⁹⁰ Economic

¹⁸⁷ Schencking, 10.

¹⁸⁸ Mason and Caiger, 294.

¹⁸⁹ Ibid., 295.

¹⁹⁰ James B. Crowley, “Japan’s Military Foreign Policies,” in *Japan’s Foreign Policy 1868-1941*, ed. James William Morley (New York, NY: Columbia University Press, 1977), 11.

development and military modernization combined to shape early twentieth century Japan. On these two foundations, independence and revision of unequal treaties could be pursued, with the hope that Japan could fulfill its ultimate agenda of emulating the power and prestige of advanced Western nation-states.¹⁹¹

a. Economic Concerns of Modernization

The economic policies of the Meiji were almost entirely directed by the political goals of the regime. In 1871, in order to consolidate power internally, the Meiji regime assumed all debts of domains that acceded to its rule, and government driven land reform increased the value of land by freeing property as a capital asset.¹⁹² Both policies worked to consolidate domestic political support for the new regime. Following an economic downturn in the 1870s, adept financial retrenchment, led by finance minister Matsukata Masayoshi, served to create a stable yen and modernized banking system through lowered government expenditures, indirect taxation, and the privatization of government-owned industries. In the long term, Matsukata's policies promoted a private-sector owned manufacturing base that, between 1874 and 1894, increased output almost threefold.¹⁹³

Externally, however, the Meiji regime was faced with a conundrum: how to raise capital for modernization without falling to the predatory terms of foreign loans? The example of the British in China served as a cautionary tale to a nation eager for funds. The Meiji successfully limited large foreign loans to only two: an 1870 loan to build a Tokyo-Yokohama railway and an 1873 loan to guarantee central government solvency threatened by the assumption of regional debts. With relatively harsh repayment requirements initial foreign loans served to discourage subsequent attempts to borrow capital from abroad.¹⁹⁴ The government learned quickly that Western powers might use economic excuses to exact further concessions, so repayment of these debts was a key

¹⁹¹ Akira Iriye, *Japan and the Wider World: From Mid-Nineteenth Century to the Present* (London, England: Longman Publishing Group, 1997), 4-5.

¹⁹² Jansen, 373.

¹⁹³ McClain, 219.

¹⁹⁴ Arthur E. Tiedemann, "Japan's Foreign Economic Policies, 1868-1893," in *Japan's Foreign Policy 1868-1941*, ed. James William Morley (New York, NY: Columbia University Press, 1977), 119.

foreign policy concern of the 1870s and 1880s. Attempts by foreign powers to gain access within Japan beyond that agreed upon in initial treaties were routinely denied, as were attempts by foreign companies to dominate the coastal trade. Until the reforms of the 1880s, Japan staved off foreign control of its markets by the government promotion of light industries, such as textiles, and the export of specie. Government policy served to promote austerity and invest the profits of exports efficiently. Although many developing countries often see profits from the easy export of raw materials, in Japan “leaders resisted this temptation and struggled hard to maintain a more structurally balanced economy.”¹⁹⁵ Their efforts laid the groundwork for the stability upon which Matsukata’s policies were built. The ultimate lesson for Japan, however, was to be wary of foreigner’s intent, and to build up the domestic economy. Only then could Western advances, advances that favored Western interests, be countered.

b. Initial Naval Modernization

Even as the Japanese economy struggled, military expenditures were perceived to be a necessary expenditure. Finance Minister Matsukata noted in 1881, “At this time when specie is scarce, we still must provide for essential expenditures like those of the army and navy...”¹⁹⁶ The navy, however, was still considered subordinate to the army in national planning. From its subordinate position, the navy worked effectively to sell itself to the regime as a fundamental player in ensuring Japan’s place in the world. It was no secret to Japan’s leaders of the time that as “continental powers have the option of...retreating from the oceans, Japan enjoys no such luxury.”¹⁹⁷

Threats that could be approached only via the sea included Russia, China, and a China-dominated Korean peninsula. Coupled with fear of stronger powers on the Asian mainland, Japanese merchants and government officials alike became aware of undeveloped nations throughout Asia. As Western powers had exploited colonial

¹⁹⁵ Tiedemann, “Japan’s Foreign Economic Policies, 1868-1893,” 129.

¹⁹⁶ Quoted in Tiedemann, “Japan’s Foreign Economic Policies, 1868-1893,” 140.

¹⁹⁷ Toshi Yoshihara and James R. Holmes, “Japanese Maritime Thought: If Not Mahan, Who?” *Naval War College Review* 59, no. 3 (Summer 2006): 25.

possessions for both resources for raw materials and export markets for manufactured goods, Japan looked to do the same in Southeast Asia. With a clear understanding that “only a navy could...protect Japanese interests in the vast Pacific Ocean, navy officers slowly formulated a strategic doctrine that emphasized...expansion in the South Seas.”¹⁹⁸ The ideology of southern advance (*nanshin*) served an important role in justifying an expanded naval budget:

In May 1883, the government approved a plan that...added thirty-two warships over eight years at a cost of just over 26 million yen. This was no small amount...this sum virtually equaled the navy’s entire budget for the years between 1873 and 1882.¹⁹⁹

Combined with domestic clan politics, the *nanshin* served a central role in justifying early Japanese defense expenditures.

Additionally, early Japanese planners looked to the still powerful fleets of China’s Qing dynasty as a major threat. By the late 1880s, “The principal naval concern of the Japanese...was to create a fleet able to oppose the Chinese...”²⁰⁰ Outwardly continental concerns contributed to the growing navy’s justification for expansion. Chinese naval expansion during the 1880s, itself a response to a defeat by a French naval force in 1884, spurred continued Japanese naval expenditures. Between 1874 and 1888, naval expenditures grew from 3.5 to 9.8 million yen . Proportionally, by the late 1880s the navy received between two-thirds and three-fourths of the army’s expenditures, up from as little as one-third in 1875.²⁰¹

The early Meiji-period Japanese Navy was developed for both economic and security reasons. Naval and government leaders both recognized that the navy served an important role nationally, creating an institution that “counted greatly in a country that

¹⁹⁸ J. Charles Schencking, “The Imperial Japanese Navy and the Constructed Consciousness of a South Seas Destiny, 1872-1921,” *Modern Asian Studies* 33, no. 4 (October 1999): 772.

¹⁹⁹ Schencking, *Making Waves*, 27.

²⁰⁰ Perry, 314.

²⁰¹ Schencking, *Making Waves*, 47.

desperately required effective and efficient integration...to gain and retain the strength needed to ensure continued sovereignty.”²⁰²

2. Foreign Policy

As much as domestic unity and economic development may have concerned the Meiji regime, foreign policy was always a central feature in Japan’s political deliberations. To understand the centrality of the navy as an institution of national importance, a review of late nineteenth and early twentieth century relations with both East Asia and the Western powers is necessary.

a. East Asia

Of all of Japan’s concerns, the Korean peninsula was foremost in the mind of foreign policy elites. As Japan gained strength in the 1880s, the foreign minister, Mutsu Munemitsu, worried over Qing attempts to maintain influence within Korea. For Tokyo, the concern with Korea had little to do with resources and much to do with security. Mutsu was convinced that “if another country were to dominate the Korean peninsula, Japan’s safety would be endangered and Japan could not endure such a situation.”²⁰³ In 1876, Japan had forced Korea to sign the Treaty of Amity, which implied the end of the Qing dynasty’s patronage of Korea and opened the peninsula up to trade with other powers, of which Japan, by virtue of its proximity, was certain to be the most prominent. In 1885, an agreement between Beijing and Tokyo to notify each other of troop movements within Korea did little to assuage the tension over the region. Increased Russian interest in Manchuria and continued Chinese influence in Korea led many Japanese to believe “that war with China over Korea was inevitable.”²⁰⁴ By 1894, both countries moved troops into Korea in a move meant to contest the patronage of Korea.

²⁰² Lisle A. Rose, *Power at Sea*, vol. 1, *The Age of Navalism 1890-1918* (Columbia, MO: University of Missouri Press, 2007), 92.

²⁰³ Nish, 36.

²⁰⁴ Schencking, *Making Waves*, 81.

At sea the Qing fleet had the advantage in numbers, but not in quality. In terms of armor, guns, tactics, and command, the Chinese fleet was poorly trained and obsolescent.²⁰⁵ Although concerned that significant losses against the Chinese “would be politically, militarily, and economically devastating to the navy and the nation,”²⁰⁶ a combined fleet under Admiral Ito Sukeyuki surged into the waters of Korea in July. The first naval engagement occurred five days before a formal declaration of war, establishing a “sequence of events – naval attack preceding an actual declaration of war – (that) became the pattern for the onset of each of the...major conflicts fought by modern Japan.”²⁰⁷ Following the defeat of the Qing’s Beiyang Fleet at the Battle of the Yalu, the Japanese established complete naval superiority over the Chinese. At the conclusion of the First Sino-Japanese War, the Treaty of Shimoseki effectively neutralized China as the dominant power in East Asia. Having forced China to cede control of Taiwan and the Liaodong peninsula on Manchuria, and having secured independence from China for Korea, Japan was undoubtedly the strongest nation in the region. The navy, modernized under Western models and tutelage, had proven its worth in defeating the supposedly superior Chinese Fleet.

b. *The West*

Japan sought to learn from the West in order to prevent any likely repeat of its rude introduction to the modern world. It was the very lesson “learned from the Western powers concern(ing) the importance in the modern world of national expansion”²⁰⁸ that would create tension between Japan and Western powers.

With the United States, Japan experienced tension regarding the intrusion of American interests into what Tokyo perceived to be a properly Asian sphere. During the 1890s, Washington moved quickly to assert control over the Hawaiian Islands. Roughly 40 percent of the residents of Hawaii were of Japanese descent, ten times the

²⁰⁵ Evans and Peattie, 38-40.

²⁰⁶ Schencking, *Making Waves*, 82.

²⁰⁷ Evans and Peattie, 41.

²⁰⁸ James Cable, *The Political Influence of Naval Force in History* (New York, NY: St. Martin’s Press, 1998), 82.

number of the white population. Regardless, in 1893, Americans on the island sought to hold the territory for American interests. This event served as one in a number of “(s)igns of American expansion in the Pacific (that) naturally alarmed the Japanese government.”²⁰⁹ In spite of victories achieved during the Sino-Japanese War, the dispatch of a Japanese cruiser to Hawaii could not prevent ultimate annexation by the United States in 1898. A policy of overseas immigration promoted by the Meiji regime came to seem perilous if the navy was unable to protect the interests of Japanese far from home. Later that same year, American forces took possession of the Philippine Islands from Spain, as one of the fruits of its victory in the Spanish-American War. In response to the United States Navy’s impressive action far from home, “(t)he world’s admiralties took notice, and none more so than that of Japan.”²¹⁰ Japan entered the twentieth century warily watching the growing industrial power of the United States.

Japan was also concerned with the advance of Russian influence into the Asian Pacific region. Concerned about Japanese domination of access to China, Russia worked with Germany and France to challenge the validity of aspects of the Treaty of Shimoseki. Known as the Triple Intervention, the three powers demanded the Liaodong peninsula on southern Manchuria be returned to the Chinese. Under the guidance of Foreign Minister Mutsu, Japan ceded control as requested. Japan could not press for war as “Japan was militarily too weak and diplomatically too isolated...”²¹¹ Although the navy had performed admirably against the Chinese, Western powers were considered too powerful a foe. Vulnerable, but needing to isolate Russia, the instigator of Triple Intervention, Japan signed the Anglo-Japanese Alliance of 1902. The alliance served both nations’ interests well; it “was precisely tailored to what both allies perceived as the major threat in the Far East: a Franco-Russian combination.”²¹² For Japan, in particular, the alliance served to counter growing Russian influence in Korea. The terms of the alliance served to deter the entry of any other European power into a possible Russo-

²⁰⁹ Asada, 10.

²¹⁰ Rose, *The Age of Navalism*, 100.

²¹¹ Hosoya Chihiro, “Japan’s Policies Toward Russia,” in *Japan’s Foreign Policy 1868-1941*, ed. James William Morley (New York, NY: Columbia University Press, 1977), 352.

²¹² Cable, 87.

Japanese conflict, by requiring that Great Britain then enter the war on the side of Japan — a prospect particularly aversive to the French. As Russia introduced troops into Manchuria and Korea in 1902 and 1903, war with Russia seemed inevitable. During the prelude to conflict, the navy took stock of its development since 1895 and was confident in its capabilities:

The planners of the Japanese navy recognized...that the relative situations of Japan and Russia would make any conflict between them regional rather than global...the war would...be restricted to northeast Asia, a fact that...worked to the disadvantage of the Russian navy in terms of geography and distance.²¹³

Through preparation and solid execution, the Japanese fleet, composed of slightly superior ships in quality even though lesser in quantity, performed admirably at the Battle of the Yellow Sea and the Battle of Tsushima. Admiral Togo Heihachiro's forces secured a decisive victory at the latter battle. With 21 Russian ships sunk, seven captured, 4830 Russian sailors killed, and 5917 captured, it is safe to say that "(t)he Tsushima battle was an annihilation with scarcely a parallel in the history of modern sea warfare."²¹⁴ So great was the navy's victory that British naval theorist Sir Julian Corbett commented that Tsushima was "the most decisive and complete naval victory in history."²¹⁵ As a result of the Russo-Japanese War, Japan gained control of the Liaodong peninsula, the southern Manchuria railroad, and patronage of Korea. The American-brokered Treaty of Portsmouth served to elevate Japan to the level of Great Power; never before in modern times had an Eastern power defeated a Western power. The navy's role in securing victory was central, and would serve to promote naval expansion in the decades to come.

²¹³ Evans and Peattie, 86.

²¹⁴ Ibid., 124.

²¹⁵ Quoted in Ronald H. Spector, *At War At Sea: Sailors and Naval Combat in the Twentieth Century* (New York, NY: Penguin Books, 2001), 21.

C. MATCHING ENDS AND MEANS: CHOOSING A STRATEGY

As Japan faced its future in the early 1900s, it was apparent that a military policy was needed that would ensure the long-term well-being of Japan as an emerging great power in East Asia. Devising a maritime strategy that could help ensure that well-being was a central concern for Tokyo. In choosing a strategy, it was important for Japan's leaders – at a minimum – implicitly to recall that “maritime strategy is the direction of all aspects of national power that relate to a nation's interests at sea...maritime strategy is not purely a naval preserve.”²¹⁶ Japan had external problems for which the navy appeared to be an ideal solution, but others for which the navy seemed to best fill the secondary role of support to the army. Internal and bureaucratic issues were also of concern. Tokyo had to take into account its own condition, as well as its external aims, and implement a maritime strategy that would be suitable for the needs of the nation.

1. Japan's Options

As Tokyo reviewed its situation following the Russo-Japanese War, it was apparent that two naval powers could challenge the Imperial Japanese Navy's prominence in East Asia – the Royal Navy and the United States Navy. Thankfully for Japan, the British, following the Anglo-Japanese Alliance of 1902, were allied with the Japanese and were nullified as a risk. The United States Navy appeared to be the force that most threatened Japanese maritime hegemony. Following the Spanish-American War, the United States had acquired control of Guam and the Philippines, two territories that placed Washington's interests amongst Tokyo's Asian concerns. Additionally, anti-Japanese sentiment on America's West Coast following the Russo-Japanese War served to orient Japan's military against American interests. With the passage of the emperor-approved Imperial National Defense Policy (IMDP) of 1907, the United States was directly identified as the most likely enemy Japan would face in the near future. Utilized by the Navy Ministry to justify defense expenditures, the IMDP was accompanied by a Naval Strength Requirement that outlined an “eight-eight” fleet plan – eight battleships

²¹⁶ John B. Hattendorf, “What is Maritime Strategy?” 235-236.

and eight armored cruisers with no ship more than eight years old.²¹⁷ As the 1920s approached, Tokyo faced a conundrum that would dictate the future of naval policy: would a growing naval strength ensure Japan's East Asian supremacy against the United States, or was there another method more amenable to Japan's national situation?

a. Treaties and Naval Arms Limitations

Although the “eight-eight” plan of 1907 seemed to fit the needs of Japan's IMDP, the economic reality of building the ideal fleet led to internal dissent. Chief amongst the dissenters was the Navy Minister, Admiral Kato Tomosaburo. Kato recognized the difficulty of meeting the “eight-eight” plan's goal of creating a navy second-to-none in East Asia. By 1919, Kato admitted to a Diet budget subcommittee that, “...if we should try to compete with the United States, it is a foregone conclusion that we are simply not up to it.”²¹⁸ Fearing Washington's interference with Japan's interests on the Asian mainland, but aware of the limitations Japan had regarding the ability to challenge the United States' maritime strength, Tokyo chose to mitigate the threat from the United States by improving relations with Washington. As the senior negotiator for Japan at the American-initiated Washington Naval Conference of 1921-1922, Admiral Kato was able to enact a policy that accurately reflected greater Japan's assessment that “its weak economy could not yet afford to indulge in naval building that was competitive with the United States.”²¹⁹ Kato ignored the Foreign Ministry's instructions to accept nothing less than a ratio of 70 percent and agreed to a capital ship ratio between the United Kingdom, the United States, and Japan of 10:10:6. Defining a capital ship as any vessel greater than 10,000 tons or with larger than eight-inch guns, the Five-Power Treaty, signed in early 1922, allowed Japan to have ten capital ships with a total displacement of 301,320 tons, while the United States and Great Britain would each have

²¹⁷ Asada, 49.

²¹⁸ Quoted in Sadao Asada, “From Washington to London: The Imperial Japanese Navy and the Politics of Naval Limitation, 1921–1930,” in *The Washington Conference, 1921-1922: Naval Rivalry, East Asian Stability and the Road to Pearl Harbor*, ed. Erik Goldstein and John Maurer (Portland, OR: Frank Cass Press, 1994), 152.

²¹⁹ Ian Nish, *Japanese Foreign Policy in the Interwar Period* (Westport, CT: Praeger Publishers, 2002), 46.

eighteen capital ships totaling 500,650 tons.²²⁰ Kato's willingness to agree to a ratio less than what his countrymen wanted was conditioned by a single point; Kato "felt that the question of America's advance bases in the Philippines and Guam was more crucial to Pacific strategy than hairsplitting bargains over fleet ratios."²²¹ In the treaty, the United Kingdom, United States, and Japan agreed to cease fortifying any territorial holdings in the Pacific. In the end, although the capital ship ratio was not what Tokyo had desired, the Five-Power Treaty of the Washington Conference seemed an ideal containment strategy for Japan due to its limitations on base development. With no developed bases in the Far East, if Washington found itself at war with Tokyo:

...the United States would have to fall back to the Hawaiian Islands as its base of operations. Japan would have enough strength to defend itself...the Five-Power Treaty left the Japanese navy dominant in Far Eastern waters...From the viewpoint of naval strategy, the settlement was a great success for Japan.²²²

Initially, the use of naval arms limitations appeared to provide Japan with a long-term strategy for mitigating the threat of an intrusive United States fleet in Far Eastern waters.

While the use of naval arms limitations appeared to serve Tokyo's greater interests, many of Japan's senior naval leaders felt that Admiral Kato had curtailed Japanese naval strength during a crucial period in Japanese expansion. Admiral Kato Tomosaburo's efforts in Washington were viewed as a significant step in normalizing Japan's position in world affairs, and he was rewarded with elevation to the position of Prime Minister. Another Kato, Admiral Kato Kanji, returned from the Washington Naval Conference with a much different view of the proceedings. For Admiral Kato Kanji, deputy to Kato Tomosaburo during the conference, any ratio of Japanese capital ships below 70 percent was untenable. He saw 70 percent as "a symbol of Japan's defensive

²²⁰ Asada, *From Mahan to Pearl Harbor*, 91.

²²¹ Asada, "From Washington to London: The Imperial Japanese Navy and the Politics of Naval Limitation, 1921-1930," 153.

²²² Asada, *From Mahan to Pearl Harbor*, 91.

posture, and a major concession,”²²³ and believed that the Five-Power Treaty that authorized 60 percent relative standing stood as a symbol of institutionalized Japanese weakness. Assigned as head of the Naval General Staff in the 1920s, Kato Kanji’s opinion regarding fleet readiness pointed to the debilitating effect of the Treaty system; he “increasingly placed the blame for Japan’s naval unpreparedness on the Washington Treaty agreement on capital ships...he felt Japan should have, in principle...a ratio of 10:10 with other Powers.”²²⁴

Kato Kanji’s anger was reflected within portions of the navy’s officer corps. The long-term effect of that anger would be the formation of a schism between administrative officers within the Navy Ministry and operationally oriented officers within the Naval General Staff. By the time of the London Naval Conference in 1930, Kato Kanji’s “fleet faction” had enough internal and popular support to challenge the legitimacy of the naval arms limitations. At London, the United Kingdom and United States successfully negotiated with the Japanese to extend capital ship ratios to cruisers and submarines. Within Japan, the extension of the 10:6 ratio was seen by the public as “an insult to Japan’s status as a first-rate power and a grave threat to its defenses.”²²⁵ Admiral Kato Kanji’s concern that “the American effort to capture the China market would spell an eventual clash with Japan”²²⁶ hinted at the widespread belief within the navy that conflict with the United States was inevitable; Japan had to prepare for war as best it could, not rely upon the good intention of treaties. Limiting naval strength, a sign of subservience to Western demands, was not palatable to the Japanese people. To understand if the Japanese navy took to expansion as a strategic principle, it is important to review how the evangelist of late-nineteenth century maritime power, Alfred Thayer Mahan, was received in the East.

²²³ Ian Gow, *Military Intervention in Pre-War Japanese Politics: Admiral Kato Kanji and the ‘Washington System.’* (New York, NY: RoutledgeCurzon, 2004), 138.

²²⁴ Gow, 138-139

²²⁵ Lisle A. Rose, *Power at Sea*, vol. 2, *The Breaking Storm 1919-1945* (Columbia, MO: University of Missouri Press, 2007), 57.

²²⁶ Asada, *From Mahan to Pearl Harbor*, 129.

b. Mahan

At the same time that Japan was modernizing the force that would face the Qing, Alfred Thayer Mahan wrote his first and most famous work, *The Influence of Seapower Upon History 1660-1783*. In terms of theory, Mahan revolutionized formal work in naval theory by forming “an ideology grounded in the notion that naval power was the most decisive factor in the political and economic rise and fall of nations.”²²⁷ Recognizing the role of commerce as vital to a nation’s well-being, Mahan identified the purpose of a navy: “The necessity of a navy...springs, therefore, from the existence of a peaceful shipping, and disappears with it...”²²⁸ Commerce required protection from commerce raiders, and Mahan saw the means to provide protection in a fleet that could guarantee freedom of movement over the maritime domain via command of the seas. As opposing forces would hold similar views, it was important to recognize that a fleet designed to protect trade would need to eliminate the threat of an opposing fleet. In Mahan’s words, “in war the proper main objective of the navy is the enemy’s navy.”²²⁹

The Japanese experience during the Russo-Japanese War seemed to validate the Mahanian idea that naval warfare ultimately consisted of the engagement of large fleets of capital ships to determine the command of the sea. Even before that conflict, Japanese naval leaders “urged readers of the Japanese translation ‘to study it (*The Influence of Seapower Upon History*) and strive so that the Japanese Empire can secure sea power in the Pacific.’”²³⁰ Justifying a large fleet based on a historical study of England, however, proved a difficult task. Instead of the broad sweep of universal theory put forward by Mahan, Japan’s leaders sought “an explanation of sea power that might use Western historical examples, but that was directed to the Japanese situation, which was regional and particular.”²³¹ Experience proved the better guide than Mahan’s

²²⁷ Lawrence Sondhaus, *Naval Warfare, 1815-1914* (New York, NY: Routledge Press, 2001), 162.

²²⁸ Mahan, *The Influence of Seapower Upon History 1660-1783*, 26.

²²⁹ A.T. Mahan, *Naval Strategy: Compared and Contrasted with the Principles and Practice of Military Operations on Land* (Boston, MA: Little, Brown, and Co., 1911; reprint, Westport, CT: Greenwood Press, 1975), 199.

²³⁰ Asada, *From Mahan to Pearl Harbor*, 26.

²³¹ Evans and Peattie, 135.

theories. By 1910, Japan had more experience than any other major power in the employment of modern naval forces. Instead of a constructive guide, Mahan provided a useful framework within which naval force could be explained. Many of Japan's naval leaders "read Mahan's works selectively...using his ideas to ratify preconceived ideas about how Japan should configure and use its navy."²³² More often than not, it was the translation of Mahan into Japanese that "provided a weighty and sophisticated theory that Japan's navalists could use to assert their primacy in budgetary appropriations in competition with the army."²³³ Japan's experiences against the Qing and the Russians had provided a wealth of experience and knowledge in naval warfare. While assisting with the selling of the Japanese Navy and arguing its case for funds, Mahan's writings were not the defining feature of naval strategy for pre-World War II Japan. To best understand the maritime strategy of Japan, it is important to look at the pressing material needs of the navy and the event that best crystallized the importance of resources: World War I.

c. Resources, World War I, and Economic Necessity

Aside from the prospect of arms limitations within international frameworks or the theoretical outlines of Mahanian naval doctrine, Japan faced significant resource access issues that shaped its strategic outlook. No event made the danger of a lack of resources more apparent than World War I. Before World War I, neutral nations had stood aside and provided finance and resources as belligerents faced off:

This pattern was abruptly altered in the summer of 1915, when...World War I's initial autumn offensives gave way to grinding trench warfare...There were no neutrals...belligerents who were not self-reliant were lost...it was no longer enough that Japan was able to construct its own warships and artillery pieces. The nation now needed secure access to iron ore and other necessary items.²³⁴

²³² Yoshihara and Holmes, "Japanese Maritime Thought: If Not Mahan, Who?" 28.

²³³ Asada, *From Mahan to Pearl Harbor*, 26.

²³⁴ Michael A. Barnhart, *Japan Prepares for Total War: The Search for Economic Security, 1919-1941* (Ithaca, NY: Cornell University Press, 1987), 23.

Tokyo recognized the danger in relying upon others to assist in ensuring Japan's economic well-being. The initial experiences with the West had revealed the self-serving motives of supposedly universally beneficent and physically mandated free-market access. Two wars, one with China and the other with Russia, had shaped the external perception of Japan; to guarantee possession of what one needed, war was often the necessary course of action. World War I confirmed that lesson in stark and uncompromising terms. Within Japan, "the expectations of prolonged war and its economic demands led to greater national investment in industrial expansion...and territorial expansion aimed at acquiring and developing raw materials..."²³⁵

For the Imperial Japanese Navy, the requirement to secure resources was more narrowly translated. Although the Royal Navy had been a dominant force during World War I, the utilization of submarines against shipping had nearly crippled England. Japanese navalists recognized that "(w)hat was true for Britain was double true for Japan – especially in the case of oil."²³⁶ Whereas Japan, and particularly interests in the Japanese Army, turned increasingly during the 1920s and 1930s towards the Asian mainland "to meet its needs and relieve some its dependence on Western imports, Japan's interests came increasingly into direct conflict with those of the Western Powers."²³⁷ Searching for an alternative, the Navy would advance a different idea – one that expanded Japanese influence not into the Asian mainland but to the islands to the South. With the technological shift from coal to oil powered warships, the need to ensure access to oil only increased throughout the 1920s and 1930s.

At the time of the Washington Conference in 1921, most of Japan's oil was imported from the United States. The only other source of oil close to Japan was the Dutch East Indies.²³⁸ The need for oil resources transformed the Navy's southward

²³⁵ Peter Lieberman, "The Offense-Defense Balance, Interdependence, and War," in *Power and the Purse: Economic Statecraft, Interdependence, and National Security*, ed. Jean-Marc F. Blanchard, Edward D. Mansfield, and Norrin M. Ripsman (Portland, OR: Frank Cass Press, 2000), 82.

²³⁶ Phillips Payson O'Brien, *British and American Naval Power: Politics and Policy, 1900-1936* (Westport, CT: Praeger Publishers, 1998), 170.

²³⁷ Michael Lindberg and Daniel Todd, *Brown-, Green-, and Blue- Water Fleets: The Influence of Geography on Naval Warfare, 1861 to the Present* (Westport, CT: Praeger Publishers, 2002), 110.

²³⁸ O'Brien, 170.

orientation from simply a justification for greater budgetary expenditures into a truly convincing strategic concern. Hoping for both a means to secure natural resources and provide a justifying strategy for the growth of a large fleet, “Japan’s search for a secure source of natural resources would lead it to expand southward into Southeast Asia.”²³⁹ That expansion required a fleet that could protect access to markets only accessible from the sea, markets that overlapped with, and were thought threatened by, the presence of Western powers. The Western power that remained foremost in the mind of the Imperial Japanese Navy was the United States. In the end, it took the lesson of World War I regarding the absolute necessity to control one’s own resources, combined with the lessons of Japan’s two naval warfare experiences, to convince Japan’s naval leadership to strive for a fleet second to none – one that would ensure the dominance of Japan in the Western Pacific.

D. IMPACT OF AN EXPANDING MARITIME STRATEGY

Japan’s options for a Maritime Strategy intertwined throughout the 1920s and 1930s. Not until the late 1930s did the necessity of geographic expansion dominate the strategic thinking of Japan’s navalists. How the varying options impacted both the internal and external affairs of Japan is an important factor in understanding the impact of Japan’s expanding maritime strategy.

1. Internal Influences

a. Army vs. Navy Politics

Since its inception in 1869, the Imperial Japanese Navy had struggled to emerge from the shadow of the Army. As important as naval victories during the Sino-Japanese War and Russo-Japanese had been to determining success in war, “(u)p until 1910, the navy had lost out to the army in the share obtained of the national budget; naval strength had been difficult to develop.”²⁴⁰ With general concern for resource access

²³⁹ Lindberg and Todd, 110.

²⁴⁰ Nish, *Japanese Foreign Policy in the Interwar Period*, 35.

increasing throughout the 1910s and 1920s, the army and navy engaged in a debate regarding the appropriate direction for national policy. The notion of an orientation to the Asian landmass, or northern advance (*hokushin-ron*), was championed by the Army General Staff. A senior member of the Army General Staff, Tanaka Giichi, argued that “we must disengage ourselves from the restrictions of an island nation to become a state with continental interests.”²⁴¹ Directly opposed to the continental orientation was the maritime orientation best outlined in naval theorist Sato Tetsutaro’s *Teikoku Kokuboron* (On Imperial National Defense). Sato worked to modify “Mahan’s sea power theory to Japan’s geopolitical situation and strategic realities”²⁴² in order to advocate for increased naval budgets and the necessity of a southward, maritime orientation (*nanshin-ron*). Up through the 1930s, these two forces would cripple Japan’s strategic planning as “interservice infighting and...contention for a larger share of budget of war materiel accompanied formulation of any major national defense policies.”²⁴³

In the 1930s, to ensure its share of the budget, navy advocates jettisoned whatever remnants of strategic moderation existed within the Navy Ministry. Arguing that the provisions of the 1930 London Naval Treaty violated the Naval General Staff’s overall authority over the navy, a position that challenged the Navy Ministry’s oversight of force structure, the chief of the Staff, Admiral Kato Kanji, resigned in protest. From that point on, naval officers were divided into two camps. The first, the “fleet faction,” followed the lead of Kato Kanji and strove to overturn any constraints on naval budgets and growth. The second, the “treaty faction,” saw naval arms limitations as providing necessary security guarantees against the threat of Western powers. Ultimately, the response to the London Naval Treaty “poisoned the delicate civil-military relationship that had existed in the past”²⁴⁴ and helped to radicalize relations between the army and navy through the ascent of “fleet faction” officers to the highest levels of the Naval General Staff. In the end, the Naval General Staff was given greater power over

²⁴¹ Quoted in Evans and Peattie, 148.

²⁴² Asada, *From Mahan to Pearl Harbor*, 33.

²⁴³ Ibid., 294.

²⁴⁴ Nish, *Japanese Foreign Policy in the Interwar Period*, 69-70.

administrative issues than that of the Navy Ministry, a situation that allowed the operators of Japan's fleet to serve as the proponents of a larger naval budget in Diet negotiations. As the 1940s approached, the radicalization of naval administration acted as a catalyst that necessitated increased naval budgets concomitant with the army's funding; service politics, not strategy, drove what other powers interpreted, with good reason, as Japan's belligerent intentions.

Finally, it is important to note how "Fleet faction" officers were disturbed by the army's 1931 occupation of Manchuria. As the army required funding to ensure a force capable of securing Japan's interests in Manchuria, the navy recognized its debilitated bureaucratic position due to the handicapping Treaty system. Opponents of the treaty system were so displeased with the London Treaty that, in 1932, naval cadets, sympathetic to withdrawal from the treaty system, assassinated Prime Minister Inuki Tsuyoshi in his residence. The relatively light sentences of the parties indicated the weakness of civilian oversight of military affairs and "proved to be a death blow to party government."²⁴⁵

b. Economics and Expenditures

The Great Depression that began in 1929 had a significant impact on strategic thinking in Japan, as it did in every other great power. As financial markets seized and capital froze, export markets worldwide were impacted as nation-states sought to protect domestic industry. Between 1929 and 1931, Japan's exports fell by 43 percent, a drop that pushed many within the government to argue "that 'economic warfare' was leading to the creation of 'large economic blocs,' thereby making it necessary for Japan to create one...in order to survive."²⁴⁶ For military decision makers, including the Naval General Staff, "the dangers faced by Japan...could best be met by political and military intervention on behalf of economic rights."²⁴⁷ The voice of industry, represented in the

²⁴⁵ W.G. Beasley, *The Modern History of Japan* (New York, NY: Praeger Publishers, 1963), 247.

²⁴⁶ W.G. Beasley, *Japanese Imperialism 1894-1945* (New York, NY: Oxford University Press, 1987), 188-189.

²⁴⁷ *Ibid.*, 191.

internationalist-oriented Foreign Ministry, lost much of its mitigating effect on military adventurism as the drop in exports translated into a half million lost jobs between 1929 and 1932.²⁴⁸ Within the urban working-class, “(t)here emerged a new...generation that lost confidence in the industrial process and in political parties seeming to be in the pockets of manufacturers and traders.”²⁴⁹ The ill-fated financial policies of Finance Minister Inoue Junnosuke negatively colored the ideas of moderating forces within Japan. A return to the international gold-standard for financial exchanges, an event that proved disastrous for Japan’s financial markets, occurred immediately prior to the start of the Great Depression in 1929. For Japan’s ruling class, “(h)ad it not been for the Depression, the civilian politicians...might conceivably have retained the upper hand in Tokyo.”²⁵⁰ Instead, it seemed clear that Japan had to control its economic destiny by taking control of markets by force. This required larger expenditures on the military, and the navy, although constrained in part by the limits of the 1922 Five-Power and 1930 London Naval Treaties, lobbied extensively for increased funding. Although the naval budget had dropped from its 1921 high of 502 million Yen (31.6 percent of the total national budget) to a post-Washington Conference low of 240 million Yen (14.4 percent of the national budget) in 1926, efforts by the Navy succeeded in increasing the budget to 583 million Yen (24.1 percent of the national budget) by 1936.²⁵¹ The understood need to prepare the military to ensure exclusive access to Japanese-controlled markets served to effectively reverse the decreased spending of the Washington Treaty system. Japan’s choice to guarantee market access directly correlated into a larger and more ominous naval force.

²⁴⁸ Nish, *Japanese Foreign Policy in the Interwar Period*, 66.

²⁴⁹ *Ibid.*, 66.

²⁵⁰ Niall Ferguson, *The War of the World: Twentieth-Century Conflict and the Descent of the West* (New York, NY: Penguin Books, 2006), 294.

²⁵¹ Asada, *From Mahan to Pearl Harbor*, 297.

2. External Influences and Effects

a. *China and Japan's International Relations*

Throughout the 1920s and 1930s, the increased emphasis on economic independence, or autarky, played a central role in Japan's orientation towards China. Following the Triple Intervention's successful effort to deny the Liaotung Peninsula to Japanese control following the Sino-Japanese War, Tokyo had been concerned about the efforts of Western powers to limit Japan's interests within China. An "open door" policy, put forward by Washington in 1899, sought to limit any power's, but particularly Japan's, attempts to carve up China into externally-controlled regions. Following Japan's World War I assumption of Germany's Asian possessions, including the Caroline Islands and China's Shandong peninsula, Japan fought to have other powers recognize the legitimacy of Japan's claims in China. Japan's apparent desire to dominate China was a significant reason for the calling of the Washington Naval Conference in 1921. With the signing of the Nine-Power Treaty:

...treaty signatories...pledged themselves not to undertake further expansion at the expense of China. Instead, they would co-operate to restore to it a measure of independence so that in time it would emerge as a stabilizing factor...China was a key to the successful functioning of the new system.²⁵²

Although a signatory to the treaty, Tokyo recognized and resented the efforts of other nations to curtail Japan's "special interests" in China.

The combination of a desire for autarky following the onset of the Great Depression and the negative naval and domestic responses towards the London Naval Treaty of 1930 pointed Tokyo towards a path of increased international isolation. By 1930, a resurgent Republic of China, led by Chiang Kai-Shek, was working to end the long-standing treaty port system, a system that had been imposed by external powers to garner benefits at the expense of China. Although Japanese diplomats worked "to

²⁵² Akira Iriye, *The Origins of the Second World War in Asia and the Pacific* (Harlow, England: Pearson Education, Ltd., 1987), 3.

preserve Japan's claims to privilege in China at a time when the...system was being abandoned by others as unworkable in the face of Chinese hostility,"²⁵³ Tokyo held out the possibility of asserting Japan's interests with the backing of military force. Having established explicit special interests in Manchuria following the actions of the Kwantung Army at the Mukden Incident of 1931, Tokyo did not look favorably upon a League of Nations' assessment of Japan's actions. Known as the Lytton Report, "the verdict...was unmistakable: acceptance of the Report by the League Assembly would amount to a vote of censure on Japan."²⁵⁴ As previously outlined, Japanese policy makers saw the need to guarantee economic assets as the preeminent lesson of the early 1930s; no amount of external pressure could make Tokyo ignore that point. As Japan had already diplomatically recognized its puppet state of Manchukuo in late 1932, the mid-1933 vote of censure by the League of Nations simply gave Japan the excuse it needed to leave the League for good. With the "fleet faction's" opinion that the entire Washington Treaty System, to include the Five-Power Treaty and the London Naval Treaty, "seriously jeopardiz(ed) national defense, (and) must not be allowed to last long,"²⁵⁵ Japan withdrew from the naval arms limitations regime and found itself diplomatically unhindered to promote its naval growth. Tokyo's interest in China's natural resources and markets translated into Japan's exclusion from the limiting effects of multi-lateral arms control regimes. Within that context, the navy found itself free to argue for the necessity of increased budgets and fleet expansion.

Although the Imperial Navy continued to worry about the U.S. ambitions, the army, as the guarantor of Japan's interests within China, was primarily concerned with the threat of the Soviet Union. While Japan had declared war on Germany in World War I and taken possession of Germany's Asian possessions, the threat of the Soviet Union motivated Japan and Germany to sign the Anti-Comintern Pact of 1936. In short, "(t)he argument in favor of Japan moving closer to Germany was the threat she felt from

²⁵³ Beasley, *Japanese Imperialism 1894-1945*, 174.

²⁵⁴ Richard Storry, *Japan and the Decline of the West in Asia 1894-1943* (New York, NY: St. Martin's Press, 1979), 146.

²⁵⁵ Sadao Asada, "From Washington to London: The Imperial Japanese Navy and the Politics of Naval Limitation, 1921-1930," 183.

the Soviet Union to her continental territories.”²⁵⁶ That threat was realized when Soviet and Japanese forces clashed in Mongolia in 1939. The drive to ensure resource access in Manchuria was seriously challenged as “(t)he Kwantung Army sustained crushing defeats and learned that its equipment, tactics, and organization were seriously inadequate for any war with the Russians.”²⁵⁷ For proponents of the navy, the inability of the army to deal effectively with the Soviet threat to Manchuria coupled with the outbreak of war between Germany and other Western powers to provide an opportunity to realize the supremacy of the navy in military planning. Naval leaders viewed Germany’s 1940 victories as “an opportunity to drive the Western powers out of Southeast Asia and finally create an autarkic Greater East Asian Co-Prosperity Sphere.”²⁵⁸ A proponent of the southern advance strategy, Captain Nakahara Yoshimasa, assessed Japan’s overall strategic outlook and noted that, “(t)he important thing is to take this opportunity to reorient Japan as a sea power and concentrate its efforts on naval expansion.”²⁵⁹ With the prospect of gaining resources from territories gathered under a Japanese-led Co-Prosperity Sphere, a thinly veiled ideology that advocated Japanese imperial interests in the Western Pacific, naval leaders renewed an already expansive building program and sought to extend Japan’s reach into regions once thought to be exclusively under the domain of the West. In so doing, Japan entered into direct conflict with the Western powers most involved in Asian affairs – the United Kingdom, the Netherlands, and, most ominously, the United States.

Predicated on the need for resources to guarantee an autarkic economic system, Japan’s expansion into China in the 1920s and 1930s led to international isolation. For its part, the Imperial Navy served as both cheerleader and proponent for policies intended to ensure Japan’s political and economic autonomy from external interference – policies that served to highlight the country’s need for an expanding maritime strategy. Based on that strategy, naval leaders continued to argue for larger

²⁵⁶ Nish, *Japanese Foreign Policy in the Interwar Period*, 130.

²⁵⁷ Marius B. Jansen, *Japan and China: from War to Peace, 1894-1972* (Chicago, IL: Rand McNally College Publishing Co., 1975), 400.

²⁵⁸ Peter Lieberman, “The Offense-Defense Balance, Interdependence, and War,” 85.

²⁵⁹ Quoted in Sadao Asada, *From Mahan to Pearl Harbor*, 233.

budgets and a growing fleet. With the growth of the fleet, the Imperial Japanese Navy appeared more and more as a dominant threat to American interests in the Western Pacific.

b. The United States Navy

As previously outlined, American interest in Japan's activity in China, highlighted by the enunciation of the "Open Door" policy, shaped Washington's foreign policy as early 1899. The United States Navy's interest in the Imperial Japanese Navy's actions was only heightened by the outcome of Russo-Japanese War. At the end of the war, many American strategists held definitive views regarding the future of East Asia: "...American planners continued to regard the province (Manchuria) as ripe for plucking. Japan was the only conceivable transgressor."²⁶⁰ The American navy's recognition of Japan's rising military power coincided with an unfortunate domestic incident. Amidst the social chaos that followed the San Francisco earthquake of 1906, overt racism against Japanese immigrants resulted in the passage of segregationist education and property rights laws – laws in direct violation of treaties between Washington and Tokyo. Combined with the new political realities of East Asia, the international tension that resulted convinced many American naval planners to consider Japan as a likely future foe. The result was the initiation of an extended military planning process whose product was known as War Plan Orange. Up to the start of World War II in the Pacific, War Plan Orange would serve to focus the strategic and procurement efforts of the United States Navy. While other plans existed, Orange acted to focus those efforts on the key potential enemy of the United States Navy – the Imperial Japanese Navy.

By the time naval arms limitation treaties were appearing to falter in the mid-1930s, the United States had scrapped a total of 842,000 tons of warships to Japan's 193,000 tons.²⁶¹ With the arrival of President Franklin Roosevelt to the White House, a reversal in course occurred. Faced with the debilitating effects of the Great Depression,

²⁶⁰ Edward S. Miller, *War Plan Orange: the U.S. Strategy to Defeat Japan, 1897-1945* (Annapolis, MD: Naval Institute Press, 1991), 24

²⁶¹ Rose, *The Breaking Storm*, 62.

Roosevelt asked for funds to increase the fleet by almost fifty ships of varying classes. The budget increase was partly intended to provide jobs for shipbuilders as part of the New Deal recovery effort, a fact that caused Senator Gerald P. Nye to comment that the increase in naval construction was “a bill for the relief of the munitions makers of the United States.”²⁶² While domestic economic conditions motivated the Executive to increase naval appropriations, they were not the only factor:

Franklin Roosevelt would have had a harder task in persuading Congress to fund the resurgence of the United States Navy...without the seemingly willful disregard toward the cause of peace or arms limitations displayed by an increasingly truculent Imperial Navy.²⁶³

Enacted via the 1934 Vinson-Trammell Act, American naval expansion sought to authorize the building of warships up to the treaty limits of the Five-Power Treaty and London Naval Conference. This action was thought necessary due to Japan’s growing aggression in Asia, aggression demonstrated through the Japanese establishment of the state of Manchukuo in Manchuria, and Japan’s withdrawal from the League of Nations. In reference to Washington’s Open Door policy and support for the Washington Conference, then-Chief of Naval Operations Admiral William H. Standley noted, “If we desire to give adequate support to the policies which we have been following in the past...then we must possess adequate naval force.”²⁶⁴ Japan responded to the Vinson-Trammell Act by seeking to expand its fleet with a “Second Supplemental building program.” By 1935, the initial stages of a naval arms race had begun.

The confirmation of a naval arms race was made at the Second London Naval Conference of 1935-1936. The Japanese delegation, led by Kato Kanji disciple Nagano Osami, had specific instructions to seek naval tonnage parity with the United Kingdom and United States. For naval leaders in Tokyo, “Parity was absolutely necessary...for the Imperial Navy to control the western Pacific, protect vital sea

²⁶² Quoted in Rose, *The Breaking Storm*, 63.

²⁶³ Michael A. Barnhart, “‘Making it Easy for Him’: The Imperial Japanese Navy and Franklin D. Roosevelt to Pearl Harbor,” in *FDR and the U.S. Navy*, ed. Edward J. Marolda (New York, NY: St. Martin’s Press, 1998), 36-37.

²⁶⁴ Quoted in Asada, *From Mahan to Pearl Harbor*, 201.

communications, and secure Japan's position as a stabilizing power in East Asia."²⁶⁵ Withdrawal by Japan from the Washington Naval Treaty was a near certainty due to Tokyo's refusal to accept what Washington and London sought – a Japanese navy ratio that ensured an Imperial Navy fleet smaller than that of the United States Navy and Royal Navy. The Japanese delegation left the Second London Conference early, concurrently notifying the other powers it would no longer follow the guidelines of naval arms limitation treaties. With that, the United States confirmed its concerns that Japan sought naval dominance in the Pacific. From 1936 onward, naval expansion would escalate tension between the United States and Japan.

Unfortunately for Japan, it was in a poor position to challenge the United States in an outright arms race. The Japanese invasion of China in 1937, along with the incidental sinking of the *USS Panay* by Japanese forces, coincided with Japan's "Third Replenishment Program," an attempt to expand the Imperial Japanese Navy by sixty-six ships, including two *Yamato*-class battleships. Japanese strategists hoped that an emphasis on very large capital ships would "intimidate and demoralize Western admiralities and navy departments to the point that Japan would be given the free hand in East Asia and the western Pacific that it insisted upon."²⁶⁶ In response, the United States passed a Second Vinson-Trammell Act in 1938 with the intent of expanding its fleet by 20 percent. Japan again responded with a "Fourth Replenishment Program" in 1939, a plan that included eighty more ships. Once more, however, the United States, partially in response to Japan's continuing naval expansion and partially in response to the Germany's assault on England, responded with both a Third Vinson Plan and the Stark Plan, a move to establish a two-ocean fleet. In all, the plans provided for a 70 percent increase in the fleet; the 2 million additional ship tons planned for by the Americans totaled four times the tonnage of the Japanese Third and Fourth Replenishment Plans combined.²⁶⁷

²⁶⁵ Asada, *From Mahan to Pearl Harbor*, 203.

²⁶⁶ Rose, *The Breaking Storm*, 135.

²⁶⁷ See Asada, *From Mahan to Pearl Harbor*, 240.

During the 1930s, Japan found that the United States was more than willing to match Tokyo's increases in naval expenditures. While initial spending merely brought the United States Navy's fleet up to the limits allowed by the Washington Treaty system, Washington was more than ready to go beyond those limits. Unfortunately for Japan, "not only were the most ambitious schemes beyond the capacity of Japanese industry to realize...they were doomed to be overtaken...by both the size and efficiency of the American shipbuilding industry."²⁶⁸ Aside from shipbuilding capacity, Japan simply did not have the budget to match American defense spending. In 1937, the United States spent 1.5 percent of \$68 billion in national income, or \$1.02 billion, on defense, while Japan devoted 28 percent of \$4 billion, or \$1.12 billion, on defense spending.²⁶⁹ While Japan's spending was quantitatively higher, it is apparent that the United States had a much greater production potential than Japan. To the Japanese navy's consternation, the American naval expansions of the late 1930s and 1940 transformed that potential into practice. One naval historian put Japan's inferiority in the starkest terms:

Such was the scale of American industrial power that if during the Pearl Harbor attack the Imperial Navy had been able to sink every major unit of the entire U.S. Navy and then complete its own construction programs...by mid-1944 it would still not have been able to put to sea a fleet equal to the one the Americans could have assembled in the intervening thirty months.²⁷⁰

Faced with a behemoth that it had challenged and could not defeat, Japanese naval planners were forced to consider alternative means of maintaining a position of strength. One option harkened back to the Imperial Navy's initial actions during the Sino-Japanese and Russo-Japanese Wars: surprise. As the United States intensified economic pressure on Japan with increased embargoes of raw materials, in Tokyo "naval planners declared that only by striking the United States...would Japan

²⁶⁸Historian H.P. Wilmott quoted in Evans and Peattie, 363.

²⁶⁹ Evans and Peattie, 364.

²⁷⁰ Ibid., 364.

have a chance in a war.”²⁷¹ By 1941, the exhaustion of an arms race with the United States led Japan down the road of strategic desperation.

E. CONCLUSION

Through a need to ensure autonomous control of economic resources, post-Meiji Japan embarked on a program of naval expansion that brought it into direct conflict with the dominant industrial and naval power of the mid-twentieth century – the United States. Having experienced subservience to Western powers during the Meiji Restoration, Japan sought the means to guarantee its independence. The Japanese naval theorist Sato Tetsutaro, borrowing directly from Mahan, had cautioned that, “(h)istory proves that since time immemorial there has been no nation that became a world power without oceanic expansion.”²⁷² With the idea of maritime power as a central component to national strength, the growth of a powerful navy became a key component in Japan’s expansion.

The experience of the Sino-Japanese and Russo-Japanese Wars served as defining events in Japan’s search for a strategy. Unfortunately, the lessons of those conflicts focused more on budgets and ship building rather than a coherent maritime strategy: “Japanese strategists focused primarily on tactics and operations rather than the more rarefied dimensions of naval warfare...because...they learned about naval strategy more from combat experience than from abstract seapower theory.”²⁷³ Instead of budgets and hardware that flowed from an articulated strategy, Imperial Japanese Navy leaders matched strategy to their desired budgets and hardware. When naval arms limitations were deemed detrimental to the needs of Japan’s maritime policy, Tokyo focused on expanding its fleet – an expansion that directly challenged the interest of Western powers in the Western Pacific and East Asia. Using the United States as a planning model, Japan failed to take into account the detrimental effect of antagonizing the United States. As the

²⁷¹ Asada, *From Mahan to Pearl Harbor*, 241.

²⁷² Quoted in Asada, *From Mahan to Pearl Harbor*, 34.

²⁷³ Yoshihara and Holmes, “Japanese Maritime Thought: If Not Mahan, Who?” 31.

Imperial Japanese Navy grew, the United States Navy, once well-funded, was more than able to expand to handle the challenge of Japan's fleet.

Ultimately, "the essential element that led to war was Japan's terrible economic vulnerability and its decision, in the light of the lessons of World War I, to do something about it."²⁷⁴ The navy served as a key factor in Japan's effort to secure itself from economic vulnerability. As "Japanese leaders could not imagine a status between dependence and independence and had not yet accepted the possibility of interdependence,"²⁷⁵ the concept of naval force working in conjunction with another power's navy was not an idea entertained by Tokyo. As the Imperial Japanese Navy grew, the likelihood for conflict with a peer power grew. With an interest in maintaining an open China, the United States and its navy assumed the role of Japan's antagonist. In the end, the naval arms race between Japan and the United States was a principal cause for the tensions that initiated World War II in the Pacific.

²⁷⁴ Barnhart, *Japan Prepares for Total War*, 267

²⁷⁵ Jansen, 408.

IV. THE RISE OF THE IMPERIAL GERMAN NAVY, 1871-1914

The way in which nations are able to marshal and expand power is a question of great import to historians and policy-makers alike. History is filled with multiple instances of a once minor player on the international stage that is able to transform itself into a central power. During the nineteenth century, Germany played that role amongst the great powers of Europe. The German states, which were a collection of principalities and states at the start of the 1800s, unified into the Second Reich and subsequently grew to dominate the economic and political concerns of its neighbors by the start of the twentieth century. Germany's growth directly shaped its view of the rightful place of the Second Reich; just prior to the start of World War I in 1914, with the largest industrial output in Europe, "nationalists...exulted at these manifestations of growth and their implications for Germany's place in the world."²⁷⁶

Prior to World War I, there were numerous debates within the Empire regarding how Germany could best take its rightful place in the world. Economic might needed to be transmitted into German power, and a key means of enacting that ideal was the dedicated effort to expand and modernize the Imperial German Navy. One explanation for why Germany sought to expand its navy is that in 1894 Kaiser Wilhelm II, the third emperor of the Reich, read the naval theorist Alfred Thayer Mahan's work *The Influence of Seapower on History* and "immediately concluded that Germany's rise to the status of a world power could only occur through creation of a great fleet."²⁷⁷ Mahan's work, however, likely fit into an existing German ambition, one heavily promoted by the Secretary of State of the Imperial Naval Office, Vice Admiral Alfred Tirpitz (later von Tirpitz). It was the government's goal to "realize its dream of 'a place in the sun' by

²⁷⁶ Paul Kennedy, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000* (New York, NY: Vintage Books, 1987), 211.

²⁷⁷ Williamson A. Murray, "Towards World War," in *The Cambridge History of Warfare*, ed. Geoffrey Parker (New York, NY: Cambridge University Press, 2005) 267.

revolutionizing the international system (which) required the buildup of a power navy which could eventually enforce its claim...”²⁷⁸

The buildup of the Imperial German Navy would have a significant impact on the balance of power in pre-World War I Europe. To understand both the nature of Germany’s naval growth and the response of competitive powers, it is necessary to first outline the context of the German Unification and the subsequent push for Great Power Status. Once the broader background has been framed, the strategy Berlin to attain Great Power status, as well as its impact on global affairs, will be outlined.

A. GERMAN UNIFICATION

Germany’s rise during the course of the nineteenth century can be described as nothing less than swift. The forces that allowed a loose confederation of states to form into Europe’s most powerful continental nation-state are central to understanding Germany’s later turn to the sea.

1. Pre-German Unification

In the first half of the nineteenth century, Germany was a mostly agrarian and rural nation with little political unity.²⁷⁹ It was Otto von Bismarck, minister-president (prime minister) of Prussia from 1862 forward, who brought union to politically divided Germany. Bismarck’s original ambitions as prime minister “were limited: the preservation of Prussia and the interest of its ruling class...”²⁸⁰ During the course of three wars with Denmark, Austria, and France between 1864 and 1871, Prussia, under the leadership of Bismarck, asserted both political dominance of the German states, as well as military prowess second to none. With a confederation of German states agreeing to Bismarck’s proposal to establish a Second Reich, the King of Prussia was elevated to the

²⁷⁸ Michael Epkenhans, “Krupp and the Imperial German Navy, 1898-1914: A Reassessment,” *The Journal of Military History* 64 (April 2000): 338.

²⁷⁹ Rondo Cameron, *A Concise Economic History of the World: From Paleolithic Times to the Present* (New York, NY: Oxford University Press, 1993), 243.

²⁸⁰ John Roberts, “Revolution from Above and Below,” in *The Oxford History of Modern Europe*, ed. T.C.W. Blanning (New York, NY: Oxford University Press, 2000), 35.

position of emperor, or *kaiser*, in 1871. Bismarck's desire to preserve Prussia led to the establishment of an empire with Bismarck himself serving as the first chancellor of Germany. Internationally, what was most relevant to Germany's future military expansion was the sense amongst other powers that, "(t)hroughout the process of German unification, there had been little concern about its impact on the balance of power."²⁸¹ Other states misunderstood the motivating force behind Germany's unification: power. Bismarck had worked to guarantee the power of Prussia and had expanded it over a brief period of time. The drive for power, derived from "a greater Prussia whose principal purpose was to increase its own power,"²⁸² would be the motivating factor for Germany.

2. Post-German Unification

Of particular note, the nature of Germany's political structure after 1871 was unique compared to other great powers in Europe. A compromise of the expanding middle class liberalism and the ruling class' autocratic status, "(t)he political system of the German Empire was devised...so as to give maximum protection from parliamentary influence to those institutions that had always been the...preserve of the conservative elite..."²⁸³ Germany's Reichstag, or parliament, had no real say as to the formulation of specific policies. The middle class allowed for a conservative, autocratic system due to the combination of perceived benefits of industrialization and a fear of the forces of socialism. The ruling forces in Germany were convinced that the German government's strength and ability to resist socialism depended upon cooperation between conservatives and "groups that derived financial support from heavy industry and agriculture."²⁸⁴ Unlike England, where a growing middle class had demanded expanded political authority to match their economic status, the German middle class remained reluctant to

²⁸¹ Henry Kissinger, *Diplomacy* (New York, NY: Touchstone Press, 1994), 169.

²⁸² *Ibid.*, 169.

²⁸³ Wolfgang J. Mommsen, *Imperial Germany 1867-1918: Politics, Culture, and Society in an Authoritarian State* (New York, NY: Arnold Press, 1990), 42.

²⁸⁴ Gordon A. Craig and Alexander L. George, *Force and Statecraft: Diplomatic Problems of Our Time* (New York, NY: Oxford University Press, 1995), 36.

demand political influence to match their significant social and economic weight.²⁸⁵ With a strong agricultural base dominated by landed nobility (the *Junkers*), a growing industrial capacity, and the benefits of the German Trade Union's common currency and tariff system, Germany's economy served to bolster a political system that prevented the common man from interfering with policy. Ensuring the long-term survivability of such a system would be a central domestic concern for Germany's rulers.

3. The Role of Nationalism

Historically, it is important to recognize the force of nationalism in both the pre- and post-unification periods of German history. Although nationalism as a defining force originally had few belligerent overtones, the impact of the French Revolution of 1789 changed nationalism's nature. For many thinkers, "nationalism took on an aggressive, bellicose character; nowhere was this more true than in Germany..."²⁸⁶ Combined with an economic system that provided for a common German market, German nationalism was a force leveraged by Bismarck to help form the Second Reich. One explanation for the relatively passive political role of the middle class is that "(s)trong nationalist sentiment, focused principally on the Imperial throne as the symbol of the new nation, forced a bridge connecting the spheres of culture and state."²⁸⁷ Focusing on Prussia's triumph over other nations, particularly the French, and on the greatness of the newly founded Empire, the German people experienced little to temper the ethnocentric power of nationalism. The middle class in Germany "provided the nucleus of nationalist agitation without encountering in the political system the sort of parliamentary buffer"²⁸⁸ that would channel the people's passions constructively. As time went on, German nationalism, viewed within Germany as a constructive force that allowed for the founding of a powerful empire, turned from an inwardly directed to an outwardly directed force.

²⁸⁵ Epkenhans, 337.

²⁸⁶ Martin van Creveld, *The Rise and Decline of the State* (New York, NY: Cambridge University Press, 1999), 194.

²⁸⁷ Mommsen, 124.

²⁸⁸ Kissinger, 184.

The alignment of an outwardly directed nationalism with the desire to expand Germany's economic and political sphere of influence played an important role in the expansion of the Imperial German Navy.

B. GERMANY'S GEO-POLITICAL OUTLOOK, LATE NINETEENTH CENTURY

Following unification, Germany's economic strength grew at an impressive rate. An expanding population and industry were key factors in making Germany the emerging powerhouse of Europe. For the leadership in Berlin, success raised several concerns regarding relations with the other powers of Europe.

1. The Drive for Great Power Status

While not considered a significant threat, the newly unified German Empire showed signs of an unrealized ambition. From the period immediately following unification until Bismarck's dismissal as Chancellor by Kaiser Wilhelm II in 1890, Germany grew in strength without upsetting its neighbors. Aware that other nations were slightly uneasy due to the three conflicts that immediately proceeded unification, Bismarck balanced Germany against the ambitions of Russia, France, and England. Once Bismarck was dismissed, his successors abandoned Bismarck's trademark moderation with the determination that Germany "serve as the hammer and not the anvil of European diplomacy."²⁸⁹ A review of the German Reich's economic and political concerns regarding its role in international affairs will highlight the domestic and foreign influences that drove Germany's leadership to emphasize "that the German Empire really was a world power in its own right and therefore fully entitled to have its say in international affairs."²⁹⁰

The primary manifestation of this ideology was the transformation of *Realpolitik* into *Weltpolitik*. First mentioned in 1890, *Weltpolitik* was not to become the official view of the Reich until 1897. Unlike the measured and realistic diplomatic maneuvering of

²⁸⁹ Kissinger, 170.

²⁹⁰ Mommsen, 81.

Bismarck, *Weltpolitik* emphasized a worldly view that stressed the growth of German influence beyond the borders of Germany. Interestingly, *Weltpolitik* served to highlight the uncertain nature of the new Germany; this uncertainty demonstrated that “Germany was not sure of itself, of its own strength and status or of its limitations and weaknesses.”²⁹¹ In such a situation, it is necessary to understand specific issues that highlighted Germany’s need for military modernization.

a. Economic Concerns of Modernization

For Germany, the benefits of economic growth were notable in export growth and its expanding manufacturing base. Unfortunately, “economic specialization within the world economy increased their dependence on overseas trade.”²⁹² German industry simply could not survive without imports that arrived from the sea. Like other Continental powers, when Germany pursued economic specialization and industrialization it became vulnerable to the somewhat tenuous flow of strategic raw materials.²⁹³ By the late 1890’s, it was apparent to then State Secretary for Foreign Affairs Bernhard von Bulow that Germany’s economic vulnerability was a significant concern. During a conversation with Kaiser Wilhelm II, he noted that Germany “was entrusting an ever-increasing share of its products to the high seas; this wealth...must be better protected than hitherto...”²⁹⁴ The question of maritime security was a significant concern for German foreign policy.

Along with import concerns, Berlin was equally anxious regarding its potential export markets. In the shadow of a downturn in the domestic economy during the 1870’s, German manufacturers needed to find markets in order to sell their goods. As the only alternative to a domestic market is a foreign market, the need to expand market opportunities for manufacturers directed the attention of Germany’s business community outward to foreign lands. A common view in Berlin was that “(t)he domestic market

²⁹¹ Imanuel Geiss, *German Foreign Policy, 1871-1914* (Boston, MA: Routledge & Kegan Paul Ltd., 1976), 15.

²⁹² Hobson, 38.

²⁹³ *Ibid.*, 94-95.

²⁹⁴ Peter Padfield, *The Great Naval Race: Anglo-German Naval Rivalry 1900-1914* (Edinburgh, Scotland: Birlinn Limited, 1974), 38.

alone...was no longer adequate for German industry: instead, there must be a search for alternative markets throughout the world, secured if need be by governmental protection.”²⁹⁵

Specifically, Germany began to look seriously at the need to acquire colonial possessions. That conclusion was the end of an extended policy process; during the 1880’s, Bismarck had no intention to establish an overseas empire in the image of the British Empire²⁹⁶ But the process of protecting and promoting German commerce led Bismarck and others to realize that the increasing amount of government protection and involvement of overseas trade could best be served by the acquisition of overseas possessions. Envisioning that the “overseas possessions...would be run by companies themselves, under a government charter...All that the German government was required to do was to grant *Reichsschutz* (Reich protection)...”²⁹⁷ Economic concerns associated with modernization had turned the eye of Berlin outwards in search of lands of opportunity. To many in the commercial sector, it was apparent that without its own empire, Germany’s industry would remain dependent on other great powers to guarantee access and security of commerce across the globe.²⁹⁸

b. Political Concerns of Modernization

Along with the benefits of industrialization, the political structure of the German Empire underwent tremendous strain. Bismarck’s original political organization was intended to maintain the political power of the *Junkers*, encourage middle-class economic expansion via industrialization, and marginalize any challenge to the traditional Prussian mechanisms of government. Social growth after 1871 challenged that structure as “(t)he growth of an industrial proletariat whose leaders saw an opportunity of gaining a voice in the Reichstag via the universal suffrage also contributed to the slow decline of

²⁹⁵ Paul M. Kennedy, *The Rise of the Anglo-German Antagonism 1860-1914* (Atlantic Highlands, NJ: The Ashfield Press, 1980), 168.

²⁹⁶ *Ibid.*, 175.

²⁹⁷ *Ibid.*, 176.

²⁹⁸ V. G. Berghahn, *Germany and the Approach of War in 1914* (New York, NY: St. Martin’s Press, 1973), 32.

the politics of the notables...”²⁹⁹ The growing and increasingly urbanized population provided voters more aligned with liberal and socialist movements, not the agrarian’s conservative parties. In the end, the group for whom the Empire was intended to maintain power, the nobles, faced a challenge to their authority from the growing number of workers. By the 1890s, with the landed class aligned towards agrarian interests and fearing loss of power, and rising social forces aligned towards industrial concerns regarding urbanization and the plight of German workers, “an atmosphere of protracted crisis prevailed...jealousy and mistrust between the agrarian and industrial sectors of Germany’s ruling class on the one hand, fear of social revolt from below and ‘coup d’état’ from above...”³⁰⁰ Internally, Germany was unbalanced and in turmoil.

While Bismarck was still Reich chancellor, efforts to assure other powers as to the benign nature of Germany were constant and delicately balanced. Bismarck had a well-delineated mission, and “(c)entral to his goal was the need to convince the other powers that Germany was what he repeatedly asserted: a ‘saturated’ power that need to turn inward to consolidate in peace...”³⁰¹ External political relations focused heavily on not antagonizing other Great Powers. As an extension of that idea, Bismarck wanted to ensure that no alliance was created that would marginalize Germany. A real threat of isolation developed after 1871 as Germany’s rapid economic expansion simultaneously threatened several other great powers.³⁰² As the nineteenth century progressed, Germany’s overt attempt to demonstrate to other powers a lack of territorial ambition was lost with the resignation of Bismarck in 1890. Whereas Bismarck had limited territorial ambitions out of a desire to not provoke other states, a more assertive foreign policy under Wilhelm II followed a historical pattern whereby rising powers call for change in an international order that politically and economically favors older and more established powers.³⁰³

²⁹⁹ Berghahn, 24.

³⁰⁰ Geiss, 77.

³⁰¹ Donald Kagan, *On the Origins of War and the Preservation of Peace* (New York, NY: Anchor Books, 1995), 101.

³⁰² Kennedy, *The Rise and Fall of Great Powers*, 213.

³⁰³ *Ibid.*, 213.

With a powerful economy and thriving population, Germany faced the late nineteenth century with growing internal unrest and international tensions in response to German calls for a greater place in international affairs. Containing these forces would become a major focus of German politics as the twentieth century neared. Of the many avenues that provided possible relief from Germany's political concerns, the military and, in particular, naval modernization provided a clear possibility for alleviating Berlin's trepidations.

2. Military Modernization

The Imperial German Navy of the Reich's early decades was a secondary service. Germany, and Prussia before it, had been continental powers. Military matters had been solved almost exclusively with land forces. In many ways, the Navy acted merely as a coastal defense force; by the early-1880s, only seven frigates and four corvettes formed Germany's first cohesive surface action group.³⁰⁴ With Bismarck remarking that he desired "Germany to remain 'a sea power of the second rank' . . .,"³⁰⁵ the prospects of the Navy to be used as a force to ensure political and economic strength were dire. By any measure, it was apparent that Germany's naval growth had lagged behind growth in all other industrial fields.³⁰⁶ Yet, the need for economic security demanded that the German government provide the means for the expansion of commerce and safe passage of imported goods.

Ultimately, by the 1890s it was apparent that Germany needed a service that could provide both economic security and diplomatic muscle. The need to promote German interests via naval strength was a logical choice. For a continental power, "one of the most far-reaching decisions was to seek additional military power not on land – Prussia

³⁰⁴ Holger H. Herwig, *"Luxury" Fleet: The Imperial German Navy 1888-1918* (London, England: George Allen & Unwin Ltd., 1980), 14.

³⁰⁵ Ibid., 15-16.

³⁰⁶ Jonathan Steinberg, *Yesterday's Deterrent: Tirpitz and the Birth of the German Battle Fleet* (London, England: Macdonald & Co. Ltd, 1965), 158.

and Germany's traditional domain – but at sea.”³⁰⁷ How Germany would update its fleet and ensure its interests, both domestically and globally, would shape the geopolitics of Europe for decades to come.

C. MATCHING ENDS AND MEANS: CHOOSING A STRATEGY

As Germany faced its future in the late nineteenth century, it was apparent that a policy was needed that would elevate the status of the Imperial German Navy. In choosing a strategy, it was important for Germany's leaders, most notably Kaiser Wilhelm II and Admiral von Tirpitz – at a minimum – implicitly to recall that “maritime strategy is the direction of all aspects of national power that relate to a nation's interests at sea...maritime strategy is not purely a naval preserve.”³⁰⁸ Germany had external problems for which the navy appeared to be an ideal solution, but internal issues were also of concern. Berlin had to take into account its own condition and implement a policy via a strategy that would be suitable for the needs of the nation.

1. Models of Maritime Strategy

Prior to 1890, the desire for a navy of significant weight was uneven. As a continental power, the maritime strength of other nations was not viewed as significant a threat to a state whose security rested on its land forces. As the central policy-maker for the Reich, Chancellor Bismarck had not viewed British naval power as a significant threat to Germany's overseas interests. As late as 1889, Bismarck had extolled the British fleet as “the greatest factor for peace in Europe.”³⁰⁹ The Imperial German Navy was consigned to a secondary status to that of the army, “relegated in the scheme of national defense to the role of a sort of...coastal defense corps.”³¹⁰ To adapt and expand its navy

³⁰⁷ Geiss, 75.

³⁰⁸ John B. Hattendorf, “What is Maritime Strategy?” 235-236.

³⁰⁹ Sondhaus, 180.

³¹⁰ Hobson, 111.

to a greater role, Germany's leadership had several possible avenues of advance. A review of the dominant naval strategies of the time demonstrates the various strengths and weaknesses of the options at hand.

a. Jeune Ecole (the "Young School")

Perhaps the simplest strategy Germany might have adopted was that of the *Jeune Ecole*, or "Young School." Faced with the continued dominance of the Royal Navy, French theorists, led by Admiral Theophile Aube, decided to no longer try to beat the British at their own game. Instead, the *Jeune Ecole* assumed that there was a way for a weaker power to defeat a stronger power. By the 1870's, the means to this end appeared to be "that torpedo-boats were the main weapon with which secondary naval powers could hope to neutralize the British battleship superiority."³¹¹ Later, this theory was coupled with a traditional feature of naval warfare – commerce raiding. Commerce raiding did not require sizable fleets of man-of-wars, but instead fast cruisers that could prey on enemy shipping.

Admiral Tirpitz, the central figure in Germany's naval expansion, was an expert in torpedo boat operations based on his multiple postings to torpedo craft commands. It might have seemed apparent that Tirpitz would rely upon his experience in designing Germany's future fleet. But the *Jeune Ecole* possessed significant weaknesses that precluded it as an ideal choice. Firstly, torpedo craft at the time were technologically limited to near-shore operations; the likelihood of significantly interfering with an enemy's operations far at sea was remote. Secondly, unrestricted commerce raiding of an enemy had the potential to unwittingly antagonize other nations that saw such activity as unlawful. Count Caprivi, chancellor following Bismarck's resignation, held that "commerce raiding by cruisers to be far less effective in the age of steamships...as (m)erchant ships were faster than cruisers..."³¹² Finally, *Jeune Ecole* did not address the possibility that an enemy force may in fact choose to attack friendly commerce. Once

³¹¹ Herwig, 15.

³¹² Hobson, 118. It is interesting to note that Caprivi was wrong about this. The logic of the *Jeune Ecole* was very largely borne out in WWI, when the battlefleets avoided combat with each other, and the high seas were dominated by vessels armed with torpedoes, and those intended to hunt them.

away from the protection of torpedo boats near the coast, friendly commerce was too vulnerable to the whims of great naval powers. Although the “Young School” dominated the naval theory of continental powers during the 1870s and 1880s, it did not suit the purposes of a nation desiring to expand its influence globally. For Germany, an alternative to the *Jeune Ecole* was needed.

b. Mahan

At the same time that Wilhelm II ascended to the position of the Kaiser in 1890, Alfred Thayer Mahan wrote his first and most famous work, *The Influence of Seapower Upon History 1660-1783*. In terms of theory, Mahan revolutionized formal work in naval theory by forming “an ideology grounded in the notion that naval power was the most decisive factor in the political and economic rise and fall of nations.”³¹³ Recognizing the role of commerce as vital to a nation’s well being, Mahan identified the purpose of a navy: “The necessity of a navy...springs, therefore, from the existence of a peaceful shipping, and disappears with it...”³¹⁴ Commerce required protection from commerce raiders, and Mahan saw the means to provide protection in a fleet that could guarantee freedom of movement over the maritime domain via command of the seas. As opposing forces would hold similar views, it was important to recognize that a fleet designed to protect trade would need to eliminate the threat of an opposing fleet. In Mahan’s words, “in war the proper main objective of the navy is the enemy’s navy.”³¹⁵

For Germany, the prospect of a naval policy oriented around a great fleet was more than attractive. Within Germany, “nationalists were searching for arguments in favor of an expansionist foreign policy. Mahan was one among several influential pundits who met that need.”³¹⁶ There is little doubt that Mahan’s theories served to bolster a Germany looking outward to far-off horizons that only a navy could reach. Overall, however, his reception in Germany does not indicate to a satisfactory degree whether

³¹³ Sondhaus, 162.

³¹⁴ Mahan, *The Influence of Sea Power Upon History 1660-1783*, 26.

³¹⁵ Mahan, *Naval Strategy: Compared and Contrasted with the Principles and Practice of Military Operations on Land*, 199.

³¹⁶ Hobson, 180.

Mahan's thought was a motivating factor for German naval expansion, or merely a useful explanatory ideology to go along with what Germany already needed. To best understand the role of Mahan, it is important to look to the source of Germany's naval policy in the 1890's, Admiral von Tirpitz.

c. Admiral Alfred von Tirpitz and Risk Theory

Following command of the Asian cruiser squadron at Germany's recently acquired Qingdao naval base in China, Tirpitz was selected to serve as the secretary of state for the Imperial Naval Office in 1897. At that time, Germany's late start to imperial status had a significant impact on Germany's worldview. The business class was acutely aware that "without an empire of its own, German industry would always be dependent on other great powers."³¹⁷ Tirpitz was well aware that Germany's economy was at risk as long as other powers could interfere with commerce, and that "the building of a navy was seen as a prerequisite to a future German world empire."³¹⁸ But simply having a navy was not sufficient. If Germany wanted to impose its will on the international community, it must be able to challenge the preeminence of the international community's strongest fleet, the Royal Navy. Well after the implementation of the naval expansion, Sir Julian Corbett explicitly stated what Tirpitz had acted upon implicitly: "...command may exist in various states or degrees...mere local command, except in very favorable geographical conditions, should scarcely ever be regarded as more than temporary."³¹⁹ Tirpitz wanted a fleet that could aid the empire's expansion, but the British were the best. What was needed was not a fleet that could necessarily defeat the British, but one that could threaten the British and make British command a temporary condition. In this context, Tirpitz designed his "risk theory."

Risk theory implied that Germany would have to build a navy powerful enough to threaten an opponent's well-being, not necessarily its survival. A clear exposition of the theory holds the following:

³¹⁷ Berghahn, 32.

³¹⁸ Ibid., 49.

³¹⁹ Corbett, 102.

The essence of that theory was that as the German Navy could not be made strong enough for a reasonable chance of victory...it should be made so strong that its destruction would cost even the strongest sea power such heavy losses, endangering its supremacy vis-à-vis third navies, that the mere thought of that risk would act as a deterrent against an attack.³²⁰

For Germany to leverage its force against the British, an approximate ratio of two ships to every three British vessels was needed. Only with a force of that ratio could Germany utilize its fleet in a Corbett-like strategic defensive, one that highlighted the danger of attacking Germany. In this context, it is apparent that Tirpitz "...needed no Mahan to crystallize his ideas regarding German naval policy."³²¹ The needs of Germany presented Tirpitz with enough justification for the expansion of the Imperial Germany Navy.

2. Germany's Choice

Based on the realities of the Reich's economic and political situation, Germany's turn towards a naval strategy that emphasized rapid growth of the battle fleet was a logical conclusion for Berlin. Although some might argue that Mahan's theory of "command of the sea" presented the motivating dogma for Tirpitz and the Kaiser, Mahan's work acted more as a useful tool to help execute a job already planned. For Germany in particular, *The Influence of Seapower Upon History* served a wonderfully ideological role:

...the book at once reflected and ratified the ruthlessly competitive spirit that had grown up with the industrial era, turning that spirit into an...immutable set of historical laws revolving around a single theme: national expansion or national death.³²²

³²⁰ Herbert Rosinski, "German Theories of Sea Warfare," in *The Development of Naval Thought: Essays by Herbert Rosinski*, ed. B. Mitchell Simpson (Newport, RI: Naval War College Press, 1977), 54.

³²¹ Azar Gat, *A History of Military Thought* (New York, NY: Oxford University Press, 2001), 455.

³²² Rose, *The Age of Navalism*, 2.

Germany was already convinced of its need to grow. At most, Mahan's work may have served to buttress Berlin's pre-existing inclination towards naval expansion.³²³ Ultimately, however, the German leadership chose naval expansion and the risk theory for specific foreign and domestic reasons.

In foreign policy, Tirpitz sought implementation of a ship-building program that could meet the requirements of the risk theory in order to "use the potentialities of a new instrument of force, the Navy, to achieve diplomatic re-alignment."³²⁴ Germany needed foreign markets and colonies, and a powerful fleet could be used to convince other nations to allow Germany, a late-comer to the imperial competition, a more suitable piece of world wealth. For many German citizens, a powerful navy served to make up for Bismarck's failure in the 1870s and 1880s to acquire large overseas colonies.³²⁵

Domestically, the need to quell social forces that might desire liberalization of the political structure of the empire was partially satisfied by the prospects of the economic benefits of a renewed naval construction program. To that end, "the Navy was to act as a focus for divergent social forces which the government hoped to bribe into a conservative *Sammlung* (collection or coalition) against the 'Revolution'."³²⁶ Construction of the fleet, needed to achieve Germany's *Weltpolitik*, would provide an incentive for industrialists, the nobility, and the political organizations of the Reich to maintain the status quo and to marginalize the calls from liberals and socialists to reform Germany's government. Tirpitz noted that maritime interests needed to be expanded quickly as "...in no small degree also because there lies in this new great national task, and the economic gain which is bound up with it, a strong palliative against educated and semi-educated Social-democrats."³²⁷

³²³ Hobson, 180.

³²⁴ Steinberg, 20.

³²⁵ Berghahn, 33.

³²⁶ Ibid., 42.

³²⁷ Quoted in James R. Holmes, "Mahan, a 'Place in the Sun,' and Germany's Quest for Sea Power," 41.

In the end, the foreign and domestic economic and political concerns of the German Empire forced a policy shift that was spearheaded by a new and expansive naval strategy. Viewed as a means of promoting external ambitions while also exerting control over subversive internal forces, the naval policy chosen by Tirpitz and the Kaiser served one overriding purpose: “the stabilisation of the Prusso-German political system.”³²⁸ With that end in mind, Germany embarked upon a naval construction program initiated by a series of specific laws enacted at the turn of the century. The way in which that policy was enacted, and its effects upon Germany and Germany’s peers, will highlight the specific political and economic impacts of an expansive naval policy.

D. IMPACT OF AN EXPANDING MARITIME STRATEGY

Germany’s decision to expand its navy in order to support foreign and domestic policy goals had an impact that helped shape the pre-World War I landscape of European politics. With the passage of the German Naval Bills of 1898 and 1900, Berlin’s intent was clear. In London, it was apparent that “the doctrines of coast defense and commerce raiding yielded to the regal, first-rank desideratum of ‘Command of the Sea.’”³²⁹ Germany intended to take on the status of a world-class power. In both domestic and foreign relations, the expansive naval strategy of the Second Reich would have far-reaching consequences.

1. The German Navy Laws of 1898 and 1900

Shortly after his posting as Secretary of State for the Imperial Navy Office, Admiral Tirpitz collaborated with the Kaiser and Chancellor Bulow to pass the first Germany Navy Law of 1898. Seen as the fulfillment of Germany’s desire to mass a fleet capable of supporting its interests, the 1898 bill outlined a building program of 19 battleships and several dozen cruisers of various types. The 1900 bill raised the number of battleships to 38. Both bills had provisions that mandated replacement of capital ships

³²⁸ Berghahn, 53.

³²⁹ Andrew Gordon, “Military transformation in long periods of peace: the Victorian Royal Navy,” in *The Past as Prologue: The Importance of History to the Military Profession*, ed. Williamson Murray and Richard Hart Sinnreich (New York, NY: Cambridge University Press, 2006), 160.

over a 25-year cycle. Based on an assumed Royal Navy of 90 capital ships, Tirpitz's goal of three capital ships a year over a 20-year period would give the Germany Navy until 1918 to reach the acceptable level of force his "risk theory" demanded. Both bills also obligated the Reichstag to fund naval expansion. Finally, it was with the 1900 bill that Germany's policy of *Weltpolitik* was explicitly stated. With these laws, Tirpitz had formalized into state policy the strategy considered necessary to attain the Reich's long-range goal of attaining the rightful place of a Great Power.

2. Internal Effects

a. Public Opinion and Morale

Among the internal consequences of Germany's new policy, the impact to domestic politics was significant. In order to gain concurrence in the Reichstag for passage of the 1898 bill, the landed agricultural conservatives had demanded the return of agricultural tariffs to pre-Chancellor Caprivi levels (1890-1894). Those tariffs caused widespread dissatisfaction due to increased food costs that impacted lower classes. Additionally, by 1901, a trade slump undermined the Imperial Navy Office's contention that rising trade costs would be offset by increased trade receipts. The lower classes, susceptible to socialist influence, were a ready audience when August Bebel, a founder of the Socialist Democratic Party, claimed that the fleet policy enacted by the German Navy Laws was a gross failure that could only lead to nationwide financial catastrophe.³³⁰ Germany's ruling class found that costs of the fleet expansion, coupled with the rising costs due to renewed tariffs, were inflaming the very social tension that the naval laws had intended to quell.

From the conservative coalitions and propaganda groups, Chancellor Bulow and Admiral Tirpitz experienced a different problem. Relying upon the German people's nationalism to support *Weltpolitik* aroused passions that could not always be controlled. During the Boer War of 1898, Anglophobia struck, and Bulow found that "(t)he nationalist sentiments...(he) had sought to exploit as the basis for his new

³³⁰ Kennedy, *The Rise of the Anglo-German Antagonism*, 328.

integrative ‘*Weltpolitik*’ soon took on an uncontrollable momentum of their own.”³³¹ Negative press reports and editorials caused consternation within the foreign policy arm of the government; in a country as autocratic as Germany, how could the Reich explain to the British that anti-British sentiments were not promoted? In the long run, the government found itself expending time and energy tempering the passions of the very portions of society it relied upon for full support.

Finally, it is important to note the effect of the sustained expansion on the Navy itself. With conscripts reporting annually for training and funds low due to construction requirements, by 1907 the officer corps was demoralized. It appeared that parity with England would never occur. Worse, tensions with England that indicated the possibility of war only made things worse as “front-line commands found it impossible to live with the fact that they would be nothing but cannon fodder...”³³² The Imperial German Navy’s sense of inferiority remained a detrimental factor to military readiness up to the start of World War I.

b. Economics

Perhaps the most important internal factor regarding the effects of the naval bills had to do with the funding of the fleet. Between 1900 and 1912, total expenditures for naval construction rose from 7.9 million pounds sterling to 23.1 million pounds sterling.³³³ During that entire period, England’s expenditures never fell below that of Germany’s; that situation placed political pressure on the Imperial Naval Office to continually seek higher levels of funding. Although cost guarantees were written into the 1898 and 1900 bills, cost overruns became a matter of grave concern due to the impact they had on the overall treasury. By 1905, the funding for naval construction proved such a drain on the Reich’s treasury that the Reichstag had to contemplate new means of

³³¹ Mommsen, 195.

³³² Berghahn, 111.

³³³ Rose, *The Age of Navalism*, 81.

generating tax revenue.³³⁴ The issue of new tax revenue was driven by the fact that Germany had no national tax income base.

Worse still, German ship construction proved financially inefficient compared to England. Whereas the British became more efficient at producing capital ships and decreased the cost of subsequent dreadnought constructions, the Germans suffered annual cost increases. When the cost of battleship construction is compared, by 1909 Germany was spending 20 percent more for Dreadnoughts than Great Britain.³³⁵ Near the end of his time as chancellor in 1909, Bernhard von Bulow concluded that a slowdown in the overall naval program was essential for both domestic and foreign reason. In Bulow's opinion, "the financial burden of naval armaments had become intolerable."³³⁶ Unfortunately, construction and operational costs continued at varying rates up until the start of World War I in 1914. One estimate holds that, by 1914, "naval building added no less than 1,040,700,000 GM (German Marks) to the national debt."³³⁷ That debt prevented investment into other areas important to the domestic and external well-being of the Reich. With the army and social services already demanding a high level of national wealth, the naval construction program proved to be an insupportable burden.

3. External Effects

a. Alliances and Great Power Politics

Internationally, Germany's growing naval strength combined with the overtly stated *Weltpolitik* policy in an unsettling manner. Germany's naval growth spurred a worldwide expansion of naval power. As other nations, including France and Russia, expended wealth in an attempt to maintain some degree of parity in the naval arms race, it became apparent that even the largest navy in the world, the Royal Navy,

³³⁴ Berghahn, 87.

³³⁵ Herwig, 61.

³³⁶ David E. Kaiser, "Germany and the Origins of the First World War," *The Journal of Modern History* 55, no. 3 (September 1983): 454.

³³⁷ Herwig, 61.

could no longer be in all places at all times. In 1902, England signed the Anglo-Japanese alliance with the intention of both leveraging the Japanese fleet to help maintain freedom of trade in East Asia, as well as to prevent any combination of opposing fleets against British interests in the region. By receiving the guarantee of an ally to provide force when needed in Asia, Great Britain made certain that it would not have to weaken its home or Mediterranean fleets to ensure British interests in the Pacific.³³⁸ Instead, fleet assets were needed to counter the growing strength of navies near the British Isles. Although other nations were building larger navies as well, England found Germany's expansion particularly troublesome as Berlin's post-Bismarck foreign policy had taken on a belligerent character. Although not originally anti-British, *Weltpolitik* "soon became so because of the basic political and geographical situation – Britain controlled Germany's routes to the outside world..."³³⁹ Expressing Germany's desire for greater power, the naval policy of Germany helped to press England to realign its foreign policy in Asia in order to better manage the growing threat from across the North Sea.

Germany's increased militarism motivated other nations to limit its acquisition of highly desired imperial gains. Just prior to World War I, England and the United States agreed to allow each other oversight of Middle East and Latin American oil reserves, respectively. By doing so, "the Germans were effectively denied control over oil imports at a time when only 10 percent of Germany's growing oil requirements was supplied by internal production."³⁴⁰ Earlier, England supported France in both 1905 and 1911 in order to prevent German colonial expansion into Morocco and North Africa. Although Germany failed in its efforts, the growing might of the Reich convinced England of the soundness of an accord with France. In early 1907, Sir Eyre Crowe, a British Foreign Office analyst, assessed that, in spite of significant differences, an alliance with France was desirable because of the growing threat from Germany. Specifically, what made the Germans appear such a threat was Berlin's "lack of any

³³⁸ Padfield, 102.

³³⁹ Paul M. Kennedy, *The Rise and Fall of British Naval Mastery* (Amherst, NY: Humanity Books, 1976), 214-215.

³⁴⁰ Dale C. Copeland, "Economic Interdependence and War: A Theory of Trade Expectations," *International Security* 20, no. 4 (Spring 1996): 29.

discernable rationale behind its ceaseless global challenges...”³⁴¹ The naval policy of Tirpitz and Wilhelm II was the foremost expression of Germany’s challenge to the existing world order. With the sustainment of the 1904 entente between France and England, the 1894 Franco-Russian alliance, and the 1907 agreement between Russia and England regarding the division of labor in Asia, Germany found that it was effectively encircled by what is now known as the Triple Entente.

Between 1900 and the start of World War I, Germany found itself isolated from the other Great Powers of Europe due to its global strategy that was based on the foundation of *Weltpolitik* and an expansive naval program. While Berlin may have interpreted the Triple Entente as being directed at the Triple Alliance of Germany, Italy, and Austria-Hungary, the Triple Entente was instead a system of bilateral alliances utilized to limit Germany’s expressed desire to acquire colonial possessions and spheres of influence.³⁴² The Triple Entente was the structural result of the Great Powers responding to the German *Weltpolitik*, which had been formally expressed in the 1900 Navy Law.

b. The Royal Navy

Aside from the broader consideration of alliances, the response of the Royal Navy to expansion of the Imperial Germany Navy was a significant factor in the escalation of tensions prior to World War I. That response had two distinct and important characteristics: qualitative and quantitative.

In 1906, the British introduced a new kind of warship to its fleet. The HMS *Dreadnought* represented a technological leap in naval warfare. Spurred on by Sir John Fisher, Britain’s First Sea Lord, the 17,900 ton *Dreadnought* carried ten 12-inch guns and was the first warship driven by steam turbines. Commissioned into service a mere 14 months after she was laid down, *Dreadnought* also represented the strength of England’s ship building industry. Her firepower and speed far outclassed the German

³⁴¹ Kissinger, 192.

³⁴² Geiss, 107.

vessels planned for in the German Navy Laws of 1898 and 1900. The Dreadnought presented Admiral Tirpitz with a significant issue: “Fisher’s *Dreadnought*...‘leap’, coupled with other reforms...effectively blunted the German naval challenge of 1900.”³⁴³ Tirpitz realized that, in order to provide a fleet of vessels that could threaten England’s maritime dominance, Germany had to upgrade the quality of vessels it was producing. Tirpitz and his staff outlined a plan to increase the tonnage of Germany’s battle-cruisers and dreadnoughts. By the end of 1906, Tirpitz was faced with an unenviable prospect: “hav(ing) to ask Parliament for an additional allocation to cover the increased costs of the qualitative arms race.”³⁴⁴ The desired increased costs were estimated to require an increase in taxation of 130 million marks.³⁴⁵ With the prospect of German warships that could challenge Royal Navy vessels, England responded by quickly building more advanced and expensive ships of their own. The response of Tirpitz to the qualitative challenge of the Sir John Fisher was “to pick up the gauntlet that he felt Fisher had thrown...”³⁴⁶ Doing so committed Germany to a costly and resource intensive naval arms race, a race in which England had a significant qualitative head start. In direct response to the Royal Navy’s new ships, Tirpitz pushed for the 1906 Navy Bill that authorized the construction of six additional ships with tonnage up to 18,000 tons, thereby guaranteeing that “...the anti-British ambitions of the Imperial Navy would be clear to everyone.”³⁴⁷

In terms of quantity, Germany hoped to produce enough overall warships to make Tirpitz’s “risk theory” a reality. In response to the perceived threat of growing German naval strength, Sir John Fisher took a key operational step and simply redistributed the Royal Navy’s existing fleet presence. With the Japanese working in concert to maintain trade in and around China, Britain’s battleship fleet was increased near home waters. Between 1904 and 1905, the number of battleships around the English Channel and Atlantic region increased from 16 to 25. At the same time, the

³⁴³ Herwig, 57.

³⁴⁴ Berghahn, 74.

³⁴⁵ Herwig, 58.

³⁴⁶ Ibid, 58.

³⁴⁷ Berghahn, 62.

Mediterranean presence was reduced, while the battleship presence near China was ended.³⁴⁸ Quantitatively, British policy favored more ships near home in order to counter Germany's growing threat. Additionally, British naval yards far out-produced German naval yards:

...between 1897 and 1904, England laid down 27 battleships and 35 large armored heavy cruisers, a total of 62 ships, or an average of 7.75 ships a year. In the same period Germany built 16 battleships and 5 armored cruisers, a total of 21 heavy ships, or an average of 2.62 ships per year, only about one-third of the British total.³⁴⁹

Germany attempted to surpass England in ship production, but that aim proved to be a fantasy. Although Tirpitz had called for an increase of major ship production of four ships per year, by 1912, the German fleet of 61 major ships was far behind the Royal Navy's size. Recognizing that they could not spend their way into an adequate fleet, German support for tax increases to support naval construction faltered in 1909. By 1912, only two ships per year were scheduled to be produced, which was far below the numbers needed to fulfill Tirpitz's "risk theory." In the end, the British responded to the increased German naval production by simply out-producing them.

England responded to the threat of German naval expansion by demonstrating that England could provide the Royal Navy with better warships than Germany could provide the Imperial German Navy. That quality was combined with the higher production level of British shipyards. In the end, Germany simply could not construct a fleet to challenge the dominance of the Royal Navy.

E. CONCLUSION

The ambition of Imperial Germany both to provide for domestic tranquility and to attain Great Power status led to the policy of naval expansion as a means of unifying the country and providing Germany a means to attain its "place in the sun." Foreign markets and resources were seen as necessary to ensuring the economic well-being and diplomatic

³⁴⁸ Kennedy, *The Rise and Fall of British Naval Mastery*, 217.

³⁴⁹ Rose, *The Age of Navalism*, 55.

prestige of the Reich. Germany wanted to show the world it was a first rate power that could promote and defend its own interests. As “any colonial acquisition was dependent on the tacit or explicit approval of the British...(t)he building if a navy was seen to be a prerequisite to a future German world empire.”³⁵⁰ Under the eyes of Admiral von Tirpitz and Kaiser Wilhelm II, the German Navy Laws of 1898 and 1900 provided specific means to attain that navy. Unfortunately for the Imperial German Navy, “(i)t was never the biggest fleet in the world; Britain would not permit it.”³⁵¹

Had German policy makers reflected on the strategic interests of the Empire, they may have realized that challenging the dominant maritime force in the world was simply too much to ask of the German people and economy. Ultimately seeking economic growth that would ensure prosperity at home, Tirpitz and the Kaiser failed to see that the Royal Navy would have better served as partners rather than competitors to ensuring the flow of trade. For Germany, “(t)he major stumbling block came from the fact that navies are almost always thought of in national terms.”³⁵² With a desire to guarantee the pride of Germany along with the economic strength of Germany, Berlin chose a policy that, while appearing to answer the domestic, external, and nationalistic issues of the Empire, ultimately drove a wedge between Germany and her Great Power neighbors, and helped create the conditions that started World War I.

The reasons for embarking on the naval expansion may have seemed logical at the time. However, in the end, that logic formulated policy that proved disastrous for the well-being of Germany. The fleet that sought to go beyond the task of simply protecting the Reich’s commerce, the fleet that sought to challenge the hegemonic maritime power of the day, was the fleet that Germany could not afford.

³⁵⁰ Berghahn, 49.

³⁵¹ Rose, *The Age of Navalism*, 41.

³⁵² Hattendorf, 232.

V. CONCLUSION

A. PAST AS PROLOGUE

Both Imperial Japan and Imperial Germany were growing powers with maritime ambitions that caused an increase in regional security tensions. The security tensions ultimately led to war. To fully understand the relevance of the experiences of Imperial Japan and Imperial Germany, it is important to analyze broad themes that occur when maritime ambitions challenge dominant powers.

1. Themes from History – The Dangers of Growth

a. Signaling

The first theme outlined by the historical case studies addresses signaling. For Japan, a powerful navy was intended to support the ambitions of Tokyo's ever-expanding economic sphere of control. From Washington's perspective, the fleet ratios agreed to at both the Washington and London Naval Conferences provided for a fleet size adequate for Japan's needs. To the United States and United Kingdom, why Tokyo demanded a fleet as powerful as the USN and Royal Navy when Japan did not have the geopolitical requirements for such a fleet was in part a mystery. When Tokyo responded to Washington's funding of a fleet that simply met previous treaty agreements with the "Second Supplemental building program," the United States felt it had no option but to respond to Japan's threat with its own increased building program. By walking out of the Second London Naval Conference and refusing to engage in further international arms limitations regimes, Tokyo confirmed that it desired a navy as powerful as it could afford. President Roosevelt found it easier to justify a larger USN when Japan acted without fully explaining its naval growth, particularly against a background of what appeared to be unrestrained expansion in China.³⁵³ The failure of Tokyo to signal why it wanted a larger fleet contributed to the unsettled response of Washington and the naval arms race between Japan and the United States.

³⁵³ Barnhart, "“Making it Easy for Him”: The Imperial Japanese Navy and Franklin D. Roosevelt to Pearl Harbor," 36-37.

For Germany, both the commission and omission of poor signals served to upset Great Britain. With the 1898 and 1900 German Navy Laws, London assessed that Berlin was attempting to challenge the Royal Navy's supremacy on the high seas. Berlin's claim to simply want its "place in the sun," an explanation for naval growth that centered on the need to protect imperial ambitions, was unsatisfactory to the Royal Navy. With the passage of the 1906 German Navy Law, a law that directly responded to the Royal Navy's own increased funding and growth, London was certain that Germany's naval growth was intended as a challenge.³⁵⁴ Unclear early signaling had unsettled the British. The 1906 bill passed by Berlin seemed to confirm the danger that London perceived. With little recourse but to assume that Germany wanted to threaten Britain on the high seas, London enacted larger and larger building programs to ensure the Royal Navy's relative position of superiority over the Imperial German Navy. London had little diplomatic recourse to Germany's efforts without Germany's full disclosure; therefore, a military response to Germany's military actions was the necessary step.

b. Economic Self-Interest

With both Germany and Japan, the perceived need to guarantee economic interests against foreign interference played a significant part in the drive to seek naval strength. Germany's assessment that imported resources were strategically vulnerable and that overseas markets in the form of colonies needed to be secured directly informed Berlin's assessment that a powerful navy had to be formed to protect Germany's interests.³⁵⁵ Economic insecurity directly informed Berlin's decision to embark on naval expansion.

For Japan, the perception within Tokyo was even starker: Japan needed economic autarky.³⁵⁶ Unable to conceive of engaging in future conflict without first securing economic independence from the interference of others, Japan embarked upon attempts to impose political control over Manchuria, China, and the greater East Asian

³⁵⁴ Berghahn, 62.

³⁵⁵ Padfield, 38, and Berghahn, 32.

³⁵⁶ Lieberman, 89.

community.³⁵⁷ By 1941, unable to guarantee its economic independence after ten years of expansion, Japan was vulnerable to the resource embargoes imposed by the United States. The tensions that led to the embargoes, embargoes brought about because of Japan's continued advance towards political control of East Asian nations, soon led to Pearl Harbor and World War II.

In both cases, attempts to secure economic independence were key factors that pushed each country to seek a more powerful fleet. As economic strength is a key sign of a nation's greatness, the attempts to secure economic independence directly fed another common theme of rising maritime powers – the drive for prestige.

c. The Ideology of Prestige

Both Japan and Germany used national greatness as a reason for developing modern battle fleets. In Japan's case, the forced opening of its shores by foreigners who arrived from the sea served as a key motivating factor in ensuring that Japan was a dominant regional naval force. The ratios agreed to under the Washington Naval Treaty system were eventually interpreted by Tokyo as indications of the West's continued lack of respect for Japan.³⁵⁸ National pride demanded that Japan be treated on equal terms with any Western power; if that could not be agreed upon, military leaders in Tokyo made certain that Japan would not interact in international diplomatic and arms control regimes. Another powerful conclusion that led to naval growth was the assumption that a powerful navy was needed to guarantee the safety of the Greater East Asian Co-Prosperity Sphere, in many ways an ideological construction in which economic anxiety and imperialist arrogance were combined into a single neat package.

Germany's own national pride was directly related to the need to ensure both economic growth and social stability. The imperial turn to *Weltpolitik*, or "world policy," served to direct the competing political energies of the newly unified Germany outward toward a larger world, and away from an increasingly obsolescent authoritarian

³⁵⁷ Barnhart, *Japan Prepares for Total War*, 267

³⁵⁸ Gow, 138-139.

regime. The conclusion that external sources could serve to both feed Germany's resource requirements while serving as markets for excess industrial goods underlay Berlin's imperial ambitions. Viewing Germany's place amongst the Great Powers of Europe as hindered by a lack of colonies, the German "place in the Sun" ideology, a drive for a worldwide maritime empire, acted as a powerful motivating force in the passage of the German Navy Laws.³⁵⁹ Defined by its economic needs, Germany's desire for international prestige, a prestige that could be demonstrated with a robust economy and powerful navy, was a key factor in sparking the Anglo-German naval race.

d. Goliath Defeats David: The Futility of the Underdog in a Naval Arms Race

Perhaps the most important theme in both case studies is the futility of a nation-state with a smaller economic and industrial base attempting to match the naval growth of a dominant power. Both Japan and Germany assessed that they would be able to produce enough naval strength if not to defeat outright, then at least to deter, powers which they knew to be stronger on the high seas. As previously outlined, the expectations of Japan and Germany were based on static assessments of their respective peer's industrial capacity. When those peers, the United States and United Kingdom, respectively, responded to the perceived growing naval threat, Japan and Germany were committed to expensive arms races that neither nation could afford. Navies are capital-intensive institutions, and they are also wasting assets. Both their operating and their replacement costs must be included in any estimate of their long-term strategic value. The financial calculus of naval power is extremely complex, and for that reason, if for no other, it is better to err on the conservative side. The relative ease with which Great Britain and the United States were able to match and exceed the naval expansions of their rivals caught both Germany and Japan by surprise, and is a clear reflection of the strategic misconceptions, not to say illusions, that underlay their respective building programs.

³⁵⁹ Holmes, "Mahan, a 'Place in the Sun,' and Germany's Quest for Sea Power," 37.

2. Mapping the Past to the Present – China and Themes from History

As history never exactly repeats itself, it is important to understand the similarities and differences of modern China compared to the case studies of Imperial Japan and Imperial Germany.

a. Similarities

A review of modern China's naval expansion demonstrates several themes in common with the rise of both Japan and Germany. Signaling, economic self-interest, and the ideology of prestige are central factors that indicate China's rise will increase regional tensions.

The PLA budget is an excellent example of poor signaling. Decided upon in secret, it omits key items, which allows China to present an understated image of China's defense growth. The secrecy of the budget may in part be due to China's traditional affinity for deception, but it also reflects its distrust of American motives in Asia. Beijing often assesses Washington's actions in the region as hostile to China's strategic concerns.³⁶⁰ Additionally, pronouncements from Beijing in recent years have highlighted China's assessment that the risk of global war has been reduced, while the danger from "hegemonism and unilateralism," euphemisms for the policies of the United States, are on the rise.³⁶¹ Beijing's reluctance to more fully disclose policies, budgets, and objectives obscure the motives behind the growth of the PLAN, particularly its submarine force, which must accordingly be inferred from the identifiable facts at hand, and the explicit pronouncements of the government. Under the circumstances the USN has been inclined to assume that it is facing a severe long-range threat from China, anxieties that are the more credible because the Chinese persistently seem to forgo obvious means of allaying them.

³⁶⁰ Shambaugh, 299 and 341.

³⁶¹ Robert G. Sutter, *Chinese Foreign Relations: Power and Diplomacy Since the Cold War* (Lanham, MD: Rowman & Littlefield, 2008), 130-131.

Beijing's economic expansion has prompted it to consider how to secure access to overseas resources; much like Germany and Japan, Chinese scholars have argued for a powerful navy in these terms.³⁶² Fearing that the United States might threaten its economy by attacking its energy sources has led Chinese companies to interact with governments that the international community shuns.³⁶³ Iran, Sudan, and Angola are three countries China now assists, to the consternation of the United States and European Union. These commercial efforts provide part of the context within which the world must inevitably view its naval modernization efforts, which apparently aim to extend China's military reach into the South China Sea and, eventually, beyond.

Finally, the humiliation felt by Japan at the hands of Western Powers was first felt by China. China's capitulation during the Opium Wars was used as an example by the U.S. envoy to warn Japan of the dangers of angering Western powers. Once the most vibrant civilization on earth, China's desire to return to its status as a great power is a central part of Beijing's present security agenda.³⁶⁴ One reason that Taiwan figures so high within Beijing's strategic calculus is that recovering the island represents the symbolic ending of China's "century of humiliation."³⁶⁵ As China drives to overcome decades of humiliation at the hands of the West, the development of a strong navy is seen as a central component expressing China's rightful and natural greatness.

b. Differences

Key differences between China's current situation and the historical cases of Imperial Japan and the Second Reich include the structure of the modern global economy, the ideational shift away from belief in China's cultural dominance, and the size of the PLAN's expansion. These differences, which are specific to China's situation, present mitigating factors that may alleviate rising regional security tensions.

³⁶² Ni Lexiong, "Sea Power and China's Development."

³⁶³ Shirk, 23, and Zweig and Jianhai, "China's Global Hunt for Energy," 31-32.

³⁶⁴ Russell Ong, *China's Security Interests in the Post-Cold War Era* (London, England: Curzon Press, 2002), 182.

³⁶⁵ Shirk, 2.

Modern China differs from Imperial Japan in an important way; China is not seeking economic autarky. Although securing energy resources is a central concern for Beijing, China is not nearly as dependent on foreign energy resources as Japan. Japan's military expansion was in part due to its extreme reliance on overseas resource access; barring faith in the market, force would have to guarantee access. While overseas resource access is important to Beijing, it is not a matter of national survival.³⁶⁶ Therefore, Beijing's desire to build a navy to secure resource access is not as pressing as the need of Imperial Japan.

Compared to Imperial Germany, modern China shares the need to utilize export markets to sell excess manufactured goods. However, China has little need of colonies to ensure export sales; and such arrangements would not be tolerated by the current global system in any case. Instead, modern China has worked diligently to integrate itself into the international economic system. Any impetus on the part of Beijing to strive for economic autarky would be blunted by the very nature of what has enabled China's economic growth – the sale of export goods within the globalized free market system. China needs other countries for its own benefit. As former Chinese leader Deng Xiaopeng noted, “no country can now develop by closing its door...Isolation landed China in poverty backwardness, and ignorance.”³⁶⁷ Under current conditions, “autarky” is virtually synonymous with under-development.

Finally, it is important to note the most pertinent distinction that exists between modern China and the historical case studies – the military budget. The naval arms races initiated by the funding of ship construction by Germany and Japan represented distinct breaks from historic spending levels. As previously outlined, Chinese defense spending has not notably increased as a percentage of overall government spending, or as a share of total national wealth. Using DIA estimates of the PLA's budget and estimating that the PLAN receives one-third of the PLA's budget, the PLAN's 2007 defense budget equaled between \$28.3 to \$41.7 billion USD. When compared to the

³⁶⁶ Andrews-Speed, et al., 78.

³⁶⁷ Quoted in Robert Gilpin, *The Political Economy of International Relations* (Princeton, NJ: Princeton University Press, 1987), 294.

USN's 2007 budget of \$127.3 billion USD, the PLAN simply cannot compete with the USN for fleet funding. The 17.8 percent increase of the 2007 PLA budget over the year before, while higher than normal, provides little cause for concern. Even a doubling of China's budget would not equate to a navy on par with the USN, unless it was persisted in for decades, during which the United States would of course have ample opportunity to respond. Instead, China's blue-water ambitions have been focused on foreign ship purchases and the development of destroyers and frigates that are providing China with a rudimentary offshore capability. China has focused its naval spending on submarines for a specific reason; submarines best serve an inferior power. Unlike Imperial Japan and Imperial Germany, China recognizes that it is the less capable power and apparently does not aspire to challenge the naval superiority of the regionally dominant power – the United States. As it is unable to afford a fleet that could challenge the USN, Beijing has prudently chosen not to try to build a fleet to challenge the USN.

c. Summary

Overall, an analysis of the growth of the Imperial Japanese Navy and the Imperial German Navy provide several broad themes that lend insight into the growth of the PLAN. While China's current naval building is of little immediate concern, Beijing's lack of disclosure to account for the motivation behind its military growth raises questions in Washington regarding Beijing's strategic intent. Finally, although certain policy-makers and analysts within Beijing have expressed concern over China's economic dependence on foreign resources and markets, China's current integration into world markets serves to mitigate any attempts to move towards autarky. Contemporary China does not present the same type of threat to the United States that Japan and Germany presented to the hegemonic powers of their day.

B. THE FUTURE OF ASIAN SECURITY STABILITY

China wishes to return to great power status. Implicit in that desire is Beijing's dissatisfaction with the current unipolar system in which the United States is the

dominant power.³⁶⁸ Nevertheless, the naval modernization of the PLAN is a solid indicator that Beijing's desire to transform the East Asian region into a multipolar region is not a driving force in Beijing's foreign policy. Beijing's current funding for the PLAN is not enough to challenge the strength of the USN where international power interacts most freely – the sea. Instead of a strong emphasis on replacing what Beijing perceives as the regional hegemon, Beijing is highly focused on continuing economic development in order to maintain social cohesion and the rule of the Chinese Communist Party.³⁶⁹

Another important tool in maintaining China's social cohesion has to do with sovereignty. In the service of sovereignty, China has developed its military to address its most pressing strategic issue – Taiwan. The PLAN has specifically been developed around the problem of Taiwan. Although “active defense” presents a doctrine that outlines how China can extend its maritime geographic reach, the naval forces Beijing has developed to date are unable to fulfill the requirements of controlling the seas out to the “first” and “second” island chains. Instead, near-shore defense and offshore harassment are the hallmarks of a Chinese navy designed around submarines, shore-based fighter and bomber aircraft, and a limited blue-water capability.

For the United States, it is imperative that China's legitimate interests are recognized as valid. Debates over containment and engagement by Washington towards Beijing are moot. The former is simply not feasible, while the latter has already occurred.³⁷⁰ As a member of the United Nations and World Trade Organization, it can easily be argued that China is already very much engaged. Over the past thirty years, China's strength has grown considerably. At the same time, the threat that China poses to American interests, including the USN, must not be overstated. The perceived challenge of China to U.S. dominance in the region is not an excuse for bellicosity and panic. While Taiwan presents unique diplomatic challenges, the economic concern of China is a strategic problem that the United States can appreciate. Washington should work to

³⁶⁸ Denny Roy, “China's Reaction to American Predominance,” *Survival* 45, no. 3 (Autumn 2003): 59.

³⁶⁹ Sutter, *Chinese Foreign Relations*, 397.

³⁷⁰ David Lai, “U.S.-China Relations: A New Start?” in *The People's Liberation Army and China in Transition*, ed. Stephen J. Flanagan and Michael E. Marti (Washington, DC: NDU Press, 2003), 330.

encourage China's economic development and growth, but should not forget that economic interdependence does not mean an end to the struggle for strength amongst nations. In the words of international relations theorist Robert Gilpin, "Trade has not always proved to be a force for peace."³⁷¹

Ultimately, the role of the PLAN in East Asian security is one that serves to warn others away from China's coast. In China's eyes, that coast includes Taiwan. While outclassed by the USN, the PLAN hopes its sea-denial forces would either threaten or inflict enough damage on any force approaching China that the force would turn away.³⁷² Although China's long-term interests are to secure its SLOCs and offshore claims, for the foreseeable future, the PLAN will not be able to fully enforce those interests. Instead, China will continue to rely on its diplomatic and economic efforts, efforts such as the "string of pearls," while reluctantly utilizing the USN to ensure that sea-lanes are secured.³⁷³

C. IMPLICATIONS FOR U.S. FOREIGN POLICY AND THE UNITED STATES NAVY

Due to the PLAN's historically limited development and China's assessment of the USN's carrier-based maritime dominance, recent growth of the PLAN has focused primarily on the development of an anti-access submarine force.³⁷⁴ China's defense establishment recognizes that the PLAN's ambitions should focus on a limited force of high quality that is capable of winning technologically advanced and limited wars at sea.³⁷⁵ A modern submarine force is the ideal means by which Beijing can meet its objective. Such a force is intended to deter the USN's movement near China's coast, most notably in the case of a Taiwan crisis. Based on both a PLAN submarine force's

³⁷¹ Robert Gilpin, *War and Change in World Politics* (New York, NY: Cambridge University Press, 1981), 220.

³⁷² Howarth, 173.

³⁷³ Zweig and Jianhai, "China's Global Hunt for Energy," 35.

³⁷⁴ Bernard D. Cole, "Beijing's Strategy of Sea Denial," *China Brief* 6, no. 23 (22 November 2006): 2.

³⁷⁵ "PLA Navy Political Commissar on Jiang Zemin's Naval Building Views," *Beijing Qiushi* (August 1, 2000) FBIS CPP20000816000070.

potential threat to U.S. surface assets and the likely damage of any attack to American prestige, the PLAN's growth presents a challenge to U.S. strategic interests in the Western Pacific.³⁷⁶ To the USN's advantage, the growth of China's submarine force has been limited.

The response of the United States must be carefully planned and implemented. Former Deputy Assistant Secretary of State Susan Shirk notes that, "Historically, rising powers cause war not necessarily because they are belligerent, but because the reigning powers mishandle those who challenge the status quo..."³⁷⁷ For the United States, overreaction to China's limited growth could exasperate bilateral tensions. Practical reactions to China's growing submarine growth should be limited. The U.S. Pacific Fleet has recently included 46 to 50 percent of the USN's attack submarines and 45 to 48 percent of its surface combatants. An increase of the Pacific Fleet's share of USN assets by five to ten percent would result in another three to five submarines and five to ten surface combatants.³⁷⁸ The limited increase in force structure would allow for more USN assets in the Western Pacific, a move that could signal Washington's resolve in maintaining U.S. interests in the region. Qualitatively, the USN should focus on the competency of its current anti-submarine warfare (ASW) platforms. The prudent counter to an identified submarine threat is to improve ASW capabilities. Overall, the United States should be cautious not to parade its superior military strength.³⁷⁹ China is well aware of the USN's dominance over the PLAN; the developmental plan of the PLAN assumes its inferior strength and seeks to achieve limited gains in the direction of parity.

Along with being careful to not flaunt the dominance of the USN, Washington must ensure that it clearly signals the rationale behind force structure modifications within East Asia and the Pacific.³⁸⁰ Poor signaling has been a key characteristic in the escalation of past naval arms races. If the USN increases its Pacific Fleet force presence,

³⁷⁶ Howarth, 168.

³⁷⁷ Shirk, 261.

³⁷⁸ O'Rourke, 54.

³⁷⁹ Shirk, 263.

³⁸⁰ Scobell, *China and Strategic Culture*, 24.

outlining its reasons for the increase may serve to partially mitigate Beijing's concerns. Exchanges between the PLAN and USN, to include strategic dialogues, educational exchanges, and, potentially, force interactions, are a key method of improving the signaling of Washington's intent and interests to Beijing.³⁸¹ Through an improved exchange process, the United States can also provide China a useful service. Beijing's strategic choices will induce effects from Washington; frequent interaction between PLAN and USN personnel, particularly senior officers, can indicate Washington's potential responses to Beijing's choices.³⁸² The ideal message that Washington can provide to Beijing is the USN's desire to ensure the free movement of trade and energy on the high seas. If anything, the USN prefers Corbett's concept of sea control, one more focused on the sea as a medium of transit and less alarming than Mahan's ideal of outright "command".³⁸³ Corbett explains:

Command of the sea, therefore, means nothing but the control of maritime communications, whether for commercial or military purposes. The object of naval warfare is the control of communications, and not, as in land warfare, the conquest of territory.³⁸⁴

The USN is interested in the movement of trade across the sea, not absolute control of its use. A confirmation of the USN's interest in the free movement of trade is highlighted in the USN's most recent explication of its maritime strategy, *A Cooperative Strategy for 21st Century Seapower*.³⁸⁵

In the end, maritime security concerns justify China's development of a modern PLAN that protects China's national interests.³⁸⁶ China's foremost emerging maritime security concern is the free movement of energy resources via vital SLOCs. To Beijing's

³⁸¹ Shambaugh, 349.

³⁸² Zalmay M. Khalilzad and others, *The United States and a Rising China: Strategic and Military Implications* (Santa Monica, CA: RAND Corp., 1999), 75.

³⁸³ Yoshihara and Holmes, "Command of the Sea with Chinese Characteristics," 693.

³⁸⁴ Corbett, 90.

³⁸⁵ Gary Roughhead, James T. Conway, and Thad Allen. *A Cooperative Strategy for 21st Strategy Seapower* (17 October 2007) <http://www.navy.mil/maritime/MaritimeStrategy.pdf> (accessed 10 November 2007).

³⁸⁶ Shambaugh, 328.

disappointment, China's naval modernization does not fully ensure its maritime interests. To date, the PLAN's growth cannot fully guarantee the security of China's extensive and growing trade and resource requirements. Whatever China's attempts to improve its navy, in the near-term, Beijing must rely on its developing influence via diplomatic and economic efforts such as the "string of pearls" policy to increase its maritime comprehensive national power. In conjunction with non-military means of guaranteeing sea trade, China must continue to rely upon the United States to militarily secure the vital sea lanes that feed China's ravenous economy.³⁸⁷ As navy budgets increase with improved technology, the unchanged responsibilities of maritime security must rely more and more upon multinational maritime strategies.³⁸⁸ The growth of navies has historically indicated a turn towards conflict; the United States and China have a unique opportunity to identify shared maritime concerns in order to diffuse conflict before it commences.

³⁸⁷ Zweig and Jianhai, "China's Global Hunt for Energy," 35.

³⁸⁸ John B. Hattendorf, "What is Maritime Strategy?" 233.

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