

## HARMONIOUS OCEAN?: CHINESE AIRCRAFT CARRIERS AND AUSTRALIA'S U.S. ALLIANCE

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## **ABSTRACT**

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Pronouncements by senior Chinese officials in 2009 have made China's acquisition of aircraft carriers inevitable. Carrier groups will represent a significant increase in Chinese naval capability and will shift the regional *status quo*. Chinese carriers will present Australia a particular dilemma if they create additional tensions with U.S. forces in the Pacific. Australia's national security policy has long been underpinned by its alliance with the U.S. but in recent years China has become Australia's primary trading partner. Australia, therefore, risks being caught between the competing imperatives of security and trade if the U.S. and China are drawn into conflict. This paper considers the implications of a Chinese carrier capability in the Pacific Ocean and the impact to the Australia-U.S. security alliance. Australia should consider not only the military significance of Chinese carriers but their bearing upon perceptions of relative U.S./China pre-eminence, before China's carriers arrive in the Pacific Ocean.





## HARMONIOUS OCEAN? CHINESE AIRCRAFT CARRIERS AND AUSTRALIA'S U.S. ALLIANCE.

East Asia is in many respects the strategic anchor of the entire region in that the vital interests of the world's three most economically powerful states, the U.S., China and Japan intersect...it is in East Asia that continued American supremacy, the rise of China and corresponding Japanese anxiety — all fuelled by a range of national pathologies, painful historical memories, unresolved territorial and maritime disputes — have the potential to collide.<sup>1</sup>

—Dr Michael Evans,  
Australian Defence College

In March 2009, China's Defense Minister, Liang Guanglie, announced that China will equip the Peoples Liberation Army - Navy (PLAN) with two conventional aircraft carriers by 2015.<sup>2</sup> China has not previously pursued this capability formally. Unconfirmed media reporting suggests China will possibly also seek two additional, nuclear-powered, carriers by 2020. China justifies the procurement of carriers as logical for a nation of its size and economic influence, and necessary to defend its interests.<sup>3</sup> For the Chinese people, carriers will be the jewels in the crown of a powerful navy, a navy befitting China's rising great nation status.<sup>4</sup>

Having shaken off subjugation by foreign powers during the 18<sup>th</sup> and 19<sup>th</sup> Centuries, China is moving rapidly toward the center of the international stage. After 30 years of remarkable economic growth and a reshaping of the world's economic landscape in its favor, China is poised to step into a new, possibly global, era.<sup>5</sup> Proud of its culture, traditions and rising international status, China views the next 15– 20 years as a —strategic window of opportunity (战略机遇期)— a time for —national revitalization through continued economic, social and military development.”<sup>6</sup>

China's emerging role in global affairs is, as yet, uncertain. China's has unresolved historical and domestic issues that color her strategic judgments and make her intentions difficult to predict. It is also possible that China is growing and changing in ways the ruling Chinese Communist Party (CCP) cannot control or predict. Accompanying China's rapid economic growth are burgeoning maritime trade and energy requirements, a growing middle-class, and a rising sense of nationalism.<sup>7</sup> In addition to these challenges, the CCP faces domestic poverty, rising unemployment, criticism of its own performance, a leadership transition in 2012 and a range of separatist movements.

Of all of these, the CCP's uneasy social contract with its increasingly affluent middle class is most notable.<sup>8</sup> If the CCP is to retain its one-party rule, it must continue to deliver increasing prosperity and individual convenience, in part, by ensuring China's access to trade and resources, and particularly to oil. Chinese strategists are acutely aware that they could do little in response if the U.S. chose tomorrow to constrict China's maritime access to oil, minerals and markets.<sup>9</sup> China's concern for its strategic sea lanes, and a sense that great nations have great navies, has drawn it to a carrier force of its own.<sup>10</sup>

The appearance of the first Chinese aircraft carrier in the Pacific Ocean will resonate throughout the Asia-Pacific and change the present regional dynamic. In Australia's case, Chinese carriers present a particular conundrum. Australia's Defence and Security policy has been underpinned by its traditional friendship and alliance with the U.S. since World War II. However, since 2007, China has become Australia's primary trading partner.<sup>11</sup> Any future tensions or conflict between the U.S. and China in

the Pacific Ocean will place Australia in a potentially invidious position — torn between security and trade.

This paper discusses what Chinese carriers might mean to the Asia-Pacific region and the implications for Australia's long-standing alliance with the U.S., particularly in the event of escalating U.S.-China maritime tensions. Short of open conflict, the greatest risk presented by Chinese carriers is a self-fulfilling prophecy of a U.S.-China Cold War. If conflict rather than accommodation is to mark China's rise, Australia must weigh the relative benefits of the U.S. alliance against other alternatives — such as neutrality or defense self-sufficiency — before being caught in a conflict contrary to its long-term national interests.

### Background

Uncontested U.S. primacy in the Asia-Pacific has been a source of great stability for over half-a- century. For instance, between July 1995 and March 1996, the deployment of two U.S. carrier battle-groups (CVBG) to the South China Sea defused escalating tensions between China and Taiwan. At the time, the role of the U.S. carrier groups in the stand-off infuriated the Chinese. This response, and U.S. Secretary of Defense William Perry's boast that "while the Chinese are a great military power, the premier — the strongest — military power in the Western Pacific is the United States",<sup>12</sup> contributed to a long-term Chinese determination to counter overwhelming U.S. maritime might.<sup>13</sup>

The Peoples' Republic of China (PRC) began a military modernization program in the 1990s to develop the ability to fight —ocal wars under modern, high-tech conditions."<sup>14</sup> This process accelerated following the intervention of U.S. carriers over Taiwan. A study of U.S. tactics in the first Gulf War, and the role of U.S. carriers in the

Taiwan dispute, overturned the PLAN's long-standing preference for submarine forces which, until then, had been more prominent in China's naval development.<sup>15</sup> China has since undertaken a range of activities to develop a carrier capability.

In 1992 the CCP authorized a program to study the development of a carrier. The PLAN subsequently acquired four retired aircraft carriers for research purposes (including the former Australian carrier the *HMAS Melbourne*).<sup>16</sup> Another of these four, a former Soviet Kuznetsov class carrier, the *Varyag*, has been refitted in China's Dalian shipyards to "operational" status as a training carrier.<sup>17</sup> It is likely that the PLAN's next step will be to produce of a medium-sized carrier (40 – 60,000 displaced tons) capable of conventional take-off and landing (CTOL) or vertical/short take-off and landing (VSTOL).<sup>18</sup>

Although China's shipbuilding industry faces significant challenges in producing carriers, it could deliver a moderately effective indigenous aircraft carrier within a decade.<sup>19</sup> However, it will take China longer than that to acquire a sophisticated and mature carrier capability, comparable to U.S. equivalents. This will require advanced technologies, command and control systems, aviation abilities and ship defenses that will take years to perfect and train with.<sup>20</sup> It is unlikely, that China could surpass U.S. technological and naval dominance in any broad sense for decades.<sup>21</sup> Therefore, the region has the opportunity, albeit fleeting, to prepare for the impact of Chinese carriers.

### The Geo-political Reality

China shares borders with 14 countries and has ongoing maritime disputes with a number of them. China's dispute over Taiwan with the U.S. is ongoing,<sup>22</sup> as are disputes with Japan, Malaysia, Vietnam and the Philippines over the Spratly Islands

archipelago (which straddles international shipping lanes through the South China Sea) and other contested territories.<sup>23</sup>

China also faces internal secessionist movements in Tibet, and from the Uighurs (the East Turkestan Islamic Movement) in Xinjiang. Each of these attracts international criticism of China's human rights record. China is highly sensitive to foreign criticism and interference, and is disgruntled with neighbors who have sought to resolve territorial disputes through international bodies such as the Association of Southeast Asian Nations (ASEAN) or the United Nations (UN).<sup>24</sup>

China's massive economy and domestic affluence depends on foreign trade and a sure supply of energy. Accordingly, energy security and trade are China's paramount maritime concerns. Maintaining a huge merchant marine fleet, and ensuring its freedom of access and security, will be an ongoing challenge for China.<sup>25</sup> Satisfying its exponentially rising energy demands in parallel with other burgeoning economies such as India and Brazil will be another.<sup>26</sup>

Chinese President Hu Jintao has bemoaned China's "Malacca dilemma" which sees up to 40 percent of its imported oil pass through these straits without a concomitant Chinese ability to ensure free passage.<sup>27</sup> In response, the Chinese government has adopted a "string of pearls" strategy for the Indian Ocean to reduce reliance on the Malacca Straits. This consists of ports, bases and facilities in friendly countries designed to transport oil and other energy sources via roads and pipelines from the Indian Ocean into China.<sup>28</sup> Carriers will be a reassuring capability for the Chinese in this context but a concerning one for other nations.

The sheer size of China's population, markets and economy make her a source of immense potential economic prosperity for many regional nations. These nations have a large stake in China's peaceful rise, just as China has a vested interest in maintaining the conditions that has supported its rise — including the stable international order created by U.S. security efforts over recent decades.<sup>29</sup> Economic interdependence can be a positive and stabilizing influence if China continues to need the world as much as the world needs China.<sup>30</sup> However, China's suspicions of U.S. motivations<sup>31</sup> and resistance to formal security arrangements create an unnerving perception of Chinese monolithic unilateralism.

The Asia-Pacific has no binding identity comparable to NATO. Each nation has unique circumstances and interests and it is not possible to define an Asia-Pacific regional perspective.<sup>32</sup> In the Pacific, five U.S. defense allies (Japan, South Korea, The Philippines, Thailand and Australia) and close partner, Singapore, remain committed to the U.S. as the guarantor of regional security. What has changed is that China has supplanted the U.S. economically as the major trading partner of each of these nations.

These countries now face what Dr. Michael Evans describes as an “economic-strategic dissonance” whereby their economic prosperity is linked to continuing Chinese growth but is underwritten by the U.S. balancing China's rise.<sup>33</sup> None of these nations want China to become too strong or too weak. An assertive China is a cause for concern yet so is a floundering China that inadvertently exports its instability.<sup>34</sup> In essence, China's rise is making the U.S. more, not less, relevant, and there is little risk of U.S. influence waning in the region.<sup>35</sup> But, Chinese carriers could change perceptions of U.S. regional pre-eminence.<sup>36</sup>

Notwithstanding the financial and technological challenges ahead, China's acquisition of a substantive carrier capability appears inevitable.<sup>37</sup> China aims to avoid the mistakes of earlier rising powers such as Nazi Germany and Imperial Japan who staked claims to global leadership and directly challenged the dominant powers of the time.<sup>38</sup> Instead, China is seeking to shape the global rules, norms and institutions that may affect her economic future.<sup>39</sup> Accordingly, one of China's foreign policy objectives is to reassure other countries that her rise does not threaten their economic or security interests.<sup>40</sup> This will be difficult to achieve within the current CCP context of introversion, sensitivity and intriguing.<sup>41</sup>

#### What Do Chinese Carriers Signify?

Despite President Hu Jintao's assurance that, "For now and in the future, China would never seek hegemony, nor would it turn to military expansion or arms races with other nations,"<sup>42</sup> Chinese carriers will be an unsettling symbol of China's growing military might for nations in the Asia-Pacific. Carriers represent military power projection in the purest sense, and seem incongruous with China's strict belief in noninterference in the affairs of other states.<sup>43</sup>

Chinese carriers will compound existing regional concerns about a lack of transparency in Chinese governmental processes,<sup>44</sup> including uncertainty about the role of the Chinese military in policy making<sup>45</sup> and China's increasing use of 'soft power' diplomacy to expand its global influence.<sup>46</sup> Australia's 2009 Defence White Paper called on China to "do more" to explain why its military modernization appears beyond the scope required for a conflict over Taiwan.<sup>47</sup> At best, uncertainty "dominates the circumstances of China's economic rise".<sup>48</sup>

Chinese leaders argue that, —China is totally transparent in strategic intentions”<sup>49</sup> and that the U.S. maintains a Cold War mentality with respect to China. The U.S. insists on the right of military aircraft to operate 12 nautical miles from China’s coastline in defiance of China’s stated 200 nautical mile exclusion zone (the same distance the U.S. and Russia maintained off each other’s coasts during the Cold War).<sup>50</sup> This has created overt animosity between the U.S. Navy and the PLAN for over a decade.<sup>51</sup> Future incidents are likely to be exacerbated by the intervention of a Chinese carrier group.<sup>52</sup>

In a practical sense, two, or even four, Chinese carriers will not alter the overwhelming military advantage maintained by the U.S. Navy’s eleven sophisticated carrier battle groups. The U.S. experience is that it takes three carriers to maintain one ready for sea. In this light, it will be many years before the PLAN could hope to generate a consistent carrier presence.<sup>53</sup> Others argue that the U.S. military will maintain its qualitative military and technological edge, particularly in space, and Chinese carriers will merely become additional targets for U.S. aircraft and cruise missiles.<sup>54</sup>

China is, therefore, also pursuing complementary technological and asymmetric capabilities that could counter, or neutralize, overwhelming U.S. military advantages.<sup>55</sup> These capabilities, often generically referred to as the “Assassin’s Mace” (杀手锏)<sup>56</sup> reportedly include anti-ship cruise missiles;<sup>57</sup> anti-satellite missiles; and stealth, nano and cyber warfare technologies.<sup>58</sup> The successful Chinese test of anti-satellite missile in January 2007 and the potential for mysterious Chinese capabilities, fuel concerns about China’s strategic intentions.

Some view these technologies as beyond China’s immediate reach or able to be defeated by emerging U.S. capabilities.<sup>59</sup> Others portend a “technological Pearl Harbor”



(consistent with a Chinese strategic culture which values surprise and deception) in which U.S. command systems are paralyzed or a major platform is destroyed by potent secret weapons.<sup>60</sup> On balance, it is reasonable to assume that China is seeking capability advantages, as do all military powers, but as yet they have not exhibited any aggressive intent.<sup>61</sup>

### What Will Chinese Carriers Do?

In 2004, President Hu Jintao expanded the PLAN's role to include ~~sa~~ safeguarding China's expanding national interests and ensuring world peace."<sup>62</sup> This extended the PLAN's focus beyond Taiwan and maritime sovereignty toward protection of China's increasingly important international sea lines of communication (SLOCs). China's role in recent years in international institutions, including supporting UN Security Council Resolutions<sup>63</sup> (a shift from the previously strict belief in the ~~un~~noninterference in the internal affairs of states) and participation in coalition counter-piracy operations off the coast of Somalia, supports this intent.

Major General Qian Lihua, Director of the Chinese Defence Ministry's Foreign Affairs Office, has stated, "The question is not whether you have an aircraft carrier, but what you do with your aircraft carrier."<sup>64</sup> He added that, "—unlike another country, we will not use [a carrier] to pursue global deployment or global reach" Instead he described a carrier's purpose as offshore defense.<sup>65</sup> However, there is little utility for carriers in sea-denial of China's coastal areas or in a direct role in an operation to seize Taiwan, as air power can be projected from the Chinese mainland.<sup>66</sup>

The real utility of carriers is providing air cover for forces conducting sea-control and sea-denial away from China's shores and outside the range of their land-based air defense. In this context, —PLAN officers speak of developing three oceangoing fleets,

one to patrol the areas around Korea and Japan, another to push out to the Western Pacific and a third to protect the Indian Ocean and the Straits of Malacca.”<sup>67</sup> Chinese carriers could detect and interdict forces in the Pacific Ocean;<sup>68</sup> ensure sea passage through the Malaccan Straits; or protect string of pearls bases across the length of China’s strategic sea supply routes into the Indian Ocean.<sup>69</sup>

The high risk of losing a carrier to U.S. weapons or provoking an escalating U.S. or regional response (including a nuclear one) makes an aggressive Chinese carrier posture unlikely. However, it is possible that a Chinese carrier group could deter or delay an intervention by U.S. carrier groups, or apply pressure during a stand-off or negotiation, while avoiding direct confrontation.<sup>70</sup> It is also conceivable, in a conventional sense, that China could achieve some form of limited, local sea dominance against U.S. or coalition naval forces, or win a localized, short, high-intensity naval engagement for strategic advantage. In these circumstances, Chinese carriers would challenge the perception of U.S. maritime dominance in the Pacific.<sup>71</sup>

Carriers also offer the CCP the means to posture in ways presently not available to them. Carriers could be used with economic and cultural tools to persuade and coerce, such as protecting blockading ships from air, surface and sub-surface threats.<sup>72</sup> Furthermore, a carrier might play “smart power” roles, like evacuation operations in support of China’s immense international diasporas or humanitarian interventions.<sup>73</sup>

In one sense, a carrier group may present China with a —Great Red Fleet” to extend Chinese influence and authority in a manner reminiscent of U.S. President Theodore Roosevelt’s —Great White Fleet” of 1907 - 1909. At a minimum, Chinese carriers herald an increasing presence in the Pacific Ocean that will require an

accommodation by the U.S. and other regional nations. Short of the unlikely event of open conflict, Chinese carriers will be as much about perceptions as tactical effect, and will complicate the strategic calculations of others.<sup>74</sup>

### The Risks of Chinese Carriers

In 2008, a Chinese admiral offered to the U.S. Commander Pacific Command a division of the Pacific Ocean between the two countries once China has carriers.<sup>75</sup> In 2009, China hardened its position on the Spratly Islands pushing for bilateral rather than international resolution of the territorial disputes.<sup>76</sup> Both indicate China's growing diplomatic confidence and a determination to avoid checking of its strategic intentions.<sup>77</sup>

The U.S. is wary of Chinese military intentions in the Asia-Pacific and conscious of regional nations' unease. Militarily speaking, China's procurement of anti-access and area-denial weapons is of most concern.<sup>78</sup> Strategically, there is a risk for the U.S. that regional nations might shift from U.S.-China fence-sitting to "band-wagoning" with China. As Australian strategist Hugh White asserts, —As the British discovered and as the Chinese discovered, once you lose economic primacy, strategic primacy follows pretty quickly."<sup>79</sup>

U.S. policy will remain a key variable for the region, and U.S. responses to Chinese carriers will be closely watched.<sup>80</sup> The region will act with confidence if the U.S. remains economically significant and a security guarantor. It will become unsettled if the U.S. is perceived as inadequately committed or if the U.S. engages China insensitively.<sup>81</sup> At worst, an ambiguous U.S. response could trigger a militarily resurgent Japan<sup>82</sup> or accelerate the current widespread regional naval modernization into a maritime arms race.<sup>83</sup>

In 2007, the U.S. Pacific Fleet for the first time had more ships assigned to it than the Atlantic Fleet.<sup>84</sup> While this is a prudent military contingency response, and reassuring to allies, it can conversely be perceived by China as an aggressive U.S. containment policy. Thereby, hardening China's competitive resolve and potentially provoking an antagonistic strategic response — increasing the likelihood of tensions between the PLAN and the U.S. Navy.<sup>85</sup> The correct balance will remain difficult to find.

While outright Chinese aggression appears unlikely in the next decade-or-so, Chinese carriers operating in the South China Sea and the Pacific Ocean will encounter ships from Japan, South Korea, the Philippines, Vietnam, Indonesia, Malaysia, Singapore, Australia and the U.S.<sup>86</sup> These nations have competing interests and maintain surveillance on each others' activities. Chinese carriers will increase suspicion and amplify tensions.

A series of attempts to build confidence and develop Chinese and American bilateral agreements have met with little success. None have delivered enduring or effective means of managing crises between the two countries.<sup>87</sup> It is concerning that no "Incident at Sea" type of agreement exists between the U.S. and China, as existed to defuse tensions between the U.S. and the USSR from 1972. Whether future naval tensions arise from longstanding disputes, from the CCP's exploitation of nationalistic sentiments, or from some apparently trivial event — a Chinese carrier group will raise the stakes (and emotions), and increase the possibility of an incident escalating unintentionally.<sup>88</sup>

The unintended consequences of Chinese carriers pose the greatest threat to regional harmony in the decades ahead. Without an agreement to moderate sea

incidents it may be impossible to realize a ‘harmonious ocean’ between a Chinese carrier-capable navy and other regional navies in the South China Sea and the Pacific Ocean.<sup>89</sup>

### The Australian Context

Australia shifted its security reliance from Great Britain to the U.S. after the sinking of the *H.M.S Repulse* and the *H.M.S. Prince of Wales* on 10 Dec 1941, just days after Pearl Harbor.<sup>90</sup> A lack of air cover – and arguably the absence of a carrier permitted this catastrophe. The loss of these two British ships effectively destroyed Singapore’s naval protection, just when Australia feared Japan attacking if Singapore fell. This shook Australia and exposed Britain’s inadequate commitment to defending its former colony. Ever since, Australia’s has looked to the U.S. as its principal security ally.<sup>91</sup>

The cultural ties and debt of gratitude to the U.S. run deep in Australia.<sup>92</sup> The Australia, New Zealand and U.S (ANZUS) Security Treaty of 1951 is a military alliance for cooperate on defense matters in the Pacific region, and which binds Australia and the U.S. to common defense in the event of an attack on either country.<sup>93</sup> The treaty has dominated Australian strategic thought since World War II and has, in effect, allowed Australia to forsake a strategy of defense self-sufficiency. Australia has faithfully supported U.S. security endeavors from Vietnam to Iraq and Afghanistan, and benefitted by maintaining a relatively small, albeit professional, defense force.

Once a British colonial outpost, Australia has gradually drawn closer to Asia in population composition and economic focus. Presently, Japan and China are Australia’s major export markets and Australia actively seeks a closer relationship with regional organizations such as the Association of South East Asian Nations (ASEAN).<sup>94</sup>

Australia's Prime Minister, Kevin Rudd, is the first Western leader fluent in Mandarin. Despite these, recent Australian-Sino relations have been mixed, largely due to Chinese resentment over Australian rules for foreign investment and the tone of Australia's 2009 Defence White Paper –which sets out strategy and military spending priorities for Australia until 2030.

The Defence White Paper identifies China's rise as a challenge but falls short of describing China as a direct threat. However, the inference is not difficult to draw, as the White Paper cautions China that the "pace, scope and structure" of its military build-up appears "beyond that required for a conflict over Taiwan" and cause for regional concern in the absence of further explanation.<sup>95</sup> The White Paper also announced a surprising increase of 12 submarines, effectively doubling the presently undermanned Australian fleet.<sup>96</sup> No precise role is offered for these additional submarines other than "sea control including freedom of navigation and the protection of shipping."<sup>97</sup>

These submarines appear intended to deny the maritime approaches to Australia, to protect Australian trade routes and shipping, and, if required, to contribute usefully to a U.S.-led coalition against a maritime force.<sup>98</sup> The tenor of the White Paper and the submarine fleet expansion angered China while underscoring the enduring centrality of Australia's U.S. alliance.<sup>99</sup> Prime Minister Rudd has further reinforced Australia's ongoing security reliance on the U.S. by describing China as a partner and the U.S. as a strategic ally.<sup>100</sup>

Australia's conundrum is now two-fold: how to avoid U.S. policy drawing China — and by default Australia — into conflict; and, how to accommodate Chinese interests

without undermining the U.S. alliance. An additional challenge is moderating Australian coordination with the U.S. to avoid losing an independent voice with China.<sup>101</sup>

In the event of escalating U.S./China tensions, Australia could assume different roles. One is trusted middleman, or go-between, working to achieve accommodation over conflict between the two great powers. Australia's close historical and cultural relationship with the U.S. and its growing independent trade and regional ties with China have it uniquely placed to mediate if U.S./China relations soured to the point of *incommunicado*.<sup>102</sup> Evidence of the developing strength of Australia's relationship was recently seen in Chinese Vice Premier Li Keqiang, lavishing "extraordinary praise" on Australia as a partner and friend during a visit to Australia in October 2009, despite the recent frictions in the relationship.<sup>103</sup>

Alternatively, Australia could become marginalized as tensions rise, without the ear of either great nation, particularly if perceived as militarily irrelevant or a military minion of the U.S. Australia requires a sufficiently independent defense policy and an effective level of military deterrence to retain Chinese respect. Presently, Australia does not maintain adequate deterrent capability against a nation of China's might (without U.S. backing) and will remain dependent on support from U.S. capabilities until at least 2030 under the financial constraints of the current White Paper. True defense self-sufficiency poses significant challenges to Australian policy makers.

At worst, Australia could be martyred in a U.S./China conflict if it honors its alliance with U.S. but finds its military capacity seriously degraded and its trade with China suspended. Australia lacks strategic depth in its major platforms and relies on a technological advantage over other regional powers to deter or defend against attack.

Being drawn into a conventional force-on-force conflict at sea could be devastating to the Royal Australian Navy. A major Chinese strike (possibly even nuclear) against U.S. installations on Australian soil would be a momentous political test for any Australian government, and beyond Australia's capacity to retaliate decisively. Such a predicament would be compounded if U.S. maritime dominance fell into question as Australia was trying to regenerate major capabilities.

In this regard, the recent Defence White Paper has been criticized as ambiguous by several foreign policy commentators.<sup>104</sup> Australian strategist Hugh White has accused the White Paper of deferring the 'hard decisions' of how to respond to China's rise, and of failing to account for how an eclipse of U.S. primacy might reshape Australia's strategic objectives and operational capabilities. His concern is that Australian self reliance is not realistically considered nor are preparations adequate for escalating tensions between the U.S. and China. Of course, budgetary considerations have guided Australia's present strategy.

Hugh White asked, —Do we stay with the U.S. as it becomes drawn deeper into a competitive relationship with China? I think the answer is quite probably not."<sup>105</sup> His answer is heretical to many, suggesting the almost unthinkable that Australia might remain neutral — or perhaps even side with China — if a conflict with the U.S. were to emerge. While this approach seems a remote possibility in the current political context, other regional nations may choose to take that path (particularly if it is paved with Chinese largesse). In these circumstances, neutrality or an alternative alliance offer other options for Australia.



An alliance with another regional nation such as Japan — or possibly India — might support a neutral Australian stance but could still result in Australia being drawn into a broadening U.S./China conflict. A new alliance would also struggle to replicate the trust and surety associated with the well-tested U.S. alliance, at least for many decades. Australian full-neutrality could not be considered without actual defense self-reliance.

Australia's 2009 Defence White Paper notes that U.S. nuclear protection has removed the need for Australia to consider more ~~significant~~ and expensive defense options."<sup>106</sup> Although not named, these options could include Australian aircraft carriers and Australian nuclear weapons. Australia relinquished its carrier capability (*HMAS Melbourne*) in 1982 and has never pursued nuclear weapons. There is currently no Australian intention, nor public debate, to acquire either.<sup>107</sup> These capability options could require prominent consideration if China becomes militarily aggressive or if the U.S. signals a withdrawal from the Pacific.

Australia is well positioned to act as middleman during rising tensions between China and the U.S. despite the risk of marginalization. Australia should reinforce its status as a trusted interlocutor and valued independent agent (as evidenced by Australia's regional leadership roles in East Timor and the Solomon Islands) and continue to play a leading regional role in encouraging Chinese transparency. Australia can also champion an "Incident at Sea"-style agreement between China and other regional nations<sup>108</sup> while continuing to develop military capabilities that are useful to both U.S.-led coalitions and to regional security more broadly.

In the event of an open conflict between China and the U.S., Australia lacks the ability to provide air cover to a maritime force deployed away from its shores and has no

independently credible deterrent to a major power, in isolation from the U.S. alliance. To mitigate these risks, Australia requires a more thorough consideration of the underpinnings of defense self-sufficiency, including an Australian carrier capability and nuclear deterrence.

### Conclusion

Announcements about China's carrier intentions are the latest manifestation of a growing military and maritime capability that is difficult to interpret but impossible to ignore. As ever, China remains enigmatic. What is certain is that the CCP faces a complex set of challenges to maintain China's rise, to meet its growing trade and energy requirements, and to retain political power. China's expanding interests, and her aircraft carriers, will unavoidably affect Australia's strategic circumstances in the coming decades. Notwithstanding the military capabilities that carriers will afford China, miscalculations or misunderstandings from incidents at sea are the most significant threat to the peaceful inclusion of a carrier-capable Chinese navy in the Pacific Ocean.

Each of the Pacific nations will manage China's carrier ambitions differently but the U.S. response will set the regional tone. For Australia, the choices include retaining U.S. security dependence — thereby risking a form of martyrdom; or pursuing greater defense self-sufficiency. In Australia, the debate about genuine defense self-sufficiency has not been held in any substantial sense. Therefore, by default, the U.S. alliance will retain its primacy in Australian strategic thought — and Australian military capabilities will evolve in accordance with the intent of the 2009 Defence White Paper —, at least, until the time that Chinese carriers are likely to appear.

Despite any good intentions, it appears unlikely that Chinese aircraft carriers will enhance harmony in the Pacific Ocean. There are still at least five years before Chinese

carriers appear on the horizon of China's Pacific neighbors. Australia must consider not only the military implication of Chinese carriers but the perceptions that they will create in terms of relative U.S./China pre-eminence. It is best that this thinking is done before China's carriers materialize in the Pacific Ocean. Developing an understanding of the regional perceptions of Chinese carriers will be important to achieving accommodation rather than conflict, and to maintaining stability and confidence in the Asia-Pacific.

## Endnotes

<sup>1</sup> Michael Evans, "The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century," *Quadrant*, Volume LIII, Number 9, (September, 2009): 3.

<sup>2</sup> "Aircraft Carrier Project", *Global Security Online*, [http://www.globalsecurity.org/military/ops/taiwan\\_strait.htm](http://www.globalsecurity.org/military/ops/taiwan_strait.htm) (accessed October 18, 2009), and Wang Jianfen and Nie Ligao, "Japan defense minister's China visit a sign of warming relations", *China Daily Online*, [http://www.chinadaily.com.cn/china/2009-03/23/content\\_7607571.htm](http://www.chinadaily.com.cn/china/2009-03/23/content_7607571.htm) (accessed October 18, 2009).

<sup>3</sup> China is currently the only UN Security Council permanent member without an aircraft carrier. Michael Hall, "The Blue Water Dragon: China's Emerging Aircraft Carrier Force and US Responses" (Naval War College, Newport, 2008): 5.

<sup>4</sup> In 1890, the American military theorist Alfred Thayer Mahan published *The Influence of Sea Power Upon History, 1660-1783*, which argued that the power to protect merchant fleets had been the determining factor in world history. Apparently, Chinese and Indian naval strategists read him avidly nowadays. Robert Kaplan, "Center Stage for the 21st Century: Rivalry in the Indian Ocean," *Foreign Affairs Online*, March/April 2009, <http://www.foreignaffairs.com/articles/64832/robert-d-kaplan/center-stage-for-the-21st-century> (accessed October 20, 2009).

<sup>5</sup> China's burgeoning economy is likely to be second only to the United States in the coming decades. China has the largest holdings of foreign reserves, the largest national surplus and a massive population of well over one billion people. China is also now a leading member of the Group of 20 (which has usurped the Group of Eight) and has the three largest banks in the world, positions previously held by the US. In Andrew G. Walder, "Unruly Stability: Why China's Regime Has Staying Power," *Current History*, Vol. 108, No. 719, (September 2009): 257. And, Medeiros, "Is Beijing Ready for Global leadership?," 250.

<sup>6</sup> Ibid., 251.

<sup>7</sup> Chinese nationalistic sentiment has been encouraged to some extent by the CCP and witnessed internationally during proud emotional outpourings the Beijing Olympics in 2008. However, this sense of nationalism has a darker side which has been seen on the internet in

bouts of rage against perceived western anti-Chinese bias over issues such as Tibetan independence — by both indigenous Chinese and by some of the large Chinese diaspora. But just as this could be harnessed by the CCP against the West, the CCP fear that this rage could quickly be turned against them if China's economy were to slow or stall or if issues such as corruption, pollution or human rights abuses are not addressed. "Angry China", *The Economist*, 1 May 2008.

<sup>8</sup> It is uncertain how the People's Republic of China (PRC) might respond to domestic challenges to its one party autocracy but diverting attention to foreign issues must be one possibility. Nationalist sentiments driving capability acquisitions such as carriers can cloud judgments and fuel emotions. The CCP may be tempted to take advantage of such a high profile project to bolster its own prestige and use a carrier in high profile tasks, or flag waving exercises that might generate friction with other regional powers. Robert S. Ross, "China's Naval Nationalism: Sources, Prospects, and the US Response," *International Security*, Volume 34, Issue 2 (Fall, 2009): 64.

<sup>9</sup> The US is the only power that can control the entire world's oceans and who, if inclined could impede China's flow of trade and energy resources. Aaron L. Friedberg and Robert S. Ross, "Here Be Dragons," *National Interest Online*, September/October 2009, <http://www.nationalinterest.org/Article.aspx?id=22022> (accessed November 8, 2008).

<sup>10</sup> In 2008, Major General Qian Lihua, Director of the Defence Ministry's Foreign Affairs Office, has stated that, "the navy of any great power...has the dream to have one or more aircraft carrier." Other Chinese Defence Ministry spokesmen have described carriers as, "a reflection of a nation's comprehensive power." Andrew S. Erickson and Andrew R. Wilson, "China's Aircraft Carrier Dilemma," *Naval War College Review*, vol. 59, issue. 4 (Autumn 2006): 28. And, Edward Wong, "China Signals More Interest in Building Aircraft Carrier," *New York Times*, December 24, 2008.

<sup>11</sup> "China Emerges As Our Biggest Trade Partner" *The Australian* May 05, 2007 and Hon Simon Crean, MP, media release, "Trade Figures Confirm China and Japan as Top Trade Partners," *Australian Minister For Trade Website*, 6 May 2008, [http://www.trademinister.gov.au/releases/2008/sc\\_033.html](http://www.trademinister.gov.au/releases/2008/sc_033.html) (accessed online, October 18, 2008).

<sup>12</sup> "Taiwan Strait, 21 July 1995 to 23 March 1996", *Global Security Online*, [http://www.globalsecurity.org/military/ops/taiwan\\_strait.htm](http://www.globalsecurity.org/military/ops/taiwan_strait.htm) (accessed October 18, 2009).

<sup>13</sup> The PLAN's primary strategic purpose from its inception in 1949 until the mid-1980s was "coastal defense" to counter an invasion by the Soviet Pacific Fleet. During the 1980s, the PLAN's strategy shifted to "offshore defense" suited to China's regional maritime interests within its 200 nautical mile exclusive economic zone (EEZ). The PLAN increasingly appears to be drawn to a strategy of "distant sea defense" not bound by the geographical constraints of the mainland, but guided rather by China's "maritime needs". China's offshore EEZ areas include the Yellow Sea, East China Sea, South China Sea, the seas around the Spratly Islands and Taiwan, the areas inside and outside of the Okinawa island chain as well as the northern part of the Pacific Ocean. "The People's Liberation Navy: A Modern Navy with Chinese Characteristics," The Office of Naval Intelligence (July, 2009): 5-6.

<sup>14</sup> Richard Weitz, "Enduring Difficulties in China-U.S. Defense Diplomacy," *Korean Journal of Defence Analysis*, Volume 21, Issue 4 (December, 2009): 394.

<sup>15</sup> This alternative view stemmed from a view that submarines could threaten US carriers whereas Chinese carriers would be a vulnerable target to the US ('floating coffins') — particularly without an escort fleet. There was also a belief that submarines, being less conspicuous, could accomplish much of what a carrier could without alienating or provoking neighboring countries. There has been substantial resistance to pursuing carriers from the PLA and PLAN submariners. Opponents advocate continued focus on anti-access strategies. Erickson and Wilson, "China's Aircraft Carrier Dilemma," 29. And, Robert S. Ross, "China's Naval Nationalism: Sources, Prospects, and the US Response," *International Security*, Volume 34, Issue 2 (Fall, 2009): 75.

<sup>16</sup> The four carriers are: the former Australian carrier *HMAS Melbourne* and three former Soviet carriers, the *Minsk*, *Kiev* and *Varyag*. Erickson and Wilson, "China's Aircraft Carrier Dilemma," 19. And, "China: Rusting Carriers May Prove Tea Leaves for Naval Future", *STRATFOR Global Intelligence* (March 8, 2002).

<sup>17</sup> *The Varyag* is likely to be seaworthy between 2010 -2012 for use as a training ship to develop 'basic proficiencies in carrier operations'. In line with this, China has trained 50 pilots on Russian Su-33 carrier-borne fighter carrier take offs and landings and is negotiating with Russia to acquire up to 50 of the Su-33s fighters for the PLAN's Air force (PLANAF). "The People's Liberation Navy: A Modern Navy with Chinese Characteristics," 19.

<sup>18</sup> Hall, "The Blue Water Dragon: China's Emerging Aircraft Carrier Force and US Responses," 7.

<sup>19</sup> China has shown some proficiency in the construction of high-end technology commercial shipping, including the Luyang destroyers and Jiankai frigates which "represent a clear advance in hull, propulsion, weapon and combat system design" over their predecessors. But commentators suggest this should be 'tempered' by the relatively high dependency on foreign technical assistance and foreign production of technical components. One complex project at the Shanghai Waigaoqiao Shipbuilding, in 2008, required a foreign technical assistance team four times the size of a comparable project in South Korea — and the most complex portions of the ship were scheduled to be completed in Singapore. Additionally, China's capacity to produce products for high-tech and high added-value shipping was described as 'woefully insufficient'. In: *Navy, China*, Jane's Sentinel Country Risk Assessment, 03 February 2009. And, Michael C Grubb and Gabriel Collins, "Chinese Shipbuilding: Growing Fast but How Good Is It?," *United States Naval Proceedings*, Volume 134, Issue 3, (March, 2008): 46-47.

<sup>20</sup> Estimates of when China could produce an indigenous carrier presently range between the Chinese's own ambitious suggestion of commencement as early as 2010 and more conservative estimates suggesting completion of a first carrier around 2020. The PLAN is not yet considered to have developed a sophisticated ability to integrate command, control and communications systems across a maritime or joint task force. PLAN ships remain vulnerable to attack by the US and her allies because of limitations in targeting, air defense, mine-counter measures (MCM) and anti-submarine warfare (ASW). There is also concern that China's associated doctrine, training and logistics may take some years to mature to a suitable state.<sup>20</sup> Ronald O'Rourke, *The Impact of Chinese Naval Modernization on the Future of the United States Navy* (Novinka Books, New York, 2006); 17-18.

<sup>21</sup> Friedberg and Ross, "Here Be Dragons".

<sup>22</sup> The CCP has criticized US arms sales to Taiwan as recently as December 2009. In: Ben Blanchard, "China says opposed to U.S. arms sales to Taiwan," Reuters Online, 10 December 2009, <http://www.reuters.com/article/idUSTRE5B90XV20091210> (accessed December 13, 2009).

<sup>23</sup> Complicating these interactions is China's expanded claim to the entire South China Sea under the UN Law of the Sea Treaty, which includes 200 nautical miles of EEZ and Extended Continental Shelves (ECS). China's attempted claim has also ignited new frictions with North and South Korea as well as Indonesia. David Lai, "China's Maritime Quest," USAWC Strategic Studies Institute Op-Ed (June, 2009): 2.

<sup>24</sup> Consequently, the CCP's pronouncements can appear emotionally-charged and fuelled by nationalist sentiment. The unresolved issue of Taiwan has been perceived by Chinese leadership as a 'threat to their pride and authority' and they are most concerned that Taiwanese independence could spur on other separatist movements. "The People's Liberation Navy: A Modern Navy with Chinese Characteristics," 4.

<sup>25</sup> 90 percent of China's trade and resources go by sea. Lai, "China's Maritime Quest," 2.

<sup>26</sup> China first became a net oil importer only 16 years ago and, as a latecomer to the market, has had to seek oil from "countries with pariah reputations, war-torn territories and hard-to-extract oil reserves". China is sensitive to charges that it is defying international sanctions or freeloading off U.S. military protection to secure its oil but feels it has little choice. Anthony Kuhn, "China Spends Billions In A Global Spree For Oil," *National Public Radio* (27 October 2009)

<sup>27</sup> Robert Kaplan, "Center Stage for the 21st Century: Rivalry in the Indian Ocean".

<sup>28</sup> China is building a large naval base and listening post in Gwadar, Pakistan; a port in Pasni, Pakistan; a fueling station on the southern coast of Sri Lanka; and a container facility with extensive naval and commercial access in Chittagong, Bangladesh. In Myanmar, the Chinese are constructing (or upgrading) commercial and naval bases and building roads, waterways, and pipelines in order to link the Bay of Bengal to the southern Chinese province of Yunnan. The Chinese government is also envisioning a canal across the Isthmus of Kra, in Thailand, to link the Indian Ocean to China's Pacific coast. Kaplan, "Center Stage for the 21st Century: Rivalry in the Indian Ocean". Also discussed in, Christopher J. Pehrson, "String of Pearls: Meeting the Challenge of China's Rising Power across the Asian Littoral," *Carlisle Papers in Security Strategy* (Army War College, 2006).

<sup>29</sup> "...the future and destiny of China have been increasingly closely connected with the international community. China cannot develop in isolation from the rest of the world, nor can the world enjoy prosperity and stability without China... China is unswervingly taking the road of peaceful development...and endeavoring to build, together with other countries, a harmonious world of enduring peace and common prosperity." China's National Defence in 2008, *Chinese Government's Official Web Portal Online*, [http://www.gov.cn/english/official/2009-01/20/content\\_1210227\\_2.htm](http://www.gov.cn/english/official/2009-01/20/content_1210227_2.htm) (accessed October 20, 2009).

<sup>30</sup> It is also argued that it is not rising states such as China but failing states such as Pakistan and North Korea that present the greatest challenge to the US. Evans, "The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century," 15.

<sup>31</sup> The CCP particularly fears a US 'soft-containment' policy aimed at promoting democracy in China. Weitz, "Enduring Difficulties in China-U.S. Defense Diplomacy," 390.

<sup>32</sup> Dean Cheng, "Asia Facing Interesting Times," *Joint Forces Quarterly*, Issue 55 (4<sup>th</sup> Quarter, 2009): 34.

<sup>33</sup> Dr. Evans further elucidates the confounding relationships which characterize the region through his "Manchurian paradox" premise. Evans contends that most of Asia wants the U.S. to continue as the benign ringmaster balancing China and Japan, while China is reliant on the U.S. to prevent Japanese re-armament and a potential Japan-Taiwan alliance. In turn, the U.S. needs China's assistance in containing North Korean nuclear weapons. Evans, "The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century," 6.

<sup>34</sup> Japan has a rising sense of nationalism and is anxious about a more assertive China. Singapore is anxious about China and general instability in its immediate region. South Korea and the Philippines consider China relatively benign and do not want to aggravate China unnecessarily. Without evidence of aggression, Thailand is ambivalent to Chinese growth. Australia is cautious and wants to avoid being drawn into rivalry with China by US policy. Medeiros, Crane, Heginbotham, Levin, Lowell, Rabasa, Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China's Rise*, xviii - xxiii.

<sup>35</sup> In the Asia-Pacific, the U.S. "remains the indispensable global power — the only state that is capable of occupying the role of geopolitical ringmaster". Evans, "The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century," 15.

<sup>36</sup> One commentator has noted that the US may not be the most trusted nation in Asia but it is generally the least *distrusted*, with less baggage than other Asian powers, no territorial aspirations in the region and less subject to intimidation from China. Dean Cheng, "Asia Facing Interesting Times," *Joint Forces Quarterly*, Issue 55 (4<sup>th</sup> Quarter, 2009): 33-34.

<sup>37</sup> In a practical sense, the US Navy has never faced the type of threat emerging in the PLAN — "a layered maritime capability with medium range anti-ship ballistic missiles and...a long-range anti-access, preventative or pre-emptive strike capability against surface ships, including high-value platforms such as carriers." Peter Brookes, "Flashpoint: The Great Wall Goes to Sea", *Armed Forces Journal Online*, <http://www.armedforcesjournal.com/2009/07/4118579> (accessed 3 November 2009).

<sup>38</sup> Medeiros "Is Beijing Ready for Global leadership?," 252.

<sup>39</sup> For example, China created the Shanghai Cooperation Organization and the China Africa Cooperation Forum and has taken a greater role in the ASEAN Regional Forum. Ibid., 255.

<sup>40</sup> Other priorities are to maintain a stable international environment to facilitate ongoing domestic reform and development, to reassure other countries that China's rise does not

threaten their economic or security interests, to limit containment of China's revitalization, to diversify its access to energy and natural resources, and to avoid Taiwan's independence. China is pursuing these through an increasing range of strategic partnerships and economic diplomacy often referred to as China's burgeoning 'soft power'. Medeiros 'Is Beijing Ready for Global leadership?', 251-252.

<sup>41</sup> Since the Bush '42' Administration, the US has taken a conciliatory tone with China but it has not led to stable and ongoing military dialogue. On 26 Oct 2009, media reporting indicated that Xu Caihou, the vice-chairman of the PLA's Central Military Commission, would be the first Chinese military leader to tour several sensitive US military sites including US Strategic Command – the command responsible for nuclear weapons and cyber-warfare. This visit marked the first resumption of military exchanges since the halt declared by China over the sale of US arms to Taiwan in October 2008. In: Peng Kuang and Li Xiaokun, 'Army Leader to Tour US Military Sites', *China Daily*, 24 October 2009.

<sup>42</sup> Announced at the PLAN 'Harmonious Ocean' 60th anniversary celebrations on 23 April 2009. Richard Weitz, 'Global Insights: The Chinese Navy Throws a Party,' *World Politics Review Website*, <http://www.worldpoliticsreview.com/article.aspx?id=3662> (Accessed April 28, 2009).

<sup>43</sup> The head of the US delegation at the PLAN 60<sup>th</sup> celebrations, Admiral Gary Roughhead, in April 2009 said, 'If it is not clear what the intent is of the use of an aircraft carrier, I would say that it may cause concern with some of the regional navies and nations.' Ibid.

<sup>44</sup> Weitz, 'Enduring Difficulties in China-U.S. Defense Diplomacy,' 393.

<sup>45</sup> However, it appears that, 'The continuously declining number of PLA representatives within the PBSC [CCP Politburo Standing Committee] since the 1990s is a strong indicator of the PLA's weakening influence on the national security policymaking.' Joo-Youn Jung contends that China's security policymaking is actually quite similar to other 'normal' nations and increasingly consensual among the CCP civilian leadership. In: Joo-Youn Jung, China's National Security Policymaking: Waning Military Representation and Shifting Policy Priorities, *The Korean Journal of Defence Analysis*, Volume XIX, No 3, (Fall, 2007): 82-83.

<sup>46</sup> Opinions on Chinese intentions range from a belief that China's bureaucracy is grossly inefficient or corrupt, to a China which is geared for aggressive responses to crises and already engaged in a long-term stratagem to avoid another 'century of shame' at the hands of the West. China's bureaucracy appears plagued by structural problems, inefficiencies and rampant corruption. As examples, the gigantic state industrial sector is considered, 'grossly inefficient' and the Chinese state 'obsessive' about measures to ensure political order. The Finance Ministry is politically weak and has little authority to make policy. Security agencies are perceived as 'overly' secretive and riddled with divisions and a lack of coordination. In: Andrew G. Walder, *Unruly Stability: Why China's Regime Has Staying Power*, *Current History* (Vol. 108, No. 719, September 2009): 257-258. And, Medeiros 'Is Beijing Ready for Global Leadership?', 253.

<sup>47</sup> *Defending Australia In The Asia Pacific Century: Force 2030*, (Commonwealth of Australia, Defence White Paper 2009): 34.



<sup>48</sup> Evans, “The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century,” 1.

<sup>49</sup> Major General Qian Lihua, Director of the Defence Ministry’s Foreign Affairs Office quoted in: ‘Army Leader to Tour US Military Sites’, *China Daily*, 24 October 2009.

<sup>50</sup> “China is Piling up More Weapons than It Needs”, *The Economist* (22 October 2009).

<sup>51</sup> Prior to the incident in 2001 in which a U.S. Navy EP-3A surveillance aircraft collided with a Chinese F-811 fighter (killing the Chinese pilot), the Chinese delegation to a Military Maritime Consultation Agreement (MMCA) meeting complained of increasingly provocative U.S. military flights near China’s airspace. As recently as March 2009, U.S. surveillance activity in the South China and Yellow Seas raised Chinese ire and resulted in a series of tense incidents between the *USNS Impeccable* and Chinese ships and aircraft. Furthermore, a U.S. sonar array was damaged in an incident involving the *USNS John McCain* and a PLAN Submarine in June 2009. Weitz, “Enduring Difficulties in China-U.S. Defense Diplomacy,” 383.

<sup>52</sup> Even PLAN pragmatists argue that the pursuit of carriers could undermine China’s peaceful rise strategy by emphasizing hard power and antagonizing U.S. hegemony. Ross, “China’s Naval Nationalism: Sources, Prospects, and the US Response,” 72.

<sup>53</sup> *Ibid.*, 75.

<sup>54</sup> Some argue that the risk of losing a carrier could make China more cautious about exercising its maritime might and create an additional benefit of diverting resources from more effective submarine-based access-denial capabilities. Friedberg and Ross, “Here Be Dragons”.

<sup>55</sup> In particular, techniques for paralyzing an enemy’s computer networks, to render him deaf and blind during the critical opening phases of a war.

<sup>56</sup> Commentaries on Assassin’s Mace range from dismissive to fearful. Moderates portray the term as overused and comparable to that of ‘silver bullet’ in English. Alastair Iain Johnston, “Toward Contextualizing The Concept of a Shashoujian (Assassin’s Mace),” *Government Department Harvard University Online*, August 2002, <http://www.people.fas.harvard.edu/~johnston/shashoujian.pdf> (accessed December 1, 2009)

<sup>57</sup> Including the YJ-62 warhead believed to be an anti-carrier cruise missile. China’s YJ-62 Anti-ship Missile Unveiled’, *Military Technology*, Volume 30, Issue 12, (2006): 117.

<sup>58</sup> China may also be developing (or already have) powerful high-power microwave (HPM) electro-magnetic pulse (EMP) devices that could be utilized to disable US electronic systems without risking escalation by utilizing a high altitude nuclear detonation to the same effect. In: O’Rourke, *The Impact of Chinese Naval Modernization on the Future of the United States Navy*, 15–16.

<sup>59</sup> One weapon of particular concern is land-based ASBM with a range of over one thousand five hundred kilometers, which could dramatically degrade U.S. power-projection capabilities in much of the western Pacific and the South China Sea, thereby undermining the U.S. ability to protect its strategic partners throughout the region. But many obstacles, technical

and practical, have created considerable uncertainty about the feasibility of this project among Chinese specialists. Discussed in detail in: Friedberg and Ross, “Here Be Dragons”.

<sup>60</sup> The PLA appear to be seeking a combination of space-based and information warfare capabilities to defeat US technological command and control advantages, and a series of anti-shiping weapons to use in concert to negate US superior maritime power projection forces. David Lei, “China’s New Multi-Faceted Maritime Strategy,” *Orbis*, Volume 52, No. 1 (Winter, 2008): 3.

<sup>61</sup> Naval academic Xu Qi has gone as far to argue that, “Because China was exposed over a long period to the Confucian school notions of benevolence and justice...China has always pursued peaceful coexistence with neighboring countries, taking the form of a national tradition of goodwill and good-neighborliness.” Xu Qi, Maritime Geostrategy and the Development of the Chinese Navy in the Early Twenty-First Century, *Naval War College Review*, Volume 59, Issue 4 (Autumn, 2006): 50.

<sup>62</sup> “The People’s Liberation Navy: A Modern Navy with Chinese Characteristics,” 9.

<sup>63</sup> Including supporting UN chapter 7 economic sanctions against Iran and North Korea. Medeiros, “Is Beijing Ready for Global leadership?,” 254.

<sup>64</sup> The Chinese have remained ‘open-minded’ on the precise definition of what a carrier will do. Possibilities range from amphibious warfare, to helicopter or hybrid carrier, to roles similar to US supercarriers — and it should not be assumed that the Chinese will necessarily seek to replicate carriers in the image of US capabilities. Erickson and Wilson, “China’s Aircraft Carrier Dilemma,” 28.

<sup>65</sup> “China Hints at Aircraft Carrier Project”, *Financial Times*, 16 November 2008.

<sup>66</sup> It is unlikely that a Chinese carrier would play a direct role in an operation to seize Taiwan as the PLA Air force (PLAAF)’s and PLANAF land-based aircraft could likely conduct all required air operations across the narrow Taiwan Strait. Erickson and Wilson, “China’s Aircraft Carrier Dilemma,” 23.

<sup>67</sup> David Lei, “China’s New Multi-Faceted Maritime Strategy,” 3.

<sup>68</sup> This would include dissuading U.S. carrier strike groups from “closing in on the Asian mainland wherever and whenever Washington would like” or in the case of Taiwan, a carrier could operate in deep-ocean areas to interdict an opposing force during an amphibious landing on the island. Discussed in: Kaplan, “Center Stage for the 21st Century: Rivalry in the Indian Ocean”. And, Ian Storey and You Li, China’s Carrier Ambitions: Seeking Truth from Rumors, *US Naval War College* (Newport, 2004): 85.

<sup>69</sup> Apart from carriers, China is developing additional responses to mitigate this risk. Others are: a strategic petroleum reserve; transcontinental pipelines to Russia and Central Asia; the pursuit of undersea resources close to China’s coasts; ...and a deepening strategic relationship with Iran that could provide a bridgehead to the Persian Gulf. Friedberg and Ross, “Here Be Dragons”.

<sup>70</sup> A carrier group might be involved in imposing a blockade for strategic purposes or in a limited engagement where outright defeat could be avoided and from which China's standing might be enhanced. Pressure applied in this way could adversely affect U.S. allies and influence their strategic reasoning. Ibid.

<sup>71</sup> More globally, it is possible that the PLAN could adopt a Soviet style integration of air and undersea warfare, whereby carrier aviation protects nuclear powered ballistic missile submarines (SSBN) by conducting anti-submarine warfare and providing area denial. This would increase the reach of Chinese strategic missiles and complicate US strategic calculations. Coincidentally, this was a role the Varyag was later given despite being designed for force-on-force operations. Erickson and Wilson, "China's Aircraft Carrier Dilemma," 25.

<sup>72</sup> O'Rourke, *The Impact of Chinese Naval Modernization on the Future of the United States Navy*, 22-25.

<sup>73</sup> Not having a carrier hindered China's attempts to help with the tsunami relief effort in 2004-5. Reportedly, China watched in horror as Japanese and Indian carriers supported relief efforts and a senior Chinese scholar has described China's inability to sail the South China Sea like the US, Japan and India as humiliating. Ross, "China's Naval Nationalism: Sources, Prospects, and the US Response," 66-67.

<sup>74</sup> Sun Tzu would approve.

<sup>75</sup> In 2008 Admiral Timothy Keating, commander of the U.S. Pacific Command, reported a conversation, seemingly in jest, in which a senior Chinese naval officer suggested drawing a line down the middle of the Pacific: "You guys can have the east part of the Pacific, Hawaii to the states. We'll take the west part of the Pacific, from Hawaii to China." Discussed in Friedberg and Ross, "Here Be Dragons".

<sup>76</sup> China maneuvered to stop the Spratly islands being discussed as an agenda item at the ASEAN Leaders Summit in October 2009. Unnamed diplomats at the 2009 ASEAN Leaders Summit were quoted saying, "Beijing didn't want it [the Spratlys] discussed and it wasn't" and "From last week's meeting you'd have no idea we are all privately worried about the potential for conflict down the track..." Greg Torode, "A Diplomatic Victory for China," *The South China Morning Post*, 31 October 2009.

<sup>77</sup> China has also warned foreign oil companies such as Exxon from completing Spratly Island exploration contracts with Vietnam and the Philippines (to the extent that Washington has objected to threats made against US firms). Greg Torode, "A Diplomatic Victory for China," *The South China Morning Post*, 31 October 2009.

<sup>78</sup> "Anti-access and area denial weapons are a cause of concern. We have expressed our concern to the Chinese. We asked them to explain to us their intentions, and they choose not to. It gets to the difference between transparency and intent. Transparency we don't think is sufficient. It is easy enough to see what they have, the weapons they're fielding, the systems that they are building and the training that they're conducting. When we ask them the reasons why they would want to develop area denial weapons, that that seems to us inconsistent with China's stated goal of a peaceful rise and harmonious integration." Testimony of Admiral Timothy J. Keating, Commander, U.S. Pacific Command and General Burwell B. Bell, Commander, U.S. Forces Korea, "Congressional Hearings - March 12, 2008: HASC Hearing -

Fiscal Year 2009 for U.S. Pacific Command and U.S. Forces Korea”, *PACOM Website*, [http://www.pacom.mil/speeches/sst2008/080312-hasc-keating\\_testimony.pdf](http://www.pacom.mil/speeches/sst2008/080312-hasc-keating_testimony.pdf) (accessed December 13, 2009).

<sup>79</sup> Patrick O’Connor, “Australia: Former Labor PM Keating denounces Rudd government’s isolationist stance on China,” *World Socialist Website*, 10 July 2009, <http://www.wsws.org/articles/2009/jul2009/keat-j10.shtml> (accessed December 3, 2009).

<sup>80</sup> “US policy toward China...will have a strong and determining influence as to whether China’s rise is stabilizing or destabilizing.” Evan S. Medeiros, Keith Crane, Eric Heginbotham, Norman D. Levin, Julia F. Lowell, Angel Rabasa, Somi Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China’s Rise* (RAND, Project Air Force, 2008): xvii.

<sup>81</sup> The US is likely to pursue two security policy objectives in the Asia-Pacific. Firstly, to maintain US sustained economic, political and military access; and, secondly, to prevent any nation or coalition of nations from concentrating sufficient resources to support or otherwise constitute a regional or global challenge to US and allied interests there.” *Ibid.*, 244.

<sup>82</sup> Historically, Japan is believed to pose a more direct threat to regional security and, as the next most substantial Asian military force after China, Japan might pursue a more assertive regional role if it feels threatened or senses a lessening of US security assurances. *Ibid.*, xxiii.

<sup>83</sup> There is potentially already a quiet arms race already underway. Singapore has expanded its Changi naval base to accommodate US carriers. Australia is acquiring amphibious ships, airwarfare destroyers and expanding its submarine fleet. Evans, “The Manchurian Paradox: Asia, The United States and the Global Balance of Power in the 21<sup>st</sup> Century,” 8.

<sup>84</sup> Included among these were six of eleven aircraft carriers, most of the eighteen Aegis cruisers and destroyers capable of defending against ballistic missiles, and twenty-six of fifty-seven attack submarines. Brookes, “Flashpoint: The Great Wall Goes to Sea”.

<sup>85</sup> US policy will need to be finely calibrated to accommodate all regional allies. Discussed at length in: Medeiros, Crane, Heginbotham, Levin, Lowell, Rabasa, Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China’s Rise*, xxiv.

<sup>86</sup> Weitz, “Enduring Difficulties in China-U.S. Defense Diplomacy,” 394.

<sup>87</sup> Among these have been formal consultations, such as the 1998 Military Maritime Consultation Agreement (MMCA), reciprocal military visits and exchanges, joint military exercises, and hotlines between senior officials. The MMCA has been criticized as vague and lacking detail and no meeting related to this agreement was convened during the troubled year of 2007. The PRC periodically cuts military relations or denies U.S. Navy ships permission to visit Chinese ports to signal political displeasure (sometimes without formal explanation). The Chinese did not answer calls on the Presidential hotlines established in 1998 during the Tiananmen Square crackdown in 1989 or after the U.S. bombing of the Chinese Embassy in Belgrade in 1999. The first call on the Defense Ministers’ hotline established in 2008 became a lecture by the Chinese against U.S. arms sales to Taiwan. Commander USPACOM still has no direct line to his military counterpart. *Ibid.*, 382 - 387.

<sup>88</sup> In 2007, the U.S. was outraged when China, in defiance of a seafaring tenet, refused to let two U.S. Navy minesweepers take refuge in Hong Kong to avoid a storm, apparently in protest of U.S. arms sales to Taiwan. *Ibid.*, 384.

<sup>89</sup> Some fear a deliberate CCP strategy to have PLA/PLAN officers to engage in bellicose behavior as a deterrent to future US military actions against China — reinforcing what China perceives as an ‘asymmetry of resolve.’ As examples, PLAN behavior during the 2001 Hainan Island and 2006 USS Kitty Hawk incidents was aggressive and inconsistent with the declared policy of a ‘harmonious ocean.’ Similar behavior by Chinese carrier crews could easily increase the possibility of unintended escalation. In: Andrew Scobell, “Is There a Civil-Military Gap in China’s Peaceful Rise?”, *Parameters*, Vol. XXXIX, no. 2 (Summer, 2009): 19.

<sup>90</sup> The sinking of the H.M.S Repulse and the brand new H.M.S. Prince of Wales on 10 Dec 1941, just days after Pearl Harbor, was the Royal Navy’s most notorious defeat during World War II. Ronald O’Rourke, “China Naval Modernization: Implications for U.S. Naval Capabilities — Issues for Congress,” *Congressional Research Service Report for Congress RL 33153* (July 17, 2009): 20.

<sup>91</sup> From March 1942, all Australian military forces were placed under the command of U.S. General Douglas MacArthur for the remainder of World War II.

<sup>92</sup> To this day, the most prominent feature of the Australian Defence Headquarters in Canberra is a large obelisk with an eagle atop commemorating the U.S. dead in the Pacific theatre in World War II.

<sup>93</sup> On 14 September 2001, the then Prime Minister of Australia, John Howard, invoked the common defense interests of the ANZUS treaty in response to the September 11 attacks on the U.S. This was the first invocation of the treaty since its creation.

<sup>94</sup> On Mar 2, 2009, Australia concluded an Agreement establishing the Association of Southeast Asian Nations<sup>1</sup> (ASEAN)-Australia-New Zealand Free Trade Area (AANZFTA).

<sup>95</sup> *Defending Australia In The Asia Pacific Century: Force 2030* (Commonwealth of Australia, Defence White Paper 2009): 34.

<sup>96</sup> *Ibid.*, 70.

<sup>97</sup> *Ibid.*, 60.

<sup>98</sup> Unlike China, India’s rise does not receive specific treatment in the White Paper 2009. However, the Indian Ocean is seen as growing in importance relative to the Pacific Ocean in Australia’s maritime strategy. Australia also seeks a clearer picture of India’s strategic thought. *Ibid.*, 37.

<sup>99</sup> Although not discussed directly in the White Paper, acknowledgement of an emerging Chinese carrier capability at the time the White paper was drafted is possibly inferred in the expansion of the Australian submarine fleet.

<sup>100</sup> Medeiros, Crane, Heginbotham, Levin, Lowell, Rabasa, Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China’s Rise*, xxii.

<sup>101</sup> Ibid., xxiii.

<sup>102</sup> Arguably, apart from Japan, no other Asian nation has as close cultural and historical ties to the US as Australia.

<sup>103</sup> He also stressed the importance of enhancing mutual political trust. Former Australian Prime Minister Bob Hawke, recently returned from China, also reported that everyone has settled down after recent tensions and that we need each other too much to let the friction grow. In: Rowan Callick, "China Push To Heal Rift in Ties," *The Australian*, 31 October 2009.

<sup>104</sup> Patrick O'Connor, "Australia: Former Labor PM Keating denounces Rudd government's isolationist stance on China," *World Socialist Website*, 10 July 2009, <http://www.wsws.org/articles/2009/jul2009/keat-j10.shtml> (accessed December 3, 2009).

<sup>105</sup> Ibid.

<sup>106</sup> *Defending Australia In The Asia Pacific Century: Force 2030* (Commonwealth of Australia, Defence White Paper 2009): 50.

<sup>107</sup> The Australian public are resistant to nuclear power let alone nuclear weapons. Amanda O'Brien, "Lack of Australian nuclear plant almost immoral: Peter Cosgrove," *The Australian*, 4 February 2010.

<sup>108</sup> One obstacle to achieving such a treaty is that there may reticence on the part of the U.S. to pursue a treaty that implies a cold war style bi-polar superpower confrontation between the U.S. and China, or that acknowledges that dangerous incidents may occur.