GREAT NATIONS, GREAT NAVIES: LOOKING FOR SEA ROOM IN ASIA

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INTRODUCTION

This paper is about the maritime – and, more specifically, naval – dimensions of the emerging geo-strategic geometry of the Indo Pacific region. These phenomena interact dialectically. There are two principal drivers of this interactive process: the much-vaunted rise of China and the politics of international energy security. Indeed, it is the latter that has resulted in the fundamentally different Indian and Pacific Ocean complexes being linked inextricably. By virtually any measure, the Indo Pacific region has become the world centre of economic and maritime gravity. It is a region of statistical superlatives: the most container traffic, the biggest navies, the largest ports, and the most dangerous maritime disputes. It is also a region where the two proto-superpowers, China and India, are orienting their security policies seawards, where national self-confidence is acquiring a distinctly Mahanian complexion, and where the world's greatest naval power, the United States, is seeking to utilize its maritime assets to articulate a balance of power in Asia favourable to its own interests.

What this paper is not about is the middle power and lesser navies of the two regions nor about the burgeoning number of bilateral exercises and cooperative agreements involving navies in the Indian and Pacific Oceans. Instead, the focus is squarely on five major navies – the United States Navy, the People's Liberation Army Navy of China, the Japanese Maritime Self-Defense Force, the Indian Navy and the Russian Navy. The development and activities of those navies are a measure of the new great power dynamic

in Asia. As a consequence of this focus, such issues as clashes between the North and South Korean navies, the deployment of Canadian and Australian warships to the Arabian Sea, in support of coalition naval operations, and the new-found willingness of the Singaporean, Indonesian, and Malaysian navies to work together to ensure maritime security in the Strait of Malacca are all overlooked, Similarly, piracy and the threat of maritime terrorism, (phenomena that have exercised the maritime community since 9/11) are largely ignored. In fact, when viewed over and against the number of ships that ply the world's oceans and the number of containers that move through the maritime supply chain, these activities are little more than international nuisances.

THE MARITIME DOMAIN

Naval activities in the Indo Pacific region must be seen in the context of spectacular growth in maritime commerce. Globalization, trade liberalization, and Asian economy dynamism, centred largely on China, have led to unprecedented levels of containerized exports, port development, indigenous shipbuilding, and energy flows. The value of international trade during the past twenty-five years exceeded global economic growth and international container traffic increased at a rate "far exceeding that of maritime trade as a whole."[2] Asia has been in the forefront of these developments. China is now the world's largest container market, having surpassed Japan. The mainland ports of China handled less than 1 million TEUs (the standard container is generally referred to as twenty-foot equivalent unit) in 1989 and now they handle 12 million, a figure that is increasing by 25 percent per annum. Overall, Asia's share of containerized exports is expected to rise from 55 percent of the world total in 2002 to 64 percent in the year 2015.[3] By that time the region will require 570 new container berths, 270 of which are likely to be located in Hong Kong, China, and Taiwan. Furthermore, while intra-Asian containerized trade is expected to grow more rapidly than trans-Pacific container traffic, the latter will still register the strongest growth of the world's three great East-West trade

[1] The views presented in this paper are those of the author only and do not represent the official policy of Canada's Department of National Defence.
[2] United Nations: Economic and Social Commission for Asia and the Pacific, "Regional Shipping and Port Development Strategies", Monograph 2398. New York, 2005, p.4.

routes; the number of TEUs rising from 14.5 million in 2002 to an estimated 33.5 million by 2015.[4]

Commensurate with this impressive container traffic, Asian ports have been on the rise. The top six mega-ports in the world - ports like Shanghai and Kaoshiung – are all located in Asia. So-called "hub" ports like Singapore are central to the efficiency of regional maritime commerce.

Singapore is the world's busiest container port. It moved 23.2 million TEUs in 2005, a 9 percent increase over the previous year. What is more, Singapore is anticipating handling 50 million TEUs by the year 2018.[5] The Port of Singapore Authority or PSA is responsible for the management of ten international ports and is second only to Hong Kong's Hutchison Port Holdings as a global container trans-shipment operator. PSA's reach is, in fact, an illustration of the globalization of port management that is taking place and that resulted in the recent debate in the United states over whether Dubai Ports World should be allowed to manage container terminals in six American ports.[6]

One of the problems that Indo Pacific ports have to address is the appearance of bigger and bigger ships, vessels that demand larger container gantries and deeper channels. As the United Nations report on regional shipping observes, "the history of containerization has witnessed a progressive increase in maximum vessel size."[7] Thirty years ago 1000 and 1500 TEU vessels began to give way to 2000+ TEU ships. By 1996, that number had risen to 6000, and 12,000 TEU vessels are anticipated by 2010. The naval architect, Robert Allan, described the current state of affairs aptly if inelegantly when he observed that, "the world shipbuilding industry is frankly going nuts right now."[8] The South

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[3] *Ibid*., p.V.
[4] *Ibid*., p.33.
[5] Anon., "Singapore Port Aim s to Double Capacity by 2018", http://www.tehrantimes.com/ description.asp?da=3/4/2006=cat=98num=15.
[6] Mimi Hall and Bill Nichols, "Bush Hardens Stance on Ports," USA Today, Thursday 23 February 2006, p. 1.
[7] UN, "Regional Shipping", p. 8.
[8] Wency Leuna, "Vancouver Firm Rides Big Wave of Tug Demand", Vancouver Sun, Saturday 15 April 2006, p. D1.

Korean shipping company, Hyundai Merchant is planning to order eight, 9000 TEU vessels while the Chinese shipping line COSCO, has four, 10,000 TEU ships on the order books.[9]

What does all this mean? In the first instance, bigger container ships have a lower cost per TEU mile. These are the vessels that will dominate trans-Pacific routes. The number of containers will go up but the number of vessels is likely to go down. Of course, the value of individual cargoes will increase and some might suggest that VLCSs – Very Large Container Ships – will make correspondingly tempting targets for maritime terrorists. Whatever the case, larger ships are redrawing the traffic flows in the Indo Pacific region as fewer and fewer ports can handle ultra-large vessels. Trans-shipment and feeder lines will become increasingly important. These ships and their cargoes are a barometer of regional economic activity and their protection has become a priority for regional navies.

Container ships are not the only ships increasing in number. The world fleet of liquified natural gas or LNG tankers is expected to more than double in the next three years.[10] Significantly, Chinese shipbuilders are beginning to tackle the construction of these very sophisticated vessels and are likely, in the process, to erode the South Korean and Japanese monopoly of LNG construction. The mounting regional demand for LNG is part and parcel of the insatiable Indo Pacific appetite for hydrocarbons as the region makes the crucial transition to a world of oil-fired economies. According to the Office of Naval Intelligence in Washington, petroleum carried in seagoing tankers is, self-evidently, "the single most valuable commodity traded worldwide and arguably the most important …"[11] "Nowhere", Schofield and Storey argue, "is this concern more acute than in the Asia Pacific region, home to some of the fastest growing but energy-resource poor countries in the world."[12] Once again, China provides some spectacular examples, although the naval

[9] UN, "Regional Shipping", p. 10.
[10] Leung, "Vancouver Firm", p. D2.
[11] Glenn Davis, "Dependency on Oil Transported Via Maritime Chokepoints", ONI, Washington, DC, 08 March 2006, p. 3.
[12] Clive Schofield and Ian Storey, "Energy Security and Southeast Asia: The Impact on Maritime Boundary and Territorial disputes", Harvard Asia Quarterly, xxx, p. 1.

dimensions of China's energy needs will be explored at greater length below. As the authors point out, "China's imports of crude oil have risen from 20 million tons in 1996 to 122 million tons in 2205." Future growth predictions put "the PRC's crude oil imports at 150 million tons by 2010 and 250 – 300 million tons by 2020."[13]

It is important to place this energy dependency in a larger, geo-strategic context and, as Davis notes, the Indo Pacific region contains what are arguably the two most important maritime chokepoints on earth in terms of energy flows. Indeed, he describes the Strait of Hormuz, connecting the Arabian Gulf with the Indian Ocean as the "most critical oil chokepoint in the world"[14] and the Strait of Malacca as "the most critical chokepoint in Asia for tankers delivering crude oil to East and Southeast Asia …"[15] A few examples will highlight the enormous criticality of these waterways. In 2003, "about 34 percent of global oil trade … was transported through the Strait [of Hormuz]. That involved 3,871 tanker transits and the movement of 5.2 billion barrels of oil, most of it bound for East Asia (61.4 percent). Tellingly, South Asian and Southeast Asian economies are highly dependent on oil that transits the Strait of Hormuz: Pakistan (93.9 percent), Japan (85.7 percent), and India (69.9 percent).[16] Similarly, the Strait of Malacca is exceedingly important in terms of energy flows. In 2003, 2,784 tankers moved 10.8 million barrels of crude oil a day eastbound through the Strait of Malacca. This amounted to 90 percent of the total crude imports of East Asian nations. More specifically, oil transported via Malacca represented 98 percent of Taiwan's imports, 92.1 percent of Japan's imports, 90.6 percent of South Korea's imports, and 88.8 percent of China's imports. Interestingly, "less than one percent of China's oil imports enter the country via overland routes."[17] Davis points out that "another 38,000 barrels per day of mostly Russian crude" came south, via the Strait of Tsushima, to Chinese, Japanese, and South Korean ports.

What has been outlined above is the dynamic nature of Indo Pacific maritime commerce and related activities. This commerce – and first and foremost the dependence on

[13] *Ibid*., p. 2.
[14] Davis, "Dependency on Oil", p. 3.
[15] *Ibid*., p. 4.
[16] *Ibid*., p. 6.

seaborne energy flows – has given the major players a hitherto unimagineable stake in oceanic affairs. Increasingly, they have come to denominate their national interests in maritime terms and to rely on their navies as vehicles for projecting power and telegraphing national resolve.

THE UNITED STATES NAVY

The United States was widely, if simplistically, perceived in the post-Cold War period as the world's sole superpower. Global events in the past decade have revealed that while American military and economic might may be unrivalled, American power is far from untrammeled. Washington has been obliged to acknowledge the limits to power and the necessity of functioning in an increasingly multipolar world. Central to this new reality is the rise of China. China is a curious nation; a profoundly poor country that has been able to bend international commodity markets out of shape and exercise disarmingly disproportionate influence on international affairs. As such, China constitutes a dilemma for the United States (and many other nations). What is China's endgame? Will she be content to be a great regional power or will she want to be a global superpower? Does she constitute a threat or an opportunity? This sense of ambivalence is captured in a curious new word that has been coined in Washington, "congagement"; a conflation of containment and engagement. It is also manifested in the fairly marked difference of opinion between the US Secretary of Defense, Donald Rumsfeld, and the head of Pacific Command, Admiral William Fallon, USN. The latter has, according to one commentator, struck "a decidedly more understanding tone toward China" [18] while the Secretary has expressed deep dismay over the relentless, double-digit growth of the Chinese defence budget. What has been particularly noticeable, from an American perspective, is the steady and uncharacteristic expansion of the People's Liberation Army Navy. This expansion constitutes a further dilemma for Washington policymakers. They must cope with two fundamentally dissimilar threats: a near term threat in the form of the Global

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[17] *Ibid*., p. 5.
[18] Greg Jaffe and Neil King, Jr., "Rumsfeld's Control of Military Policy Appears to Weaken," Wall Street Journal, Monday 17 April 2006, p. 1.

War on Terror and a long term threat in the form of China.[19] Any war with China is likely to occur in the maritime domain and testimony before the US House Armed Services Committee by Admiral Michael Mullen, USN, the Chief of Naval Operations, on 1 March 2006 gives insights into American thinking about the shifting balance of power in Asia. While it is an axiomatic acknowledgement, Mullen quite rightly underscored the "tyranny of distance" in the Pacific.[20] Huge distances and the relatively modest rate of advance of naval task forces necessitate positioning naval assets close to the Asian shore. Accordingly, the island of Guam, in the approaches to Taiwan, South Korea, Japan, and China, has acquired a new geo-stategic importance. Guam is American territory and suffers from none of the nagging political restrictions that have come to be associated with US bases in Japan, South Korea and the Philippines. The Quadrennial Defense Review (QDR), issued in early March 2006, calls for the preponderance of American naval assets to be stationed in the Pacific. Accordingly, while reducing the number of US aircraft carriers from twelve to eleven, the Pentagon has retained six in the Pacific. Furthermore, sixty percent of American submarines will be in the Pacific by 2010 to meet what is euphemistically referred to as "foreseeable forward presence requirements".[21] In keeping with that policy, the number of fast attack submarines based on Guam is scheduled to rise from three to five.[22] These are challenging times for the USN in another regard. Twenty years ago, during the era of the Six Hundred Ship Navy, the USN had approximately 560 ships. Now, as a result of acute budgetary disarmament, the fleet numbers only 281. While Secretary Rumsfeld may argue that current naval vessels are far more capable than their predecessors, the fact remains that a punishing post-9/11 operational tempo and the Navy's inability to operate in as many theatres with fewer ships, has given rise to what the historian Paul Kennedy once called "imperial over-stretch". Hence, we see a new formulation, that of the so-called 1000 Ship Navy, gaining popularity in American naval circles. Even if the USN acquires all of the ships it

[19] Michael Noonan, "The Quadrennial Defense Review and US Defense Policy, 2006 – 2025", Foreign Policy Research Institute, 2006, p. 5.
[20] Statement of Admiral Michael G. Mullen, Chief of Naval Operations before the House Armed Services Committee: 01 March 2006, p. 10.
[21] Mullen, Statement, p. 11.
[22] Richard Halloran, "Guam to Become the 'Pivot Point' for the US' Pacific Forces", Taipei Times, xx, 14 March 2006, p. 2 and Andrew Scutre, "Balance of Sub Fleet to Swing Toward the Pacific," Navy Times, xx, 20 February 2006, p. 11.

wants, the fleet will probably number only 330 by 2018.[23] Where, then, does the 1000 Ship Navy construct come from? American thinking is that friendly and allied navies have a responsibility to join the USN in ensuring peace and security in the world's oceanic commons. Thus, we see an unambiguous call for multinational naval cooperation. This is not to say that the USN is willing to forfeit its independence in the final analysis, but that it clearly recognizes the need to make virtue out of necessity.[24]

THE CHINESE NAVY

Traditionally, the Chinese, like the Indians, have been concerned about the integrity of their land borders. Beneficiaries of Soviet naval doctrine, the Chinese saw navies as riverine and coastal assets designed to support land operations. The Gorshkovian revolution that transformed the Soviet Navy in the 1960s and thereafter was echoed by Liu Huaqing's reforms in China. Increasingly, the Chinese came to appreciate the value of their navy as a highly flexible and mobile instrument of statecraft. At the same time, as economic liberalization took hold in China and China's land frontiers became secure, as a result of good fortune and adept diplomacy, a greater and greater share of the defence budget was directed toward the modernization, expansion and transformation of the PLAN. Materially assisted by the Russians, the Chinese began to develop their indigenous capacity to build surface combatants and submarines. They complemented these somewhat outdated vessels with powerful Sovremenny destroyers and Kilo-class, diesel-electric submarines from Russia. At the same time they became more daring, embarking on a series of bold deployments in the late 1990s including a voyage around the globe.

[23] Pierre Chao, Jeremiah Gertler and Seth Seifman, "What Shipbuilding Crisis?", Armed Forces Journal, April 2006, p. 1.

[24] There is another important draw upon the USN, namely, the provision of protection to the continental United States. While the US Coast Guard is the principal vehicle for ensuring Homeland Security, the USN and the USCG have worked together, under presidential directive, "to develop a comprehensive National Strategy for Maritime Security". This NSMS and the array of post-9/11 maritime regulations that need to be enforced is largely outside the scope of this paper. See "National Fleet: A Joint Navy/ Coast Guard Policy Statement", 03 March 2006.

The Chinese achieved Green Water capability by the early 2000s. Captured by the necessity to ensure sufficient stability for continued economic growth, they have contented themselves with what is essentially an offensive-defensive posture where a premium is placed on offshore sea-denial, to hold the USN and the Japanese Maritime Self-Defense Forces (JMSDF) at bay, and inshore sea control along the Chinese coast and near Taiwan. Taiwan is one of the PLAN's three priorities: to ensure geo-strategic security in order to safeguard energy flows to China from the Middle East and elsewhere; to exert regional and, eventually extra-regional influence; and to dominate the waters around Taiwan to the extent that a reoccupation of the island can be effected, when necessary.

Buoyed by dynamic and sustained economic growth, the Chinese have become increasingly self-confident and nationalistic. Indeed, as communism has atrophied as an animating principle, opportunistic and pragmatic capitalism has stimulated a new sense of national pride. The Chinese are determined to take what they consider to be their rightful place in the community of nations and never to be humiliated again as they were in the nineteenth and the first half of the twentieth centuries. A corollary of China's new confidence is a certain Mahanian sentiment. On the one hand, as You Ji as demonstrated, the Chinese are moving ahead cautiously, empirically, and logically; developing the fleets necessary to wage the anticipated sea battle with the Taiwanese and, quite probably, the Americans east of Taiwan.[25] On the other hand, there appears to be mounting evidence that they are finally about to develop aircraft carrier capability; the argument being that not only is organic airpower essential at sea but that great nations have great navies and the contemporary centerpiece of such a navy is, by definition, the aircraft carrier. No doubt the Chinese have struggled to arrive at this decision. Aircraft carriers are crushingly expensive. Even 50,000 metric ton, conventionally powered carriers, like the ones being built for the Royal Navy, cost around USD$ 5 billion, with their airwings embarked. Furthermore, the Chinese are no doubt impressed – or depressed – by the decades-long Soviet experience with aircraft carrier development. There is an

[25] You Ji, "A New Era for Chinese Naval Expansion," The Jamestown Foundation, China Brief, vol. 6, issue 5, 02 March 2006, p. 3.

exquisite irony involved as the Chinese (reportedly) attempt to revitalize the aged Russian carrier *Varyag* that has been languishing at her berth in the northern Chinese port of Dalian.[26] How, they ask themselves, can they hope to compete with the Americans (or even the Indians) with 85 years of carrier experience? And yet, and this is where Mahanian impulses override cooler heads, a navy commensurate with China's new status demands the presence of the ultimate capital ship.

Faced with the prospect of a future clash at sea with the Americans, the Chinese have invested heavily in two ship-killing weapons systems – submarines and powerful missiles. The PLAN is in the process of acquiring eight advanced Kilo-class submarines from Russia, equipped with SS-N-27 cruise missiles. In addition, they are working on a new type 094 ballistic missile submarine, known as the Jin-class, as well as two type 093 nuclear attack submarines. These boats are above and beyond an impressive array of Song, Yuan and Shang-class conventional submarines.[27] As Blumenthal notes, "the Chinese strategic concept revolves around ballistic and cruise missiles that can target American air bases in Japan; information attacks that can take advantage of American dependence on computer-generated intelligence and information; and diesel submarines and a host of multiple, independently targetable re-entry vehicle (MIRV) missiles that can be fired from submarines or destroyers." The objective is straightforward – to raise the cost of intervention sufficiently that the Americans will hesitate and the PLA can overrun Taiwan.[28]

This is a last-resort strategy. The Chinese leadership is fully aware of their nation's military inadequacy over and against the Americans. This is a theme underlying President Hu's visit to Washington in April 2006; a calibrated recognition of weakness.[29] Beset as they are by rural unrest, a brittle banking system, profound environmental problems and

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[26] David Lague, "An Aircraft Carrier for China?", International Herald Tribune, Monday 30 January 2006, p. 2.
[27] Bill Gertz, "Beijing Building Deep-sea Naval Might", The Washington Times, xxx, 26 June 2005, p. 1.
[28] Dan Blumenthal, ear and loathing in Asia," The Journal of International Security Affairs, Spring 2006, p. 2.
[29] Richard Halloran, "Conventional Wisdom Overlooks China's Troubles", Yahoo News, Friday 14 April 2006, p. 1.

debates over the legitimacy of the Communist Party itself, the Chinese *nomenklatura* want a stable environment conducive to long-term economic growth.

There is one arena, however, where the stakes are growing higher by the day and that is in energy acquisition. The Chinese have surpassed the Japanese and are second only to the Americans now as energy consumers. They have been net importers of energy since 1993 and recently they embarked on a concerted campaign of global energy diversification, seeking oil in Venezuela, Iran, Angola, Sudan, Saudi Arabia, Russia and the Central Asian Republics. There has been a tendency, David Sanger has argued, "to over-exaggerate this issue of energy."[30] China only imports about 12 percent of its energy needs compared with 60 percent for the United States. In China's case coal makes up much of the difference. But while Sanger has attempted to provide some context and perspective, the fact of the matter remains that China's demand for oil is expected to double to 14.2 million barrels a day by the year 2025.[31]

Leaving dwindling shorebased sources of oil aside, China has two offshore sources of supply. By 2010, the China National Offshore Oil Cooperation (CNOOC) is expected to open up more than 50 new gas and oil fields in Chinese coastal waters – the Bohai Sea, the Pearl River estuary and the Beibu Gulf in the South China Sea.[32] The other sources of supply are located in the countries enumerated above. In both cases, seapower is critical to ensuring the safe delivery of hydrocarbon imports. There are those that argue that a new mercantilist dynamic has begun to exert itself, particularly in US-China relations. Washington has expressed fears that China may be trying to "lock up" global energy supplies.[33] For its part, Beijing fears "that during a national security crisis ships carrying energy resources could be interdicted by hostile naval forces."[34] Storey has analyzed China's so-called 'Malacca Dilemma'. He cites the China Youth Daily which opines that

[30] David Sanger, "As Chinese Leader Visits, Oil is High on Agenda," New York Times, Wednesday, 19 April 2006, p. 2.
[31] *Ibid*., p. 3.
[32] Anon., "China's Offshore Oil Grant to Invest 12 bln USD in Gas, Oil Exploration by 2010," People's Daily Online, Wednesday, 19 April 2006, p. 1.
[33] Sanger, "Chinese Leader", p. 1.
[34] Ian Storey, "China's 'Malacca Dilemma'," Jamestown Foundation China Brief, Vol. 6, Issue 8, Wednesday 12 April 2006, p. 1.

"It is no exaggeration to say that whoever controls the Strait of Malacca also has a stranglehold on the energy route of China."[35] These anxieties have led Beijing to pursue a threefold strategy: reducing dependence on imported oil; investing in pipelines from Burma, Russia and the Central Asia Republics, that bypass the Malacca Strait; and building up powerful naval forces that can secure the nation's sea lanes of communication stretching across the Pacific and Indian Oceans.[36]

THE JAPANESE NAVY

The Japanese have undergone a profound shift in national priorities over the past eight years. They were like somnabulists during the 1990s, caught in the numbing thrall of economic recession and depression. Then came 31 August 1998. On that date, the North Koreans launched a three-staged Taepo-dong missile, portions of which arced over the Japanese Home Islands and plunged into the North Pacific. In many ways, this episode was Japan's 9/11. The Japanese have always lived in a tough neighbourhood; they fought the Chinese, they fought the Russians, and they colonized the Koreans. They were already haunted by the legacy of history and lived in a state of anxiety over the nuclear problem on the Korean peninsula, the reassertion of Russian power, and the inexorable growth of China's maritime might. However, with the North Korean missile launch, they succumbed to an even greater and more powerful sense of vulnerability

Then came 9/11 and the inauguration of America's Global War on Terrorism. Japan fell into step behind the United States and Prime Minister Koizumi committed his nation to unprecedented levels of coalition support despite the absence of any enabling legislation. Koizumi had long argued that the sophistry of the Self-Defense Forces should be abandoned and that the Japanese Maritime Self-Defense Force should be recognized for what is was, and always had been, a navy. The Japanese Navy was the obvious vehicle for supplementing coalition naval operations in the Indian Ocean and the Arabian Sea. The upshot was that the Japanese did what only a few months before would have been

[35] *Ibid*., p. 1.
[36] Wenran Jiang, "Beijing's 'New Thinking' On Energy Security," Jamestown Foundation China Brief, Vol, 6, Issue 8, Wednesday 12 April 2006, p. 2.

totally unthinkable; they authorized the dispatch of destroyers and refueling ships to the Indian Ocean (under the Anti-Terrorism Special Measures Law of 2001) for the first time since 1945. Between November 2001 and mid-2005, forty-seven Japanese warships saw service in the Indian Ocean. As Tanter writes, "by October 2005 MSDF supply ships had supplied 552 ships in the multinational force [Task Force 150], dispensing fuel worth 155 million yen."[37] There is an irony about this process that Tanter calls "Heisei militarization." Having long denounced Japanese remilitarization, China finds itself as the proximate cause of a new robust Japanese concern about national security.

The Indian Ocean deployments, historic and remarkable as they are, have not been the only maritime manifestations of great power tectonics in East Asia. Pyongyang's continued dedication to missile development and the jingoistic emotions generated in Japan by North Korea's admission that it did, indeed, kidnap Japanese nationals long ago, has led Tokyo to adopt an American initiative – sea-based Theatre Missile Defence. This TMD programme will see Japanese Aegis-class destroyers, like the *Kongo*, deployed to the Sea of Japan to provide the nation with frontline defence against North Korean missiles.[38] At the same time, the Japanese have embraced the American-led Proliferation Security Initiative in which warships are employed to interdict vessels thought to be carrying weapons of mass destruction or their component parts.[39] The Japanese have also tried, without success, to contribute to regional security in Southeast Asia by volunteering their naval vessels to patrol the Strait of Malacca. However, in doing so, they rekindled historical concerns and laid bare the overweaning sensitivity of the Indonesian and Malaysian governments regarding real or imaginary threats to their sovereignty. Eventually, the solution was found in the form of the Japanese Coast Guard, an armed maritime force that was considered to be less threatening but equally capable of dealing with Southeast Asian pirates who might endanger Japan-bound container ships and tankers.

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[37] Richard Tanter, "The MSDF Indian Ocean Deployment – Blue Water Militarization in a 'Normal Country'", Policy Forum Online, Nautilus Institute, Tuesday 4 April 2000, p. 2.
[38] *Ibid*., p. 3.
[39] David Fouse and Yoichiro Sato, "Enhancing Basic Governance: Japan's Comprehensive Counterterrorism Assistance to Southeast Asia", Asia-Pacific Centre for Security Studies, February 2006, pp. 5 – 6.

In the final analysis, though, all of these maritime concerns are eclipsed by anxiety over the Chinese maritime/ naval activity. Exploiting loopholes in the United Nations Convention Law of the Sea, Chinese "scientific research" vessels have penetrated Japanese waters repeatedly in recent years. Tokyo and Beijing entered into a framework agreement for mutual prior notification of marine survey activities in 2001, but the Chinese, who have ten times as many oceanographic ships and the Japanese, have violated the agreement consistently.[40] The most egregious violation occurred in November 2004 when the Japanese tracked a Chinese, Han-class nuclear submarine for an extended period me as she transited the Ishigaki Channel.

These Chinese operations have two objectives. First, the Chinese are eager to assemble oceanographic data that they can submit to the United Nations by 2009 in support of their claim to the continental shelf; a claim that has wide-ranging geo-strategic implications. Second, they are assembling oceanographic data in an effort to arrive at a more comprehensive understanding of the acoustical environment in which their submarines are likely to operate east of Taiwan. This is the area where they are most likely to intercept American nuclear submarines from Guam, transiting toward the Chinese coast in a time of hostilities over Taiwan.[41] The UN Convention Law of the Sea (1982) was intended to clarify and codify maritime claims, but a compelling case can be made that, almost a quarter of a century later, it has confused rather than clarified the issue of oceanic claims. Certainly, this is the case in the Sino-Japanese dispute over the ownership of a cluster of islands known to the Japanese as the Senkaku and to the Chinese as the Diaoyutai. The determination of ownership rests on conflicting interpretations of UNCLOS. At stake is the ownership of what could possibly be rich oil and gas fields. Because the East China Sea is only 360 nautical miles wide at this point, northeast of Taiwan, the 200 nm Exclusive Economic Zones claimed by China and Japan overlap. Tokyo has applied the median line principle in this instance. Beijing, on the other hand, has claimed the whole of the area on the basis of an extended continental shelf claim. The

[40] Fumio Ota, "How Should Japan Respond to Chinese Maritime Expansion?"; paper in the author's possession: 2005, pp. 3 – 4.

Chunxiao natural gas field lies only three miles west of the Japanese median line and the Japanese are concerned that the Chinese may be tapping into a field that runs well east of the line. In other words, the Chinese may be draining a resource that the Japanese see as inherently theirs.

While Tokyo claimed the Senkaku Islands in January 1895, the current legal status of the cluster is "opaque".[42] The dispute is a reflection of resurgent Chinese and Japanese nationalism, the imperatives of energy security, and the corrosive effects of the perennial argument between Beijing and Tokyo over Japan's war guilt. What makes the dispute of even greater relevance, in this instance, is the way in which maritime assets have played a part. For example, five Chinese naval vessels – a 7,940-ton Sovremenny-class guided-missile destroyer, two 1,702-ton Jianghu I-class guided-missile frigates, a 23,000-ton replenishment vessel, and a 6,000-ton missile observation support ship – were spotted by a Japanese P-3C patrol plan in September 2005 manouevreing back and forth in the approaches to the Chunxiao gas field. More recently, in March 2006, Beijing suddenly announced a ban on ship traffic in a large area around the Pinghu gas field north of Chunxiao.[43] With equal suddenness, Beijing reversed itself, claiming that there had been a "technical mistake"[44] in the demarcation of the exclusion zone. The new area lies to the west of the median line favoured by the Japanese.[45] "Opposition to Japan," writes one analyst, "is part of the historical legitimacy of the Chinese Communist Party (CCP). The attacks on the Japanese Embassy in Beijing and consulate in Shanghai in April 2005 were a symptom, to a certain extent, of the CCP's need for nationalism to create national cohesion. It is easy for some Chinese nationalists to cast the East China Sea conflict as one in which the Japanese government has attempted to hobble Chinese economic growth by imperialistically seizing what rightfully belongs to China.[46]

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[41] *Ibid*., pp. 3 – 4.
[42] Koiji Taira, "The China-Japan Clasho Over the Diaoyu/ Senkaku Islands," (an expanded and revised version of an article that appeared in The Ryukyuanist, Spring 2004), p. 5.
[43] Anon., "China Tells Japan It Revised Sea Traffic Ban Area", Dow Jones International News, Tuesday, 18 April, 2006, p. 1.
[44] *Ibid*., p. 1.
[45] Anon., "China Corrects Shipping Ban in East China Sea", Yomuri Shimbun, Wednesday, 19 April 2006, p. 1.
[46] Personal communication, Tuesday, 18 April 2006. There are two issues worth highlighting: the implication by the Japanese that their mutual sphere of security interest with the Americans now extends tot

THE INDIAN NAVY

The Indian Navy is central to our understanding of the new security architecture in Asia. Like the Chinese, the Indians have increasingly oriented their national focus seaward. It was Nehru who observed, while standing on the quarterdeck of INS *Mysore* in March 1958, that 'history has shown that whichever power controls the Indian Ocean has in the first instance our seaborne trade at her mercy and in the second India's very independence as well."[47] Certainly, New Delhi has come to see the Indian Ocean as an Indian lake; a body of water flanked by extremely important choke points and home to some of the world's most important maritime traffic, particularly in the realm of energy security. And it is energy demands that have brought the PLAN to the Indian Ocean as well. The Chinese have exploited their links with the pariah state of Myanmar to develop Burmese naval facilities at Hainggyi Island and Great Coco Island. According to Vijay Skahuja, "The Hainggyi base is capable of providing facilities for much larger ships than the Myanmar Navy has, and if the present pace continues it will soon be capable of hosting large PLA Navy vessels including SSBNs and SSNs."[48]

At first glance, these developments appear to have little to do with energy. But Beijing realizes that China must do everything it can to ensure sea lane security when it comes to the transportation of energy from the Middle East. A major presence in Myanmar offers two advantages: first, the possibility of bypassing the Strait of Malacca by bringing oil ashore in Myanmar and transporting it north by pipeline, via Yunnan, to the major conurbations of Eastern China; and second, "listening posts" on the Myanmar coast enable the Chinese military to develop a more complete profile of Indian Navy capabilities. The Andaman and Nicobar Islands, lying 700 nautical miles southeast of India, are home to the Andaman and Nicobar Command or CINCAN, as it is called. This command allows the Indian Navy to monitor the Bay of Bengal and to oversee traffic to

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eh point where it encompasses Taiwan and comparable tensions with the South Koreans over the ownership of what Seoul calls the Tok Do islets.

[47] Personal communication, Monday 27 March 2006.

[48] Vijay Sakhuja, "Arming the Nicobar, Finally", International: *http://www.sharatimes.com/fullstory.asp?* .

and from the Strait of Malacca. Serendipitously, CINCAN lies remarkably close to the Myanmar coast, and this fact facilitates Chinese communications and electronic intelligence gathering.

Elsewhere, the Chinese have exploited links with their long-time ally, Pakistan, to spearhead the development of Gwadar (or Gawadar) Port on the Baluchistan coast. This project was designed and constructed by China and Beijing has invested $200 million in the port, one tenth of its total cost.[49] As a consequence, the Chinese enjoy berthing rights for their naval vessels and submarines. According to one source, they have already "set up electronic eavesdropping posts at Gwadar and [are] monitoring ship traffic through the Straits of Hormuz and the Arabian Sea."[50] Gwadar offers the Chinese advantages comparable to those available in Myanmar. The port lies astride India's vital energy sea lanes. It is close to Iran, a nation with whom the Chinese have concluded a multi-year, multi-billion dollar energy contract. And, *in extremis*, the Chinese could transport their Middle Eastern oil along the 1,200 kilometre Karakoram Highway that links Pakistan with western China.

New Delhi has viewed these developments with a jaundiced eye. While official Delhi-Beijing rhetoric is friendly and the two nations have become increasingly interconnected economically, the Indian government has expressed concern over the years about the potential threat posed by China. It is for this reason, among others, that New Delhi and Washington have forged a new naval relationship, one complimented, to a degree, by ties between Tokyo and New Delhi. The Indian Navy provided protection for high value US merchant vessels passing through the Strait of Malacca in the aftermath of 9/11 and out of that escort assistance evolved an Indo-American Maritime Cooperation framework. This agreement provides for joint patrolling of energy routes, search and rescue operations, rescue and relief during natural disasters, and anti-piracy activites. The two sides also agreed to conclude "a mutual logistics support agreement that would allow each side to use maintenance, berthing, and support services of the other during

[49] Mahendra Ved, "Gwadar Port – Pakistani 'Pearl' But a Chinese Gibraltar", DailyIndia.com, xxx, 26 March 2006, p. 1.

deployments.[51] These provisions make the Chinese distinctly uneasy. They see U.S. forces in South Korea, Japan, Guam, the Philippines, Australia, Singapore, Afghanistan, the Central Asian Republics and now India. They see a more assertive Japan willing to deploy naval vessels "out of area". And they see, in the Indian Navy with its two aircraft carriers – *INS Viraat* and *INS Vikramaditya* (the ex-Soviet carriers *Admiral Gorshkov*) (and a further indigenously built "Air-Defence Ship" in progress) – its submarine force, and its considerable surface fleet a formidable opponent in the event of conflict at sea.

THE RUSSIAN NAVY

The fifth and final great power navy is the Russian Navy. Interestingly enough, the Russian Navy has close ties, historically and contemporaneously, with both the Indian and Chinese navies. These ties are direct and indirect. In the first instance, the Indians and Chinese have had submarines and surface combatants built in Russian yards. The Russians have provided both nations with technical support as they wrestle with the complexities of indigenously developed nuclear submarines. And the Russians have provided, or assisted in the development of, maritime missiles for both navies. In the second instance, the Chinese, and to a lesser degree, the Indians have inherited elements of Soviet naval doctrine. Indeed, the past twenty-five years have witnessed the former divesting themselves of the riverine and coastal dimensions of that doctrine.

It should also be noted that the Russians are dependant, in large measure, on the Chinese and Indian defence establishments. Roughly 70 percent of all Russian arms sales go to New Delhi and Beijing. Without those export opportunities, the Russian arms industry, on which the economy depends in general and the military depends in particular, would suffer a dramatic decline.

The Russian leadership found itself in an extraordinarily unenviable position in the post-Cold War era. At its simplest, they had to decide whether the nation would align itself

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[50] *Ibid*., p. 1.

with Europe or with Asia. This is not a new dilemma. From the nineteenth century onwards, the centre of Russia's geo-strategic gravity has shifted back and forth from Europe to Asia. This time, however, the stakes were much higher. There was no longer an enfeebled dynasty to deal with in China. Doctrinal and economic authority had shifted resolutely from Moscow to Beijing. Impoverished and bereft of their empire, the Russians opted for Europe. Outwardly they maintained warm relations with the Chinese but paradoxically "The better the relationship becomes, the more [they] worry about China".[52] While Putin and Hu took "neighbourly friendship between China and Russia to a new high" during the former's visit to Beijing recently, the Russians are daunted by the sheer magnitude and economic vitality of the People's Republic.[53]

The Russian Navy has played an important role above and beyond the one's enumerated. The Russian Pacific Fleet was one of the greatest naval formations in the world in the late 1980s; a formidable mass of powerful cruisers, destroyers and frigates, backed by gargantuan ballistic missile and hunter killer submarines. Ten years later the Russian Pacific fleet lay in ruins. Moscow, far away, was captured by the endless and bloody saga of the wars in the Northern Caucasus; strife in which the navy could play no demonstrable role. The tragic sinking of the Typhoon-class submarine *Kursk,* in August 2002, came to symbolize the woes that had befallen the navy. However, under President Putin and his Defence Minister, Sergei Ivanov, the Russian Navy has begun to recover. That said, the American analyst, Stephen Blank, is brutally unflattering in his summary of the Russian military's shortcomings, arguing that it has embarked on a programme of modernization but not of reform.[54] True, the "almost unstoppable process of reducing the fleet's strength has come to an end" but it is not at all clear whether the recovery will be sustained.[55] If sufficient money is not available, the Russian Pacific Fleet will "have limited capabilities to provide coastal defence of selected areas around Vladivostok,

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[51] Anon., "US Admiral to Visit India", United Press International, Wednesday 26 April 2006/http: //www.upi.com/InternationalIntelligence/view.php?StoryID=20060425-031538-3816r.
[52] Anon, "Moscow Still Wary", Reuters, 23 March 2006, p.1.
[53] *Ibid.*, p.1.
[54] Stephen J. Blank, "Potemkin's Treadmill: Russian Military Modernization;" in the author's possession, 2005, p.3.
[55] Alexey Muraviev, "Russian Naval Power in the Pacific: Today and Tomorrow", working Paper No. 15, Sea Power Centre, Canberra, 2003, p.41.

Nakhodka and, perhaps, Petropavlovsk-Kamchatskiy".[56] With the exception of a few nuclear-powered attack submarines capable of long-range operations, the fleet will be reduced to Green Water status. Alternatively, if money is available, the fleet will become more muscular in the period 2020-2025 with the emphasis on ballistic and guided missile submarines supported by mid-sized surface combatants.

The Russians have the same geo-strategic problem that the Americans have. Moscow's short to mid-term challenge is the Caucasus. Its longer term challenge is China. While the Chinese and Russians have common interests in the Central Asian Republics and common concerns about the American presence in central and southwestern Asia, they remain deeply wary of one another. The Russians have played the Chinese off against the Japanese in the Great Game over the destination of Siberian pipelines destinations. They can afford to do this to a degree since only 3 percent of Russia's energy exports flow to the Asia Pacific region.[57] Moscow is far more dependent, in fact, on Europe in the energy equation. But the Russians cannot afford to be too cavalier with the Chinese. The Chinese presence in the Russian Maritime Province generates powerful emotions but is one of the keys to the region's modest economic vitality.[58] It is probably no surprise that the Russian's called upon their Pacific Fleet to exercise with the Chinese in a major "peace" game (ostensibly designed to hone anti-terrorist skills) in August 2005[59]. The Navy, buttressed by bombers and naval infantry, is the most versatile vehicle available in the Far East for realizing national objectives in the region. Moreover, it has few, if any, of the concerns that worry the Chinese. It has no Taiwan, no critical dependence on imported energy, and no likely threat from the United States Navy. It would like to deploy farther afield, and has done so on occasion, but it simply lacks the resources to do so on a regular basis. The Russian Navy is a deeply weakened and traumatized force that has reverted to its historic role, defender of the homeland. It has, however, the residual

[56] *Ibid.,* p.40.
[57] Anon, "Moscow Still Wary".
[58] Elizabeth Wishnick, "Chinese Migration to the Russian Far East: A Human Security Dilemma", paper in the author's possession, p.2.
[59] Philip Bowning, "Russian-Chinese Maneuvers Send a Message", Saturday 20 August 2005/http://www.int.com/articles/2005/08/19/news/edbowning.php.

capacity, at the non-nuclear level, to exert considerable pressure, should the need arise, on regional navies like those of China and Japan.

CONCLUSION

Imagine a time when oceanic trade is booming, globalization is the order of the day, the greatest navy on earth is enlisting maritime allies and reassessing its global deployments, a new and increasingly powerful navy is making its appearance, the growth of submarine fleets is causing concern, the importation of oil from the Middle East is a national priority, China is the victim of unrest, the Russian Navy is momentarily eclipsed and the Japanese Navy is becoming more assertive. 2006? No, the year is 1906 ! The Royal Navy is concentrating its fleet units in the North Sea to meet the threat of the German Navy and nationalism is in the air.

It is not entirely farfetched to draw parallels between the two eras: the decade before the first World War and the decade after 9/11. This is not to suggest that another Jutland is in the making. The calculus of power is dramatically different today compared to the one in August 1914. Nevertheless, the similarities are intriguing and quite possibly instructive. One could argue that this is the ultimate maritime era in the quintessential maritime arena – the Indo Pacific region. At probably no time in history has the oceanic community witnessed such breathtaking levels of commercial activity. The major powers in Asia have responded to this phenomenon by focusing their attention on the maritime domain. While Europe has moved into a post-Westphalian period, the states of Asia are, if anything, moving in the opposite direction, becoming more nationalistic and investing more heavily in their navies. It would be easy to exaggerate this process, but the fact of the matter remains that navies have become one of the new currencies of state power in Asia. The stakes are high and getting higher as the major powers attempt to devine the outcome of China’s rise and secure access to a crucial but vanishing resource – oil.

Like the Royal Navy a century ago, the United States Navy has begun to reassess its global deployments and enlist the support of its maritime allies. The new Washington-Delhi axis, denominated largely in naval terms, reflects anxieties in both capitals about

China's endgame. Similarly, Tokyo has struck up a new relationship with Delhi for much the same reason. Seapower and disputed oceanic claims, centred on energy, have become a major irritant in Sino-Japanese relations, Washington's studiedly ambiguous posture *vis-à-vis* Taiwan leaves Beijing in a state of uncertainty about the nature of a US response in the event of a Chinese thrust against the island. Whatever the case, hostilities will almost certainly be maritime in nature. PLAN acquisitions and USN deployments underscore this reality. In the meantime, the Russians are on the sidelines; their naval power severely constrained in the short term. Nonetheless, they are acutely aware of the importance of seapower, despite their long experience with continentalism. They are part of the new geometry of power in Asia. As the nations realign themselves, their interests are being played out at sea. As navalists on the eve of the First World War knew, all too well, great nations have great navies. The overarching problem is ensuring that they have sufficient sea room.