

Modernization of the PLA Navy and East Asian Regional Security Issues

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China's development of a "blue water" navy is a growing security concern to East Asian and South-east Asian nations. Taiwan and countries bordering the South China Sea have particular cause to worry about China's growing force projection capability. Prior to 1978 China possessed mainly a "brown water" navy, with limited long-range force projection capacity. Since 1978 China increased expenditures in weapons research and development and sought to professionalize its naval service by instituting training regimes and a merit-based promotion program. By 1995 China had greatly expanded its long-range arsenal. Recent concerns related to China's naval development have focused on China's interest in developing or acquiring an aircraft carrier. The growth of Chinese nationalism, parallel to economic and military expenditure growth, has directed particular international attention to China's stated intent to "reclaim" sovereign territory, particularly the Spratly Islands and Taiwan. Practically, there are limited options for the United States for curtailing Chinese naval development, as most weapons development is conducted indigenously. U.S. policy goals,

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consequently, should not focus on trying to halt China's military development, but rather should seek to define what response is appropriate for the United States given such development: delineating what kinds of military actions are antithetical to U.S. interests and clarifying the U.S. response to aggression deemed to transgress such established limits.

"Trust in virtue, not walls." Chinese Minister, 280 AD

"The general who is skilled in defense hides in the most secret recesses of the earth; he who is skilled in attack flashes forth from the topmost heights of heaven. Thus, on the one hand, we have ability to protect ourselves; on the other, to gain a victory that is complete."

Sun Tzu, *The Art of War*

The People's Liberation Army Navy (PLAN) is presently nine years through a 13-year modernization program aimed at developing a more technologically advanced and professionally trained naval force. The goal of this modernization program, some analysts suggest, is to fundamentally transform China's "brown water" navy into a "blue water" navy capable of force projection into China's ocean periphery (Ngok 1989, 175).

Chinese leaders project that it will take fifty to sixty years for the Chinese military to reach a level of technological parity with Western nations¹ (Ngok 1989, 175). Many naval vessels presently in use are Soviet models either purchased in the 1960s or manufactured using Soviet-designed plans. It will certainly take time for Chinese research and development efforts to replace aging Soviet-designed forces with indigenously designed vessels and weaponry on technological parity with contemporary equipment. The prospect, though, of a future China bent on establishing regional power status armed with the latest-technology equipment is not a comforting thought for many East Asian nations.

China has 11,185 miles of coastline and 6,500 sizable islands within its claimed national boundaries (Ngok 1989, 173). Further, China has over one million square miles of claimed territorial waters which it has sworn to defend. Border conflicts and Exclusive Economic Zone (EEZ) disputes with other nations over claims to islands, sea-bed resources and/or fishing

areas extend from Japan to Malaysia. Clearly, a well-equipped, well-trained naval force would be required to defend such a large area. Chinese policy makers claim that the development of a strong naval force is necessary to protect sovereign territory, economic rights, and commercial shipping in the immediate region.

As the present Commander-in-Chief of the navy stated, "We will never forget that China was invaded seven times by imperialist forces from the sea. The nation's suffering due to lack of sea defense still remains fresh in our minds" (Mack 1992, 6). China's concern for national defense and proclaimed need to develop a strong navy are legitimated by China's historical experience. There is a fine line, however, between "offensive" and "defensive" naval forces. In years passed, China commanded a considerable sphere of influence in Central and East Asia. Emerging nationalism in China for reclamation of "lost" territory is effecting a growing concern among East Asian countries that China will utilize a modernized military to seek to establish a dominant regional position through military action.²

So what kind of modernization program is the PLAN, the military branch most capable of short-term, sustained force projection, undertaking, and what are the implications of that development to regional security in East Asia and for the United States? This paper will focus on five specific areas relative to these questions: Chinese force development since 1978, the history of the PLAN, present policy objectives for the PLAN, contention over the Spratly Islands, and the present security situation in the Taiwan Strait. Relative to the situations in the Spratly Islands and the Taiwan Strait, this paper will contend that the United States should take a clear stand against Chinese military action which disrupts commercial shipping in the South or East China Seas, or which attempts to impose sovereign rule against Taiwan citizens' democratically determined interests.

Military Modernization in the PLAN Prior to 1980

At its creation in 1948, the PLAN was no more than a few haggard patrol ships taken by the Liberation Army from Nationalist forces. During the 1950s and 1960s the PLAN was greatly expanded, with the assistance of Soviet aid, to include several Riga-class frigates, Gordy-class destroyers, Romeo-class submarines, and a number of corvettes and patrol boats. From the mid-1960s to mid-1970s PLAN development was marginal due

to internal turmoil, military preoccupation with defense of the Sino-Soviet frontier, lack of a venue within which to purchase equipment, and Mao's preoccupation with a "People's War" founded upon utilizing man-power (IISS 1980–81, 59).

The rehabilitation of Deng Xiaoping in 1977 and China's weak showing in the Sino-Vietnam Conflict in 1978 created a politically viable environment for a shift away from a "People's War" to the development of a professional standing army. Deng Xiaoping first pronounced the need for military modernization in 1975. Upon ascending to the position of preeminent leader in 1978, Deng made military modernization one of his pillar Four Modernizations. China's desire to possess "blue water" capabilities was first signaled through 1980 naval exercises in the South Pacific, and later became more clear as China began to conduct a greater number of "blue water" naval exercises (Ngok 1989, 174). In 1987, the PLAN was specifically listed among the forces targeted for modernization in a thirteen-year military development plan (Yu 1994, 146).

CCP Objectives for PLAN Development

Originally, of all the modernizations, military modernization was given the lowest priority by Chinese leaders. Deng Xiaoping stated emphatically, beginning in 1977, that military development would be subordinated to basic economic development. Deng emphasized this point in 1980 and 1981 by decreasing the budget for the PLA by some ten to twenty percent (IISS 1982, 64). Since Deng has assumed the position of preeminent leader, the PLA has been through a major organizational shuffle and has seen a reduction of personnel from 4.5 million to 2.3 million, including the demobilization of roughly 90,000 naval personnel (Hurly 1988, 98).

Over the last six years, however, since the Tiananmen Massacre, the military has both gained a stronger voice in politics and has had its budget dramatically increased. Western estimates of China's defense budget for 1993 are approximately \$21 billion, an increase of 60 percent since 1989 (Klintworth 1994, 13). In fact, between 1993 and 1994, China's defense budget increased by twenty-two percent.³ These increases are partially accountable to double-digit inflation rates. But inflation cannot account for the entire increase, as inflation rates have not risen above 16 percent over the last few years. There is speculation that the increase in China's defense budget in 1994 directly matches the funding necessary to develop two small aircraft carriers (Lu 1994, 16). Other sources have calculated that

the PLAN budget increased by 35 percent in 1993, the year after the Fourteenth Communist Party of China (CPC) Congress (Yu 1994, 147).

The political power of the PLAN was increased at the Fourteenth CPC Congress in 1992, with a nine percent increase in the number of PLA seats in the Central Committee and the elevation of former Commander of the Navy Liu Huaqing to the Politburo Standing Committee. Liu Huaqing had been a strong proponent of modernization during the late 1980s while Commander of the Navy, advocating among other things the procurement of early-detection equipment, development of more technologically advanced weapons systems, and the acquisition of aircraft carriers (Williams 1993, 16). Liu's ascension to the Standing Committee position has arguably provided a favorable boost to China's efforts to develop PLAN forces, particularly in the effort to acquire an aircraft carrier.⁴

The general outline of present policy for PLAN modernization is outlined most clearly within the general prescriptions for the PLA laid out in the Final Version of the Fourteenth CPC Congress Report:

The Army should work hard to adapt itself to the needs of modern warfare . . . [and] should more successfully shoulder the . . . mission of defending the country's territorial sovereignty over the land and in the air, as well as its rights and interests on the sea; and should safeguard the unification and security of the motherland. At the same time, it should consciously subordinate its interests to the general interests of the country's economic construction. . . . It is necessary for the Army to strive to satisfactorily carry out all construction and reform work; to earnestly place education and training in a strategic position; to raise the quality of officers and men in an all-around manner. . . . It is necessary to attach importance to scientific and technological research in national defense, national defense industries, as well as improve weaponry and equipment step by step (Communist Party of China Congress 1992, 15).

In concert with these directives, the PLAN has in recent years emphasized the development of training programs for naval personnel, research and development efforts in weapons and shipbuilding technologies, manufacture of new weaponry, and protection of EEZ and territorial claims in the South China Sea.

Change in Force Composition and Other Modernization Efforts: 1978 to 1995

From 1978 to 1995 PLAN forces gained important airborne technologies and aircraft, built a significant number of higher technology submarines, destroyers and frigates, and implemented a series of new training regimes for PLAN personnel. Additionally, the PLAN has been actively involved in conflicts over the Spratly and Paracel Islands, has conducted extensive "blue water" naval exercises, tacitly challenged the right of passage of U.S. naval forces through waters off China's coast, and participated in offensive military exercises off Taiwan's coast.

Organizationally, the PLAN is divided into three regional fleets of approximately equal size: the North Sea Naval Region Group, headquartered at Qingdao, with major bases at Dalian, Lushun, Qinhuang Dao, and Tianjin; the East Sea Naval Region Group, headquartered in Shanghai, with major bases at Dinghai, Xiamen, Ningbo, and Honshu; and the South Sea Naval Region Group, headquartered in Zhangjiang, near Hainan Island, with major bases in Beihai, Guangzhou, Huangpu, Shantou, and Yulin.⁵ The PLAN is purported to be in the process of building three new large naval bases to be completed by 1998, ostensibly able to accommodate aircraft carriers (Naval Commander 1993, 22). Another recent construction project by the PLAN air force was building an airstrip on Woody Island in the Paracels for use as a possible jump-off point for engaging in conflicts in the Spratlys. It is suggested that some of China's recently purchased Su-27 Flanker long-range bombers will be stationed at this airfield to enable the naval air force to support PLAN military activities in the Spratlys (Shang 1995, 4).

The Chinese shipbuilding industry has made marked advances over the last seventeen years. The shipyards at Wuhan, Hudong, and Dalian have, since 1978, perfected the manufacture of sales-quality frigates, selling five Jianghu-class frigates internationally, one to Bangladesh and four to Thailand (Prezelin 1993, xv). The industry has also developed the Luhui-class missile-launching destroyer, the Jiangwei-class of missile-armed frigates, the Wuhan-C class of diesel submarines, the Type 039 nuclear submarine (as yet unnamed), a diesel submarine capable of firing anti-ship missiles, and a mine-laying vessel. Modifications have been made to Riga-class frigates (now Chengdu-class), a G-class submarine (now Wuhan-A class), and to four Gordy-class destroyers (now Anshan-class). (The Wuhan-A and Wuhan-C class submarines have underwater

ballistic missile firing capability.) In addition to the vessels listed above, the Chinese have indigenously produced since 1978: eight Luda-class destroyers, twenty-one Jianghu-class frigates with heliports added to accommodate the new helicopter force, forty Romeo-class submarines, seven Ming-class submarines, four Han-class submarines (a nuclear class of submarines), and numerous corvettes, patrol vessels, and amphibious craft. Foreign purchases of naval vessels include four Kilo-class submarines in 1995 and roughly eighty minesweepers. Force additions to the Naval Air Force include seventy-two Su-27 Flanker long-range bombers and sixty-five attack helicopters (Mack 1992, 16). Other foreign equipment purchased includes French DUUX-5 sonar equipment and U.S. Landsat satellite ground station equipment⁶ (Yan 1993, 47).

Other weapons and technologies developed in the last seventeen years include: seaborne refueling capability for submarines, air-to-air refueling capability for J-8 class fighter craft, Haiying 2, 3, 4, and 5 missiles, Hongqian surface-to-air missiles, and mine-laying technology. These technologies, as well as the technologies necessary for the modification and manufacture of vessels and weapons systems were likely completed through efforts of the Naval Weaponry Assessment and Research Center, created in 1978 to do research and development work for the PLAN (see Table 1).

The PLAN has also undertaken efforts to revamp training programs and has established two new military units: a marine unit and a ship-based air unit. All naval officers are now required to pass qualification tests for promotion and recruits are required to undertake more rigorous training regimes prior to active-duty service (Xu 1993, 41). Official Chinese media publications have touted the development and implementation of computer simulation and at-sea training programs, both for new recruits and officers. These training programs include high-technology battle simulation programs, submarine simulation programs, marine and air unit training programs, and more thorough on-board vessel training (Huang 1993, 29). Training for aircraft carrier pilots and captains is also purported to be underway (Yan 1993, 47).

The significance of these force developments and training programs is that they provide the PLAN with a viable projection force. At-sea exercises including extended underwater submarine exercises, extended destroyer missions, submarine versus destroyer simulations, and mock naval battles are all indicators of China's intent to develop a viable "blue water" force (Huang 1993, 29). China's development of the Luhui destroyer, modifica-

Table 1. PLAN Force Strength and Military Hardware.

1978–1979	1985–1986	1994–1995
Personnel: 300,000	Personnel: 350,000	Personnel: 260,000
<i>Submarines: 75</i> 50 Romeo class 21 W-class 2 Ming class (modified Romeo class) 1 Han class 1 G-class	<i>Submarines: 116</i> 90 Romeo class 20 W-class 3 Han class 2 Ming class 1 Wuhan class (modified G-class)	<i>Submarines: 100</i> (est.) 50 Romeo class (drydock) 9 Ming class 5 Han class 1 SSBN sub 1 Golf (SLBM trials) 1 Wuhan class
<i>Surface combatants: 26</i> Destroyers: 11 7 Luda class 4 Gordy class	<i>Surface combatants: 46</i> Destroyers: 15 11 Luda class 4 Anshan class (modified Gordy class)	<i>Surface combatants: 55</i> Destroyers: 18 15 Luda class 2 Luda class (modified) 1 Luhhu class
<i>Frigates: 12</i> 4 Riga class 8 ?	<i>Frigates: 31</i> 20 Jianghu class* 5 Jiangnan class 4 Chengdu (modified Riga class)* 2 Jiangdong class*	<i>Frigates: 37</i> 29 Jianghu class* 3 Jiangwei class* 2 Jiangnan class 2 Chengdu class* 1 Jiangdong class*
<i>Patrol/Coastal vessels: 633</i>	<i>Patrol/Coastal vessels: 682</i>	<i>Patrol/Coastal vessels: 870</i>
<i>Torpedo crafts: 140</i>	<i>Torpedo crafts: 140</i>	<i>Torpedo crafts: 160</i>
<i>Minewarfare: 30</i> 30 Minesweepers	<i>Minewarfare: 33</i> 33 Minesweepers	<i>Minewarfare: 121</i> 120 Minesweepers 1 Mine-layer
<i>Amphibious: ?</i> (+44 transport ships)	<i>Amphibious: 4 (?)</i> (+65 transport ships)	<i>Amphibious: 51</i> (+400 support vessels)
<i>Naval air force:</i> (Personnel: 30,000) 700 fighters 130 torpedo carrying	<i>Naval air force:</i> (Personnel: 34,000) 600 fighters 130 torpedo carrying 50 bombers 50 helicopters	<i>Naval air force:</i> (Personnel: 26,000) 600 fighters 130 torpedo carrying 25 bombers 65 helicopters

(*)Denotes armed with guided missiles. From *IJSS The Military Balance 1978–79; 1986–87; 1994–95*.

tions of diesel submarines, perfection of manufacture of Han-class submarines, purchase of Su-27 bombers, and modification of frigates to accommodate heliports all contribute to China's long-range force projection capability, legitimating neighboring countries' concerns about China's purpose in naval buildup. These concerns would be further substantiated should China acquire or manufacture an aircraft carrier.

China's Aircraft Carrier Aspirations

In 1992, China conducted negotiations with the Ukraine for the purchase of a 67,500-ton Kiev-class attack aircraft carrier. When, due to either contention over price or international pressure, those talks proved fruitless, China began negotiations with Russia the following year for the purchase of two 40,000-ton carriers. These talks proved equally unsuccessful. From the evidence of these negotiations and public statements by senior Chinese military personnel, it can be inferred that the Chinese military is intent on acquiring at least one, if not more, carriers⁷ (Naval Commander 1993, 42–43).

The addition of an aircraft carrier to the PLAN fleet would indisputably strengthen China's force projection capability. Having an aircraft carrier on patrol near the Spratly Islands would permit either a first-strike or quick response capability in area conflicts. An aircraft carrier would also enable China to more effectively project force into strategic shipping lanes in the South China Sea. Should confrontation with Taiwan escalate, a carrier would greatly enhance China's ability to enforce a shipping blockade. An aircraft carrier would also permit China to project force into the Indian Ocean and permit a quicker and more decisive response to activities in the Sea of Japan. These issues are of serious concern to countries of the region and to the United States.

In 1989, China purchased a medium-sized Australian carrier as scrap, taking the opportunity to inspect the vessel before it was dismantled. Citing this experience and the experience China has gained from manufacturing a 120,000-ton tanker for Norway, some sources have suggested that China is already building its own carrier using a deck design similar to that of the Australian vessel (Yan 1993, 47). According to these sources, the PLAN has already submitted plans to the National People's Congress (NPC) to have two carriers in service by the year 2000. These two carriers will be roughly 40,000 to 50,000 tons, boasting a 70-meter flight deck able to accommodate twenty planes. Estimated costs for

the manufacture of the carriers is 10 billion yuan, or roughly \$1.2 billion.⁸ Western sources question the validity of suggestions that the Chinese are building a carrier given that, based on cost, the earliest the Chinese could have a carrier would be 2005 (Grazebrook 1995, 14). However, the Chinese have already commissioned a Spanish company, Empresa Nacional Bazán, to produce a carrier design for them for a 23,000 to 25,000-ton vessel. Bazán has offered to manufacture each carrier for \$350 to \$400 million, a price well within China's financial constraints (Lok and Karniol 1995, 8). Suggestions of carrier training programs already underway further raise questions about the process of carrier development in China.

Certainly, the size and type of carrier China might build will determine how China's force projection capability would be enhanced by carrier construction. A carrier such as Thailand's 11,500-ton Bazán-built "ski jump" flight deck carrier, which carries ten to twelve airplanes and ten helicopters, would not dramatically enhance China's force projection capability. However, a carrier such as the Ukrainian 67,500-ton Kiev-class carrier, which carries 80 to 100 aircraft, could greatly increase China's force projection potential.

The implications of the development of an aircraft carrier are unquestionable—a carrier would increase China's ability to project force. This has given the prospect of possible Chinese carrier acquisition particular strategic significance. The head of the Chinese Academy of Military Sciences has stated that China is "not prepared to permit the Indian Ocean to become India's Ocean" (Naval Commander 1993, 22), raising the question as to Chinese intentions for involvement in the Indian Ocean.⁹ Possession of an aircraft carrier would also unquestionably increase China's ability to project force into the Spratly Island region, making China's patrol of that area more foreboding to neighboring countries. The possession of two aircraft carriers would also make a military blockade of Taiwan more viable, a point discussed in greater detail in the next section. The more salient issue on this point, even among Western military experts, does not seem to be whether or not China will get a carrier, but when China will get a carrier. The U.S. policy should necessarily be premised on the inevitability of such a development.

Is PLAN Buildup a Threat?

The building of corvettes and frigates capable of rapid response, and destroyers and possibly an aircraft carrier capable of moderate force

projection, suggest that China is pursuing development of two PLAN force employment objectives: rapid deployment and long-distance patrol. The goals put forth by China for employment of its armed forces—for protection of sovereign territory and commercial shipping—would be commensurate with this force structure. The question is whether or not these naval force developments are potentially antithetical to international peace.

Sino-Soviet rapprochement has permitted the Chinese to divert their attention from Northeast Asian security. This has permitted China to pay closer attention to other strategic areas; in recent years the most significant has been the Spratly Islands. A cogent argument exists that China needs to have good relations with its neighbors for economic development (Klintworth 1994, 14). Yet the Chinese have not been deterred by economic considerations from risking confrontation with its trading partners, as demonstrated by an incident between the U.S.S. *Kitty Hawk* and a Chinese Han-class submarine in late 1994. Beijing has also shown little interest in naval arms control, and seems hesitant to become involved in multilateral negotiations on regional security (Mack 1992, 6). These issues raise serious question as to China's peaceful intentions.

Chinese policy of force projection into the Spratlys is unclear. At a forum on Sino-American military relations, Chinese negotiators placed particular emphasis on Taiwan and on border disputes, "impl[ying] the need for some form of projection force to deal with [these issues]." The negotiators further emphasized the inability of China to tolerate infringement on "territorial integrity" (Pacific Forum 1987, 7). One concern surrounds how teaching PLAN sailors and officers the "history of subjugation of China by other countries through use of naval forces" might encourage overzealous behavior among naval personnel (Yu 1994, 151). In 1992 the NPC passed a law claiming sovereignty over the entire Spratly Island region and over the Sengaku Islands off the Taiwan coast. Official Chinese policy is to assert China's right to utilize the economic resources within 200 miles of the Chinese coast, as stipulated in the Law of the Sea. These policies raise question as to China's willingness to use force to secure territorial claims, particularly into the South China Sea, as well as how far rights to protect commercial shipping would extend. This raises the question again of China's interest in the Indian Ocean. China could arguably be seen as walking a fine line between defending national heritage by asserting its right to economic development through use of

force, and exercising hegemonic control by seeking to use newly developed forces for territorial gain.

Contention Over the Spratly Islands

Contention over the Spratly Islands is a volatile security issue. China, the Philippines, Taiwan, Malaysia, Vietnam, and Brunei all claim sovereignty over parts of the Spratly Islands. The largest number of islands and atolls are held by Vietnam, followed by the Philippines. The contentiousness of the debate over the Spratlys stems from the speculation that there are large oil and gas deposits in the region. Although China is the fifth largest producer of oil in the world, China became a net importer of oil for the first time in 1994. In order for China to continue its current economic development path, it will have to find new energy sources, making the exploration and extraction of oil from the Spratlys all the more important (Richardson 1994, 27). As part of the Seventh Five Year Plan (1986 to 1990), the Chinese government determined that completing a comprehensive scientific survey of the Spratlys was a key element of securing Spratly resources. At present, China, the Philippines, and Vietnam have all signed contracts with private companies for oil exploration in the Spratlys (Beaver 1994, 18). Chinese economists have estimated that, in 1995 alone, some 30 to 50 million tons of oil were taken from wells in the Spratly area by non-Chinese interests, Vietnam being the largest extractor of oil reserves (Lin 1994, 37). Chinese articles warning about the inability of Chinese fishermen to fish in the Spratly waters and about the possible expansion of Japanese naval involvement in the region are indicators that the Chinese leadership may be preparing the country for use of force in the Spratly region¹⁰ (Lin 1994, 37).

The history of a Chinese presence in the Spratly Island region extends back to 200 B.C. when Chinese fishermen were first recorded as having traveled there on fishing expeditions. Chinese sovereignty nominally extended down to the island chain during the dynastic era, but was never formally asserted. In 1950 Vietnamese forces took over the islands after they were abandoned by Nationalist forces. Clashes between Chinese and Vietnamese forces over the Spratlys became more pronounced in 1987 when China began projecting more force into the region. In 1988 China captured several Vietnamese-occupied atolls and islands, and took several more in 1992, bringing the total number of islands and atolls controlled by the Chinese to nine.

China and Vietnam have, in recent years, fought a number of times over islands in the South China Sea. In 1974 China invaded and established a stronghold in the Paracels, approximately 200 miles south of Hainan Island. Fighting over the Paracels broke out again during the 1978 Sino-Vietnamese War and again most recently in 1983, but China has maintained a strong grip on the islands which it is unlikely to loosen. In July 1994 the PLAN deployed two warships to block the resupply of a Vietnamese rig near a drilling concession China gave to United States-owned Crestone Oil (Smith 1994, 284). Despite an agreement between China and Vietnam to resolve disputes over the Spratlys without violence through bilateral negotiation, it would appear unlikely, given the history of conflict, that those dictates will be followed.

The prospects of resolving disputes in the Spratlys seem fairly dim. The Chinese government is firmly opposed to the idea of holding multilateral talks on the Spratly issue. As stated by Foreign Minister Qian Qichen, "while sovereignty over the islands is non-negotiable, joint ventures to exploit the natural resources of the area can be negotiated on a bilateral basis" (Smith 1994, 275). In the last few years, Malaysia, the Philippines, and Vietnam have engaged in multilateral negotiations on the Spratlys, without the involvement of China. China has seen these negotiations as an attempt by these three countries to create an arrangement among themselves in order to present China with a *fait accompli* (Chen 1994, 898). Any deal on the Spratlys will necessarily have to involve all interested parties. Peace prospects will largely hinge on the results of drilling efforts presently underway; should extractable amounts of oil be found, it is unlikely China will permit further drilling by other countries without established bilateral agreements.

The Possibility of Military Engagement Across the Taiwan Strait Mainland

Chinese military action following Taiwan President Lee Teng-hui's trip to the United States in June 1995 has restored a state of heightened military tension to the Taiwan Strait. In July of the same year, one month after President Lee's trip, Mainland forces fired six Dongfeng-21 and Haiying-8 missiles from Anhui Province into a designated area near strategic shipping lanes off Taiwan's coast, signaling their ability to blockade shipping channels using inland-based armaments. In August, the Mainland conducted joint navy-air force exercises in the East China Sea

involving simulations of the types of warfare necessary for enforcing a naval blockade, including sea-to-sea, sea-to-air, and undersea exercises. In November, immediately prior to Taiwan's legislative elections, army, air force, and naval forces conducted amphibious assault exercises on the coast of Fujian Province to show that contingency plans had been formulated for an invasion of Taiwan, and to serve as a warning to Taiwan against seeking independence. In January, the *New York Times* reported that Beijing had developed a plan to undertake a thirty-day missile bombardment of Taiwan should Lee Teng-hui be elected president and undertake measures leading toward Taiwan's independence. The same report noted that army and air force units in Fujian Province had been reinforced to substantiate the credibility of a Mainland invasion (Tyler 1996, A2).

The issues surrounding Taiwan's reunification with the Mainland are complex. Forty-seven years of separate governance raise question as to whether Taiwan is a part of China or is a separate national entity. Historically, Taiwan's status as a province of China has been ambiguous. The first major settlement on Taiwan in the mid-1500s was Portuguese; they were replaced quickly by the Dutch. The Dutch were defeated by the Ming general Zheng Cheng-gong, who ruled Taiwan as an independent despot after the fall of the Ming Dynasty until his death in the mid-1600s. Considered a backwater, Taiwan was largely ignored by the Qing Dynasty, who ceded the island to Japan in 1895 as a result of the Sino-Japanese War. Populated largely by residents of Fujian Province who crossed over either with Zheng Cheng-gong or after his victory, the Qing were long regarded by Taiwanese as foreign rulers. At the end of World War II Taiwan was returned to Chinese sovereignty. Conflict between local Taiwanese and Mainland armed forces, leading to the deaths of 10,000 Taiwanese civilians in 1947, created enmity toward Mainlanders among the Taiwanese. The Mainland Kuomintang government was thereafter viewed by many Taiwanese as a foreign occupier. Taiwan was ruled by a Mainland minority until the late 1980s and early 1990s when local-born residents were first permitted to fill government seats. At present, both the Taiwan government and the Mainland government officially claim that there is only one China and Taiwan is a part of that China, although the Taiwan government asserts that the welfare of Taiwan is its primary concern.

At issue today is whether or not Taiwan is unquestionably a part of China, or if Taiwan has a distinct national culture that permits it to claim

independent status. Mainland policy is clear on this issue: Taiwan is a part of China. Jiang Zemin appears to be investing heavily in public support for his strong stance against Taiwan independence and against permitting foreign interference to influence the resolution of the Taiwan issue. This could signify that Jiang is basing part of his claim to legitimacy to proceed Deng as preeminent leader on his professed intent to return Taiwan to common sovereignty. The domestic importance of this issue in Mainland China could partly explain the heightened volatility of the present situation.

As democracy has developed in Taiwan, trade frictions between the United States and Taiwan have increased. Taiwan has reduced its percentage of foreign trade conducted with the United States, and has asserted an independent voice in resolving its economic and trade disputes with the United States. If Taiwan's citizens determine, in a democratic forum, that they are culturally and historically part of China and there are moves toward reunification (as possibly already signaled by the dramatic increase in trade between Taiwan and the Mainland over the last six years), the United States would have little reason to become involved in a military conflict between Taiwan and the Mainland, particularly given the serious consequences of such a conflict. However, if the Taiwanese people decide that they are a separate cultural and historical nation and wish to be a separate state, American involvement in a military conflict would be protection of a people from hegemonic forces, and could be supported on principle. Several Western analysts have attempted to determine whether or not Taiwan is a separate historical and cultural nation, but have reached no conclusion. The real state of Taiwan's national definition lies somewhere in between these two extremes, making policy issues difficult to resolve.

Recognizing the importance of air power to an amphibious assault, Taiwan has made efforts to purchase the latest-technology fighter aircraft. Recent purchases of F-16 and Mirage 2000 fighters give Taiwan clear air superiority over Mainland J-8 and Su-27 fighters. U.S. military advisers believe that Taiwan's present air and ground forces provide sufficient capability to withstand a Mainland invasion (Wang 1996, A2). Taiwan's greatest problem, however, is its need to rely on foreign weapons purchases to stock its military arsenal. Taiwan's navy consists primarily of decommissioned U.S. vessels purchased prior to 1980, with the exception of a class of frigates and two submarines purchased from the Netherlands. Given the rapid expansion of frigate and destroyer forces in the PLAN, the

Mainland will soon possess clear naval firepower superiority over Taiwan forces. The possession of an aircraft carrier would solidify Mainland naval superiority, making a blockade a more enforceable strategic option, particularly given Taiwan's geography.¹¹ The targeting of missile tests off Taiwan's southeast and northeast coasts in July of last year was a deliberate proclamation of the Mainland's capability to fundamentally disrupt Taiwan's shipping.

U.S. support for the Kuomintang extends back to World War II. Present conditions would suggest that the United States should unambiguously express a strategic position relative to possible military conflict between Taiwan and the Mainland. The ambiguity of Taiwan's historical and cultural status aside, the majority of Taiwan's citizens do not want to return to the Mainland's direct sovereignty in the immediate future. The only circumstance under which the Mainland would likely invade Taiwan and under which direct American military engagement would be necessary is if Taiwan made an unambiguous move toward independence. Economic ties and a desire to reunify Taiwan on a non-antagonistic basis are incentives for the Mainland to seek non-violent reunification. In the event of invasion, U.S. policy toward Taiwan should be to provide unconditional support for Taiwan as an independent country being subjugated by a regional hegemonist. In the absence of such a move toward independence, expression of military support signified by the patrol of several U.S. destroyers and clear statements of American concern may be sufficient to deter offensive Mainland action. In any event, the United States should make efforts now to gain support from countries exporting high technology goods to the Mainland to agree to implement comprehensive economic sanctions against the Mainland in the event that the Mainland interferes significantly with commercial shipping to and from Taiwan. The sanctions would only be used if expressions of concern and demonstrations of force prove to be insufficient deterrents against Mainland military aggression.

Conclusion

With continued economic growth, it is likely that China will continue to expand its naval forces, intensifying security tensions in East Asia. The addition of an aircraft carrier to PLAN forces would significantly enhance China's ability to project force and thereby expand China's capability to reestablish a regional sphere of influence. Obviously, this raises questions

about the future role of the Chinese navy in East Asian affairs. Continued economic growth will necessitate increased utilization of all available resources. Nationalistic tendencies in China make it unlikely that the government will back down anytime soon on the issue of Spratlys' sovereignty; in combination with the difficulty of arranging mutually beneficial arrangements in the absence of multilateral talks, the situation in the Spratlys remains extremely volatile. It is not inconceivable that a war could break out between China and Vietnam if substantial oil deposits are found as a result of exploration by either side, and the United States should have exigency plans in place to prepare for such an event.

Given the political importance of reunification, it is unlikely that China will decrease pressure on Taiwan to assent to common sovereignty. The unambiguous "reminders" of military exercises throughout 1995 and the released information on "secret" missile attack plans in December of that year make clear the Mainland government's refusal to permit Taiwan to effect a distinct and separate national identity. A public affirmation of a distinct Taiwanese national identity, either by the country as a whole or by the government specifically, would likely result in a conclusive military campaign by Beijing. Development of the PLAN to enable troops and weapons to be ferried across the Taiwan Strait and to enable enforcement of a naval blockade would be key to the success of such a campaign.

Although the presence of a strong Chinese navy may be threatening, there are limited options for restricting Chinese naval weapons development. Most Chinese weapons are indigenously developed, and weapons research and development will produce more technologically advanced equipment as time goes by. Aircraft carrier development and advancement of the capabilities of the Luhui destroyer and the nuclear submarine fleet are likely underway at the present time. While worrisome, PLAN expansion is a logical outcome of China's economic development; given China's strategic history and previous power position, it is not extraordinary for China to be investing heavily now in military development. The issue for the United States is less how to stop this development than how to deal with it. The utilization of containment policy is only practical as it recognizes that China will have certain advantages over the United States in force projection capability in the immediate East Asia region. China is due a great power status: the United States cannot reasonably keep China from developing a strong military and establishing its sphere of influence.

U.S. policy should therefore make China aware of what the tolerable limits will be for Chinese military expansion. It is in the interest of neither

country for China and the United States to become enmeshed in an arms race. The recognition of China's great power status, and the acknowledgment that the United States has limited capacity to restrict Chinese military projection into its near-abroad affairs can prevent this eventuality from occurring.

With respect to China's involvement in near-abroad affairs, U.S. policy should first delineate which issues China considers territorial and which China considers extra-territorial, as direct conflict with China over territorial issues could result in serious confrontation. The Spratly Islands dispute and reunification with Taiwan are both territorial issues and should be handled very delicately. From a U.S. perspective, the Spratly Islands dispute is primarily a commercial concern. Specifically, it is not in the United States' interest for regional conflict to escalate to a level where it disrupts commerce or causes regional instability. The United States should clearly emphasize the need to maintain open commercial shipping lines; American policy must state explicitly that any disruption of shipping lines will result in U.S. naval involvement. Clearly, the discovery of oil or natural gas deposits in the region will change the nature of the Spratly Islands conflict. In the event of such a discovery, the United States will need to direct more explicit attention to this issue than is now presently given.

The issues concerning U.S. policy toward possible Mainland military activity against Taiwan are more complex, as it involves the lives of 21 million people. The policy of the United States should clearly delineate the U.S. response to a Mainland attack on Taiwan. Should the Taiwan government, with the support of its citizens, make an unambiguous move toward independence, the United States should support Taiwan in principle and should provide military support in the event of a Mainland reprisal. The actions of the new Taiwan government will play a large role in determining the future strategic situation in the Taiwan Strait. The United States should make efforts to gain international consensus for the imposition of coordinated economic sanctions against the Mainland should the Mainland intentionally engage in activity intended to disrupt commercial activity, such as missile attacks on commercial shipping. The United States should make known the credibility of such a response to Mainland military action to help deter armed invasion.

Sino-American conflict over security issues is becoming an inevitability. Respecting that, it is important to observe what China sees as being important for its defense now with an eye to understanding what tenor its

weapons development course will take in the future. Focus on submarines, destroyers, air power, and aircraft carriers suggest a desire for big offensive weaponry.

As suggested in the introductory quotes of this paper, "containment" can only be effective to a limited degree. The United States will not be able to keep China from being involved in a limited capacity in its near-abroad affairs. Certainly, though, the United States should keep China from disrupting regional stability or interfering with commercial activity to the greatest extent possible. U.S. policy should clearly state a position relative to Chinese military action which permits China respect commensurate with its great power status while unambiguously delineating where a stand will be taken against military aggression.

Notes

¹Policy goals are occasionally projected fifty, sometimes a hundred years, into the future by Chinese government officials. Such statements are intended to reflect consideration for the country's long term interests.

²Recently, an electronic countdown board was erected in Tiananmen Square in front of the National History Museum, counting down the days and seconds to Hong Kong's return to Chinese sovereign territory. The author talked informally with people in China about the board and they expressed an enormous sense of pride and satisfaction with it, claiming that the reclamation of territory constituted a Chinese victory. Recent policy statements (Jiang's Eight Points) suggest a similar national interest in reclaiming Taiwan.

³It is difficult to make a definitive determination of Chinese defense expenditures as military personnel payroll expenses, arms sales, and outside business ventures are not computed into the budget. Official figures for the PLA budget are 52 billion yuan per year, or roughly \$5.9 billion. It has been suggested that China sold a total of \$14.4 billion worth of equipment between 1983 and 1991, money which could have been used in military expenditures. (The sale of five frigates over the last two years would substantially increase this arms sales figure.) Military payrolls, by far the largest slice of the unaccounted budget, are estimated to run between \$8 to \$10 billion per year (Klintworth 1994, 13). Additional unaccounted monies are accrued through the commercial activities of the PLAN's maritime shipping service. According to Chinese newspaper accounts, the PLAN had made 50 million yuan in profit from shipping contracting as of June 1992 (Hu 1992, 1).

⁴There have been some signs of disagreement between Liu Huaqing and Foreign Minister Qian Qichen regarding the acquisition of a carrier. Presumably with Liu's support, in recent years naval personnel have been making bold public statements concerning the necessity of carriers. The boldness of these statements suggest that carrier acquisition is hotly contested, otherwise such deliberations would be handled in a closed forum, and not in public. Qian, also taking his position to the public, has stated in talks with neighboring countries that China's peaceful intentions are signified by China's lack of a carrier (Lok and Karniol 1995, 8). The ramifications of this debate are unclear, but could make neighboring countries aware that internal dissent over carrier acquisition exists.

⁵Yulin, being on the southern-most tip of Hainan Island, is purported to be the South Sea fleets first-response point for conflicts in the South China Sea.

⁶Landsat satellite ground station equipment was originally given to China in the early 1980s for surveillance use along the Soviet border.

⁷The article (Naval Commander 1993, 42-43) quotes naval air commander Wang Yong-qing on China's need to acquire carrier forces.

⁸This amount, as noted earlier, exactly matches the increase in the PLA budget for 1994.

⁹It was noted in the same article that India already has two small carriers in their naval fleet. The clear inference is that China will acquire two carriers to have at least numerical balance with India. It also suggests that the Chinese are considering projecting force into the Indian Ocean. This projection of force may represent an expression of friendship with Myanmar or another method of checking India's interests for regional power.

¹⁰Restrictions on fishermen's access to sovereign waters and concerns about Japanese re-militarization could both be used as justification for Chinese force projection. (Japanese re-militarization remains an issue of "national concern" and could justify such action.) The fact that these articles are being published suggests that Chinese leaders may be drumming up nationalist support for Spratly military engagement.

¹¹Taiwan is split north to south by mountains. The majority of Taiwan's industry is located on the Eastern side of the island, with the two major ports, Keelung and Kaohsiung located at the northern and southern tips of the island. A naval blockade could successfully encircle Taiwan's commercial trade by closing off the access points at the north and south entry points to the Taiwan Strait.

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