On the Myth of Chinese Power Projection Capabilities

by

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Is the People's Republic of China (PRC) a rising threat, capable and prepared to exert military power as far as the Persian Gulf? Are Chinese actions in the South China Sea fueling an arms race in the region? The above quotes are from a growing body of literature that bases the assessment of a Chinese threat on the strong nationalistic pronouncements from segments of the Chinese government and military and upon the acquisition by China of certain military capabilities. This paper provides an analysis of those capabilities as they relate to the development of power projection in the near future and offers alternate explanations to the regional competition argument as the major factor behind recent arms purchases in the region.

As China becomes more reliant on imported oil to fuel its rapidly growing industrial economy, many analysts suggest that China will develop and exercise military power projection capabilities to protect the shipping that transports oil along the Sea Lines of Communication (SLOCs) from the Persian Gulf to China. The capability to project power would require access to advanced naval bases along the SLOCs and forces capable of gaining and sustaining naval and air superiority. To establish a relative baseline for analyzing China's capabilities to project power, a comparison of U.S. and Chinese defense spending and current selected weapons platforms are informative. These comparisons are summarized in Table 1 below.

Table 1
U.S.-China Military Strength Comparison

	<u>U.S.</u>	<u>China</u>
Gross Domestic Product (GDP)	\$7.2 trillion	\$560 billion
Military Budget	\$263.9 billion (3.7% of GDP)	\$31.7 billion (5.7% of GDP)
Aircraft Carriers	12	0
Transport Ships	205	55
Transport Aircraft	1070	484
Ballistic Missile Submarines	17	1
Attack Submarines	78	61

Source: John Isaacs, "Superpower Stats", New York Times, 29 October 1997.

ADVANCED NAVAL AND AIR BASES

Many have cited China's 1994 assistance to Burma in constructing and improving port facilities on two islands in the Bay of Bengal and the Andaman Sea as the first step to securing military base privileges in the

Indian Ocean. This activity has been seen as a listening post to gather intelligence on Indian naval operations and as a forward base for future Chinese naval operations in the Indian Ocean. More recent observations and analysis have concluded this effort is a purely bilateral commercial development project with little or no military application. The most plausible explanation is that Beijing began to work with a willing Burmese government to set up a way to monitor Indian Navy activities more closely as a result of the expansion and more active role of the Indian Navy. Although the purported Indian naval threat has subsided somewhat since the means for Indian Navy expansion have faded, Beijing has had nothing to lose by keeping an outpost on the Burmese coast, probably functioning under the guise of a joint commercial facility.

During the past ten years, China has been active in occupying islands, reefs, and islets throughout the highly disputed South China Sea, many of which have resulted in skirmishes with rival claimants. In 1988, the PRC sank three Vietnamese vessels, killing 72 people during a confrontation over the occupation of Fiery Cross Reef. In 1992, the Chinese occupied Da Lac Reef and deployed three Romeo-class conventional submarines to patrol the area. In March and April 1995, the Chinese occupied Mischief Reef, an area well within the Exclusive Economic Zone (EEZ) of the Philippines. This action resulted in an encounter between military vessels of the PRC and the Philippines.⁵ Although these actions have raised tensions in the area, the only occupation of any significance as an actual operating base is Woody Island. The Chinese armed forces have recently completed construction of a 2600 meter long landing strip on Woody Island, the largest of the Paracel Islands.⁶ Although the airfield is long enough to support all types of Chinese aircraft, it was not designed for heavier aircraft, such as the SU-27, which would erode the airstrip's surface. Additionally, the island's small area (1.88 square kilometers) provides little space for shelters, revetments, or fuel and munition storage. Inadequate docking facilities limit the rate at which supplies can be unloaded from maritime transport.⁷ At best, Woody Island is an expeditionary airfield for limited refueling and emergency landings, not a forward base for staging assaults in the South China Sea.

POWER PROJECTION FORCES - MARINES AND AIRBORNE

Although the quality of many Chinese ground units is poor, the People's Liberation Army (PLA) has some superior forces. The elite forces, the Fifteenth Airborne Army and the marines (naval infantry) are very capable. These units would likely be used for any power projection operations.

China today has the lift capability to conduct operations with a two division (twenty-five thousand troops) force well away from China's territorial waters. Upon seizure of a good port, China could conduct follow-up operations with a full army group transported by the merchant marine fleet. However, operations more than 500 kilometers from China cannot be supported by ground attack aircraft. Additionally, China does not practice large-scale amphibious operations or naval gunfire support of landing operations. To develop the doctrine and to train two divisions to operate effectively as an amphibious force with integrated close air support and naval gunfire would likely take two to three years of hard training and exercises.⁸

POWER PROJECTION FORCES - LAND BASED AVIATION

Most of China's effort to date to project power has been displayed in the acquisition and development of aviation systems. In 1992, China purchased 26 SU-27 fighter jets from Russia, followed by the purchase of an additional 46 in 1995 for a total order of 72 aircraft - the equivalent of one U.S. wing. The SU-27 is a late 1970s technology fighter jet capable of aerial refueling. Chinese ability to project air power can be accomplished in the adjacent coastal areas of China by aircraft launched from Chinese airfields. However, to project power into the southern reaches of the South China Sea by Chinese land based aircraft, aerial refueling is required (an SU-27, operating from China's forward air bases, would have a loiter time over the Spratly Islands of less than thirty minutes).

In addition to the SU-27s, China has acquired air refueling technology from Iran and equipped four of its combat aircraft with air refueling probes originally provided by the U.S. for Iranian F-5 aircraft. A Chinese Y-8 transport and possibly an H-6D bomber may have been converted into test tanker aircraft. It is uncertain if the SU-27s purchased by China are compatible with the aerial refueling technology acquired from Iran. Even if the technology is compatible, the Chinese air force does not currently possess the level of proficiency, precision, or communications necessary for aerial refueling. Chinese pilots have not been provided the practice or flight time for the rigors of aerial refueling, nor do air force pilots train over open ocean or provide tactical air support for naval units. The first 26 SU-27s were assigned to the Chinese air force; the second group of 24 is earmarked for deployment with the Chinese naval air force on Hainan Island.

Even if China develops the ability to extend the range of its aircraft to the southern portion of the South China Sea, this capability would be insufficient to provide continuous support of naval and ground forces in the area. Chinese forces would be at a disadvantage against the air forces of Singapore, Malaysia and Indonesia, all of which possess advanced American or British aircraft and would be operating relatively closer to friendly air bases.¹⁵ The only alternative for an adequate projection of air power is the development of carrier based air support.

POWER PROJECTION FORCES - NAVAL FORCES

To project military power and have the capability to seriously contest control of the seas adjacent to the Chinese coast and the Indian Ocean, China would have to possess a "blue water" navy. For China to develop a modern regional navy, it would either have to build the fleet itself; buy the ships and aircraft entirely from other countries; or import a small number of advanced weapons and platforms, disassemble them, reverse engineer them, and mass produce them. ¹⁶

The following comparison of China's ability to procure a "blue water" navy is based on a study conducted by the Center for Naval Analyses in March of 1996. Could China develop and build a regional blue water navy before 2010? The answer is no. The Chinese defense industry produces weapons systems decades behind the developed countries of the West. Additionally, China lacks a pool of educated citizens with the technical and engineering backgrounds necessary to build the infrastructure or design the specifications to produce a power projection navy by 2010.¹⁷

Could China buy a modern blue water navy before 2010? The answer is very unlikely. Using the optimistic assumption of annual GDP growth of 8 percent, and Chinese priority to make the major purchases at the opportunity cost of other domestic investment, the Chinese navy could possibly acquire several attack submarines, two large deck aircraft carriers, a VSTOL carrier, Aegis cruiser equivalents, and significant numbers of frigates, destroyers, and underway replenishment ships.

With moderate assumptions of 4 percent annual growth in GDP and, as before, priority to buying the blue water navy, a smaller force could be procured; two VSTOL aircraft carriers, a small number of Aegis cruiser equivalents, a medium sized submarine, destroyer and frigate fleet, and a small number of supply ships. The pessimistic assumption of zero growth in GDP would yield only a coastal navy. ¹⁸ Table 2 provides a summary of the numbers of systems for the three sets of assumptions.

Table 2
Three Future Inventories for Buying a Chinese Navy

	Optimistic (8% annual GDP)	Moderate (4% annual GDP)	Pessimistic (0% annual GDP)
Large Deck Carriers	2	0	0
VSTOL Carriers	1	2	1
Submarines	26	18	14
Destroyers/Cruisers	11	10	7
Aegis Cruiser equivalents	9	5	2
Frigates	13	12	12
Auxiliary Ships	12	7	7
Mine Counter Measure Ships	8	7	2

Source: Christopher D. Yung, <u>People's War at Sea: Chinese Naval Power in the Twenty-first Century</u>, Center for Naval Analyses.

The final step in analyzing China's ability to obtain a blue water navy by 2010 is to assess the probability of their success at reengineering a navy. This process would involve importing a small number of advanced weapons and platforms, taking the systems apart, and developing specifications for the systems and constructing plant and equipment to mass produce the systems. From the time of purchase to the initiation of production, the Chinese defense industry has historically taken approximately 15 years to reengineer a system. More time would be required to produce the multiple complex systems to make a blue water navy capable of dominating the regional seas. Additionally, China would be required to purchase the systems in the "up front" phase of the reengineering process, again requiring a drastic shift in national budget priorities for the purchase of naval weapon systems.¹⁹

In summary, China cannot build or buy a blue water navy by 2010 without major assistance. China does not possess the power plant, avionics and metallurgy technologies required to manufacture aircraft that can operate from aircraft carriers in any weather. Chinese pilots have little experience flying without ground control. The expense of a carrier group would require a defense budget dominated by naval spending and a diversion of

significant resources from civilian infrastructure projects. All of the top-of-the-line technology necessary to develop a carrier battle group is not for sale and there are limits to what countries with the technology will export to China. U.S. Navy experience reveals that a fleet of three carriers is needed to keep one carrier on location at all times. China would likely need more than three carriers to maintain one on station in the South China Sea due to the state of Chinese managerial skills and logistical facilities.²⁰

Without a blue water navy, power projection will be limited to minor excursions such as the small conflicts in 1988 at Fiery Cross Reef with Vietnam or naval visits to "show the flag". Chinese concerns over the protection of SLOCs are likely to follow the Japanese model - rely on the Americans for SLOC security.

THE SOUTH CHINA SEA AND REGIONAL ARMS RACE

The South China Sea is an area which many analysts see as a potential boiling point for future conflict in Asia. Two factors lead to the increasing tensions in the area. The first factor is the location of the South China Sea astride strategic sea lanes through which more than 70 percent of the crude oil and Liquefied Natural Gas supplies for Japan, South Korea and Taiwan transit. Likewise, the majority of exports from these countries pass through the South China Sea as well. Maritime traffic through this area is estimated to triple by 2010.²²

The second and primary factor that focuses conflict on the South China Sea is the large quantity of oil and natural gas estimated by recent studies to be present in the region. Estimates of the resources in the South China Sea range from six billion barrels of oil equivalent to over 105 billion barrels.²³

Chinese specialists have claimed the area could contain as much as 130 billion barrels of oil and natural gas, going as far as referring to the South China Sea as the "second Persian Gulf". 24 At current world oil prices, the cost of drilling in the deep water areas of the South China Sea, the cost of exploration and the question of finding substantial and easily exploitable yields will likely preclude any large scale effort to conduct exploration in this area in the near future.

The strategic importance of this area and the competition for influence is seen by many as the major factor in arms purchases in the area. Since 1989, arms purchases have gradually increased among East Asian nations. In 1992, all ASEAN members began to acquire new military hardware. In 1994, the seven countries of ASEAN spent \$13.6 billion for defense, an increase of 11 percent from the previous year.²⁵ The Asia-Pacific region is now one of the leading arms-importing regions in the world, absorbing one third of total world arms transfers. Northeast Asian nations will procure 1500 new fighter and strike aircraft in this decade; Southeast Asian nations will procure 300. Over 200 new surface combatants are programmed for procurement during the 1990s.²⁶ Some recent and projected purchases (prior to the 1997 financial crisis) of maritime-related arms is provided in Table 3.

 ${\bf Table~3}\\ {\bf Selected~Recent~and~Projected~Purchases~of~Maritime-Related~Defense~Equipment}$

	Surface Ships	Submarines	<u>Aircraft</u>
China		Purchased four Kilo-class.	Pursuing advanced fighters. Pursuing platform for air refueling kits.
Indonesia	9 Kondor mine sweepers. 16 corvettes. 12 medium landing ships		Purchased 11 helicopters. 24 HAWK ground attack aircraft delivered in 1997.
Japan	Commissioned large amp with flight deck. Ordered 4 amphib landin Planning to procure Aegis destroyers and a helico	g ships.	
Malaysia	Seeking missile frigates. 27 offshore patrol boats.		Four maritime patrol aircraft delivered in 1995-96. 28 HAWK ground attack aircraft. F-18s, MIG-29s
Philippines	Two frigates. Ten patrol boats.		24 fighters.
Singapore		Purchased submarines from Sweden.	Five maritime patrol aircraft. Squadron of F-15C/Ds.
South Korea	Seeking three missile destroyers, amphibs, and other surface assets.	Seeking to expand submarine fleet.	120 F-16C/Ds. 8 P-3Cs.
Taiwan	Five guided missile frigates (Nine Knox class frigates (Three Lafayette class frigates)	(US).	Ordered 150 F-16A/Bs 60 Mirages 130 indigenous fighters
Thailand	Commissioned a fixed wir	ng carrier	18 A-7s, 6 P-3s, 8 F-16 C/Ds (US) 36 L-39 fighters (Czech Republic) 9 AV- 8 Harriers (Spain)

Source: Mark J. Valencia, "Energy and Insecurity in Asia", <u>Survival</u>, Volume 39, No. 3, (Autumn 1997), pp. 94-95.

Insecurity about China's rising power and questions about America's resolve to maintain forces in East Asia have been cited as factors for the "mini-arms race". A closer examination reveals at least five other factors that are influential in the increase in arms purchases. First, many nations experiencing economic growth desire to procure weaponry befitting their status as new regional powers - the prestige factor of "keeping up with the Jones". This factor may play a large part in the regional desire for arms; a single aircraft carrier for Thailand, armor for Indonesia - a country that lacks good armor terrain or the ability to transport the armor offshore, and the mixture of aircraft being procured by most of the countries. Many of these purchases appear to have little connection to any military doctrine, and can only be the desire of military establishments and governments to procure "parade ground and naval flotilla" prestige weaponry.²⁷

A second factor impacting arms purchases is the economic boom in the region during the past decade. All countries have the resources to modernize their militaries. Rising Gross National Product growth has enabled absolute increases in defense budgets without any increase in the military share of national budgets. As the economic conditions have worsened in the region during late 1997, the impact of this factor on arms purchases has become apparent.

The third factor is the reduction and eradication of all major insurgencies in the Southeast Asian nations. With minimal internal threats to focus on, defense planners can concentrate on potential external threats and procure weaponry for those purposes.²⁹ The fourth factor is the political power exerted by the military in a number of the Asian societies. The militaries are a major proponent of nationalist sentiments in the area. The resources devoted to the military are often the result of "paybacks" for military support for political parties and individuals or acceptance of military arguments that modern weapon systems are needed to prepare for the uncertain future of the region.³⁰ Finally, with the declaration of EEZs, a need for forces to protect economic interests exists. The extent of the 200 mile offshore EEZs requires a maritime force to exert military influence.³¹

Although the potential for conflict over energy deposits in the South China Sea may have been a factor in the increase of arms purchases in East Asia, other factors provide incentive to procure arms. The perception of strategic uncertainty may continue to fuel arms purchases. Uncertainty about the future role of the U.S. and questions about U.S. resolve to remain engaged in the region are causing security concerns. States are not arming competitively against each other, but against an uncertain security future. No state is seeking the numbers or types of weapons to conduct offensive operations against their neighbors. Even if there were no potential conflict in the South China Sea, the other factors would probably have combined to create an environment for aggressive arms purchasing.

The recent financial crisis in East Asia has temporarily slowed arms purchases in the region. Thailand has requested help from the U.S. to renegotiate the purchase of eight F/A-18 fighter jets. Indonesia announced a delay of a \$1 billion plan to purchase Russian weapons. South Korea is also delaying the purchase of four AWACS, a U.S. made electronic surveillance aircraft. Malaysia has scrapped a \$500 to \$600 million plan to purchase American attack helicopters, armored vehicles, and possibly several F/A-18 fighters. Much of the delays, restructures, and abandonments of arms purchases are the result of austerity measures imposed by the International Monetary Fund in exchange for multi-billion dollar rescue plans.³⁴

In summary, the literature that proclaims a Chinese "blue water" power projection capability for the near future is alarmist. Placing the blame for increasing East Asian arms purchases on Chinese behavior in the South China Sea and Chinese attempts to obtain selected military capabilities is a simplistic argument. It ignores other factors having equal or greater effect on the growth of regional arms procurement.

¹ Michael Lelyveld, "Greater Asian role seen in Persian Gulf, Caspian Sea", Journal of Commerce, 12 November 1997, p. 20.

² Debra E. Soled, ed., China - A Nation in Transition, (Washington, D.C.: Congressional Quarterly, Inc., 1995), p. 222 and Nicholas D. Kristof, "The Rise of China", Foreign Affairs, Volume 72, No. 5, (November/December 1993), p. 67.

Interview with Chip Loos and Chi-Wen Ho, Asia and Pacific Analysts, Marine Corps Intelligence Activity at Quantico, VA with the author on 24 November 1997.

⁴ Eric A. McVadon, "China: An Opponent or an Opportunity?" Naval War College Review, Volume XLIX, Number 4, (Autumn 1996).

Scott Snyder, p. 5-6.

⁶ Kristof, "The Rise of China", p. 68.

⁷ Felix K. Chang, "Beijing's Reach in the South China Sea", Orbis, Volume 40, Number 3 (Summer 1996), p. 361.

⁸ Larry M. Wortzel, "China Pursues Traditional Great-Power Status", Orbis, Volume 38, Number 2 (Spring 1994), pp. 171-172.

Kristof, "The Rise of China", p. 66.

Bernstein and Munro, p. 24.

¹¹ Robert S. Ross, "Beijing as a Conservative Power", Foreign Affairs, Volume 76, No. 2, (March/April 1997), p.

¹² Chang, p. 359.

¹³ Nicholas D. Kristof and Sheryl WuDunn, China Wakes: The Struggle for the Soul of a Rising Power, (New York: Time Books, 1994), p. 382.

¹⁴ Chang, pp. 361-364.

¹⁵ Ross, pp. 36-37.

¹⁶ Christopher D. Yung, <u>People's War at Sea: Chinese Naval Power in the Twenty-first Century</u>, (Alexandria, VA: Center for Naval Analyses, March 1996), p. 1.

Ibid., pp. 27-28.

¹⁸ Ibid., pp. 32-36.

¹⁹ Ibid., pp. 37-48.

²⁰ Ross, pp. 37-38.

²¹ Scott Snyder, p. 5.

²² Daniel Yergin, Energy Security in the Asia Pacific Region, paper prepared by the Cambridge Energy Research Associates for the Institute for International Strategic Studies 39th Annual Conference, September 1997, p. 14. Ibid., p. 13.

²⁴ Snyder, p. 4.

²⁵ Peter C. Evans, "China and Middle East Oil", <u>Geopolitics of Energy</u>, Issue 18, Number 1 (January 1996), p. 8.

²⁶ Andrew Mack and Pauline Kerr, "The Evolving Security Discourse in the Asia-Pacific", The Washington Quarterly, Winter 1995, pp. 129-130. ²⁷ Loos and Chi-Wen Ho.

²⁸ Mack and Kerr, p. 130.

²⁹ Ibid.

³⁰ Michael Swaine and Donald Henry, China: Domestic Change and Foreign Policy, (Santa Monica, CA: RAND, 1995), pp. 24 and 31.

³¹ Loos and Chi-Wen Ho.

³² Calder, p. 65 and Green, p. 168. ³³ Mack and Kerr, p. 131.

³⁴ Steven Lee Myers, "Financial Crisis Slows Arms Race in Asia", New York Times, 13 January 1998, p. 1.