

China's 'String of Pearls' in Southern Asia-Indian Ocean: Implications for India and Taiwan**

W.Lawrence S. Prabhakar*

Introduction

China's rise and its global engagement are largely predicated on its vibrant and robust maritime trade strategy. In the vanguard of this successful maritime trade strategy has been the sound articulation of its maritime security strategy that has been replete with its "Three Island Chains" strategy and the assiduous strategy of cultivating South Asia, Southeast Asia, Latin America and Africa in its zestful quest to strategic access of resources that would aid its economic rise and consolidation. China's access and trade with these regions are predicated on its ability to gain maritime access to these regions and in turn export its manufactured goods to these regions.

China is building an assiduous strategy of trade and security access and basing in the Southern Asia-Indian Ocean littorals of expanding economic influence and interdependence with strong value of security relationships that covers its core allies, partners and even rivals. China's economic and strategic access is built on a "string of pearls" that has a strong maritime-military dimension of cultivating trade, building infrastructure and engaged in political-diplomatic strategies of building regional and global influence.

In the context of 'peaceful' rise, China has however made it very categorical that it does not tolerate secession in what it terms as the adventuristic outcomes of renegade provinces like Taiwan and Tibet. China has thus pivoted its foreign policy on the scope of how these two territorial entities influence and shape its relations with other states. The rise of China has levitated several alliances among the Asia-Pacific powers involving the United States, Japan, Australia India and other Southeast Asian countries. While their transactions are regarded as diplomatic state-to-state engagements, the transactions between the major powers of the Asia Pacific with the entities of Taiwan and Tibet has been regarded with acrimonious scorn by China in violation of what it considers the 'One-China Policy'.

However, China has pursued its own engagement with Taiwan and has coveted its immense scientific and industrial resources and its vast foreign direct investment resources into the mainland for its development, while denying the same scope of Taiwan's engagement with other powers.

** Published in M.J.Vinod, Yeong-kuang Ger, S.Y.Surendra Kumar (2009) Security Challenges in the Asia-Pacific Region: The Taiwan Factor (New Delhi: Viva Books International) pp39-60

* Associate Professor, Department of Political Science, Madras Christian College, Chennai, India; Founding Member, Centre for Security Analysis, Chennai, India; <<http://www.csa-chennai.org/>> Adjunct Professor, Department of Geopolitics, Manipal University, Manipal, India

In pursuit of its policy of global economic and strategic outreach inherent in its aspirations as a great power, China has expanded its networks of trade and security for an aggressive quest for resources and markets. Its expansion has been on the land frontiers and maritime frontiers through an assiduous build up of access and basing facilities that extends its influence in the Indo-Pacific oceans interlinking Southern Asia, Southwest Asia-Persian Gulf and Africa and also into the Pacific.

In its diplomatic and economic strategies, China has maximized its zone of influence while aggressively marginalized Taiwan's scope of global access and engagement. This essay would primarily focus on China's domain and overlay of influence in the maritime basin of the Indian Ocean and the littorals of Southern Asia that attempts to contain and limit its peer powers and emasculates any attempt by Taiwan to engage in the region.

The essay would: a) assess the "string of pearls" economic access and security strategy of China; b) analyse the specific Southern Asia-Indian Ocean region access diplomacy of China; c) elucidate the aggressive competitive dimension of its strategy to acclaim it as "One China"; d) examine the "peaceful rise" concept and its benign economic and trade strategies as velvet glove of its coercive power that is now rising in full power and potential.

China's Rise and the "Three Island Chains"

China has been primarily conditioned by its conscious attribution of being the epicenter of all civilizations and has always regarded its civilisational legacy as superior and determinant of the Asian order. The notion that China as the epicenter, surrounded by other barbarian states had given China its position of elation. Radiating from its core, China perceives and defines its maritime security strategy in the concept of the "Three Island Chains" that complements its notion of being the epicenter for global power since its ancient civilizational history.

China's rise in the last two decades of the twentieth Century and its sustained momentum in the early twenty-first Century are attributed to a) its relentless economic and strategic modernization; b) its reconnecting with world-wide Chinese diaspora-especially in the US and West; c) the imperatives for China's modernization of the geographical "periphery" and its impact of the "core" ; d) repositioning the *maritimeness* of China in its contemporary economic and strategic context. Elucidating each of these issues would itself be a theme of discussion.

The essay would specifically look into the repositioning the maritimeness of China in its contemporary economic and strategic context. In its historical context, China's greatness has always come from its mercantile and naval supremacy reminiscent of the Ming Navy and the Ming Admiral Zheng He. The Ming era saw the paramount power of China's littoral regions and its maritime zones of influence enhancing its hegemony in Southeast Asia with forays into Indian Ocean and East Africa. The decline of the Ming dynasty saw the erosion of China's once flourishing maritime trade and strategic domain consequently resulted in the collapse of its geographical core.

While the 'Middle Kingdom' was China's grand strategic construct, its maritime attributes of operational strategy came from the 'Three Island Chains'. China's expanding maritime trade

and the Sea Lanes of Communication (SLOCs) is evidently based on its demonstrable capability, influence and domain extending from its littoral (brown waters); extended economic zones (green waters); oceanic and extended domains (blue waters)¹.

Conceptually the Three Island Chains envisages China's three concentric rings of its maritime domain of sea-control /denial and thereby ensuring the security of its shipping Sea lanes of communication. Admiral Liu Huaqing, China's prominent maritime strategic thinker and builder of the People Liberation Army-Navy (PLA-N) conceptualised the maritime domain as (*jinnan* (in-shore) to *jinhai* (off-shore).

Li Huaqing envisaged that the PLA-N buildup in three phases as expanding operational naval capability with commensurate ability to secure China's civilian shipping. To ensure its absolute domain in the 'brown' waters', China aims to enhance sea-control / denial capabilities in the brown waters for the decade 2000-2010. It is a fact that China's defence perimeter is just opening outside the strategic Bohai channel and the Taiwan Strait spanning from 200 to 250 nm from the shore.

Liu Huaqing's '*jinnan*' covers three of China's internal straits: the Bohai, Taiwan and Qiongzhou. The Bohai Channel would be a core area defended utmost since it is the last line of defence for Beijing and Tianjing. While the Qiongzhou Channel is critical for its role of protecting China's second largest island and strategic heartland of Southwest China. The crucial Taiwan Strait is the choke point for several key international pathways. Naval operations in this zone would mean that operations would be in from China's coast in international waters. This would cover the first island chain of Japan-Liugu (Ryuku) Islands to Taiwan to Philippines.

China aims at the absolute control of its '*jinnan*' that includes the Taiwan straits. Exercising its anti-access control of this region is critical. China's legislation of the Anti-Secession Law 2004 reinforces its legitimacy to overlay its dominance over Taiwan that would emasculate Taiwan's global maritime access with the rest of the world. The Anti-Secession Law 2004 obliges the Chinese military to invade Taiwan immediately upon some future Taiwanese "declaration of independence," While China's existing National Defense Law and its legislation governing national territory already require that the military defend China's homeland².

The second island chain indicates a second circle of operation of commensurate naval capabilities that would be from Japan's Ogasawa-gunto Islands, through to the Ito-retto Islands and from there to the Mariana Islands (East Pacific). It indicates a second decade of the PLA-N buildup that would develop effective anti-access strategies against external intervention from 2010-2020/25. While the PLA-Navy has fewer platforms, it has been largely building assorted asymmetric capabilities that features shore based theater-range ballistic missiles (TBMs), land-attack cruise missiles (LACMs), anti-ship cruise missiles (ASCMs), surface-to-air missiles (SAMs), land-based aircraft, submarines, surface

¹ James Holmes & Yoshihara Toshi (2005) The Influence of Mahan upon China's Maritime Strategy *Comparative Strategy* Volume 24, Number 1, January-March 2005 , pp. 23-51(29)

² John J.Tkacik (2004) China's New "Anti-Secession Law" Escalates Tensions in the Taiwan Strait *Web Memo #629* The Heritage Foundation (Washington D.C. The Heritage Foundation) accessed at <http://www.heritage.org/Research/AsiaandthePacific/wm629.cfm> on June 13, 2008

combatants, amphibious ships, naval mines, nuclear weapons, and possibly high-power microwave (HPM) devices³.

China's near-term focus in military modernization is to field a force that can succeed in a short-duration conflict with Taiwan and act as an antiaccess force to deter U.S. intervention or delay the arrival of U.S. forces, particularly naval and air forces, in such a conflict China has probably attained a capable maritime anti-access force, or elements of it, but would be able to complete it by 2010⁴.

The Second Island Chain domain aspirations would be period that could feature more in terms of platform modernization and augmented fleet in terms of numbers. It would establish China's domain in the North, East and South China Sea with limited surge capability with submerged platforms into the Indian Ocean. To supplement its forward presence, China has envisaged a land access buildup strategy of island and port outposts in the oceanic domains appropriately termed as 'String of Pearls'.

China envisages that as its growth extends its heavy civilian shipping span the globe would have to be covered with a naval operational capability -- '*jinhai*' what could be termed as the 'Third Island Chain' that would seek to extend the 'High Sea Defence' covering the Indo-Pacific Oceans. China had well enunciated its strategy in 1992 that outlines the adoption of various measures that the PLA-General Logistics Department outlined⁵ are i) frequent naval-visits ; ii) arms sales / economic assistance ; iii) Littoral economic-military infrastructure projects with dual use purposes and for co-location of local and Chinese maritime assets to support the development of the 'string of pearls' strategy.

The Third Island Chain expands beyond Hawaii into the West Pacific. The Three Island Chain Strategy aims to emphasize on the PLA-N 'presence' preceding 'deployment' though deployment aims for an operational reach it cannot sustain with the present numbers due to lack of platforms and more importantly the network capabilities in the C4ISR systems. The Third Island Chain provides an apparent benign image that provides for maritime interdependence with other nations and regions with an incremental capability-buildup with the primary aim to secure the SLOCs emphasizing the concept of 'layered defence'.

³ China's theater range ballistic missiles are being equipped with Maneuverable Reentry Vehicles (MaRV) that would very difficult to intercept through ship borne anti-ship missiles thus projecting an anti-access capability against intervening naval forces holding surface ships at risk through a layered defense that reaches out to the "second island chain" See Ronald O'Rourke (2008) China Naval Modernization: Implications for U.S. Navy Capabilities — Background and Issues for Congress <http://www.fas.org/sgp/crs/row/RL33153.pdf> accessed on 22 August 2008

⁴ You Ji (2006) 'China's Naval Strategy and Transformation' in Lawrence W.Prabhakar et.al (2006) *The Evolving Maritime Balance of Power in the Asia-Pacific: Maritime Doctrines and Nuclear Weapons At Sea* (Singapore: World Scientific)

⁵ Zhao Nanqi, Director of the General Logistics Department, PLA-Navy top-secret Memorandum had detailed the various measures for consolidating 'High Sea Defence' quoted by Philip L.Ritcheson 'Nuclearisation in South Asia, *Strategic Review* 21 (4) Fall 1993 p.39 & also by

However the fact is that China emphasizes the first layer of defence for reasons that it constitutes the littorals (coastal land) of 200 km inland from the sea-- 41% of Chinese population and 50% cities are located, 70% GDP is yielded, 84% FDI is attracted and 90% export is made and also it encompasses Taiwan its potential second economy⁶.

In the immediate term, China expects to develop a 'jinhai' navy of green-water and extended green-water capability. In augmenting its capabilities, China is in the quest for a sustained platform modernization and augmentation with the effects-based operations in naval transformation in doctrines and operational strategies. China is keenly focusing on naval asymmetric warfare that integrates submarines and missile warfare. Its networked capability aims at a Sea-Shore-Space continuum of network centric capable navy-PLA-N is aiming at a comprehensive sea-space terrains of warfare with asymmetric intent and capability⁷. It aims to build the 'string of pearls', which is military access and basing with economic access advantage through building of littoral infrastructure in Asian littorals⁸. In its economic salience it aims to build strategic bilateral trade-market access to resources and markets for Chinese manufactured goods. The PLA-N has a dedicated fleet auxiliary in the COSCO-(China Overseas Shipping Corporation) that could sustain its future fleet operations in the high seas.

The 'Three Island Chain' is thus the pivotal construct that sustains China's maritime trade strategy intertwining its security interests to contain Taiwan. It seeks to simultaneously engage in positive accents, while adopting an aggressive anti-access denial strategy to contain its economic survival and engagement.

The "String of Pearls" – Economic statecraft and strategic gambits

China's rise in the twenty-first century has been an aggressive quest for economic power and commensurate buildup of strategic capabilities that would leverage its regional and global reach. Its economic statecraft is carefully built on alliances that would provide it with vast natural resources and markets for its manufactured merchandise while building on bilateral relations with several states in the Asian littoral, Africa and Latin America⁹.

⁶ You Ji (2005) China Enters A Period of High Risk: the Social, Environmental and Energy Challenges Paper presented to International Conference *Challenges to China's Peaceful Development*, Institute for National Policy Research, Taipei, September 10-11 2005 accessed at www.inpr.org.tw/attachment/you.pdf on 22 Aug 2008

⁷ Xu Qi (2006) Maritime Geostrategy and the development of the Chinese Navy in the Early Twenty-First Century (Translated by Andrew S. Erickson and Lyle J. Goldstein) *Naval War College Review*, Autumn 2006, Vol. 59, No. 4 accessed at <http://www.nwc.navy.mil/press/Review/2006/autumn/art2-a06.htm>

⁸ Christopher J. Pehrson (2006) String of Pearls: Meeting the Challenge of China's rising power across the Asian littoral *SSI Monograph* PUB 721 (Carlisle: Strategic Studies Institute US Army War College)

⁹ For a good assessment of China's access strategies see Adam Wolfe (2007) China Adjusts its Approach in Africa *Power and Interest News Report* February 5 2007 accessed at http://www.pinr.com/report.php?ac=view_report&report_id=613&language_id=1; Mohan Malik (2006) "China's Growing Involvement in Latin America" *Power and Interest News Report* accessed at http://www.pinr.com/report.php?ac=view_report&report_id=508&language_id=1 Evan Ellis

China's primary quest is to augment its sources for mineral resources and markets to sustain its economic development, eliminate peer competition and derive advantage in any bilateral relationship that would offer Chinese expertise in the local infrastructure development in return for dominant advantages for its economic and strategic interests

The concept of '*String of Pearls*' is a US-Western conception of how the PLA-Navy and its auxiliary the China Overseas Shipping Corporation (COSCO) had been able to sustain a maritime expansion of developing the civil-military infrastructure access buildup in the Indian Ocean Region—spanning Southern Asia and East African coast. The *String of Pearls* is a sustained quest for littoral access for China in its first and second Island chains that leverages a nexus of geopolitical influence, economic access, military presence, which is presently benign. China sustains new infrastructure buildup initiatives for the littoral state with dual use capability tied to present and future Chinese investments in trade and regional development

As an optimal engagement, the *String of Pearls* earns for China several preferential resources and a market access at highly subsidized terms for the host state that offers highly favorable terms for China's economic access and dominance with the purpose of competitively overwhelming its rivals. The String of Pearls does not have any parallel strategies either by the United States, Japan or European Union or any other great power.

Economic Statecraft of the 'String of Pearls'

China's economic statecraft is the pivot of its foreign policy and strategic objectives. Given China's record of its abrasive power posture in the region and the extended region, it had shaped its goals of development on the primacy of peaceful economic development to override its inherent backwardness and the record of its border and boundary disputes in its periphery.

China focuses on the imperative of the investment into 'favorable accesses' to resources and markets for its "peaceful rise". The strategy is aimed at the projection of its inherent flexibility and adaptation to trade and economic development strategies that aim to enhance its Comprehensive National Power (CNP)¹⁰. China's aim is to augment its Comprehensive National Power (CNP) has vital stakes for its regime survival, domestic stability and regime survival¹¹.

In its objective for developing its Comprehensive National Power, China aims at the compliance of the international community to the *One-China paradigm* that would reconcile all renegade provinces to its control. China does not tolerate any attempt of secessionism of

(2005)US National Security Implications of Chinese Involvement in Latin America *SSI Monograph* (Carlisle: Strategic Studies Institute US Army War College)

¹⁰ Ashley Tellis & Michael Swaine (2000) *Interpreting China's Grand Strategy: Past, Present, and Future* (RAND: Santa Monica); Bijian Zheng 2005, "China's 'Peaceful Rise' to Great-Power Status," *Foreign Affairs* 84, no. 5 (September–October): 21, pp23–4.; Yan Xuetong (2006) "The Rise of China and its Power Status" *China Journal of International Politics* Vol 1 2006 p5-33.

¹¹ See David Shambaugh (2004) *China Engages Asia: Reshaping Regional Order International Security*, Vol. 29, No. 3 (Winter 2004/05), pp. 64–99 & David Shambaugh (2002) *Modernizing China's Military* Los Angeles: University of California Berkley, Press) pp 65-70

what it calls its outlying territories of Taiwan. With Hong Kong, Macau and Tibet—(although recent instances have defined the situation otherwise) fully emasculated into its system. It seeks an aggressive posture through dominance in trade, economic growth (mercantilism with Chinese characteristics) and superior military capabilities to isolate Taiwan—though the Formosan identity is different from the mainland Han identity.

China's pace of economic development and its growth rates had been at a high octane level that has resulted in its inherent quest for resources and energy. Growing domestic consumption and growing industrial and manufacturing potential has resulted in its aggressive quest to 'Going out' strategy that aims to monopolize its stakes and ruthlessly eliminates what it terms to be competition¹². Its zest for energy resources and mineral resources has been unending and has attempted to establish a domain in all the source countries with its apparently favourable terms of political relationship that favours the most unpopular dictatorial regimes in Asia, Africa and Latin America.

The quest for the 'Going out' strategy is centered on its expanding sea-lanes of communication that are carriers of its trade and commerce. The quest to safeguard its maritime lanes of trade and commerce emerges from its anxiety that the US Navy and other navies would interdict its shipping access in the Asian- African-Latin American littoral in the event of its crisis with Taiwan and one that would warrant US intervention.

Military Gambits of 'String of Pearls'

China has been observing the global strategic developments since the end of the Cold War; and has been particularly impressed and concerned about the quantum leap of US and western military technology that has witnessed organisational and technological integration in net-centric capabilities to conduct offensive operations. Its modernization templates have been evident in the select projects of developing superior operational capabilities to contend with the US-led Western technology systems initiatives. However China could not wholly match either the technological dimensions of the platform or the operational capabilities that the US-led Western forces could achieve in terms of agility and lethal strike with spectacular precision capabilities.

The Operation Desert Storm 1991 and the US-NATO joint air-operations over Belgrade in 1998 saw the evident display of Western technological power. The US 'accidental' bombing of the Chinese Embassy in Belgrade sent the most important signaling to Beijing that it had to wake up to the 'New World Technological Order' that was premised on robust US strategic and technological power. It saw the evident and strong US resolve to escalatory strategies in any military operation that integrated operations with psychological warfare

¹² Aaron L.Friedberg (2006) "Going Out: China's Pursuit of Natural Resources and Implications for the PRC's Grand Strategy" *NBR Analysis* Volume 17 No:3 September 2006 accessed at <http://www.nbr.org/publications/analysis/pdf/vol17no3.pdf> & also see Yuan-Kang Wang (2006) *China's Grand Strategy and US Primacy: Is China Balancing American Power?* *CNAPS Working Paper Series* (Washington D.C. The Brookings Institution) July 2006 accessed at < <http://www.brookings.edu/fp/cnaps/papers/wang2006.pdf>>

options to achieve full-spectral dominance in any theatre. Translated into its strategic milieu, China saw that it signaled the strong US *intent-capability* to intervene in a future Taiwan crisis.

Beijing had no alternative but had to devise the essential military-strategic gambits to counter US dominance through asymmetry and dent US motivation to challenge Chinese 'peaceful means' to integrate Taiwan.

China had since 1998 (in the aftermath of the US Carrier task-force intervention in the 1996 Taiwan Straits Crisis) has aggressively moved to build anti-access and area-denial platforms integrating its air-sea and missile capabilities that would raise the ante` of a probable US naval-air intervention in a future cross-strait conflict.

Flanking its extended presence in a concrete manner, China has developed the following gambits that would reinforce its forward presence in symbolic and substantive terms¹³.

Naval Diplomacy: The PLA Navy has been keen on regular port visits and bilateral naval joint exercises that indicate its sustained maritime and naval presence in the region. The PLA Naval port calls are regular to Karachi, (Pakistan) Colombo (Sri Lanka) and Chittagong (Bangladesh) as these ports are in the perimeter pattern¹⁴. Naval diplomacy provides the PLA Navy a vital platform to sustain its presence and stake its posture in the region. It also provides the rationale for the PLA navy to secure its SLOCs in the Indian Ocean region. It provides China a future possible opportunity to size up to the regional naval forces as well as the US Fifth Fleet, thus fulfilling its role in the Offshore Defense Concept.

Naval Basing Facilities: The PLA navy in its second phase of its South Asian operations is seeking access and is involved in the construction of naval bases. The development of Pakistan's Gwadar naval base as an independent naval station with its deep-water profile has been abundantly funded and constructed with Chinese expertise. In return the PLA Navy would be enjoying full access to dock service and possibly station its future flotilla in this base. Gwadar offers Pakistan the decongestion point to Karachi which is hosts the dominant units of the Pakistani Navy (similar to Project Sea Bird in Karwar as an alternate port to Mumbai). Gwadar would be the second major seaport 450 kilometers further from the border of India, providing Pakistan some depth that would be better than Karachi.

Gwadar would thus provide Pakistan a dispersal port to berth Pakistani submarines and surface warships and perhaps could even be berthing point of the future PLA-Navy fleet of the Indian Ocean. The Kargil War endgame off the seas in 1999 did witness the Indian Navy's ability to swiftly contain Pakistani Navy and massed a formidable flotilla off the Karachi port. The Kargil War end game was perhaps the decisive point for Pakistan to decide on the Gwadar port development.)

¹³ W.Lawrence Prabhakar *The Maritime Convergence in Sino-Pakistan Relations* in Swaran Singh (ed) *China-Pakistan Strategic Cooperation: Indian Perspectives* New Delhi: Manohar, 2007

¹⁴ Tarique Niazi (2007) 'Gwadar: China's Naval Outpost in the Indian Ocean' *The Jamestown Foundation (China Brief)* February 28 2005 accessed at <http://www.jamestown.org/news.details.php.news.id=93>>

The prospective convergence of the oil pipelines into Gwadar signals the Pakistani intent to emerge as pivotal link of Central Asia to the Arabian Sea attempting to scuttle the India-Iranian undersea pipelines that skirts Pakistani territorial control¹⁵. Gwadar thus offers the geo-economic and geo-strategic pivot to China and Pakistan.

To China, Gwadar is an extremely ambitious project that opens up the maritime interface to its road linkage-- the Sino-Pakistani Friendship "Karakoram Highway" that opened China's access to Pakistan and Southern Asia in the late 1960s. The Gwadar project would be regarded as the cornerstone of the emergent maritime strategic convergence of China and Pakistan. It is the tacit pressure that China leverages on India even with its improvement of its relations with India; it assiduously cements its entente cordiale with Pakistan¹⁶.

China has been investing in the development of onshore infrastructure facilities that has increased its naval access in Yangon Hainggyi Akyab Mergui, Great Coco islands off Andaman Sea that are essentially Signals Intelligence and Electronic intelligence (SIGINT/ELINT) facilities. Hambantota in Sri Lanka is a vital civil access that China is building for Sri Lanka but would be factoring several dual-use facilities that would support a COSCO presence and would aid PLA-N vessels in Indian Ocean patrol duties in the future.

Chinese arms transfers: China has been pursuing its agenda of cultivating excellent bilateral relations with the South Asian states through the policy of offering developmental assistance to low technology projects in agriculture, industry and along with Chinese arms supplies have come in substantial quantities. The purpose of this arms transfer has been to engage the South Asian states with a security relationship, nurturing the idea that they should stay clear of India's influence simultaneously secure access rights to their ports. Pakistan and Myanmar have been the most significant beneficiaries economically and in terms of receiving huge quantities of Chinese weaponry at special prices.

Control of the Sea gates: China's efforts to broad base its naval presence and posture necessitates it to gain free uninterrupted access to the sea straits in its maritime areas. The critical ones are the Taiwan Straits, the Straits of Malacca, Singapore Straits and the Straits of Hormuz. Beijing's objective would be to have a rapid access to these sea gates in peacetime (which is most probable) and equally possible during a crisis¹⁷. Its naval power projection through its surface fleet could be effective if it has the rapid ability to surge through the Straits to the open seas. Any attempt by the regional powers to block the Straits in anticipation of a hostile Chinese action or reaction either connected to the Taiwan Crisis or the South China disputes could spark off a swift local skirmish engaging the regional powers

Integrated Sea Control Strategy: Beijing's naval doctrine and posture has been rapidly evolving from the initial defensive brown water capability to the green water island defense capability

¹⁵ Irfan Ghauri (2006) 'Pakistan, China considering Oil Pipeline from Gwadar' *Daily Times* (Islamabad) May 24 2006 accessed at <<http://dailytimes.com.pk/default.asp?page=2006\05\24story.pg1.1>>

¹⁶ John W. Garver, "The Gestalt of Sino-Indian Relationship" In Carolyn W. Pumphrey (ed) *The Rise of China in Asia: Security Implications* (Strategic Studies Institute, 2002), 263-285.

¹⁷ Yosef Bodansky (1995) "The PRC Surge for the Strait of Malacca and Spratley Confronts India and the US" *Defence and Foreign Affairs Strategic Policy* September 1995 p6

with the evolving blue water ambitions. The evolving PLA Navy battle order of high performance surface combatants features an impressive mission: the quest for a sea control capability through the procurement or construction of an aircraft carrier with its assorted escorts, the procurement and indigenous construction of attack, cruise missile, ballistic missile submarines provide the basis for a evolving integrated sea control capability in the near future even as China being toying with its own indigenous carrier capability.¹⁸

Operational Strategic Objectives of the “String of Pearls”

China’s String of Pearls has several operational objectives. Given the growth of its naval capabilities at a steady pace and the need to access its second and third island chains, the quest for naval access adjoining the vital Sea-lanes of Communication (SLOCs) emerges to be a vital priority.

The first objective of this strategy is to develop capabilities to *deter the state that would interdict China’s shipping / strategic trade*. China perceives that its ‘peaceful rise’ has several adversarial accents among the peer powers and great powers that may exploit China’s sea trading routes to interdict during times of crisis and war. Hence China would prefer the buildup of naval access along the littorals and forward base its submarines and other naval units for deterrence action as well for surveillance and patrol duties.

The second objective of this strategy is to *secure and protect China’s energy interests primarily against violent non-state actors*. China perceives the rise of maritime piracy and terrorism as a clear and present danger to its core interests in trade and security. China anticipates a spectrum of such threats along the Straits of Malacca of what is known as its “Malacca dilemma”¹⁹ and the archipelagic waters of Southeast Asia and in the East African coast of Somalia. Given its preoccupation of terrorist challenge with several Central Asian groups and in Xingjian, China anticipates that other terror networks could target its maritime commerce.

The third objective of the ‘String of Pearls’ strategy is to engage with the great power navies at one end while ensuring a long term objective to establish dominion and displace major economic competitors in the Indian Ocean Region-Asian littoral. Such a long term strategy would necessitate China to build influence and access in the region so to enable the deployment of its future naval units in the region.

The fourth objective to build its ‘String of Pearls’ strategy for China would be to size up with its adversaries establishing its footprint in the region with deployment capabilities to

¹⁸ For an informed analysis See Andrew Erickson and Andrew Wilson (2006), “China’s Aircraft Carrier Dilemma,” *Naval War College Review*, Vol. 59, No. 4, Autumn 2006, pp. 13-45;.

You Ji (2005) ‘The Debate over China’s Aircraft Carrier Program’ *The Jamestown Foundation* (China Brief) Volume 5, Issue 4 (February 15, 2005) accessed at <http://www.jamestown.org/publications_details.php?volume_id=408&issue_id=3232&article_id=2369263> ; Vijay Sakhuja(2000) Dragon’s Dragonfly: The Chinese Aircraft Carrier *Strategic Analysis* Vol XXIV No:7 <http://www.ciaonet.org/olj/sa/sa_oct00sav01.html>

¹⁹ Marc Lanteigne (2008) China’s Maritime Security and the “Malacca Dilemma” *Asian Security* Volume 4 Issue 2 May 2008 , pages 143 - 161

challenge and decisively achieve military objectives against adversaries in a conflict / war situation²⁰.

The fifth objective in the 'String of Pearls' strategy is to reinforce sea-based nuclear deterrence against India and other powers through forward deployment and patrol of its nuclear attack and fleet ballistic missile submarines in the region²¹.

The 'String of Pearls' thus provides China an integrated defence strategy that would enhance its maritime presence reinforcing its trade and security strategy. The 'string of pearls' provides China with a reinforced access in every region where its maritime trade plies. It serves as a reminder to its rivals and adversaries a stark reminder that China would use ruthless methods to capture access.

Peaceful Rise and the 'One China' Paradigm: Implications

China reiterates firmly its insistence of the 'One China' policy and its economic rise to be peaceful. It had always sought to decisively eliminate Taiwan in any context of bilateral relations with other states. China's 'peaceful rise' constitutes the sustained and orchestrated strategy of China to use its benign face to augment good relations for its economic development and growth.

China has adopted five astute approaches that sustain its benign appearance that firmly ensures its One China policy and has successfully terminated Taiwan's scope for global interaction and engagement.

Competitive diplomacy with a benign face

China has been aggressively campaigning for the sole recognition of its People Republic and has ruthlessly worked to alienate Taiwan. It has efficiently canalized its diplomatic strategies in this pursuit and has been quite formidable in the Middle East, Africa, Latin America and the Pacific littorals. While Taiwan was once resorting to the 'cheque book diplomacy' to woo the smaller states, China has been able to augment its economic strength in recent years and has used them in an overdrive against Taiwan in Africa, Latin America and the Pacific littorals.

China has been much successful with better resources and diplomacy in achieving its objectives. China's determined pursuit of asserting the "One-China" paradigm is couched in its peaceful rise that showcases its economic might, cultural monolithic character and has successfully subverted all other sub-identities into its encompassing culture.

Competitive strategy with ruthless opposition to peer rivals

China employs an aggressive strategy of ruthless opposition to its peer rivals. China considers its peer rivals as the first layer of competitive obstacles to its power rise. In the

²⁰ Chinese intent-capability would be directed against India, Japan and Taiwan given their heavy reliance for the Sea-lanes of Communication in the Indian Ocean region

²¹ W. Lawrence Prabhakar (2008) "China's Hainan Naval Buildup and India's Response" *Strategic Affairs* (New Delhi: Centre of Asian Strategic Studies) Volume 2 Issue No 11 July 2008

present context, China considers Japan and India as regional peer rivals in its economic and strategic reckon. China however often hyphenates India with Pakistan and refuses to consider it as its peer rival.

In pursuit of its competitive strategy, China uses the strategy of propping brinkmanship states and dictatorships pliable to its whims to deter its peer rivals. North Korea has been China's most useful client state to box Japan and Pakistan to deter India even as it pursues good and high level economic relations and trade while aggressively resorting to regional containment strategies and abetting military competition with the brinkmanship states²². Competitive strategies with the regional powers have been pursued by China has always employed regional political and security challenge to weaken its peer rivals aiding insurgencies and state actors with a view of destabilizing the peer rivals by undue advantage.

Asymmetric strategy to neutralise dominant competitors

China had always resorted to asymmetry in its security strategy and also its trade strategy. Asymmetry is rooted as systemic foundations of grand strategy²³. China has relied on its cheap labour, foreign investments of technology and capital to aggressively manufacture and market its merchandise. In terms of trade, China had always overwhelmed the weaker states with its attractive aid packages, infrastructure projects to capitalize and win local support and used its foreign assistance to aid their development. Chinese aid and infrastructure development have often gone to aid weaker and less developed countries in South Asia and Africa and in the process they have used the economic access for dominant trade patterns with these countries.

China's trade strategy with growing economies has been to use the Free-Trade Area agreements (FTA) and the Comprehensive Economic Cooperation Agreements (CECA) with a great degree of success. China's multilateral diplomacy and trade combined with security agreements with Southeast Asia (ASEAN) and East Asia in the form of the East Asia Initiative has been very successful to woo developing and growing economies and the offer of a stable monetary and currency regime.

Similarly its diplomacy with Central Asia, Russia has been quite successful with the Shanghai Cooperation Organization (SCO)²⁴. The adeptness of China's trade strategy has been quite successful with selective multilateralism with regional economic organizations and a preferred bilateral relationship that has the dominance of China's economic and strategic agenda.

²² Michael Pillsbury has compiled a comprehensive collection of Chinese official writings on China's Future and Rising Power in his book "China Debates the Future Security Environment" (Washington D.C. National Defense University accessed at <<http://www.ndu.edu/inss/books/books%20-%202000/China%20Debates%20Future%20Sec%20Environ%20Jan%202000/pills2.htm>>

²³ Andrew Scobell (2002) *China and Strategic Culture SSI Monograph* (Carlisle: Strategic Studies Institute: US Army War College)

²⁴ Mohan J. Malik (2006) *Multilateralism Shanghai'd LASC Issue* (International Assessment and Strategy Center) July 2006 accessed at <http://www.strategycenter.net/research/pubID.115/pub_detail.asp>

Asymmetric strategy to attrite and weaken superior adversary

China's grand strategy in the military domain lies in the celebration of its prowess in exploiting the weakness of its adversaries even as it feigns its weakness as a lure to attract the adversary. Sun Tzu and later Mao Tse Tung have always relied on the resilience of asymmetry. Attack, harass and Attrite. China never believes in the linear conventional approach to modernization that is comprehensive and structural. Rather it relies on the choice of selective buildup of strengths and synergies to attack and destroy a superior adversary. Chinese military strategy has always preferred a series of engagements and the superiority of doctrine and tactics over technology²⁵.

In the context of the cross-straits relations and possible pathways of crisis escalation, China is focused to build selective strengths to attrite the adversary and his supporters the United States and Japan. China is building area-denial weapons like robust Air Independent Propulsion (AIP) submarines and nuclear attack submarines with super-sonic and hyper sonic anti-ship and cruise missiles to cripple US intervention. Its primary focus is on the development of a coordinated Space-Sea-Shore strategy²⁶ that would enhance China's ability to attrite, harass and wear the stronger adversary.

Protectionist domestic economic market and unfair economic practices

China has always been an aggressive mercantile state that zestfully protects its domestic market aggressively exporting and capturing international markets. China's lopsided advantages lie in its vast human resources that transform China into a huge manufacturing state. Its competitive advantages of vast labour, low wages and the heavy investments of capital and technology have actually turned China's weakness into advantage.

China's unfair pricing and unfair turf advantages provide it a huge lead over its competitors. In recent years, there have been deliberate attempts by China in currency manipulation and also it has indulged in violation of copyright laws and intellectual property rights. The recent cases of export of spurious foodstuffs are examples to point of the China lure and its inescapable consequences for the world.

China's Access Basing strategy: Southern Asia—Indian Ocean contexts

China's access and basing strategy is based on an operational strategy of networking littoral states in the Southern Asia-Persian Gulf-Indian Ocean Region that would result in the leveraging of Chinese aid and assistance for infrastructure development and favourable trade

²⁵ David Lai (2004) [Learning from the Stones: A Go Approach to Mastering China's Strategic Concept](#), *Shi*, SSI Monograph PUB 378 (Carlisle: PA: Strategic Studies Institute, United States Army War College)

²⁶ See the various analysis on the issue Lyle Goldstein, "Contending with China: Cold Wars at Sea," *Armed Forces Journal* (April 2008), pp. 14-17; Andrew Erickson and Lyle Goldstein, "China's Future Nuclear Submarine Force: Insights from Chinese Writings," *Naval War College Review*, 60, No. 1, Winter 2007, pp. 54-79; Lyle Goldstein, "China: A New Maritime Partner?" *Proceedings*, August 2007, (24-31); Lyle Goldstein and William Murray, "Undersea Dragons: China's Maturing Submarine Force," *International Security*, Vol. 28, No. 4 (Spring 2004), pp.161-196;

practices that would boost bilateral trade between China and the states of South Asia other than India. This approach leads to the formation of a Chinese led concert of states that leverages Chinese economic presence and provides important pivots for radiating Chinese influence and power in the region even without a significant Chinese military presence.

Chinese maritime and naval access in the Indian Ocean and Southern Asian theatre could result in a future maritime-based concert of Pakistan, Bangladesh, Sri-Lanka, Myanmar and could also include Iran in the Persian Gulf-Southwest Asia.

The small states of Southern Asia Sri-Lanka and Maldives are gaining from a substantial Chinese economic and maritime trade linkages. China has been able to negotiate and offer superior maritime and port infrastructure facilities that offer these states with immense trade potential and also augments Chinese maritime access in the region. Hambantota in Sri Lanka and Marao in Maldives are excellent port infrastructure facilities that offer the respective states viable port facilities and also provide China access into the region²⁷. China's prime port infrastructure development has been Gwadar and its location and Chinese aid and assistance has cemented strong Sino-Pakistan ties that has more substantial endurance than Pakistan's ties with other great powers including the United States.

Chinese submarine presence in the Arabian Sea and its potent role of securing its maritime shipping would be a very important factor. Chinese submarine presence could at a later date be augmented with a dedicated Indian Ocean Task Force even as China's reliance on oil supplies from the Persian Gulf-Southwest Asia increases and its investments and trade with Africa burgeons²⁸. It would synergies Chinese and Pakistani efforts to secure the Straits of Hormuz -Arabian Sea maritime domain and would be challenge to the present dominant Indian naval presence.

China's Southern Asia diplomacy is premised on the importance of multi-dimensional cooperative relations. Africa and Southern Asia, besides Latin America would be two emerging and substantial sources for its natural and mineral resources that would be crucial to power its economy.

Southern Asia is China's proximate and vital source of resources and markets for its merchandise. China's Southern Asia trade is vital for its consolidation of its extended presence in the region and the containment and engagement of India. China's trade engagement with India is almost USD 60 billion in the first half of 2008; China-Pakistan two-way trade has been 15 billion in the first half of 2008. China's trade with Myanmar, Sri-Lanka and Nepal has been burgeoning several times than previous volume. China has huge minerals and metals import market from Southern Asia which is crucial to its industrial

²⁷ See the excellent analysis of Brahma Chellaney (2008) Assessing India's reactions to China's Peaceful Development Doctrine *NBR Analysis* Volume 18, Number 5, April 2008 accessed at <<http://www.nbr.org/publications/analysis/pdf/vol18no5.pdf>> also Brahma Chellaney (2007) "China Covets a Pearl Necklace: Dragon's Foothold in Gwadar," *Asian Age*, April 7, 2007, <<http://chellaney.spaces.live.com/Blog/cns!4913C7C8A2EA4A30!249.entry>>; Brahma Chellaney, (2006) *Asian Juggernaut: The Rise of China, India and Japan* (New Delhi: HarperCollins India, 2006)

²⁸ Adam Wolfe (2007) China Adjusts its Approach in Africa *Power and Interest News Report* February 5 2007 accessed at http://www.pinr.com/report.php?ac=view_report&report_id=613&language_id=1

development and Southern Asia presents a vast export market for its industrial merchandise for its exports.

China's strengths in the knowledge technology sector is increasing and it is trying to leverage its hardware expertise strengths with the knowledge technology strengths of India by wooing and consolidating its partnerships with Indian knowledge corporate companies that has resulted in the "knowledge-technology learning curve" of China²⁹. This is a development that has vital implications for India and Taiwan since India and Taiwan share similar synergies and core competencies.

China's interest and engagement with the South Asia Association for Regional Cooperation (SAARC) is yet another plank that has consolidated its trade, economic and commercial ties with South Asia and often Chinese lopsided trade with South Asian states and its generous foreign aid and development and infrastructure buildup assistance undercuts India in several ways. It has considerably weakened Indian economic presence in the South Asian states and Chinese trading practices with South Asian states has the apparent intent and effect of being a benevolent trading partner while the political and boundary disputes with India and South Asian states present India is a bully power and China has the championing power for the economic and development interests of the smaller states of South Asia. China's extensive infrastructure development assets in Myanmar, Pakistan and Sri Lanka and with growing interests in Nepal is consolidating China's eyes and ears in Southern Asia against India.

In its comprehensive scope, China's Southern Asian engagement is as follows:

a) *Minimize India-US-Japan strategic convergence* so that China would be able to consolidate its extended presence in the region; to source for resources and markets. Minimizing the India-US-Japan convergence has a very potent impact on Taiwan as the opportunities and leverages with the region through this convergence are reduced.

b) *Enhance and Build transportation and trans-border cooperation in Southern Asia* is a very important strategy for China to integrate the region's geo-economic potential of markets and resources into its western flank region³⁰. Transborder roads and railways are vital hubs and networks of markets and people-movement that increases China's soft power of economics and commerce even as its uses the infrastructure in a dual-use pattern to build land and sea-based transit points and ports to surge its influence and forces for power projection.

c) *China's limited forward access and basing to secure shipping and energy Sea-lanes of Communication* is being leveraged by its infrastructure build-up strategy in the region in Pakistan, Bangladesh, Sri-Lanka, Myanmar and Maldives. These forward based infrastructure assets would be

²⁹ John Garver (2005) 'China's South Asian Interests and Policies' Prepared for panel on "China's Approaches to South Asia and the Former Soviet States" U.S.-China Economic and Security Review Commission, Washington DC 22 July 2005, accessed at http://www.chinacenter.net/about/associates/home/docs/Garver_China_South_Asian_Policies.pdf

³⁰ John Garver (2006) 'Development of China's Overland Transportation Links with Central Asia, South-West and South Asia' *The China Quarterly* Vol 185 (March 2006) pp1-22

China's critical access pads to secure its uninterrupted energy supplies and also guarantee its trade with Africa, Southern Asia and the Persian Gulf-Southwest Asia.

d) *China's pivotal role in Southern Asia conflicts and crisis escalation* provides its key leverages in regional diplomacy and has immense strategic options. China's dominance in the regional development strategy and trade gives its important leverage in the South Asian countries to give it a key influential diplomatic mediation role in regional conflict resolution and also influence its One-China policy of its dominance.

Taiwan's relations with the rest of South Asia are non-existent with exception of the very low key economic and cultural ties with India. China's "One-China policy" has been a very aggressive factor that has marginalized Taiwan in Southern Asia by its dominant engagement with Southern Asia and also wooing India's synergies to its advantage. This process has effectively boxed India's options with China and deprived its options to diversify its economic and commercial ties with Taiwan which has similar competencies in technology and trade.

Implications for Taiwan of "One China" paradigm in Southern Asia—Indian Ocean contexts

What then could be the implications for Taiwan and India for the assertive and dominance of the "One-China" paradigm in the region?

It demands a comprehensive response from India, Taiwan along with Japan and the United States. It necessitates the need to leverage economic and strategic options that would bring in economic convergence of India and Taiwan along with Japan and the United States. Economic interdependence and strategic convergence are the twin feasible policy options that India and Taiwan should adopt to avoid geo-economic and geo-political irrelevance in the face of an assertive China that is determined to impose its hegemonic order in the region.

China's unequivocal rise necessitates development of alternate strategies for India which is another rising power. What India fails to understand about China's intent-capabilities is the perpetual subordination of India as junior power and the constant hyphenation of India with Pakistan. This diplomatic rhetoric of China clearly signals that China for several years to come would never seriously reckon India as its peer of any consequence. The source of this Chinese assertiveness comes from the vastly superior Chinese industrial and strategic strengths and well-elucidated comprehensive national power indices, objectives and the avenues of its power leverages in regional and global contexts.

India and Taiwan have to inevitably rely on their respective core competencies that have identical Chinese strengths to leverage namely the knowledge-technology areas. There is the critical need to harness Indian knowledge competencies with the manufacturing competencies of Taiwan with the collaborative synergies of Japan and the United States. Taiwanese and Japanese capital, US technological competencies could enable the transformation of India into a vast manufacturing and knowledge hub and could reconfigure the Asian and global technology-industry equilibrium. It absolutely necessitates the enhanced

Taiwanese economic presence and investments in the region as an alternate source of destination to China.

An India-Taiwan synergy in industry-commercial ties would be the most appropriate response to the One-China dominance. It would have to nurture and build multiple India-Taiwan business and economic ventures that should rival India-China and China-Taiwan partnerships providing vital avenues of trade, commercial and economic partnerships. The India-Taiwan partnerships has to have its built in security and intelligence cooperation also that would strengthen the respective power capabilities of India and Taiwan vis-à-vis an assertive China.

As China's economic and military-strategic footprint is on an unequivocal rise in Southeast Asia, Central Asia, Southwest Asia-Persian Gulf and Southern Asia, there is an imperative of China to reinforce its "One China" paradigm isolating Taiwan relentless boxing India and assailing Japan and challenging the US. This is the face of China's hard balancing efforts even as it meticulously balances this with a soft balancing of economic engagement with India, Japan and the United States. China's maritime quest for security and string of pearls in synergy has clear intent-capability to leverage its trade linkages as well as deter any adversarial capability to thwart its maritime shipping. In recent years, China's huge foreign exchanges surplus has given it enormous leverages in cheque-book diplomacy and an aggressive competitive diplomatic Taiwan that has been very effective in marginalizing Taiwan, India, Japan and the United States in the Southern Asian and Southeast Asian region by its charm offensive in soft power and economic clout.

Response to the One-China dominance

What are the responses to the One-China dominance that Taiwan and India can endeavour? How does the One-China dominance marginalize Taiwan regionally and globally and what repercussions that India would have to contend with the complete overlay of China's hegemonic domain and influence in Southern Asia—effectively boxing India and sustaining a vigorous anti-India coalition in the region. China's purported "peaceful rise" and its effective diplomacy and strategy of building an anti-India coalition of smaller states in the region has varied implications for India.

It calls for a new economic and strategic convergence that would be imperative to contend this development. Economic convergence would emerge with India, Taiwan and Japan to consolidate economic partnerships with a strategic purpose. It would be based on a political plank of Democracy, civic liberties, open markets. The imperatives of Democracy and markets is the convergence between India, Taiwan and Japan along with the United States that augurs for the peace and stability of Asia-Pacific and it is crucial for the global order in the twenty-first century. An authoritarian and assertive China empowered with high economic growth and fuelled by regional and global hegemonic ambitions would be perilous to India, Taiwan, Japan and the United States.

In the long-term the prospects of the India-Taiwan-Japan and the United States convergence would be the most appropriate spearhead that would present an alternate to the hegemonic domain of China. Such a convergence would be based on an economic-industrial capacity building that would leverage Taiwan's core competencies in Southern Asia and the Asia-

Pacific region. It would be an effective soft-balancing to China's economic domain and its strategies to emasculate Taiwan's international forays and global presence. China is attempting to completely absorb and subordinate Taiwanese capital and technology into the mainland and at the same time coercing Taiwan into a forceful reunification.

In conclusion, it is quite evident that Taiwan represents the quintessential Chinese identity and culture that is democratic with civic liberties, the epitome of the Rule of Law and more importantly the beacon of hope for the mainland Chinese who are yoked in the tyranny of the Chinese Communist Party.

Given the overwhelming economic dominance of China and its relentless pursuit to eclipse Taiwan in Southern Asia and Indian Ocean and China's aggressiveness to box India and isolate Japan, it is imperative that a viable and effective peaceful counter-response should emerge based on the economic-industrial and trade synergies of India-Taiwan-Japan and the United States that would assure the vital interests of the partners with no hostile intent but to 'soft-balance' China in economic terms.

The synergies of India-Taiwan relations should be premised on the cooperative economic, commercial, industrial partnerships between the two states and leverage core competencies of India and Taiwan along with Japan and the United States. While relations with China remain and would continue to be important in bilateral terms of trade, economic investments, it is imperative that India, Taiwan, Japan and the United States are not held hostage to Beijing's authoritarian whim and fancy.

The convergent synergy of India-Taiwan-Japan and the United States would in the long run reassure Southeast Asia and East Asia as it constitutes an important domain of the Chinese hegemonic quest for influence and dominance. China's relentless quest to isolate Taiwan, box India and contain Japan could be overcome by the concert of democracies of India-Taiwan, Japan along with the United States. It is rather coincidental that this concert of democracies based on economic interdependence has a preeminent maritime basis that is premised on globalization and trade interdependence.

End