

ISPSW Strategy Series: Focus on Defense and International Security

China's Maritime Silk Road – An Ambitious Undertaking

Dr Peter Roell

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Abstract

The author introduces his presentation by way of a comparison of the two G7 statements regarding the build-up of tensions in the East and South China Sea. He goes on to give a brief outline of the historical Maritime Silk Road and its 21st century renaissance. After shedding light on the ongoing challenges facing both China and the international community, he concludes by citing twelve recommendations for diffusing the current impasse.

About ISPSW

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Analysis

Mr. Chairman,

Distinguished Colleagues, Ladies and Gentlemen,

It is a great pleasure and honour for me to resume – now for the sixth consecutive occasion – the strategic dialogue on maritime issues with "The Sea Lanes of Communication (SLOC) Study Group Korea, in cooperation with the Konrad Adenauer Foundation.

I would also like to take this opportunity to thank the Representative of the Konrad Adenauer Foundation in South Korea, Mr. Stefan Samse, for inviting me and the German team to this high level workshop.

For the sake of brevity, I will restrict my presentation to a few remarks on the renaissance of China's Maritime Silk road, including challenges and recommendations. Thus, since today's discussions are scheduled to cover the topic "Artificial Islands in the South China Sea: Legal and Strategic Perspectives", I will here limit myself to two important G-7 statements.

G-7 Statements

The year 2015 marked the first high-level international conference at which all aspects of Maritime Security were discussed and agreed upon. The G-7 Foreign Minister's Declaration on Maritime Security in Lübeck, on April 15, 2015, constitutes a highly valuable document. It draws attention to the importance of a maritime order on the basis of international law: "... we are committed to maintaining the principles of international law, in particular as reflected in the United Nations Convention on the Law of the Sea (UNCLOS)."

While the G7 Foreign Ministers' Statement on Maritime Security, April 11, 2016 in Hiroshima, Japan 2016², is significant, it nevertheless evidently displeased the Chinese Government. In protest against the declaration on the territorial dispute in the East and South China Sea, China called in the Japanese ambassador and the envoys of the other seven industrial nations (G7) to the Ministry of Foreign Affairs in Beijing, and issued them with a "formal protest".

The following passages of the statement appear to have caused particular aggravation:

"We express our strong opposition to any intimidating, coercive or provocative unilateral action that could alter the status quo and increase tensions, and urge all states to refrain from such actions as land reclamations including large scale ones, building of outposts, as well as their use for military purposes and to act in accordance with international law including the principles of freedom of navigation and overflight".

Compared to the G7 statement of last year, one witnesses in this year's statement a more assertive tone signalling a preparedness to assist Japan and Washington in view of a potential escalation of the conflict.

http://www.auswaertiges-

¹ G-7 Foreign Ministers' Declaration on Maritime Security, Lübeck, April 15, 2015. Press Release Federal Foreign Office, Berlin. April 15, 2015.

amt.de/sid_18514F1CEBD77EB51BCA26992A2DCFF7/DE/Infoservice/Presse/Meldungen/2015/150415_G7_Maritime_Security.html?nn=546272 (accessed February 4, 2016)

² G7 Foreign Ministers' Statement on Maritime Security, April 11, 2016, Hiroshima, Japan, European Union EXTERNAL ACTION SERVICE (EEAS), http://eeas.europa.eu/statements-eeas/2016/160411 05 en.htm (accessed April 16, 2016)

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Although politicians in Germany and in the European Union are concentrating on such issues as migration, terrorism, the situation in the Near and Middle East and in the Ukraine, Asia is too important for it not to be on the radar. The European External Action Service (EEAS), together with other EU institutions, such as the Institute for Strategic Studies in Paris, the EU Intelligence Analysis Centre (INTCEN) in Brussels etc., would be well advised to critically analyse the situation in Asia, and issue valuable information to EU decision-makers, including situation reports on developments in the East and South China Sea.

I would now like to turn to China's Maritime Silk Road of the 21st century.

Historical Aspects

In his fascinating book Die Maritime Seidenstrasse (The Maritime Silk Road), German sinologist, Professor Roderich Ptak, undertakes a historical survey of the seas between East Africa and Japan spanning from the early period of seafaring through to the modern era and prior to the latter's expansion.³

En route to Southeast Asia and in the Indian Ocean, major Chinese fleets navigated their way as far as Hormuz, Aden and East Africa as early as the fifteenth century. Such expeditions were undertaken, above all, under the leadership of Admiral Zheng He. At that time, the Middle Kingdom saw itself as a great maritime power, that is, prior to the immanent Portuguese expeditions to Asia and European expansion. 4

The Renaissance of the New Maritime Silk Road in the 21st Century

On October 2nd, 2013, Chinese President Xi Jinping attended the 21st APEC Summit in Indonesia and delivered a speech to the Indonesian Parliament. It was in this speech that President Xi first proposed the creation of a "21st Century Maritime Silk Road" (MSR) which advocated the promotion of maritime cooperation with ASEAN countries, and the implementation of measures that would lead to common development and prosperity. 5 He also proposed establishing the Asian Infrastructure Investment Bank (AIIB) to facilitate financing infrastructure construction and to promote regional interconnectivity and economic integration.

But what, precisely, is China's vision for the Silk Road Economic Belt (SREB) and the 21st Century Maritime Silk Road (MSR)? This ambitious objective plans to incorporate Asia, Africa, and Europe and neighbouring seas. The land route focuses on uniting China, Central Asia, Russia and Europe. The maritime route is to comprise two pillars: the first links China to the Indian Ocean via the South China Sea and the other extends through the South China Sea to the South Pacific.⁶

This plan fits neatly into China's Foreign Policy in the Asia-Pacific region. While encouraging its neighbouring states to cooperate in the economic field without any political strings attached, Beijing has continued its assertive policy with respect to strengthening its position in the South China Sea, namely, by way of transforming reefs and other submarine maritime features into fully operative islands complete with 3000 m runways, air defence installations etc.⁷

⁵ Chronology of China's "Belt and Road" initiatives, Xinhua February 5, 2015, ipedia.org/wiki/One Belt, One Road (accessed January 20, 2016)

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³ Roderich Ptak, Die Maritime Seidenstrasse – Küstenräume, Seefahrt und Handel in vorkolonialer Zeit (München: Verlag C.H. Beck, 2007), p. 368

Ibid, p. 7

⁷ William Yale, China's Maritime Silk Road Gamble, The Diplomat, April 22, 2015

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The Maritime Silk Road is also designed to strengthen Beijing's relationships with friendly countries, such as Pakistan, Sri Lanka, Cambodia, and Malaysia. This, according to William Yale, will be accomplished primarily by way of economic incentives, such as infrastructural development and trade agreements. China's Maritime Silk Road and its infrastructure investments and projects also aim to facilitate more frequent People's Liberation Army Navy (PLAN) deployments in the Indian Ocean and beyond. The PLAN requires reliable logistics chains across the Sea Lines of Communication (SLOC) throughout Southeast and South Asia. For the foreseeable future, however, the U.S. Navy and allied navies maintain the upper hand in projecting power throughout the region. 8

Nevertheless, Washington views Beijing as a major challenge to its hegemony in East Asia, and has thus evolved a mixed strategy for hedging, rebalancing and containing China's growing influence by using its diplomatic, economic, military, but also its cultural means to maintain power within the region. From the Chinese perspective, in view of Washington's adoption of a 'hostile' containment strategy with respect to China's ascent, the US military in East Asia poses a substantial threat to China's national security and its core interests.⁹

China's Maritime Silk Road - Challenges and Recommendations

In his particularly valuable study entitled *China's 21*st *Century Maritime Silk Road Initiative, Energy, Security and SLOC Access*, the Energy Studies Institute Fellow at the National University of Singapore, Dr Christopher Len, points out Beijing's attempts to secure China's maritime energy supply chain across the India Ocean region and the South China Sea. The majority of China's seaborne energy imports transit through these regions; thus Beijing attaches greater importance to the security of the Sea Lines of Communication (SLOCs) and has growing strategic interests in ensuring unimpeded access in these two areas.¹⁰

China is already engaged in a number of ongoing port projects in Gwadar, Pakistan, and in Colombo and Hambantota, Sri Lanka. In Bangladesh it is involved in Chittagong and has been lobbying for the development of a deep-sea port at Sonadia Island. Beijing also plans to build its first overseas military outpost in Djibouti. Analysts claim that these activities comprise part of a broader global economic strategy reflecting the country's deepening ties with Africa. 12

http://thediplomat.com/2015/04/chinas-maritime-silk-road-gamble/ (accessed, January 23, 2016)

Blid

See also: 2050 Africa's Integrated Maritime Strategy, African Union, http://pages.au.int/maritime (accessed March 1, 2016)

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See Weifeng Zhou, China's growing assertiveness in the South China Sea, Elcano Royal Institute, Madrid, ARI 60/2015
 5/11/2015.

http://www.realinstitutoelcano.org/wps/portal/web/rielcano_en/contenido?WCM_GLOBAL_CONTEXT=/elcano/elcano_in/zonas_in/ari60-2015-chinas-growing-assertiveness-in-the-south-china-sea (accessed_January 24, 2016)

¹⁰ See Dr. Christopher Len, China's 21st Century Maritime Silk Road Initiative, Energy Security and SLOC Access, Maritime Affairs: Journal of the National Maritime Foundation of India, vol. 11, Issue 1, 2015. http://www.tandfonline.com/doi/full/10.1080/09733159.2015.1025535 (accessed February 5, 2016.

See also Yuji Kuronuma and Gaku Shimada, China plows \$45.6B into Pakistan for new Silk Road, Nikkei Asian Review, Tokyo, May 4-10. 2015, 23-24.

¹² Jill Craig and Shannon Van Sant, China Base in Djibouti Reflects Economic, Africa Strategy, Voice of America News, Nairobi, December 7, 2015. http://www.voanews.com/content/china-djibouti-base/3092183.html (accessed February 5, 2016)

See also, a far sighted analysis by Dr. Christina Lin, China's New Silk Road to the Mediterranean: The Eurasian Land Bridge and Return of Admiral Zheng He, Institute for Strategic, Political, Security and Economic Consultancy (ISPSW), Berlin, Issue No. 165, October 2015. http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?id=133405 (accessed February 5, 2016)

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In my view, the greatest challenge to China's Maritime Silk Road of the 21st Century stems from the deep mistrust among some Asian countries towards Beijing, whereby the disputes in the East and South China Sea represent interesting examples. Furthermore, India is concerned that China may use these ports for strategic purposes, thus undermining India's position in the Indian Ocean and its neighbouring states. Little wonder, then, that in its endeavour to counter-balance China's influence India is currently seeking to strengthen its relations with the U.S., Japan, several ASEAN countries, Australia as well as with the EU.

One potential threat to shipping, harbours and other Chinese installations along the Maritime Silk Road is international terrorism. Although this threat has declined in recent years it must on no account be overlooked.

In addition to the challenges and risks, President Xi's proposal for the 21st Century Maritime Silk Road could potentially yield many benefits for Indo-Pacific countries and peoples, such as boosting trade, shipping, tourism, expanding maritime infrastructure, creating new jobs, promoting people-to-people relations and improved understanding.

Permit me to close my presentation with twelve recommendations which I published last month:

- Empathy with the mentality and interests of local decision-makers is imperative for improving an understanding of developments in the Asia Pacific region.
- 2. In that historical experience continues to be deeply rooted in the minds of decision-makers, as well as among the region's general population, such factors play into the current dispute in the East and South China Sea. Thus, political dialogue should be a priority in bridge-building endeavours.
- Whereas, decision-makers in the European Union concentrate first and foremost on such issues as 3. migration, terrorism, the critical situation in the Near and Middle East, and on the ongoing Ukraine question, the precarious situation in the East and South China Sea demands constant observation. Thus, intelligence gathering by European intelligence agencies, enhanced exchange with 'partner agencies', along with the use of open sources information etc. is essential.
- 4. To supplement information gathered through state sources, EU decision-makers should also draw on the comprehensive knowledge sources of private institutions as follows:
 - Provision of analyses on the multiple aspects relating to maritime security.
 - Operative recommendations for action containing political, economic and military options, including "worst-case scenarios".
 - Mediation of information gleaned from international conferences and workshops (themes, contents).
 - Participation in the elaboration of educational measures by EU member states in zones in and around the Indian Ocean and bordering regions.
 - Lectures on the maritime security.
 - Establishing contacts to those persons and organisations concerned with maritime security f) worldwide.
- 5. In view of the strained situation in the East and South China Sea, the U.S. and China should continue strengthening their dialogue on military intentions, above all regarding the risks involved with A2/AD capabilities.

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- 6. The development of a code of conduct in the South China Sea should be actively pursued. In order to succeed, the 21st Century Maritime Silk Road must be based on the principle of mutual respect and mutual benefit.
- 7. China and other claimants in the South China Sea should seek a common approach with respect to oil and gas exploration in these waters.
- 8. Japan and South Korea should develop a more future-oriented relationship.
- 9. Improvement of regional and international cooperation for managing crises situations.
- 10. Awareness-raising of potential threats emanating from territorial disputes in the East and South China Sea should be increased among decision-makers in politics, the armed forces, as well as in corporate and public sectors.
- 11. The European Union should strengthen cooperation with those states which share our values.
- 12. Communication capabilities and openness for understanding the perception of one's counterpart should be cultivated since this is fundamental for successful dialogue.

I thank you very much for your attention.

Remarks: Opinions expressed in this contribution are those of the author.

This paper was presented on the occasion of the VI. Joint Conference of the Konrad Adenauer Foundation (KAS) and the Sea Lanes of Communication (SLOC) Study Group Korea "The Legal, Economic, and Strategic Implications of China's Artificial Island-building Projects for the South China Sea and Beyond" on May 17, 2016 in Seoul, South Korea.

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About the Author of this Issue

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Dr Roell studied sinology and political sciences at the universities of Bonn, Taipei and Heidelberg. He gained his Ph.D. from the Ruprecht-Karls-University in Heidelberg.

Dr Roell is an Ancien of the NATO Defense College in Rome and the Federal Academy for Security Policy (BAKS) in Berlin.



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