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China's 21st Century Maritime Silk Road Old String with New Pearls?

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China's 21st Century Maritime Silk Road
Old String with New Pearls?

by
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About the Author



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FOREWORD

1. The occasional paper on 'China's 21st Century Maritime Silk Road' is one of the four studies that the Vivekananda International Foundation has undertaken to examine the ambitious 'One Road, One Belt' initiative of China both by road and sea.

2. The 21st Century Maritime Silk Road is not the first maritime initiative that China has undertaken to consolidate its strategic position in the geopolitics of the Indian Ocean Region (IOR) in particular and the Asia Pacific at large. The much bandied 'String of Pearls' in the early 1990s was a precursor to the current initiative though the term itself was a Western construct with the Chinese neither acknowledging nor refuting it. The Chinese need to consolidate and strengthen their position in the IOR stems from their dependency on the region and its littoral for supply of their energy and commodity needs. Increasing Chinese investments in Africa and the flow of energy from the Middle East have made the Sea Lanes of Communication (SLOCs) through the IOR extremely crucial for the Chinese. Chinese perceptions of the animosity of India and the US toward its interests in the IOR have also served to underline the vulnerability of these SLOCs which, at times, has become a dominating strategic concern. The Maritime Silk Road (MSR) is purportedly intended to accelerate economic linkages with the littoral of the IOR but some of the activities appear to be aimed at mitigating the strategic concerns which will aid the Chinese ambition of achieving 'big power' status. It is this ambition which is a cause of concern to India as Indian interests in the IOR, especially in the military maritime domain, can be seriously compromised by some of the activities undertaken by the Chinese in furtherance of the MSR.

3. The current study examines China's interests in the IOR, especially its dependency on oil from the region as also other commercial interests in the IOR and its littoral. The importance of the Middle East in China's strategic calculus can be gauged from the fact that in 2014, the Middle East accounted for a total of about 46 % of China's total oil imports. The study has also looked at other important concerns of China in the region like piracy and China's perceptions about the US and India. China has been part of anti-piracy



operations in the Gulf of Aden since 2008 which has not only helped the Chinese navy gain expertise in distant operations but has provided its ships and personnel ample opportunity to hone the important skill of convoy protection. The study highlights the importance of these operations especially when viewed against the backdrop of the 'Malacca Dilemma' and perceptions of inimical actions by India and the US. The erstwhile 'String of Pearls' theory seems to have had its origins in these concerns though the Chinese have now come a long way from then till the ongoing MSR initiative.

4. China has pledged about \$ 40 bn for the Silk Road Fund apart from extensive investments in maritime infrastructure like ports in the IOR. These investments span the breadth of the IOR from Kyaukpyu in Myanmar to Gwadar in Pakistan and thence to the East coast of Africa in countries like Tanzania and Kenya. The Chinese also recently concluded an agreement with Djibouti for 'logistic support facilities' for their forces operating in the Gulf of Aden and the North African coast. Chinese naval deployment in the IOR has also witnessed a sharp upswing with the Chinese navy even deploying submarines to the region. The study examines the various aspects of the MSR in the military maritime domain so as to analyse the strategic underpinning to the MSR initiative. While the study has delved into a fair amount of detail, it is still early days for this Chinese initiative and many actions may have yet to unfold. India has yet to taken a clear stand on this initiative though the MSR does not perceivably hold out much advantages to us. That said, the Chinese have also not been forthcoming in providing a clear perspective and therefore it seems to be early days for India to make a clear postulation. Notwithstanding the economic and commercial aspects of the MSR, Chinese interests in the region mandate a strong military strategic underpinning to such initiatives which require India to take a closer look in order to safeguard her interests, especially when considering the movement of bilateral ties down the ages.

New Delhi

March 2016

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China and the Indian Ocean Region

China has been incessantly increasing its footprint in the Indian Ocean in the past decade by undertaking port infrastructure projects, managing and running ports, gaining port access for naval platforms, acquiring military bases and conducting naval exercises with countries in the region. China also has a great dependency on the Indian Ocean Region (IOR) for supply of its energy needs as also for a vast amount of its trade. In fact, at times, it has wrestled with its 'Malacca Dilemma' since more than 80 % of its crude oil and almost 30 % of its natural gas imports come through the Malacca Straits. The importance of the IOR in Chinese strategy cannot be therefore understated and will dominate Chinese maritime thinking.

String of Pearls. The importance that the Chinese attach to the IOR was highlighted in the theory of the 'String of Pearls' which appeared in a report, Energy Futures for Asia, prepared by Booz Allen Hamilton, a US think tank, in 2004 for the US Department of Defence¹. According to the report, China was adopting a "String of Pearls" strategy of bases and diplomatic ties stretching from the Middle East to southern China that included a new naval base under construction at the Pakistani port of Gwadar. This report stirred an intense debate in the strategic community, especially in India and the US, regarding Chinese intentions in the IOR. Subsequent actions by the Chinese have neither confirmed nor denied the theory, as suggested in the report.

Maritime Silk Road. The Chinese have since, albeit about ten years later, announced the Maritime Silk Road (MSR) initiative. President Xi Jinping, in September/October 2013, announced the joint building of a Silk Road Economic Belt and the 21st-Century Maritime Silk Road during a visit to Central Asia and Southeast Asia². The initiative is intended to promote

¹'China Builds Up Strategic Sea Lanes', The Washington Times - Monday, January 17, 2005, <http://www.washingtontimes.com/news/2005/jan/17/20050117-115550-1929r/>, Accessed on 15 Jan 16.

²'Action Plan on the Belt and Road Initiative', http://english.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm, Accessed on 21 Sep 15.

connectivity of Asian, European and African continents and their adjacent seas in order to enhance regional economic development. China has since set up the Asian Infrastructure Investment Bank and pledged \$ 40 billion for the initiative.

Chinese Navy in the IOR. Chinese naval activity has also seen a gradual increase from the days of the first anti-piracy operations in 2008 to regular forays and exercises in the IOR. Chinese submarines have also been deployed to the region in the recent past. China has recently acquired a military base at Djibouti for providing better logistics and for safeguarding Chinese peacekeeping forces in the Gulf of Aden and offshore Somalia as also to undertake other humanitarian assistance tasks of the UN³. This heightened activity by the Chinese in the IOR points to a clear strategic aim which has to some extent been enunciated in their White paper on Military Strategy in 2015 wherein it stated that "With the growth of China's national interests,the security of overseas interests concerning energy and resources, strategic sea lines of communication (SLOCs), as well as institutions, personnel and assets abroad, has become an imminent issue"⁴.

The Indian Ocean is a major factor, maybe even an overriding concern, in Chinese maritime strategy, especially when viewed against the Chinese perceptions of an inimical US and India in the context of raised tensions or an impending conflict and the Chinese dependency on the energy flow through the Malacca Straits. The former Chinese President Hu Jintao talked of the "Malacca Dilemma" and the need to secure China's strategic and economic interests in the region. The Chinese dependency on oil imports from the Middle East and Africa coupled with the geographical realities of shipping routes imply that the Malacca Straits will be a vulnerability in their Sea Lanes of Communication (SLOC) during a conflict with the US or India. The choice that the Chinese therefore face, for overcoming this vulnerability, is to either develop alternate routes to the Malacca Straits for their energy transportation or develop capabilities to protect their SLOCs in

³'Beijing Confirms Military Support Facilities in Djibouti', By Wang Xu (China Daily) November 27, 2015, <http://en.people.cn/n/2015/1127/c90000-8982503.html>, Accessed on 27 Nov 15.

⁴Full text: China's Military Strategy, http://www.chinadaily.com.cn/china/2015-05/26/content_20820628.htm, Accessed on 20 Jun 2015.

the IOR. It is this choice that has dictated many of their recent initiatives like the China Pakistan Economic Corridor, the Maritime Silk route as also development of port and pipeline projects in countries of the Indian Ocean littoral. This reality has therefore found prominence in Chinese military strategy and in the recent restructuring of China's armed forces. An examination of these important issues would be appropriate to understand the Chinese thought behind the slew of recent initiatives and outreach to nations in its neighbourhood. This essay therefore attempts to examine China's interests in the IOR which caused the world to sit up and take notice of its activities in the region. It will thereafter examine the supposed 'String of Pearls' theory, take a look at the recent 21st Maritime Silk Road initiative and then scrutinise recent Chinese maritime activity in the IOR so as to understand the intent behind the MSR.

China's Interests in the IOR

Securing Energy Flows. China's energy needs are expected to increase exponentially in the coming decades with forecasts predicting doubling of this consumption in the next three decades. Consumption of liquid fuels alone is predicted to double from its consumption of 10 MMbbl/day in 2010 to about 20 MMbbl/day in 2040 according to the USEIA in its Outlook 2014.

Movement of China's Oil. The movement of China's oil imports show that it depends largely on supplies from the Middle East, South and Central America, West Africa and the former USSR. The chart below shows the inter area movement of oil to China in 2014⁵. A large part, to the extent of about 75 – 80% of China's oil imports transit through the waters of the Indian Ocean while another large chunk of about 10 – 15 % transit the Pacific Ocean. The remainder is imported through pipelines on land which is not very significant. China's dependence on imports for its energy requirements is unlikely to reduce in the near term implying that the pattern of trade movement is likely to remain the same for some time to come.

⁵BP Statistical Review of World Energy, June 2015. <https://www.bp.com/content/dam/bp/pdf/energy-economics/statistical-review-2015/bp-statistical-review-of-world-energy-2015-full-report.pdf>, Accessed on 13 Oct 15.

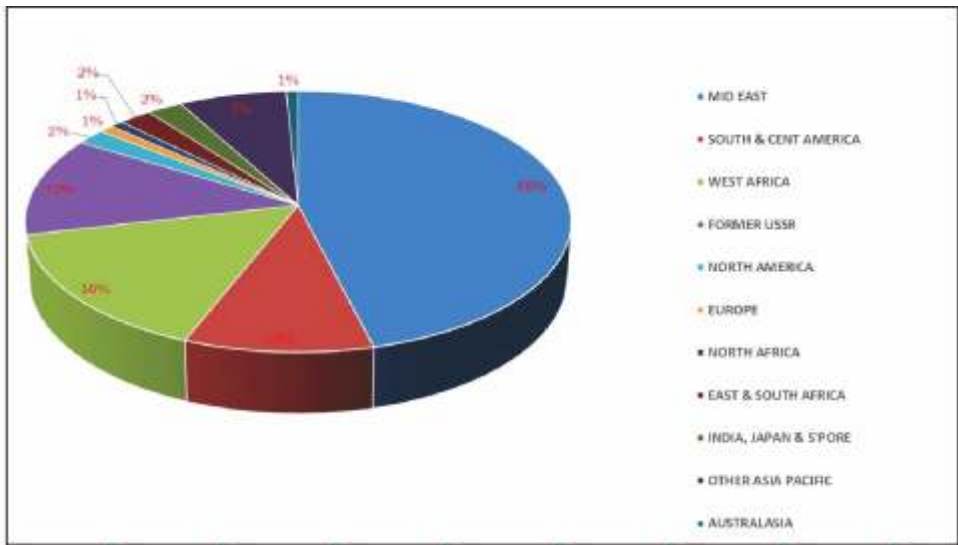


Fig 1. Oil Movement to China - 2014⁶

Sea routes for Chinese Oil Movement. The sea routes for transportation of oil through the Indian Ocean traverse the Straits of Hormuz, Malacca Straits and the Lombok Straits which are all geographical choke points. Moreover, these SLOCs, both through the Indian Ocean and the Pacific Ocean, lie in waters where China does not have the required naval presence to deter threats. The Chinese are naturally concerned with this vulnerability and hence this issue finds mention in the military strategy as also in various writings in this field. Chinese maritime strategists like Col Liang Fang mention the Malacca Straits as an “important communication in the Indian Ocean and the Pacific Ocean sea lanes”⁷. A look at the map below, which illustrates China's import routes and maritime choke points will give the reader an idea of the importance and vulnerability of these choke points.

⁶BP Statistical Review of World Energy, June 2015.

⁷Today's "Marine Silk Road" Channel extent of risk, Source: Defense Reference. Author: Liang Fang. 2015-02-11. http://www.81.cn/jwgd/2015-02/11/content_6351319_3.htm. Accessed on 25 Jan 16

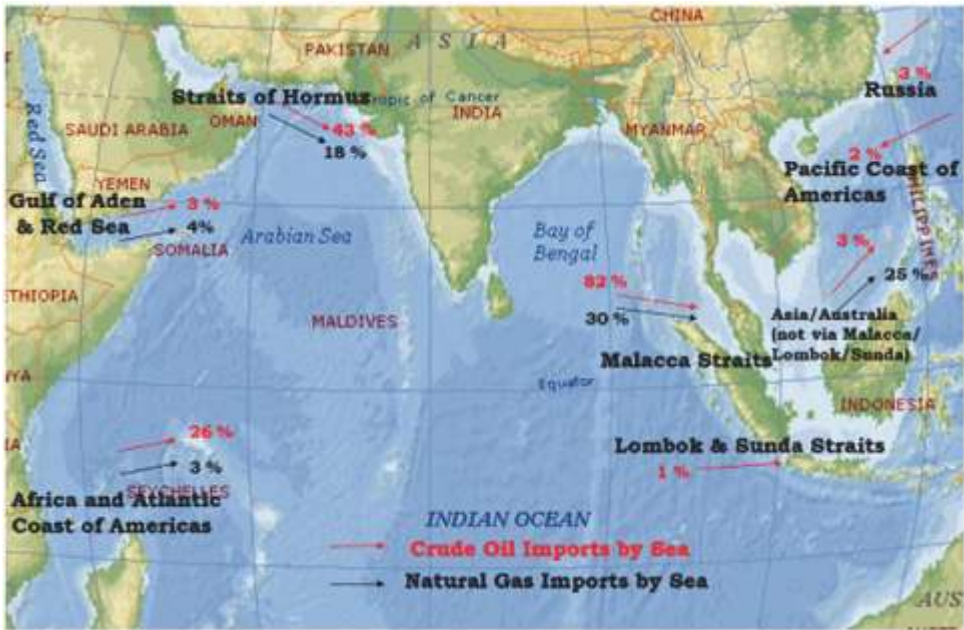


Fig 2. China's Import Transit Routes & Maritime Choke Points⁸

Consequently, these SLOCs and the energy flow through them are theoretically liable to interdiction by an inimical adversary in a possible conflict, notwithstanding the practicalities of such belligerent action in international waters. It is this reality that has forced a shift in the PLA Navy's (PLAN) "focus from offshore waters defense to the combination of offshore waters defense with open seas protection"⁹. The PLAN's deployment in the IOR since 2008 has been geared towards achieving this capability wherein the anti-piracy missions, involving escort of merchant vessels, have provided ample opportunity to its ships and their crews to hone the important skill of convoy protection. The PLAN has deployed almost sixty warships and replenishment ships till date for the anti-piracy escort missions which is nearly half of the combat strength of the PLAN. These

⁸Annual Report To Congress -Military and Security Developments Involving the People's Republic of China 2015. http://www.defense.gov/Portals/1/Documents/pubs/2015_China_Military_Power_Report.pdf. Accessed on 21 Sep 15

⁹Full text: China's Military Strategy, http://www.chinadaily.com.cn/china/2015-05/26/content_20820628.htm, Accessed on 20 Jun 2015.

regular deployments have also enabled the PLAN to gain firsthand experience of the operating environment in the IOR which will be crucial in any conflict. It has also helped the PLAN in developing the capability to effectively support sustained distant operations over extended periods.

Piracy. Piracy off the coast of Somalia and in the Gulf of Aden has been the bane of international shipping since about 2005 though it has seen a reduction since about 2011. China has been an active participant in the international effort to combat this menace though it has not been part of any international coalition like the Coalition Maritime Forces (CMF) or the European Naval Forces (EUNAVFOR). The PLAN deployment was authorized by the Chinese government after the UN Security Council had adopted a resolution to fight piracy off the coast of Somalia in Dec 2008. Initial PLAN deployments were intended to escort only Chinese merchantmen and ships carrying humanitarian relief material for international organizations such as the United Nations World Food Program¹⁰. The Chinese anti-piracy missions have since expanded their ambit to include escort of ships of other nations though they have desisted from battling the pirates in the territorial waters off Somalia. The Chinese have also coordinated their operations with other forces operating in the area and in the process, they have gained invaluable experience in interoperability. The Chinese anti-piracy mission is therefore primarily intended to show their willingness to be part of an international effort to combat crime on the high seas and maintain good order.

Commercial Interests. China has been consistently increasing its overseas commercial interests in the last ten years. It has increased its Outward Foreign Direct Investments (OFDI) from about \$ 3 billion in 2005 to about \$102.9 billion in 2014. The distribution of China's OFDI in 2013 is depicted below.

¹⁰'Warships to Set off on Friday for Somalia Pirates', <http://english.cri.cn/6909/2008/12/23/189s435892.htm>, Accessed on 20 Jan 16.



Fig 3. Geographical Distribution of China's OFDI Stock¹²

As can be seen a large chunk of China's OFDI is concentrated in Asia and Africa. Apart from this, China is also partnering various countries of the Indian Ocean littoral in development of large infrastructure projects. Chinese investments in infrastructure projects have seen a sharp rise in the recent past. The Chinese have invested heavily in big transnational projects like the China Pakistan Economic Corridor (CPEC), oil and gas pipelines from Myanmar to China, port development projects at Hambantota and Gwadar and a host of others. The \$2.5 billion invested in the China – Myanmar pipeline has been entirely covered by the state-owned oil company, China National Petroleum Company (CNPC), which also owns this key infrastructure¹³. The Chinese have also been instrumental in setting up the Asian Infrastructure Investment Bank (AIIB) and have announced plans for setting up a Silk Road Fund with a contribution of \$ 40 billion¹⁴. China's trade with the ASEAN and South and West Asian countries accounted for approximately 30% of its Asian trade, totaling about \$1250 billion,

¹²www.wri.org.

¹³'With Oil and Gas Pipelines, China Takes a Shortcut through Myanmar', Forbes Feb 9, 2015, <http://www.forbes.com/sites/ericmeyer/2015/02/09/oil-and-gas-china-takes-a-shortcut/#2715e4857a0b4b7fa63e2d40>, Accessed on 21 Jan 15.

¹⁴Chronology of China's Belt and Road Initiative, http://news.xinhuanet.com/english/2015-03/28/c_134105435.htm, Accessed on 14 Sep 15.

according to the figures put out by the Ministry of Commerce (MOFCOM) in its last such statistics in 2010¹⁵. What is important to note is that this trade has been growing at a faster rate than that with other countries. This trade increased by about 50% over the previous year as compared to 25% with the US, 35% with the EU and 41.5% with NE Asia (Japan, DPRK, ROK and Mongolia)¹⁶. China therefore, has increasingly high commercial stakes in the IOR, possibly more than that of any other nation.

Power Projection. China has come late to the Indian Ocean but is attempting to fill the vacuum likely to be left in the wake of the perceived waning of US power in the near future. China's growing economic stature, in the world at large and the IOR in particular, necessitates power projection, albeit limited in the near future. China has invested hugely in a number of countries of the IOR littoral especially in East Africa, to the tune of about \$ 100 million to \$ 1 billion in nearly all the states, barring Somalia. In fact, its investments in South Africa are more than \$ 1 billion¹⁷. As Chinese investments grow in these countries, many of which are politically unstable, the threats to these businesses are also likely to increase. Moreover, governments in these countries look to China for support on a host of issues. Though China has been long averse to interference in the internal affairs of other countries, incidences of its nationals being kidnapped and killed in countries like Cameroon, Mali, Sudan and Egypt have forced it to reassess this policy. Liu Hongwu, director of the School of African Studies at Zhejiang Normal University, says that security cooperation will be a key area in future cooperation between China and the African Union, since for many years African countries have asked China to take part in their security processes¹⁸. The recently concluded agreement between China and Djibouti for construction of "military supporting facilities" at Djibouti will also likely

¹⁵ 'Trade with Countries and Regions in Asia (2010/01-04)', <http://english.mofcom.gov.cn/article/statistic/lanmubb/ASEAN/201005/20100506934001.shtml>, Accessed on 20 Jan 15.

¹⁶Ibid.

¹⁷'China's Overseas Investments', Lihuan Zhou and Denise Leung, January 28, 2015, <http://www.wri.org/blog/2015/01/china%E2%80%99s-overseas-investments-explained-10-graphics>, Accessed on 08 Jan 16.

¹⁸'Beijing Confirms Military Support Facilities in Djibouti', Wang Xu (China Daily), November 27, 2015, <http://en.people.cn/n/2015/1127/c90000-8982503.html>, Accessed on 27 Nov 15.

facilitate regular patrols by the Chinese Navy near Africa¹⁹. The Chinese ships which take part in the anti-piracy escort missions make regular visits to ports in the region and conduct exercises with navies of these countries. The Chinese Navy has also been involved in some high profile missions to evacuate civilians from conflict ridden regions, the most recent being the evacuation of about 225 civilians from 10 different countries in addition to Chinese nationals²⁰. China has also entered into strategic partnerships with a number of countries in the region like South Africa, Egypt, Pakistan and the ASEAN which are aimed at shaping an international order suited to its long term interests. The ongoing modernisation of the Chinese armed forces is also aimed at developing a limited power projection capability so as to “create a favorable strategic posture with more emphasis on the employment of military forces and means”²¹. Chinese power projection in the region, through a host of diplomatic and military initiatives coupled with an outreach to various countries, amidst ever increasing economic engagement will remain a cornerstone of its foreign policy as China graduates to big power status.

Fears of American and Indian Intervention. The Chinese view the US 'Pivot/Re-balance' to Asia-Pacific as a “strategy targeted at China (which) has resulted in its endless moves aimed at building a circle of containment around China”²². American actions like the dispatch of the USS Nimitz Battle Group to the Taiwan Straits in 1996 and exercises conducted by the USS George Washington in the Yellow Sea have been perceived by the Chinese as the US being disrespectful of China's security concerns and bullying China into concessions²³. The Chinese are also worried about American initiatives

¹⁹'China Has No Military Ambition in Djibouti', Global Times, Published: 2015-11-28, <http://www.globaltimes.cn/content/955376.shtml>, Accessed on 23 Dec 15.

²⁰'China Evacuates Foreign Nationals from Yemen', Ankit Panda, April 06 2015, <http://thediplomat.com/2015/04/china-evacuates-foreign-nationals-from-yemen/>, Accessed on 22 Jan 16.

²¹Full text: China's Military Strategy, http://www.chinadaily.com.cn/china/2015-05/26/content_20820628.htm, Accessed on 20 Jun 2015.

²²'Silk Road Economic Belt: A Dynamic New Concept for Geopolitics in Central Asia', Pan Zhiping, Director, Central Asia Research Institute at Xinjiang Academy of Social Sciences, China, http://www.ciis.org.cn/english/2014-09/18/content_7243440.htm, Accessed on 21 Sep 15.

²³'Maritime Interests: China-US Cooperation and Conflicts', Col Gaoyue Fan. Pacific Forum CSIS Issues & Insights, Vol 11, No 10 Aug 2011 Page 8.

like the Regional Maritime Security Initiative (RMSI) and U.S. Proliferation Security Initiative (PSI). The former called for the ASEAN countries to permit U.S. Marines to patrol the waters against piracy and terrorism while the latter allows U.S. personnel to board a suspect foreign vessel to guard against transportation of weapons of mass destruction (WMD) on the high seas²⁴. Some Chinese strategists also worry about a scenario wherein the US, because of its domination in the Indian Ocean, could interdict China's energy supplies in the Malacca Straits²⁵. Hardliners like PLA Colonel Liu Mingfu (Retd) go so far as to say that the US Navy is a major threat to China²⁶. US policy has also not helped in mitigating these fears but on occasion, has actually reaffirmed Chinese perceptions. Admiral Scott Swift, Commander US Pacific Fleet had this to say, about the Chinese activity in the Spratly Islands, at the Royal Australian Navy (RAN) Seapower convention in October 2015.

Today the friction points may be at sea, over the horizon, seemingly held safely at a distance from our day-to-day lives ashore. But the foundation of coercion on which some states pursue the resolution of maritime differences, characterized by observers as 'might makes right,' should cause all us to pause and ask ourselves the question: "If we are not willing to commit to resolve these differences peacefully, leveraging the tools of the international rules-based system that has served us so well, for so long, in an multilateral, inclusive way; then are we willing to accept the likelihood that imposed solutions to these national differences at sea, will seek us out in our supposed sanctuaries ashore?"

China also perceives India as attempting to control the Indian Ocean and hence is inimical to its interests in the IOR. Some Chinese strategists like

²⁴China's Energy Corridors in Southeast Asia, Xuegang Zhang, China Brief Volume: 8 Issue: 3 February 4, 2008. http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5Btt_news%5D=4693&tx_ttnews%5BbackPid%5D=168&no_cache=1#.VjBU57crJ1s. Accessed on 28 Oct 15

²⁵Quoted in 'China's Self-Extrication from the "Malacca Dilemma" and Implications', Chen Shaofeng, Peking University, International Journal of China Studies, Vol. 1, No. 1, January 2010, pp. 1-24.

²⁶Col. Liu Mingfu on the U.S. and China as Rivals', By Edward Wong and Yufan Huang, October 8, 2015. http://sinosphere.blogs.nytimes.com/2015/10/08/col-liu-mingfu-on-the-u-s-and-china-as-rivals/?_r=0. Accessed on 12 Oct 15.

Zhang Ming believe that “the Indian subcontinent is akin to a massive triangle reaching into the heart of the Indian Ocean, benefitting any from there who seek to control the Indian Ocean”²⁷. This perception is further reinforced by the wariness that India displays in its relations with China, which itself is a result of persistent suspicion about Chinese intentions. India's expanding navy and its increasingly frequent presence in South East Asia and recent forays into the Pacific has further served to raise Chinese concerns.

The much quoted 'String of Pearls' strategy had its birth in such Chinese concerns. In fact, many strategists look at China's attempts to develop alternative corridors to circumvent the “Malacca Dilemma' as a direct result of these concerns. It would therefore be worthwhile to revisit the supposed “String of Pearls' strategy of the Chinese so as to gain a better grasp of recent Chinese initiatives in the India Ocean.

'String of Pearls'

Origin. The phrase “String of Pearls' had its origin in a report 'Energy Futures in Asia', prepared by an American think tank, Booze Allen Hamilton, for the US Secretary of Defence in 2004. The report stated that China was adopting a “string of pearls” strategy of bases and diplomatic ties stretching from the Middle East to southern China that included a new naval base under construction at the Pakistani port of Gwadar²⁸. The report further stated that “China is building strategic relationships along the sea lanes from the Middle East to the South China Sea in ways that suggest defensive and offensive positioning to protect China's energy interests, but also to serve broad security objectives”.

The 'Pearls'. China's interest in securing her energy flow, especially the SLOCs, is a major concern which is reflected in Chinese military strategy as

²⁷Quoted in “Examining the Sino-Indian Maritime Competition: Part 3 – China Goes to Sea”, Lindsay Hughes. Strategic Analysis paper 22 Jan 2014. <http://www.futuredirections.org.au/publications/indian-ocean/1507-examining-the-sino-indian-maritime-competition-part-3-china-goes-to-sea.html>. Accessed on 15 Sep 15

²⁸'China Builds Up Strategic Sea Lanes', The Washington Times - Monday, January 17, 2005, <http://www.washingtontimes.com/news/2005/jan/17/20050117-115550-1929r/>, Accessed on 15 Jan 16.

also in various other writings like the defence White Papers. The report stated that China was building up military forces and setting up bases along sea lanes from the Middle East to project its power overseas and protect its oil shipments²⁹. The string of pearls, as mentioned in the report, extended from the coast of mainland China, through the littorals of the South China Sea, the Strait of Malacca and the Indian Ocean, to the littorals of the Arabian Sea and the Persian Gulf. The specific “pearls” in the “string”, as originally articulated, consisted of - Hainan Island, with recently upgraded military facilities; an upgraded airstrip on Woody Island in the Paracel archipelago; the deep water port under construction in Burma; a proposed container shipping facility in Chittagong, Bangladesh; and the naval base under construction in Gwadar, Pakistan (see map below).



Fig 4. String of Pearls³⁰

²⁹Ibid.

³⁰MacDonald, Donahue, and Danyluk, 'Energy Futures in Asia', 17. Quoted in Thesis, 'Does China Need A "String Of Pearls"?' Martin E. Conrad, September 2012. Naval Postgraduate School, Monterey, California.

'Raison D'etre'. China has never professed this strategy nor has it been articulated by Chinese strategists. This was largely an American concept to encapsulate the appreciated Chinese developments which appeared to be designed for undermining American pre-eminence in the region. Chinese initiatives which gave rise to this theory were intended to diversify the routes for transportation of energy so as to reduce China's vulnerability at the Malacca Straits and mitigate the 'Malacca Dilemma'. China was also consolidating its strategic posture in the Indian Ocean by helping Myanmar in augmenting its naval bases as also building new ones. Reports had also surfaced of Chinese investment in the modernization of the Chittagong port but the project has not seen much headway, possibly because of Indian pressure on the Bangladesh government. Chinese investment in the Gwadar Deep Sea Port is another 'pearl' in the strategy. Pakistan has been an all-weather friend for the Chinese and has a deep strategic bond which has underpinned their relationship. Gwadar has helped the Chinese gain a foothold in the Indian Ocean from where they can deploy their navy. In fact, a number of Chinese naval ships, especially those deployed for anti-piracy missions, have frequently called at Karachi, either on their way in or when returning from their deployment. The utility of Gwadar for Chinese strategic requirements therefore cannot be understated. The Chinese also helped Sri Lanka in the construction of a port at Hambantota giving rise to the perception of possible deployment of naval platforms.

The perception of China developing bases and relationships around the Indian Ocean stems from the attribution of Mahanian concepts of seapower and the need for overseas bases to secure the SLOCs, to the development of the Chinese navy. However, the same was not clearly apparent in the period following the predictions of 'Energy Futures of Asia'. Meanwhile, Chinese military strategy has undergone a major change with an increased focus on matters maritime leading to a rapid development of its navy in the past decade which has added new dimensions to its warfighting capability. Maritime policy in China has also undergone a paradigm shift with 18th National Congress of the Communist Party of China, in 2012, announcing that the nation would accelerate the development of its ocean resources, resolutely safeguard its maritime rights and interests, and develop into a big

maritime power. This also coincided with the second phase of the naval maritime plan, from 2010 to 2020, outlined by the PRC's then Vice Chairman of the Military Commission, Liu Huaqing in 1982 that China would seek to establish control of waters within the second island chain that links the Ogasawara island chain, Guam and Indonesia³¹. China's intention to step out beyond the First Island Chain and consolidate its maritime interests up till the Second Island Chain is clearly evident in this shift in policy. The announcement of the Maritime Silk Road by the Chinese President is in tune with this new shift in policy which is tailored towards a possible strategic goal of achieving a regional power status in the IOR. This policy also echoes the concept of Three Warfares (Psy Ops, Media Ops and Legal Ops) espoused by the Chinese which Cmde UdayBhaskar (Retd) says could be used as a Trojan Horse to achieve a desired end³². Examination of the Chinese initiatives of the Maritime Silk Road and other such moves by the Chinese in the military maritime domain would further shed light on the intentions of the Chinese in this important region of the world.

The 21st Century Maritime Silk Road

Concept. The Maritime Silk Road initiative was first proposed by the current Chinese President Xi Jinping in an address to the Indonesian Parliament in October 2013. He proposed building a close-knit China-ASEAN community and offered guidance on constructing a 21st Century Maritime Silk Road (MSR) to promote maritime cooperation. In his speech at the Indonesian parliament, Xi also proposed establishing the Asian Infrastructure Investment Bank (AIIB) to finance infrastructure construction and promote regional interconnectivity and economic integration. The National Development and Reform Commission, in consultation with the Ministry of Foreign Affairs and Ministry of Commerce of the People's Republic of China,

³¹'China's Active Defense Strategy and its Regional Impact', Prepared statement by Stacy A. Pedrozo, Capt, JAGC, USN. U.S. Navy Military Fellow. Council on Foreign Relations. Before the U.S.-China Economic & Security Review Commission, United States House of Representatives, First Session, 112th Congress. <http://www.cfr.org/china/chinas-active-defense-strategy-its-regional-impact/p23963>, Accessed on 27 Jan 16.

³²China's Three Warfares Concept Related to India and the Indian Ocean Region, Commodore UdayBhaskar, IN (ret.), China: The Three Warfares, Report Prepared for Andy Marshall, Director, Office of Net Assessment, Office of the Secretary of Defense, Washington, D.C. Prepared by: Professor Stefan Halper, University Of Cambridge. Pg 486. <https://cryptome.org/2014/06/prc-three-wars.pdf>, Accessed on 25 Jan 16.

has subsequently promulgated an Action Plan for the Belt and Road Initiative after authorization by the State Council on March 28, 2015. A graphical representation of the envisaged Maritime Silk Road along with the route taken by the famous voyages of Admiral Zheng He during the early part of the fifteenth century is depicted below and illustrates the geographical similarity and could also be indicative of possibly similar strategic intent.

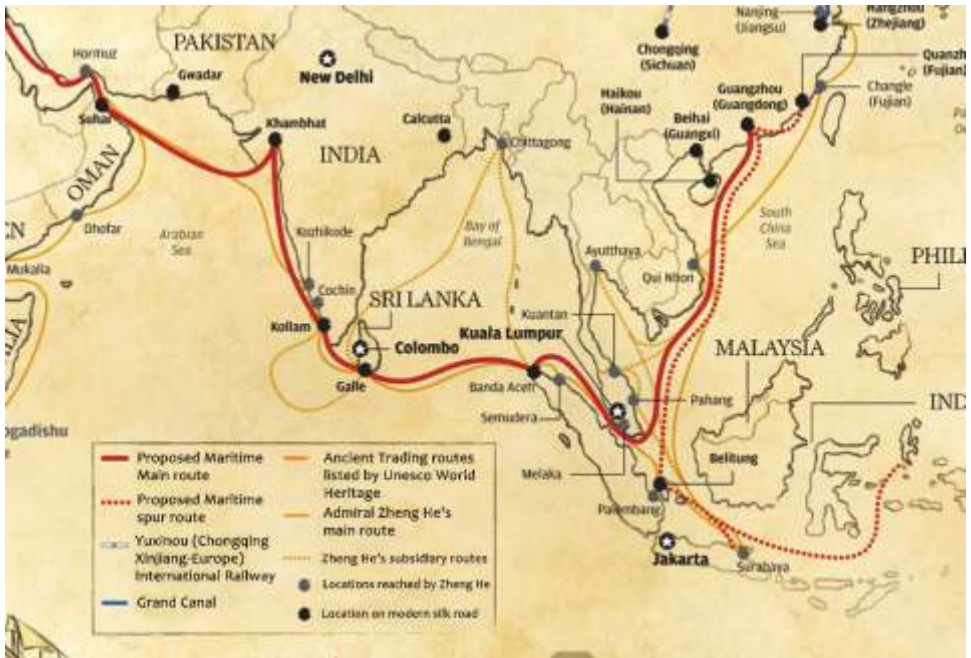


Fig 5. The 21st Century Maritime Silk Road³⁴

The geographical similarity between the supposed 'String of Pearls', as illustrated at Fig 4, and the 21st Century Maritime Silk Road is also hard to miss and it will therefore be worthwhile to delve deeper into Chinese actions to gain a better understanding of their strategic intent in the military maritime realm.

³³'Action Plan on the Belt and Road Initiative', http://english.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm, Accessed on 21 Sep 15.

³⁴http://www.china.org.cn/world/node_7219434.htm. Accessed on 27 Jan 16.

Plan. The MSR is intended to increase economic connectivity and accelerate economic development across the countries in the region under consideration. Accordingly, it intends building of transport networks to connect major ports in the region. The Chinese have also prioritised a host of issues for accelerating cooperation in diverse areas between the various countries along the MSR like economic development strategies, improvement of transport connections and associated infrastructure, facilitation of smooth and unimpeded flow of international trade, integration of financial systems and increased people-to-people contact. The list is ambitious since the existing diversity between the countries of the region in these various fields is huge but considering the trade links that all the countries have with China, most may be susceptible to Chinese pressure for taking action on many of these issues. The plan also calls for setting up a number of new mechanisms and working groups as also for enhancing the role of existing mechanisms like the Shanghai Cooperation Organization (SCO), ASEAN Plus China (10+1), Asia-Pacific Economic Cooperation (APEC) etc., for promoting this initiative. China has also identified regions which will take the lead in propelling this initiative. While the economic and communications connectivity aspects of the implementation plan call for a larger debate within the countries involved, the military maritime aspects connected with the Initiative do not obviously find mention in the Action Plan. The aim of the subsequent part of this essay is to scrutinise the issues related to this aspect which are inherent to successful achievement of the objectives of the MSR initiative.

Chinese Thought. The MSR has been aggressively promoted by the Chinese strategic community with seminars and conferences being held on the subject. The Chinese city of Quanzhou, a port city in Fujian Province in southeast China, hosted the first international seminar on the 21st-Century Maritime Silk Road from 11 – 12 Feb 2015 with the participation of 200 scholars from China, India, Thailand, Singapore, Myanmar, Egypt, the United States and 30 other countries³⁵. The focus of such seminars and other writings has been the necessity for development of interoperable financial

³⁵'Maritime Silk Road seminar opens in Quanzhou', Li Shen. China.org.cn, February 11, 2015. http://www.china.org.cn/world/2015-02/11/content_34756666.htm. Accessed on 27 Jan 16.

policies and transport and communication networks. The maritime security aspects, however, do find mention in the writings of some Chinese strategists, albeit suitably camouflaged in the larger body. For instance, Liu Cegui, the former Director of the State Oceanic Administration stresses on safety of sea lanes as the key to sustaining the development of the 21st Century Maritime Silk Road. He also talks of ports along the new Maritime Silk Road to act as “sea posts” for provision of safe and convenient sea lanes³⁶. He further goes on to say that these ports could be built or leased by China in other countries. The debate on such facilities especially in the military, not necessarily in the context of the MSR, has been going on in China for some time now with the need for overseas bases having been endorsed by a number of Chinese military strategists like Major Generals Qiao Liang, Zhu Chenghu and Ji Minkui as also Navy Colonel Liang Fang. While the Chinese have been largely averse to having bases on foreign soil till now, the recent acquisition of a military base at Djibouti marks a change in this philosophy. The Chinese have often expressed their objection to the so called 'world order' (read American pre-eminence) and advocated the necessity to change it in keeping with the rise of other nations implying an obvious leadership role for China. It is this view that Zhang Yunling, from the Chinese Academy of Social Sciences, advocates when he talks of the establishment of a “new ocean order” through the medium of the MSR³⁷.

The current focus on the MSR, therefore, should not overshadow the fact that it also represents China's most vital sea lines of communication which gives it access to all the major economic zones of Asia and is also the route to the Suez Canal through which it sends its exports to Europe and beyond. More importantly, it is the route for its energy supplies from the Middle East and Africa as also for a huge quantity of its imports of commodities and other materials. Hence, the security of this vital SLOC underpins all Chinese military maritime strategy.

³⁶Reflections on Maritime Partnership: Building the 21st Century Maritime Silk Road', Liu Cigui, CIIS 15 Sep 2014. http://www.ciis.org.cn/english/2014-09/15/content_7231376.htm. Accessed on 01 Aug 15.

³⁷'Strategic Significance of One Belt and One Road', Zhang Yunling. China.org.cn, 09 Feb 15. http://www.china.org.cn/world/2015-02/09/content_34773459.htm. Accessed on 27 Jan 16.

Chinese Maritime Activity in the IOR

Development of Ports. China, through a number of state owned enterprises, has funded construction of new ports as also augmented and modernized existing ports in a number of countries in the IOR as part of the MSR initiative.

Myanmar. A consortium of Chinese companies has recently won two contracts related to a special economic zone including building a deep sea port on the Bay of Bengal in the Kyaukpyu Special Economic Zone in western Myanmar's Rakhine State³⁸. Kyaukpyu is also the site of a pipeline which transports oil unloaded from tankers at Maday island overland to China. It therefore fits in very well with the Chinese requirement to reduce the dependence on Malacca Straits insofar as energy transit routes are concerned. It also suits Myanmar which stands to gain commercially as it slowly opens up to the world. It must also be noted that Kyaukpyu is also just about 700 nautical miles (nm) from India's east coast and the strategic harbor of Visakhapatnam.

Bangladesh. The modernisation of Chittagong port by the Chinese is another 'pearl' whose details have been largely kept out of the public eye. It is understood that the Chinese will have preferential access though India has pulled one back on the Chinese by signing a MoU with Bangladesh in June 2014 to grant Indian cargo vessels use of Chittagong and Mongla ports³⁹. The strategic significance of Chittagong is not lost on the Chinese and this is clearly evident when Zhao Gancheng, director of South Asia Studies at the government-supported Shanghai Institute for International Studies said "Developing the port is a very important part of China's co-operation with Bangladesh, and China is aware of its strategic significance"⁴⁰. China is also funding the modernisation of Mongla port and is in contention with Japan for construction of a deep water port at Sonadia. The utility of these ports

³⁸China's CITIC Wins Projects to Develop Myanmar Economic Zone', Aung Hla Tun and Timothy Mclaughlin, 31 Dec 2015. <http://www.reuters.com/article/myanmar-citic-project-idUSL3N14K1D720151231>. Accessed on 05 Jan 16.

³⁹Joint Declaration between Bangladesh and India during Visit of Prime Minister of India to Bangladesh- " Notun Projonmo – Nayi Disha", June 07, 2015.

⁴⁰'China offers to develop Chittagong port', Ananth Krishnan. The Hindu 15 Mar 2010.

to China is not readily apparent since Chinese plans to make a corridor from China to Bangladesh through India are still quite far on the horizon. Coupled with the growing reliance of Bangladesh on China for its military hardware over the years and now even submarines, the Chinese investment in these ports, which are in close proximity of Indian strategic installations, calls for greater scrutiny.

Sri Lanka. The construction of Hambantota port by the China Harbor Engineering Company in collaboration with Sinohydro, was one of the first 'pearls' in the IOR. Situated at the southern end of Sri Lanka, it is strategically located overlooking the busiest shipping lanes of the region. The Chinese have also helped modernise Colombo port and a Chinese company now operates Colombo's new container terminal. The Sri Lankan government has also recently cleared a proposal to develop a port city at Colombo with Chinese investment. Port visits by Chinese warships and specifically submarines have also added to the perception that Chinese intentions in Sri Lanka may not be purely commercial. Though the current Sri Lankan government has assuaged Indian concerns in this regard, the continued Chinese investment in port infrastructure cannot dispel the notion of possible use of these facilities by Chinese navy in the future.

Pakistan. Pakistan has been a steadfast Chinese ally in the region and India often views it as a Chinese proxy, notwithstanding the historical animosity between India and Pakistan. Pakistan has been the recipient of massive Chinese aid and investment with major Chinese projects like the Gwadar Deep Sea Port (GDSP) and the China Pakistan Economic Corridor (CPEC). The utility of Gwadar to the Chinese lies in its proximity to the Straits of Hormuz (about 450 nm), through which Chinese seaborne oil imports from the Middle East flow. It also provides the Chinese Navy with a base of operations in the IOR. Pakistan's buy of Chinese submarines will further augment this capability since the same facilities, at nearby Jinnah Naval Base at Ormara (145 nm), can also be used by Chinese submarines.

Other Countries. Chinese state owned enterprises (SOE) have also invested substantially in facilities at various Suez Canal ports like Port

Said East Port and al-Adabiya. Chinese companies have also invested in East African ports like Bagamayo in Tanzania which is expected to become the largest port in Africa⁴¹. Kenya has also seen the recipient of Chinese investment in new container terminals at Mombasa and the first three berths at the new Lamu mega port. The potential benefits to China, of the investment in Bagamoyo and its involvement at Lamu and Mombasa, may not be solely trade-related, especially at the new Tanzanian port. The Chinese are also known to have approached the Maldives and the Seychelles for port facilities for naval ships though no announcements have been made by either of these countries. The geographical layout of these ports around the Indian Ocean and their proximity to the various choke points clearly indicate a larger strategic intent than pure commercial gains. The map below illustrates the layout of ports with Chinese investment along with the choke points of the Indian Ocean as also the main trade route and the SLOCs. The string joining these new 'pearls' bears an unmistakable similarity to that propagated by Booz Allen Hamilton in 2004.



Fig 6. Ports in IOR with Chinese Investment

⁴¹The Port of Bagamoyo: A Test for China's New Maritime Silk Road in Africa, Frannie A. Léautier, Michael Schaefer, and Wei Shen, 01 Dec 2015. <http://thediplomat.com/2015/12/the-port-of-bagamoyo-a-test-for-chinas-new-maritime-silk-road-in-africa/>, Accessed on 27 Jan 16.

Military Bases. China has recently negotiated an agreement with Djibouti for construction of a military base under the garb of “military supporting facilities”⁴². Though details of the agreement have not been published, it can be safely assumed that it is a semi-permanent arrangement at least, for the next 20 -25 years. China has justified the requirement for this base citing the requirement to “provide better logistics and safeguard Chinese peacekeeping forces in the Gulf of Aden, offshore Somalia and other humanitarian assistance tasks of the UN”. China has consistently deployed ships for anti-piracy missions since 2008 in the Gulf of Aden along the International Recommended Transit Corridor (IRTC). China had also deployed troops to South Sudan in 2015 as part of the UN peacekeeping operations for the first time in its history. Liu Hongwu, director of the School of African Studies at Zhejiang Normal University, says that building military supporting facilities is just a start for China to carry out security cooperation with the African Union. Considering the continuance of the anti-piracy mission in the Gulf of Aden, it is likely that the base in Djibouti will be sufficiently large to cater for refueling as also major repairs of naval ships. Availability of an airstrip will permit deployment of Maritime Reconnaissance (MR) aircraft to aid the anti-piracy effort. In all probability, there will be sufficient Chinese personnel for not just the operations, but also for security considering the instability in the region. All in all, the base will enable the Chinese to project sufficient military power to further their strategic objectives in the IOR. It is also pertinent to note that Chinese ships on deployment to the Gulf of Aden have regularly called at Salalah in Oman, Aden in Yemen and other ports for re-supply/ Operational Turnaround (OTR) indicating acquiescence of these countries for facilitation of access facilities to the Peoples Liberation Army Navy (PLAN). Pakistan, of course is a preferred destination with a number of Chinese naval vessels calling at Karachi in the recent past and on occasion, a submarine was also reported to have berthed there. The map below illustrates the various ports at which PLAN ships have called in recent times for carrying out replenishment when they have been deployed in the IOR as also in other waters.

⁴²Beijing Confirms Military Support Facilities in Djibouti, Wang Xu, China Daily, 27 Nov 15.



Fig 7. Ports used for OTR by Chinese Navy⁴³

The expanding Chinese naval footprint in the IOR is too visible to ignore and when viewed in conjunction with their investments, especially in port infrastructure in East Africa, indicates a clear strategic focus on establishment of a permanent presence in the IOR in the not too distant future.

Naval Deployment. The Chinese navy first entered the IOR when it despatched an anti-piracy escort mission to the Gulf of Aden in 2008 as a part of the international effort to combat Somalia based piracy. The Peoples Liberation Army Navy (PLAN) has since visibly increased its presence to become a fairly regular sight in the IOR.

Anti-Piracy Missions. The Chinese navy has deployed more than twenty escort missions from 2008 till date, typically comprising two ships and a tanker. These missions have normally had a deployment duration of about three-to-four months with about two-to-three months on task in the area. They have reportedly escorted almost 800 convoys during this period. Between December 2008 and early 2015 over 16,000 PLAN sailors as well as 1,300 marines and special

⁴³www.stratfor.com

operations forces personnel served in the Gulf of Aden⁴⁴. Some of these missions have also visited a large number of countries. In fact, one of the missions, TF 152, after its deployment to the Gulf of Aden in July 2015, undertook a round-the-world trip calling at ports in Europe, Scandinavia, USA, Pacific, and the South East Asia before heading home, a deployment of about ten months. These deployments have provided unprecedented operational exposure to the PLAN and helped it develop and consolidate capabilities which it hitherto had not exploited. The PLAN now has one of the largest underway replenishment fleets in the world, after the USA. Its logistic supply chain and maintenance procedures would obviously have been honed to a high degree of operational readiness to sustain such extensive and prolonged deployments.

Submarine Deployment. Another interesting dimension of Chinese naval operations in the IOR has been the deployment of submarines. The PLAN deployed a Shang class submarine, ostensibly for anti-piracy, in end 2013. The submarine transited the Malacca Straits both during its outward and return transits from its home port at Hainan Island in the South China Sea. The purpose of this deployment will not be lost on any naval tactician considering the near zero capability of a submarine, nuclear or otherwise, for an anti-piracy mission. This deployment would have allowed the submarine crew an enviable experience of a long range deployment over an extended period and helped them garner intelligence of the operating environment in the IOR. The subsequent deployment of submarines to the IOR, of a Song class which called at Colombo November 2014 and a Yuan at Karachi in May 2015, would have provided further experience to more submarine crews in the IOR. The data generated from these deployments, both oceanographic and intelligence, will help the PLAN in better preparation for further such deployments as also for preparation of a future battlespace. Considering the slow transit speeds of conventional submarines (about 5 knots/9 kph) and the distances involved (about

⁴⁴China Daily, 12 February 2015.

9000 nm from Hainan to Karachi and back), the endurance of these submarines would have been tested to the maximum. While a submarine tender would have accompanied these submarines, the challenge that these submarines would have faced in terms of materiel and maintenance will have provided the PLAN with unmatched operational planning experience for future deployments.

Multi-National Exercises. Many of the anti-piracy missions have carried out exercises with other navies either en route to the Gulf of Aden or on their return trip. Additionally, these ships have also carried out exercises with other navies deployed in the Gulf of Aden whilst on patrol, most recently with the Danish navy in November 2015. The Chinese navy also conducts regular exercises with the Royal Australian Navy and the Pakistan Navy in the IOR. In fact, the PLAN is a regular participant in the annual 'Aman' series of multinational exercises conducted by the Pakistan Navy. These exercises have ensured a high degree of interoperability with other navies of the world and have also given the PLAN the required exposure to generate scenarios for future combat.

Non Combatant Evacuation Operations (NEO). The Chinese navy, in the recent past, has helped evacuate its citizens and other foreign nationals from Libya in 2011 and from Yemen in 2015. The deployment of the one of the PLAN's most modern frigates, Xuzhou, in February 2015, to waters near Libya to support and protect the evacuation of Chinese citizens was the first of its kind for the PLAN. The Chinese government had also deployed four PLAAF IL 76 heavy lift aircraft for the operation in addition to a number of civilian aircraft and merchant vessels for this operation. The operation was highly successful and clearly shows the ability of the PLAN and PLAAF to co-ordinate major operations on distant shores. The availability of suitable places for refueling and stopovers also indicates the ability of the Chinese to obtain such places from foreign governments, especially in Africa, during times of crisis. The subsequent NEO operation in Yemen in March 2015 was undertaken by ships on deployment in the Gulf of Aden for anti-piracy mission. Though it was much smaller in scale

compared to that of Libya, the employment of naval ships emphasized the will of the Chinese government to protect its people even in foreign lands. This is especially notable, considering the increasing number of Chinese expatriates in the region.

The PLAN's operations in the IOR over the past decade have earned it international recognition as a blue water force capable of carrying out effective operations far from its home waters. It is of course, important to note that the PLAN does not have the capability to maintain a large and sustained presence in the IOR, like the US Navy, at least not in the immediate future. However, the PLAN is rapidly gaining operational experience in this important region which can be effectively leveraged to gain tactical advantage in times of adversity.

Chinese Naval Capability Accretion. The PLAN, in accordance with its vision to establish control of waters within the second island chain by 2020, is focused on acquiring capabilities to support this aim. It is in the process of major modernization with new frigates, destroyers and submarines being added every year, in addition to about 60 submarines and an equal number of landing craft.

Surface Fleet. The PLAN inventory currently includes nearly 80 major surface combatants and an aircraft carrier, the Liaoning. The entire surface fleet is in the process of being modernized with new ships replacing the old destroyers and frigates at the rate of almost 2 -3 every year for the past 5 - 7 years⁴⁵. News has also surfaced of an indigenous aircraft carrier under construction, which could be completed by 2025. All this clearly indicates development of an out-of-area capability which will definitely find a more permanent presence in the IOR by mid 2020s.

Aircraft Carrier. Recent media reports have also indicated that work on the China's indigenous aircraft carrier has also commenced. This carrier is intended to carry out the role of a true aircraft carrier and not a training one as currently being undertaken by the Liaoning as stated by

⁴⁵China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress, Ronald O'Rourke, Specialist in Naval Affairs, July 28, 2015.

Senior Captain Zhang Junshe of the People's Liberation Army Naval Military Studies Research Institute⁴⁶. According to the Captain, China needs at least three aircraft carriers. A blue water navy with intentions to maintain a presence in distant water needs to have a force centered on aircraft carriers to project power. However, aircraft carriers of the size (65- 70,000 tons), as desired by China are complex platforms to build. China's experience of refurbishing the Soviet Varyag into the PLAN Liaoning is sure to hold them in good stead while building the next carrier. However, it is unlikely that the PLAN will have its second carrier any time before 2025, assuming a construction and operationalisation period of 10 years. This directly impinges on the PLAN's capability to maintain a strong and permanent presence in the IOR in the interim. This is not to say that the PLAN cannot carry out the required operations as dictated by a particular situation which the PLAN has amply demonstrated in the recent past.

Maritime Reconnaissance Aircraft. The PLAN is also hampered by the non-availability of an airfield in the IOR from where it can deploy its MR aircraft for surveillance in the region. The availability of an airfield at Djibouti is sure to overcome this shortfall. Airfields in friendly countries like Pakistan can be utilized by the PLAN/PLAAF during critical situations but such missions have not been observed till date in the IOR. The PLAN/PLAAF's capability in this critical field of naval warfare is also circumspect but is being addressed with new aircraft like the modernized Y-8 being inducted.

There have also been regular, though unsubstantiated reports, of Chinese electronic monitoring stations in the IOR, especially in Myanmar. All this effort shows the importance that the Chinese government attaches to the IOR and the development of the PLAN into a potent force for carrying out missions in the IOR to meet its strategic aims.

Chinese Arms Sales. China has become the third largest exporter of military equipment worldwide and many countries of the IOR have been some of the

⁴⁶'2nd Aircraft Carrier To Have Military Focus', China Daily, January 04, 2016. <http://en.people.cn/n3/2016/0104/c90786-8998753.html>. Accessed on 04 Jan 16

largest recipients in recent years. Pakistan, China's traditional ally, has acquired frigates and corvettes and is jointly developing and marketing a fighter aircraft, the JF-17. The F 22 class frigates and the Aslat class attack craft form the cutting edge of the Pakistan navy. Pakistan is also in the process of acquiring submarines from China. Myanmar has, over the years, received a huge amount of military equipment, though outdated, from China. The Sri Lankan armed forces operate a variety of Chinese aircraft, patrol boats, tanks and infantry vehicles. Recent news reports had indicated likely acquisition of the Sino-Pak developed JF 17 fighters by the Sri Lankan Air Force but the deal had apparently fallen through because of pressure from India. The Prime Minister of Bangladesh had recently declared that the Bangladesh navy was acquiring two submarines from China. These are discomfiting signs for countries of the region especially India since the Chinese military has now established a mutual dependency with these countries which can be leveraged for strategic advantage, both in times of peace and war.

Chinese Military Thought. China's intensification of focus towards the seas was enunciated in the 18th CPC in 2012 when China's ambition to become a 'maritime power' was clearly stated. This marked change in outlook towards maritime issues has been re-iterated in the proposed 13th Five Year Plan which is likely to be approved by March 2016. However, the military had taken cognizance of the importance of maritime matters much earlier when the vision for the PLAN was outlined by the commander of the PLAN Liu Huaqing wherein the PLAN is intended to become a 'global navy' by 2050. This ambition is also in consonance with the Military Strategy promulgated in 2015 wherein China is intended to become a 'modern socialist country' by 2049. The perspective development plans of the Chinese Navy have been attuned to these requirements and it is now in the process of establishing control within the Second Island chain. Taiwan and its unification with China remains a 'core interest' but the Chinese are aware that their security interests also lie on the shipping lanes of the Indian and Pacific oceans. The importance of naval power and its strategic role, especially when promoting initiatives like the MSR, figure prominently in Chinese military thought. Col Liang Fang at the Department of Strategic Studies of the National Defense

University (NDU) of the (PLA says that “building a powerful navy is fundamental for the safe passage of the MSR”⁴⁷. She also talks about using 'strategic deterrence' for 'safe passage' of the MSR and outlines the means like sea control and overseas bases by which this deterrence is to be achieved. Admiral Wu Shengli, commander of the PLAN, in a talk also emphasized the necessity of guarding 'maritime rights' especially in a 'changing international strategic situation with increasingly complex and severe maritime threats'⁴⁸. One of these threats, as viewed by the Chinese, could be India as Zhao Ming, a naval analyst says "India is perhaps China's most realistic strategic adversary"⁴⁹. Chinese thinkers are also cognizant of the American domination of the IOR and hence its ability to interdict Chinese oil flow in case of a crisis in Taiwan⁵⁰.

It is in this background that the Chinese actions in the IOR should be read especially when promotion of initiatives like the MSR are concerned. Consequently the establishment of the base at Djibouti cannot be looked at in isolation but as part of an overall strategy as hinted by the normally guarded President Xi Jinping when he referred to “Djibouti's participation in developing Beijing-proposed 21st-century Maritime Silk Road in proper ways” on the sidelines of the Forum on China Africa Cooperation (FOCAC) in Johannesburg in 2015. Djibouti's participation, if any, in the MSR has been pretty much non-existent except for the provision of the military base for Chinese forces. The Global Times, a pro-government newspaper in China has also suggested that the Djibouti base signals a natural solution for Chinese military strategy and Chinese navy patrols near Africa will be a regular feature in the future⁵¹.

⁴⁷Today's "Marine Silk Road" Channel extent of risk, Liang Fang. 11 Feb 2015. http://www.81.cn/jwgd/2015-02/11/content_6351319_3.htm. Accessed on 25 Jan 16.

⁴⁸Jinglue Haiyang: The Naval Implications of Xi Jinping's New Strategic Concept, China Brief Volume: 15 Issue: 1 January 9, 2015. Ryan D. Martinson. http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5Btt_news%5D=43375&tx_ttnews%5BbackPid%5D=789&no_cache=1#.VjCOVLCrJ1s. Accessed on 28 Oct 15

⁴⁹Center Stage for the 21st Century: Power Plays in the Indian Ocean, Robert D. Kaplan. Foreign Affairs March/April 2009 Issue.

⁵⁰Read China's Self-Extrication from the “Malacca Dilemma” and Implications, Chen Shaofeng, Peking University. International Journal of China Studies, Vol. 1, No. 1, January 2010.

⁵¹China Has No Military Ambition in Djibouti. Global Times. Published: 28 Nov 2015. <http://www.globaltimes.cn/content/955376.shtml>. Accessed on 23 Dec 15

Prognosis

'The String'. Chinese interests in the IOR underpin the moorings of the 21st Century Maritime Silk Road initiative. China's commercial interests can only continue to rise with ever expanding destinations in Africa and Asia. China's OFDI in Africa has risen from just about \$ 1 billion in 2004 to about \$ 24.5 billion in 2013⁵². Most of this investment, to the extent of 31%, is in mining for provision of critical minerals like copper and zinc for industries in China. China's dependence on oil, especially from the Middle East, is not about to go away anywhere in the near future. Uninterrupted flow of these commodities from various countries is critical for continued growth of the Chinese economy. Many of these countries are underdeveloped and have unstable regimes and in many cases, unpopular ones. China's policy of non-interference in a country's domestic affairs suits the leadership of many such countries. Consequently many of these countries, especially in Africa, look to China for investment which is otherwise difficult to obtain from more discerning countries in the West. China's strategic ambition of becoming a global power fits well into this scenario. It has become the provider of not only investment but also arms and is now being looked upon as a provider of security. It has therefore made suitable changes to internal policies permitting deployment of troops abroad as witnessed in South Sudan. China is also seized of the necessity of protection of the commodity flow from this region in the light of the threats that it perceives. It has therefore embarked on a time bound plan for developing this capability in the IOR with the perspective plans of the Chinese Navy dovetailed towards becoming a global navy by 2050. Supporting the operations of such a navy in distant oceans is critical for furthering the strategic aim of becoming a global power.

The Pearls. The military facility at Djibouti provides China with a base from where it can establish an effective maritime presence in the western IOR, especially in the Arabian Sea and the Persian Gulf. This will bring a quantum change to its operations in the Gulf of Aden against piracy and also provide it with a greatly enhanced capability to provide protection to its citizens and

⁵²Ministry of Commerce of the People's Republic of China, National Bureau of Statistics of the People's Republic of China, State Administration of Foreign Exchange. (2014). 2013 Statistical Bulletin of China's Outward Foreign Direct Investment.

assets in this part of the world, which is currently beset with increasingly complex political problems and internal strife. The facility at Djibouti also allows the Chinese navy to undertake further operations along the East African coast whenever the requirement arises. It also enables the Chinese armed forces to conduct joint exercises and training with various African and Middle East countries with whom China has agreements. African countries, especially, can look to support from Chinese forces though there has been no change in Chinese policy in this regard. However, changes in such policy are not impossible especially where Chinese interests are concerned. The utility of ports being developed by Chinese firms in East Africa and the Middle East, to the Chinese navy, cannot be understated since the Djibouti base will not be able to sustain operations further afield in the Southern Indian Ocean. China enjoys a high degree of political support in most of the nations where its firms are involved in port infrastructure and hence they are likely to acquiesce to the usage of these ports and facilities by the Chinese navy. Chinese diplomacy has also been rather aggressive in forging relationships with a host of countries in the region. The recent visit of the Chinese President to the Middle East and Egypt and his interaction with African leaders in the recent past is part of this strategy to further China's ambitions.

Conclusion

The 21st century Maritime Silk Road may not be the 'Trojan Horse' for a military strategy that it is made out to be but definitely has a military component to support its economic aims. The MSR itself is a component of a larger Chinese strategy to achieve great power status as asserted by many Chinese analysts and also subtly in some of its state policies. The role of the military in such a grand strategy cannot be ignored. It may not be the dictating factor but is necessary for achievement of these objectives as Chinese analysts like Liang Fang have highlighted. While Chinese presence in the IOR cannot be avoided, the strategic advantages that will accrue to China on account of acquisition of bases can be offset by following a counter strategy for reducing Chinese influence in the region and by containing the spread. This will require a synergy of effort between the various facets of state policy including foreign, defence and economic. Collaboration with other players in the region as also outside will further mitigate the rise of China in the Indian Ocean Region. The 'String' can be loosened with some effort to gather the 'pearls'.

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