

# Beijing's Maritime Rivalry with the United States and Japan: The Search for Institutionalized Mechanisms of Competition

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*The PRC has become active in seeking maritime power over the past two decades. Its naval strategy has changed from one of coastal defense to that of near-sea defense in the 1980s and finally to engaging in "blue-water defense" and oceanic enterprises in the 1990s. This maritime aggressiveness constitutes a threat to the United States and Japan, both major Pacific maritime powers. The lack of institutionalized mechanisms of competition for maritime power among the three leaves open the possibility of a zero-sum game. Since the near naval conflict of the Taiwan Strait's crisis of 1996, the Clinton administration has been determined to reintroduce such mechanisms through full-scale engagement with the PRC. The recent Clinton-Jiang Zemin summit and resulting "constructive strategic partnership" are steps toward building such a framework. Unlike the United States, however, the PRC's purpose is to change the status quo rather than maintain it. As a consequence of the difference between the PRC's strategic interests, objectives, and ideology from those of the United States and Japan, consensus building in maritime competition and the establishment of institutionalized mechanisms may only be realized in the distant future.*

**Keywords:** maritime power; naval strategy; near-sea strategy; maritime economy; institutionalized mechanisms of competition

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The focus of conflict in the Asia-Pacific region began to shift from the continent to the ocean areas following the collapse of the former Soviet Union in 1991. In the "Law on Territorial Waters and Their Contiguous Areas" promulgated in February 1992, Beijing included into its territory not only Taiwan and the Pratas Islands, but also such disputable areas as the Paracel, Spratly, and Diaoyutai (Senkaku) islands.<sup>1</sup> The law is obviously designed as a legal basis for the PLA to counter foreign aggression in said areas. In his report to the CCP's Fourteenth National Congress held in October the same year, Jiang Zemin emphatically pointed out that the PLA should perform the mission of "defending China's interests, its sovereignty over its territory, territorial waters and air space, its maritime rights and of safeguarding the unity and security of the motherland."<sup>2</sup>

At the same time, Beijing has strengthened its military modernization efforts, focusing on the navy and air force. It purchased twenty-four Su-27 jet-fighters from Russia in 1992 and tried to purchase an aircraft carrier from the Ukraine.<sup>3</sup> The call by Liu Huaqing, the first vice-chairman of the CCP Central Military Commission, for "greater attention on the enhancement of sea power and the building of naval forces" since the 1980s has been widely accepted by the Chinese Communist leaders.

Beijing's attempt to expand its maritime power can also be viewed from the remarkable increase in its ocean-related activities, including PLA maritime maneuvers, since 1990.<sup>4</sup> The most notable were the large-scale joint military exercises conducted in waters near the Taiwan island in the period from the latter half of 1995 to March 1996. Those exercises have

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<sup>1</sup>Mainland China's "Law on Territorial Waters and Their Contiguous Areas," *Zhonggong yanjiu* (Studies on Chinese Communism) (Taipei) 30, no. 5 (May 1996): 94-99.

<sup>2</sup>Jiang Zemin, "Accelerating the Reform, the Opening to the Outside World and the Drive for Modernization, so as to Achieve Greater Success in Building Socialism with Chinese Characteristics," *Beijing Review* 35, no. 43 (October 26-November 1, 1992): 25.

<sup>3</sup>"Beijing in Bid to Seal First Ukraine Aircraft Carrier Deal," *South China Morning Post* (Hong Kong), June 13, 1992, 8.

<sup>4</sup>See Lin Tsung-ta, "A Study of the Chinese Communists' Military Exercises (1990-96)" (M.A. dissertation, Graduate Institute of Political Science, National Sun Yat-sen University, June 1997), 83-114.

generally been construed as an effort to suppress the increasing Taiwan independence tendency.

Beijing's increased attention to sea power will inevitably affect the balance of power in the Asia-Pacific region. For more than forty years the United States has dominated the order in this region. Keeping alliance with island countries in this area, Washington has been able to check the expansion of the "continental powers" of the former Soviet Union and mainland China.<sup>5</sup> After the collapse of the former Soviet Union, many in the United States began to doubt the necessity of a forward naval strategy.<sup>6</sup> After U.S. troops were forced to withdraw from Subic Bay in 1992,<sup>7</sup> the United States began to rely mainly on the U.S.-Japan Mutual Security Treaty to maintain order in the region.

Due to its rapid economic growth, Japan's maritime power already ranks first in the Asia-Pacific region despite the fact that Japan's Constitution limits military expenditures to a level below one percent of its total government budget. Patronized by the U.S. nuclear umbrella, Japan has been able to obtain rapid economic growth and to safeguard its maritime interests over the past decades.

The United States has also greatly benefitted from Japan's support, and thus been able to maintain its dominant power in the Asia-Pacific region. In the post-Cold War period, the U.S.-Japan Security Treaty has played a leading role in countering challenges from all sides and in maintaining stability in the Asia-Pacific region. As a result, Beijing's recent moves to expand its maritime power should be considered by the United States and Japan as a challenge to their sea power and the regional power balance.

This paper will focus on three themes: (1) the background history regarding Beijing's efforts to expand its maritime power and the possible

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<sup>5</sup>Worth H. Bagley, "Sea Power and Western Security: The Next Decade," in *Seapower and Influence: Old Issues and New Challenge*, ed. Jonathan Alford (London: International Institute for Strategic Studies, 1980), 110-11, 120-30.

<sup>6</sup>*Zhanlue lunwen xuanji* (Selected translations of papers on strategy), vol. 3 (Taipei: Editorial and Translation Bureau on Historical and Political Affairs, National Defense Ministry, April 1996), 17-32.

<sup>7</sup>Peter Rimmer, "U.S. Western Pacific Geostrategy: Subic Bay Before and After Withdrawal," *Marine Policy* 21, no. 4 (July 1997): 336.

strategic options China may have in this regard; (2) the ramifications of Beijing's expansion of sea power from the points of view of the United States and Japan, the possible development of competition and/or conflict between Beijing and these two countries on the open seas; and (3) the implications of the agreement concluded by Bill Clinton and Jiang Zemin in October 1997 for Beijing and Washington to build up a "constructive strategic partnership" and to strengthen the "negotiation mechanism aimed at enhancing maritime military security," especially with regard to the competition between the two sides for maritime power.

### **Beijing's Expansion of Sea Power: Background, Strategy, and Goals**

For the sake of national defense and foreign trade, mainland China (which has a coastline of 18,000 nautical miles) already enjoyed a massive naval force and enormous merchant fleet prior to the 1980s.<sup>8</sup> Historically speaking, Beijing demonstrated its attention to sea power when it declared the extension of its territorial waters from three to twelve nautical miles during the 1958 Taiwan Strait crisis.<sup>9</sup> Beijing began to attach even greater attention to its maritime interest after the discovery of petroleum resources in the East China Sea, the Yellow Sea, and the South China Sea in the 1970s.<sup>10</sup> In 1974, for example, Beijing sent more than ten vessels under the cover of MiG-19s to drive the Vietnamese troops away from the Yongle Island of the Paracel Islands.<sup>11</sup>

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<sup>8</sup>Mainland China's merchant fleet rose at a ratio of 17 percent in the period from 1961 to 1981, and a ratio of 25 percent from 1974 to 1981. In 1978, the size of mainland China's merchant fleet already surpassed that of the United States, ranking tenth in the world. See David G. Muller, *China as a Maritime Power* (Boulder, Colo.: Westview Press, 1983), 182-83.

<sup>9</sup>*Ibid.*, 82.

<sup>10</sup>*Ibid.*, 199-200.

<sup>11</sup>Ai Hongren, *Zhonggong haijun toushi: Maixiang yuanyang de tiaozhan* (The perspective of the Chinese Communist navy: Challenges on moving to the blue waters) (Hong Kong: Guan gijiaojing chubanshe, October 1988), 35-38.

Beijing has taken even more active efforts since the 1980s to boost its sea power. This is due firstly to the advocacy of sea power by navy generals, with Liu Huaqing being the most noteworthy.<sup>12</sup>

Second, and more importantly, is the need of economic development. In order to acquire Western capital and technology to promote its own economic development, mainland China first established four special economic zones (Shantou, Zhuhai, Xiamen, and Shenzhen) in 1980. In 1984, fourteen coastal cities were opened to the outside world. By the 1990s, almost all coastal areas had been opened. This coastal area development strategy can be viewed as a kind of maritime economy.

Under such an economic developmental model, the coastal provinces have experienced rapid economic growth, mainland China's foreign trade has increased remarkably, and the country has begun to feel the increasing need for fishery and petroleum resources. In 1997, mainland China had an ocean-going merchant fleet totalling 23 million tons. The number of shipping companies engaging in foreign trade reached 310.<sup>13</sup> Hedley Bull has pointed out that a country's sea power includes strong economic elements.<sup>14</sup> Alfred Thayer Mahan, the father of the U.S. Navy, also pointed out that marine power includes both the naval force and commercial shipping capacity.<sup>15</sup> To boost economic development under the current reform and opening-up policy, Beijing doubtlessly will have to maintain greater control over the sea and make the best use of the waters in its possession. Additionally, as mainland China's rapid economic growth in the 1990s has increased the security vulnerability of its coastal areas, the Chinese Communists will have to augment their marine power in order to safeguard mainland China's ports and shipping lines.

Another reason for Beijing to expand its sea power is due to national defense and strategic considerations. In its evaluation of the world situa-

<sup>12</sup>Ibid., 1-25, 81-96.

<sup>13</sup>"Mainland China Has Again Been Classified as Being among Group A Countries in Terms of Maritime Affairs," *Zhonggong guangbo jiyao* (Summary of Mainland China's Broadcast) (Taipei), November 22, 1997, 7.

<sup>14</sup>Hedley Bull, "Seapower and Influence," in Alford, *Seapower and Influence*, 5.

<sup>15</sup>Alfred T. Mahan, *The Influence of Seapower upon History, 1660-1783* (1890) (London: Methuen, 1965), chap. 1.

tion in 1985, Beijing judged that major global tension had been alleviated and a world war was unlikely in the short run, although small and medium-sized military conflicts would likely be more frequent. Beijing thus shifted from its previous strategy of "waging the war at an early date, waging a large-scale war, and waging a nuclear war" to one of "peacetime army building."<sup>16</sup> Deng Xiaoping also announced the reduction of PLA troops by one million men. At the same time, however, Beijing also began to feel a greater threat from the sea. This is because the former Soviet Union began to strengthen its sea power after having assumed dominance over Cam Ran Bay in 1978<sup>17</sup> and because the Southeast Asian countries were frequently challenging Beijing for the sovereignty over islands in the South China Sea. In March 1988, for example, mainland China and Vietnam engaged in armed conflict over one of the reefs in the Spratly Islands.

Although the collapse of the former Soviet Union in 1991 relieved mainland China of the military threat from the north,<sup>18</sup> and although the multilateral system has dominated global politics, Beijing has felt an increasing threat from the sea. One such area of tension includes disputes with the United States over issues concerning the bilateral trade imbalance and mainland China's human rights performance and arms proliferation. Beijing fears that Washington may try to contain it, especially via economic sanctions. In fact, there have been increasing calls among U.S. congressmen for economic sanctions against Beijing.

The second reason lies in Beijing's fear of a revival of Japanese militarism, especially as Japan's political power continues to rise to meet its enormous economic strength. The passage of the peacekeeping operations (PKO) bill by the Japanese Diet in 1991 has been considered by Beijing as a sign of a revival of such military adventurism.

The third source of threat from the sea is Taiwan. The Republic of China on Taiwan began to promote its pragmatic diplomacy in 1993 and

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<sup>16</sup>John Wilson Lewis and Xue Litai, *China's Strategic Seapower: The Politics of Force Modernization in the Nuclear Age* (Stanford, Calif.: Stanford University Press, 1994), 225.

<sup>17</sup>Muller, *China as a Maritime Power*, 172-73.

<sup>18</sup>Ronald N. Montaperto, "Whither China? Beijing Policies for the 1990s," *Strategic Review* 20, no. 3 (Summer 1992): 30.

has been looking for the opportunity to rejoin the United Nations. The increasing calls on Taiwan for independence have made Beijing feel even more pressed to reunify China.

After Beijing changed its national defense strategy in 1985, the PLA's naval strategy was transformed from one of coastal defense to that of near-sea defense. The former is characterized by enticing enemies to the coastline and annihilating them when they are attempting to establish a beachhead; the latter calls for preemptive efforts to annihilate invaders at sea.<sup>19</sup> According to Beijing's military leaders, the term "near-sea" refers to the wide expanse of water covered by the first chain of islands, i.e., from the Bering Strait, to Japan, Okinawa, Taiwan, and the Philippines.<sup>20</sup> Both the East and South China seas are included in this vast area. Eager to have increasing dominance over the sea, the Chinese Communists intend to include into their territory not just territorial land, waters, and airspace as defined by traditional law but also whatever strategic territory that its military power can reach.<sup>21</sup>

Beijing advocates the near-sea defense strategy for a number of purposes. Politically, it aims at attaching its sovereignty to the near-sea islands, including Taiwan and the Spratly Islands. Economically, it desires to protect its maritime economy. Diplomatically, such a strategy helps to publicize Beijing's strength and expand its political influence. Militarily, Beijing desires to enlarge its area of naval defense, enabling PLA fleets to engage in mobile operations in a wider range of area and thus more effectively preventing any enemy policy of containment from the sea.<sup>22</sup>

To put into practice its near-sea strategy, the PLA has taken efforts to strengthen navy building since 1985. In addition to continued person-

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<sup>19</sup>Jun Zhan, "China Goes to the Blue Waters: The Navy, Seapower Mentality and the South China Sea," *The Journal of Strategic Studies* 17, no. 3 (September 1994): 181.

<sup>20</sup>*Ibid.*, 190. See also Chen Yung-kang and Chai Wen-chung, "A Study of the Development of the PLA Navy's Strategy," *Zhongguo dalu yanjiu* (Mainland China Studies) (Taipei) 40, no. 9 (September 1997): 9.

<sup>21</sup>Chen and Chai, "A Study of the Development of the PLA Navy's Strategy," 16.

<sup>22</sup>Hwang Byong-moo, "Changing Military Doctrines of the PRC: The Interaction Between the People's War and Technology," *The Journal of East Asian Affairs* 11, no. 1 (Winter/Spring 1997): 239; Liao Wen-chung, "The Chinese Communists Leap Forward to the Blue-Water Navy Strategy," *Zhongguo yanjiu* 28, no. 12 (December 1994): 52.

nel training and military exercises, more efforts have been made to modernize warships. These newly renovated vessels (including the Luda-class guided-missile destroyers, the Jiangwei-class guided-missile convoy ships, the Luhu-class guided-missile destroyers, and the Kilo-class submarines) have all been equipped with electronic communication devices or have air defense and antisubmarine capabilities.<sup>23</sup> The Chinese Communists have also decided to build several light aircraft carriers (20,000 to 30,000 tons), and a mobile fighting force centered around an aircraft carrier group.<sup>24</sup>

The goal of Beijing's efforts to strengthen its naval force is to create a deterrent effect and to make preparations for local sea wars. The Chinese Communist leaders believe that only with a strong deterrent force can Beijing settle disputes with other countries through political and diplomatic approaches.<sup>25</sup> With a strong enough naval force, Beijing would also have the capacity to engage in local wars if enemies cannot be deterred. Obviously, the Taiwan Strait and the South China Sea are high-priority areas for the PLA.

From the above, we can see that Beijing's near-sea defense strategy is actually an offensive strategy aimed at obtaining the mastery of the sea, despite the PLA leaders' insistence that the military is following an active defensive strategy.<sup>26</sup> The PLA navy is, in fact, marching toward a blue-water defense strategy. For instance, at the end of the 1980s, Zhang Xusan, Beijing's former deputy navy commander, proposed to expand mainland China's naval defense area to 600 nautical miles and to build a deep-sea navy.<sup>27</sup> Beijing's procurement of Su-27 fighters from Russia (planes which

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<sup>23</sup>Zhu Yuchao and Yuan Jingdong, "China's Defense Strategy and Security in the Asia-Pacific Region," *Dangdai Zhongguo yanjiu* (Journal of Contemporary China) 1996, no. 2:130; Liao, "The Chinese Communists Leap Forward to the Blue-Water Navy Strategy," 56-57.

<sup>24</sup>Zhan, "China Goes to the Blue Waters," 191; Liao, "The Chinese Communists Leap Forward to the Blue-Water Navy Strategy," 56.

<sup>25</sup>Mi Zhenyu and Chen Weimin, "Interest, Environment, and Goals," in *Guofang fazhan zhanlue sikao* (Some thoughts on the strategy for the development of national defense), ed. Yang Dezhi and Huan Xiang (Beijing: Jiefangjun chubanshe, 1987), 23.

<sup>26</sup>Liao, "The Chinese Communists Leap Forward to the Blue-Water Navy Strategy," 53.

<sup>27</sup>Si Liang, "China's Navy Goes to the Blue Waters," *Ta Kung Pao* (Hong Kong), March 21, 1987, A4. There are reports that the PLA has given the modernization of its navy first priority, seeking to have a top-notch fleet by the year 2050. See *Zhongguo shibao* (China Times) (Taipei), February 16, 1997, 2.



have remarkable offensive capacity and a fighting radius of 1,500 kilometers) and Beijing's efforts to construct its own aircraft carriers are indications that the PLA's modernization plan is aimed at enhancing both defensive and offensive capabilities. This despite that during his visit to the United States at the end of 1996, Beijing's Defense Minister Chi Haotian stated that mainland China's defense modernization effort is for defensive and economic construction purposes only. He added that even if mainland China becomes a strong power, it will not seek military expansion.<sup>28</sup> Beijing's military build-up doubtlessly will create tension in its interactions with other powers.<sup>29</sup>

### **Competition Between Beijing and Washington over Maritime Power: Circumstances of Mutual Threat and Conflict**

Because of their ideological divergence, Beijing and Washington lack mutual trust and see the other as a constant threat. Washington believes that mainland China, as a totalitarian communist country, is aggressive in nature and desires to expand its influence.<sup>30</sup> Mainland China has, in fact, used force against its neighboring countries, engaging in local wars ever since 1949. The fact that mainland China has witnessed a two-digit economic growth rate in the post-Cold War era has also frightened the United States; Washington fears that this will result in a continued increase in Beijing's military budget and the speeding up of its military modernization campaign. With increased military strength, Beijing is certain to expand its influence in the Asia-Pacific region and consequently break the existing power balance in the Asia-Pacific.<sup>31</sup>

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<sup>28</sup>Chi Haotian on China's Defense Policy," *Guofang* (National Defense) (Beijing), 1997, no. 1:4.

<sup>29</sup>Roxane D. V. Sismanidis, "Chinese Security as Asia Evolves: Constraints and Ambiguities," *Journal of Northeast Asian Studies* 15, no. 2 (Summer 1996): 64.

<sup>30</sup>Denny Roy, "The China Threat Issues," *Asian Survey* 36, no. 8 (August 1996): 759-61.

<sup>31</sup>Denny Roy, "Hegemon on the Horizon: China's Threat to East Asian Security," *International Security* 19, no. 1 (Summer 1994): 156-60.

Beijing and Washington have contradictory objectives in their maritime strategies. In Beijing's near-sea defense strategy, the first chain of islands include the Spratly Islands and Taiwan—both areas with disputed sovereignty. Beijing has reiterated that it wishes to both settle the Taiwan issue by peaceful means and resolve the disputes in the South China Sea based on the 1992 principle of "setting aside the sovereignty issue and jointly developing" islands in Southeast Asia.<sup>32</sup> However, the mainland government has still never promised to renounce the use of force. On the contrary, it has frequently threatened these regions militarily. This is clearly counter to Washington's interest in this area—about 40 percent of U.S. foreign trade is conducted with Asia-Pacific countries.<sup>33</sup> To maintain peace and stability in the Taiwan Strait and the South China Sea and protect U.S. vessels passing through these areas, Washington has time and again asked the countries concerned, including mainland China, to peacefully settle disputes through dialogue,<sup>34</sup> rather than the use of force.<sup>35</sup>

Contradiction between Beijing and Washington is more acute over the Taiwan issue. Despite the assertion in the 1972 Shanghai Communiqué that the United States acknowledged that Taiwan is a part of China, Washington prefers to maintain the status quo in the Taiwan Strait. This is because Taiwan has its strategic importance—the island borders the Pacific Ocean in the west, the East China Sea in the north, and the South China Sea in the south. If Beijing annexed Taiwan, it will be able to use Taiwan as a stronghold to expand its strength from the first chain of islands to the second<sup>36</sup> and become a sea power in the Pacific region, seriously challeng-

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<sup>32</sup>*Lianhe bao* (United Daily News) (Taipei), July 3, 1992, 1.

<sup>33</sup>Winston Lord, "U.S. Must Allocate Resources to Back Security Policies in Asia" (House International Relations Committee Testimony), *Text File* (AIT, Taipei), August 10, 1995, 2.

<sup>34</sup>*Ibid.*, 5; Philip Bowring, "In Asia, U.S. Must Stress Commitment to Freedom of the Seas," *International Herald Tribune*, April 20, 1996.

<sup>35</sup>"U.S. Opposes Use of Force in Asia Waters," *International Herald Tribune*, May 30, 1997, 4.

<sup>36</sup>The second chain of islands covers the areas from the Bering Strait to the Okasawara Islands, Mariana Islands, and Guam to the Palau Islands along the center line of the Pacific Ocean. See Liao, "The Chinese Communists Leap Forward to the Blue-Water Navy Strategy," 49; Chen and Chai, "A Study of the Development of the PLA Navy's Strategy," 15.

ing Washington's dominant position in the region.<sup>37</sup> What the United States has in mind at present is to maintain peace and stability in the Taiwan Strait so that its vessels can pass through the area unhindered. Based on the "Taiwan Relations Act" which has the effect of domestic law, Washington provides defensive weapons to Taiwan in order to maintain a relative military balance between the two sides of the Taiwan Strait. Under such circumstances, contradictions between Beijing and Washington are inevitable.

Because of the potential threat from Beijing, the Clinton administration in 1995 decided to discontinue its East Asian troop-reduction plan formulated in 1990.<sup>38</sup> Washington will maintain 100,000 troops in the Asia-Pacific region for the foreseeable future, even in the face of any wide-scale budget cuts.<sup>39</sup> As the number of troops to be stationed in East Asia is about the same as that in Europe, it is clear that Washington heavily emphasizes a power balance in the Asia-Pacific region.<sup>40</sup> The United States wants to prevent any hegemonic or hostile power from rising up in the power vacuum left by the demise of the former Soviet Union.

In addition to its continued stationing of troops in East Asia, Washington has also attached increased importance to the security agreements concluded with Japan, Australia, South Korea, the Philippines, and Thailand. Through alliances with these maritime countries, the United States hopes to be able to maintain advance bases in the Asia-Pacific region and to strengthen its sea power.<sup>41</sup> Although the U.S. air force base in Subic Bay was closed in 1992, U.S. forces are trying to open new bases in Thailand,

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<sup>37</sup>Liu Jingsong, "Historical Changes and the Prospect of a Sino-American Military Relationship," *Ta Kung Pao*, December 30, 1997, B8.

<sup>38</sup>Based on former U.S. President George Bush's plan to undertake a phased reduction of U.S. troops stationed in East Asia. The number of troops reduced in the first stage (1990-92) was 15,000 (4,700 from Japan, 7,000 from South Korea, and 3,500 from the Philippines). The number for the second stage (1992-95) was originally planned at 7,200. However, as a result of the nuclear crisis caused by North Korea, the second stage cuts were delayed. See Wu Xinbo, "Questions and Prospects Regarding U.S. Troops in East Asia," *Wen Wei Po* (Hong Kong), March 5, 1997, 4.

<sup>39</sup>Lord, "U.S. Must Allocate Resources," 1.

<sup>40</sup>Wang Wenfeng, "The New Balance of Power in the Asia-Pacific Region: Can the United States Effect the Balance?" *Guoji guanxi xueyuan xuebao* (Journal of the Institute of International Relations) (Beijing), 1997, no. 2:8.

<sup>41</sup>Lord, "U.S. Must Allocate Resources," 5.

Malaysia, Indonesia, and Vietnam.<sup>42</sup> Doubtlessly, the United States continues to strive for maritime supremacy in the Asia-Pacific region in the post-Cold War era in order to cope with the threat from mainland China and North Korea and to maintain its own interest and influence in that region.

Tension between Beijing and Washington has frequently been felt in recent years. Some idealists in the U.S. Congress propose severe economic sanctions against Beijing, and some even pledge to try to contain China. Beijing has taken umbrage at this strong anti-Chinese Communist sentiment. Fearing any collective action against China that may be taken by the United States, Japan, Taiwan, and Southeast Asian nations,<sup>43</sup> Beijing severely criticized both the United States' stationing of troops in the Asia-Pacific region as well as the appearance of U.S. fleets in the area—what China labels a clear demonstration of hegemonism intended to sabotage the peace and stability of the region.<sup>44</sup>

The sense of mutual threat between Beijing and Washington in the course of maritime power competition could be a cause for future conflict between the two sides. News reports held that when the U.S. aircraft carrier *Kitty Eagle* and a mainland Chinese nuclear submarine met in areas near the Yellow Sea on October 27, 1994, the two sides respectively sent their fighters to conduct reconnaissance activities against the other and for three days neither side refused to back down.<sup>45</sup> Although the Pentagon denied such reports, the appearance of U.S. naval vessels in waters near mainland China's 200 nautical-mile economic zone is enough to be considered by Beijing as provocative action. Mutual trust and suspicion could easily turn a chance encounter into a military conflict.

Similarly, Beijing and Washington could also have conflict in areas in the South China Sea because of military and economic reasons. Conflicts between the two sides could occur, for example, if Beijing imposed an em-

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<sup>42</sup>Wu, "Questions and Prospects Regarding U.S. Troops in East Asia," 4.

<sup>43</sup>Chang Ya-chun, "Beijing's Strategies and Actions Toward Washington: Containment and Counter-Containment," *Issues & Studies* 33, no. 9 (September 1997): 46-63.

<sup>44</sup>Michael Richardson, "China Tries to Be King of the Hill," *International Herald Tribune*, April 10, 1997, 4.

<sup>45</sup>Jim Mann and Art Pine, "U.S. Carrier and Chinese Submarine Raise Tensions," *ibid.*, December 15, 1994, 1.

bargo on, intercepted, or conducted reconnaissance missions against U.S. vessels, or if it sets up a stronghold on certain islands in preparation for military advances.

The March 1996 Taiwan Strait crisis is a good example of how mutual distrust and threats between the two sides can result in conflict. Maintaining that the U.S. approval of President Lee Teng-hui's visit to his alma mater Cornell University in May 1995 was an interference in China's domestic affairs, Beijing both launched guided missiles into waters near the island of Taiwan in March 1996 and conducted large-scale military exercises in the Taiwan Strait. Fearing that the military actions may disrupt the ROC's presidential election, the United States sent the *Independence* and the *Nimitz* to areas near the Taiwan Strait on March 10 to maintain order. Beijing severely warned the U.S. war vessels not to enter the Taiwan Strait.<sup>46</sup> Although the two sides did not directly clash at that time, the Taiwan issue will remain a serious cause of conflict between the United States and China in the course of competition over maritime power. In their book entitled *The Coming Conflict with China*, Richard Bernstein and Ross H. Munro made a clear description of the possible conflict that the two sides may have as a result of the Taiwan issue.<sup>47</sup>

**Competition Between Beijing and Tokyo over Maritime Power:  
Contention for Hegemonic Power and Potential Conflict  
in the Asia-Pacific Region**

Due to geographical and historical reasons, mainland China has long had conflict with Japan—a country which is now the United States' number one ally. To cope with the threat from the former Soviet Union, however, Beijing and Tokyo established diplomatic relations and engaged in economic cooperation beginning in the 1970s. After the collapse of the former

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<sup>46</sup>"China Warns U.S. Navy to Avoid Strait," *China News* (Taipei), March 18, 1996.

<sup>47</sup>Lin Xiujian, "Ferment a Hostile Situation, Support Japan's Arms Expansion," *Ming Pao* (Hong Kong), March 27, 1997, A20.

Soviet Union, competition between the two sides began to rise again, especially in the field of maritime power. Both sides are seeking to assume hegemonic power in the Asia-Pacific region.

Japan is a long and narrow island country surrounded by ocean and, because it is short on natural resources, relies heavily on foreign trade and its maritime economy.<sup>48</sup> Seventy-five percent of Japan's foreign trade passes through the Taiwan Strait, 85 percent of its crude oil and twenty out of forty of its imported strategic materials must go through the South China Sea.<sup>49</sup> Japan thus clearly has major strategic interests in both the above-mentioned areas. Since Beijing has pledged its sovereignty over Taiwan and the South China Sea, Japanese vessels would be under great threat if Beijing used force against Taiwan or set up bases in the South China Sea islands for military advances.<sup>50</sup> Beijing's search for maritime power obviously will threaten Japan's interests.

Beijing also has sovereignty disputes with Japan over both the Diaoyutai Islands and the boundary delimitation in the East China Sea. Beijing put forth the principle of "natural extension" and maintained that the central line of the Okinawa seabed should be used as the boundary line of the continental shelf, while Japan insisted on using the ocean center as the delimitation line.<sup>51</sup> In its 1997 National Defense White Paper, Japan argued that mainland Chinese vessels frequently passed the central line between Japan and mainland China in the East China Sea in order to conduct maritime scientific investigations in waters near Diaoyutai.<sup>52</sup>

Since the latter half of the 1980s, Beijing and Tokyo have adopted similar strategies in pursuing maritime power, resulting in conflict between the two Asian powers. Like mainland China, Japan began to readjust its defensive strategy from "defensive defense" to "offensive defense"; from

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<sup>48</sup>Ma Yu'an, "The Reasons and Intention of Japan's Recent Readjustment of Its Policy Toward Taiwan," *Guoji guanxi xueyuan xuebao*, 1997, no. 3:19.

<sup>49</sup>Liu Chi-chung, *Haiyang yu guofang* (The sea and national defense) (Taipei: Zhongyang wenwu gongyingshe, 1993), 73-75.

<sup>50</sup>Roy, "Hegemon on the Horizon," 163-64.

<sup>51</sup>Li Daguang and You Xiaodong, "Security in Northeast Asia and Its Possible Development," *Guofang*, 1997, no. 6:21.

<sup>52</sup>*Lianhe bao*, July 16, 1997, 9.

**Table 1**  
**A Comparison of Military Budget Between Mainland China and Japan**

Year	Japan	Mainland China
1992	US\$43 billion (+43%)	US\$4.9 billion (+12%)
1993	US\$42.47 billion (-1.2%)	US\$5.516 billion (+12.5%)
1994	US\$43.37 billion (+1.95%)	US\$6.635 billion (+20%)
1995	US\$44.5 billion (+2.6%)	US\$7.602 billion (+14.56%)
1996	US\$49.1 billion (+2.9%)	US\$8.461 billion (+11%)

Source: *Ming Pao* (Hong Kong), December 28, 1997, A12.

"individual defense" to "collective defense"; and from "domestic defense" to "annihilating enemies on the sea." The two sides also chose to adopt the strategy of "blue-water defense" in the 1990s.<sup>53</sup>

Japan's naval strength far exceeds that of mainland China's, presently ranking fourth in the world—far ahead of mainland China.<sup>54</sup> Although yet to develop nuclear-powered submarines or aircraft carriers, Japan's guided-missile destroyers are equipped with the most advanced Aegis guided-missile system.<sup>55</sup> After the Cold War, mainland China and Japan's military budget have both increased (see table 1). While China's increases are greater percentage-wise, Japan's formidable economic strength has allowed it to add expensive high-tech defensive systems to its already strong defenses.

Based on its 1996-2000 defense force development plan, the focus of Japan's navy building will be the development of blue-water warfare equipment to enable the Japanese navy to be the world's leader in terms of total tonnage of regular submarines, average tonnage of individual vessels, vessel sophistication, and total naval combat ability.<sup>56</sup> With its advanced shipbuilding technology and military industry, Japan is expected to develop

<sup>53</sup>Kao Hui-yang, "Japan-U.S. Mutual Security and Taiwan's Security," *Ziyou shibao* (Liberty Times) (Taipei), September 21, 1997, 4.

<sup>54</sup>*Ming Pao*, December 28, 1997, A12.

<sup>55</sup>Kitsu Toru, "The Aegis System: A Revolution of the Fleet Air Defense," in *Xunyang jian-dui* (Cruisers), ed. Liu Jun-tsu (Taipei: Niudun chubanshe, 1986), 140-52.

<sup>56</sup>Tao Wenming and Chen Senbao, "Japan Develops Blue-Water Navy," *Xiandai junshi* (Modern Military) (Beijing), 1997, no. 7:43-45.

new highly defensive and offensive weapon systems easily.

Because of the unbalanced military strength and old grudges, Beijing has been very sensitive to the activities of the Japanese government and army. Examples include Beijing's strong protests with Tokyo over (1) the latter's revision of its school textbook, (2) the homage paid to the Yasukuni Jinjia (Shrine) by its political leaders, and (3) the government's okaying of Japan's participation in UN's peace maintenance activities, which includes the go-ahead for sending troops abroad. All these actions by the Japanese have been interpreted by Beijing as signs of the revival of Japanese militarism.

At the same time, Beijing's military modernization efforts and its promotion of maritime power have also constituted a threat to Japan. In July 1996, the Japanese government once again decided to set "Ocean Day" as a national day, and the former Japanese Prime Minister Ryutaro Hashimoto asked his people "to be determined in protecting the sea."<sup>57</sup> His comments were obviously directed at mainland China, as Beijing's strategy of increased attachment to the importance of maritime power has threatened Japan's security and economic interests.<sup>58</sup> Although Beijing's military strength still lags far behind that of the Western world and Japan, and although most of its fleets are aged, its continued high-speed economic growth rate will help it to undertake sustained military modernization<sup>59</sup> and make breakthroughs in military building relatively quickly.

The March 1996 Taiwan Strait crisis has further intensified the mutual distrust between Beijing and Tokyo. In April the same year, leaders of the United States and Japan met in Tokyo and issued a Joint U.S.-Japan Declaration on Security in the twenty-first century. According to that Declaration, Tokyo and Washington are to strengthen their defense alliance relationship and to revise their defense guidelines to include the whole Far East in the sphere of their defense. In the eyes of mainland China, such a move is an attempt not only to have Japan play a greater military role but

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<sup>57</sup>*Ming Pao*, July 21, 1997, A16.

<sup>58</sup>Roy, "Hegemon on the Horizon," 163-65.

<sup>59</sup>*Ibid.*, 164.





also to take mainland China and North Korea as unspoken enemies.<sup>60</sup> Beijing also believes that under the revised defense guidelines Taiwan is included as an area of possible intervention by Japan and the United States in the event of any instability.<sup>61</sup> Beijing has therefore lodged strong protest with Japan accusing Tokyo of wanting to intervene in China's domestic affairs via the joint defense alliance with the United States.<sup>62</sup> Japan has time and again denied such accusations.

Since mainland China is inferior to Japan in terms of its capability in realizing military modernization, Beijing fears both that Japan may obstruct it from developing maritime power and that Tokyo may intervene in any Chinese military movements to enforce its sovereignty claim over Taiwan and the South China Sea. Beijing has similar fears that the United States may support Japan in such undertakings.

### **The Significance of the Clinton-Jiang Summit: Searching for an Institutionalized Mechanism of Competition**

Although it is natural for Beijing, Washington, and Tokyo to have different objectives and interests when they compete for maritime power, the lack of institutionalized mechanisms of competition can make these divergences turn into serious conflicts. Institutionalized mechanisms of competition include various kinds of international laws, bilateral or multilateral treaties, institutionalized dialogues, and summit meetings. Of course, the norms or mechanisms of competition should be acceptable to all competing parties and each side should treat other actors based on the principle of equality.

The original institutional guidelines governing competition between Beijing and Washington were destroyed by the 1989 Tiananmen Incident. Moreover, the United States did not feel it necessary to rebuild these mech-

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<sup>60</sup>Ma, "The Reasons and Intention," 21-22.

<sup>61</sup>Ibid., 22.

<sup>62</sup>*Wen Wei Po*, August 23, 1997, A1.

anisms for many years due to the decline of mainland China's strategic importance after the Cold War. This lack of institutions allowed the competition between the two sides to become a zero-sum game of direct confrontation. Although there were encounters between Beijing and Washington in the 1950s, contact never reached the ocean as mainland China was then only an inland power. According to the traditional U.S. understanding, Beijing's defense strategy is aimed mainly at its neighboring countries and its fighting capability is limited to a second nuclear strike. Therefore, Beijing's intention of expanding its maritime power is considered by the United States as an attempt to challenge the interests of the Asia-Pacific countries and the United States. In other words, although mainland China has a very long coastline, Washington declines to accept its competition for sea power as Beijing's ideological doctrines are unacceptable to, and against the interest of, the West.

Nevertheless, to cope with the practical needs of international politics, Washington and Beijing have resumed mutual visits and dialogue between high-ranking generals. The Clinton administration has also adopted a policy of full engagement in relations with mainland China since 1994.

Since Beijing has still assumed a hard-line stance in matters concerning human rights and has been reported to have sold arms and nuclear technology to North Korea and Iraq, however, there is much opposition in the United States as to the reestablishment of institutionalized mechanisms of competition with Beijing. Moreover, the prevalence of the China threat theory has led many in the United States to look at Beijing's political, economic, and military actions, including its military budget and arms procurement, from a negative point of view. Thus, the atmosphere is not ripe for the two sides to build such institutionalized mechanism. To check Beijing's expansion of its maritime power, Washington has strengthened its alliance with countries in the region, especially with Japan, in order to maintain both U.S. hegemonic power and stability in the region.

Although not openly holding an antagonistic attitude toward Beijing, Tokyo does not consult with Beijing on security matters. The two sides have only taken efforts to enhance their economic relationship. To maintain its own maritime power, interests, and influence in the Asia-Pacific region, Japan continues to rely heavily on relations with the United States

rather than seeking to build a regional security organization like what has been done by members of the Association of Southeast Asian Nations (ASEAN). Japan obviously does not want Beijing to participate in the competition for maritime power in the region. Japan feels Beijing is the greater threat and therefore has no intention of setting up institutionalized mechanisms of competition with Beijing.

The March 1996 Taiwan Strait crisis came close to resulting in direct conflict between Beijing and Washington. The crisis was later solved after Liu Huaqiu, then director of the State Council's Office of Foreign Affairs, went to Washington for consultation.<sup>63</sup> Realizing the importance of an institutionalized mechanism of dialogue and competition with Beijing, the Clinton administration decided to improve relations with Beijing after the Taiwan Strait confrontation. Consequently, in July 1996, the White House's security advisor Anthony Lake visited Beijing, calling for the strengthening of strategic dialogue between the two sides.<sup>64</sup> Since that trip, contacts between Beijing and Washington have been developed at various levels.

The frequent mutual visits by military personnel are the most important part of Washington's effort to rebuild institutionalized mechanisms of contact.<sup>65</sup> These visits indicate that Washington intends to eliminate Beijing's suspicions by expanding contact with China. It also indicates that Washington is trying to build up a consensus with Beijing through military contacts and to set up guidelines for competition in order to reduce tension when conflicts of interest arise. By engaging the PLA directly, notes former U.S. Secretary of Defense William Perry, Washington can help promote more openness in mainland China's national security apparatus, military institutions, strategic intentions, procurement, budgeting, and operating procedures. This will not only help promote confidence among

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<sup>63</sup>Fu Chien-chung, "A Gathering of Heroes, the Elimination of a Momentous Crisis," *Zhong-guo shibao*, May 15, 1997, 3.

<sup>64</sup>Michael Dobbs, "Washington Focuses on Strengthening Ties to Beijing," *International Herald Tribune*, July 10, 1996, 1.

<sup>65</sup>David Shambaugh, "The United States and China: Cooperation or Confrontation?" *Current History* 96, no. 611 (September 1997): 242-43.

mainland China's neighbors, it will also lessen the chance of misunderstandings or unwanted incidents when the U.S. forces operate in the areas where the PLA forces are also deployed.<sup>66</sup>

Washington also considers mutual visits by state leaders a most effective way to better its relations with Beijing and rebuild mutual trust. When Jiang Zemin visited Washington for a summit meeting on October 27, 1997, he was accorded a grand reception. In their joint statement after the meeting, the two sides agreed to set up a relationship of "constructive strategic partnership." According to news reports, mainland China had intended to characterize its relations with Washington as a "constructive partnership facing the twenty-first century" while the United States preferred the term "strategic relationship."<sup>67</sup> The final decision of a "constructive strategic relationship" is a combination of the expectations of both sides.

Clinton and Jiang Zemin's meeting signifies the beginning of a new framework of interaction between Beijing and Washington, a move from confrontation to cooperation. Under the new framework, the two sides will seek to further understanding, build consensus, and work to create institutionalized mechanisms of competition.

In fact, the two sides have already reached a preliminary agreement on building a consultation mechanism for the strengthening of military security on the sea. Such an agreement will help prevent the naval and air forces of the two sides from misunderstanding or misjudging the other side.

The Clinton-Jiang summit meeting also indicates that the United States wants to seek a relatively balanced relationship with both mainland China and Japan. Although the "constructive strategic partnership" is not at a level equivalent to the alliance treaty similar to that between Washington and Tokyo, it can nevertheless be considered as an acceleration of relations between Beijing and Washington. With such an agreement, Washington has been able to correct the phenomenon of leaning over to Japan in the Beijing-Washington-Tokyo triangular relationship. This works

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<sup>66</sup>William Perry, "Relations Between the U.S., Japan, and China," *Text File*, February 16, 1997, 4.

<sup>67</sup>"China and the United States Work for a Constructive Partnership," *Wen Wei Po*, October 31, 1997, A2.

to eliminate Beijing's doubts and misgivings and consequently reduces possible conflict among the three sides in their pursuance of maritime power.

It should be said that the summit meeting between Beijing and Washington signifies the attempt by both sides to create an institutionalized mechanism of competition for maritime power. Based on the agreement reached at that summit meeting, Xiong Guangkai, the PLA's deputy chief of general staff, went to Washington in December 1997 to hold military consultations with Walter Slocombe, the U.S. deputy defense secretary. They later agreed to initial the Military Maritime Consultative Agreement (MMCA) proposed at the Clinton-Jiang Zemin summit meeting. Reported to be similar to the U.S.-Soviet agreement of 1972, the MMCA most likely has the following contents: means to distinguish the type of vessels detected by radar; a method to avoid the sea-lane already used by said vessels; and regulations not to direct guns at, nor allow airplanes to fly over, those vessels. Xiong and Slocombe also discussed questions concerning the settlement of refugees on the sea in the event of a disturbance in North Korea.<sup>68</sup> The MMCA was formally signed by U.S. Defense Secretary William Cohen and mainland China's Defense Minister Chi Haotian during Cohen's visit to Beijing in January 1998. This is the first military agreement signed between Beijing and Washington.

During his visit to Japan in the latter half of December 1997, Xiong Guangkai visited Yokosuka, the port where the Seventh Fleet's *Independence* is stationed. He also visited Japan's naval self-defense force. This was the first such visit by a ranking PLA officer.<sup>69</sup> Japan arranged this visit in order to remove Beijing's doubts about the U.S.-Japan Security Treaty.

In early February 1998, Beijing's Defense Minister Chi Haotian also visited Japan to explore the possibility of military exchanges, mutual visits by fleets, and joint military maneuvers with Japan. Tokyo is obvi-

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<sup>68</sup>Guo Chung-lun, "Military Exchanges Between the United States and Mainland China: For Cooperation and Also for Gathering Military Intelligence," *Zhongguo shibao*, December 30, 1997, 9.

<sup>69</sup>*Ibid.*

ously following Washington in trying to reach more consensus on security matters and to establish institutionalized mechanisms of competition with Beijing.

### Conclusion

Based on historical facts, Mahan concluded that a country's strength, prosperity, and dignity lie heavily on the rise or fall of its maritime power. Although his theory is still open to challenge, the development of the international situation in the post-Cold War era seems to prove that his judgment is correct.<sup>70</sup> In order to safeguard its national security and economic interests, especially after the implementation of the reform and opening-up policy in the 1980s, it is only natural that Beijing should place more emphasis on the building of its naval force so as to expand its maritime power. Moreover, Beijing has more eagerly sought to expand its maritime power in the 1990s as a result of the increase of its comprehensive national strength and the prevalence of nationalism in mainland China. This made Beijing's maritime strategy more aggressive than strict defensive needs would require, especially in areas like Taiwan and islands in the South China Sea.

History tells us that when a power or a potential power follows an expansionist policy or is suspected to have expansionist tendencies, other powers will try to check it, and this in turn would give rise to conflicts. Beijing's forward-going maritime strategy (brought on by rapid economic growth) has threatened the power balance built up by the United States and Japan in the Asia-Pacific region. Ideological divergences and different maritime goals make it inevitable for Beijing to come into conflict with Japan and the United States, especially in areas like the Taiwan Strait and the South China Sea. Robert Gilpin agrees, arguing that tension between Beijing and the two sea powers of Japan and the United States is basically

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<sup>70</sup>Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1987), 208-9.

characteristic of a hegemonic war.

In today's multipolar system, tension between mainland China and Japan is more apparent, and it is not impossible for the two to enter into military conflict if mainland China's economic strength continues to grow. Professor Watanabe Akio of Japan's Aoyama University argues that under the current multipolar system, predicting whether big countries will use force when crisis appears is difficult.<sup>71</sup> Beijing's probable reaction is therefore most difficult to predict. Those at the U.S. Pacific military headquarters are of the view that although Washington hopes to be able to maintain the status quo in the Asia-Pacific region, such a goal is most likely unachievable.<sup>72</sup>

The U.S. government has sought to build institutionalized mechanisms of competition with Beijing through increased exchanges and dialogue so as to maintain the current order in the Asia-Pacific region and to avoid conflicts. As compared with U.S. policy toward the former Soviet Union and other totalitarian regimes, this is a rather unique attempt. Although Beijing regards U.S. policy as a form of "soft containment," it has responded actively to U.S. initiatives because close relations with Washington will not only enable Beijing to obtain greater economic profits but will also help enhance China's international status.

Most importantly, institutionalized mechanism of contact with Washington will give Beijing a more advantageous position in seeking maritime power and in settling sovereignty issues concerning Taiwan and the South China Sea islands. At the least, China's close ties with the United States will have the effect of preventing Taiwan from declaring independence.

Of course, Beijing also hopes to strengthen relations with the United States so that China would not be in a totally inferior position in its competition with Japan. To Beijing, contact with Washington, especially in the form of military exchanges, will certainly not weaken its own strength, restrict its development, or even obstruct its effort to annex Taiwan. There-

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<sup>71</sup>Watanabe Akio, "The Uncertain China Factor, Uncertain Security in the Asia-Pacific Region," *Zhongguo shibao*, September 1, 1997, 10.

<sup>72</sup>*Ibid.*, February 2, 1997, 4.

fore, Beijing has reservations about Washington's proposal of military transparency.<sup>73</sup>

From the above, we can say that through its contact with Washington, Beijing is trying to change rather than maintain the status quo. As a consequence of the wide divergence between Beijing's strategic interests, objectives, and ideology from those of the United States and Japan, real consensus building in maritime competition and the establishment of institutionalized mechanisms may only be realized in the distant future.

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<sup>73</sup>At the 52nd UN Disarmament and International Security Committee on November 14, 1997, mainland China's disarmament ambassador Sha Zukang pointed out that it is impossible for any country to be absolutely transparent militarily, and the degree of transparency is to be determined by the actual circumstances. See *Zhonggong guangbo jiyao*, November 15, 1997, 16.