Managing the growing Chinese power in SE Asia: The U.S. struggle to maintain Power Projection in the face of the Rising Middle Kingdom

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This paper examines both current and future Chinese capability for naval power projection compared to that of current U.S. capability and potential in Southeast Asia. Furthermore, it provides recommended courses of action which will support the growing developments in Southeast Asia, and in particular in the critical South China Sea. A critical element of these recommendations is the expansion of U.S. fueling capability. Current fueling sites within the region do not provide an adequate logistics structure to support the required continued power projection in this region. The Chinese view this regional as vital to their national interest and will not back down and allow for U.S. interests in the region without a strong U.S. military presence. Despite decreasing defense budgets and other global crises, the U.S. cannot wait to develop a cost-effective plan for being able to blunt, counter, and defeat this rapidly maturing A2/AD threat.

China, A2/AD, Fuel, South China Sea, pivot to Asia, Opium Wars

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By

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A paper submitted to the Faculty of the Joint Advanced Warfighting School in partial satisfaction of the requirements of a Master of Science Degree in Joint Campaign Planning and Strategy. The contents of this paper reflect my own personal views and are not necessarily endorsed by the Joint Forces Staff College or the Department of Defense.

This paper is entirely my own work except as documented in footnotes.

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ABSTRACT
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This paper examines both current and future Chinese capability for naval power projection compared to that of current and potential U.S. capability in Southeast Asia. Furthermore, it provides recommended courses of action which will support the growing developments in Southeast Asia, and in particular in the critical South China Sea. A critical element of these recommendations is the expansion of U.S. fueling capability. Current fueling sites within the region do not provide an adequate logistics structure to support the required continued power projection in this region. The struggle for control of rights and resources in the South China Sea is no small matter. Much of the resources in this region are untapped. It is not simply the resources in this area that make it key though, it is geography too. This region is a crucial bridge between the Indian and Pacific oceans, thus linking trade and economies of Europe, Africa, and the Middle East with East Asia. China in particular needs these resources in order to support continued economic development and continued power projection in the region.

Chinese Communist Party (CCP) policymakers view oil as a strategic commodity which they must protect via all levers at their disposal. This has led to expansion of the People’s Liberation Army (PLA) Navy, development of multiple islands and atolls in the region, and strengthened ties to various countries in the region. This has also led to an increasingly mature anti-access/area denial (A2/AD) threat to U.S. power projection in the region. The Chinese will not back down and allow for U.S. interests in the region without a strong U.S. military presence. Despite decreasing defense budgets and other global crises, the U.S. cannot wait to develop a cost-effective plan for being able to blunt, counter, and defeat this rapidly maturing A2/AD threat.
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DEDICATION

This thesis is dedicated to the logisticians of the world who work behind the scenes to ensure the success of whatever mission they need to support.
ACKNOWLEDGEMENTS

A big thank you to all who have been a part of bringing this paper to completion.
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CHAPTER 1: INTRODUCTION

The U.S. has a long history in the Pacific Ocean and in dealings with China. In fact, U.S. objectives in this region today are very much akin to those established in 1855 by then Secretary of the Navy James C. Dobbin. Dobbin defined the Navy’s mission in Asia as: “The primary objects of the Government… in maintaining a Naval Force in the East India and China Seas, are the protection of our valuable trade with China and the Isles of India, and our Whale fisheries.”¹

Commodore Robert W. Shufeldt was in command of this region in 1868 and he further defined operations in the region as being in four distinct categories.

First in importance was the protection of American and western lives and property whenever threatened by government policy or popular unrest in an Asian country. Of secondary importance was the periodic and routine showing of the flag at busy or remote ports. The last two operational categories were of lesser importance: regulation and protection of American merchantmen, and suppression of the coolie trade.²

In fact, very little has changed today, other than the fact that the “coolie trade” today is broader and internationally recognized as human trafficking. Today though, there are additional issues and complexities not seen in the 1800s. Now, the United States must also integrate allied battle networks and strengthen allied capabilities—both of which help offset the People’s Liberation Army (PLA)’s efforts to destabilize the region's military balance.³ The U.S. needs to ensure that it maintains a credible deterrence policy. “To be successful, a policy of deterrence also needs to have a

² Ibid., p. 112.
credible threat of retaliation after the fact, and here too, ground forces could help. At present, the U.S. weapons that can launch a precise retaliatory strike are located on increasingly vulnerable forward air bases and aircraft carriers.”

Increased partnerships in the region can yield additional air bases and seaports in order to support aircraft carriers that allow for additional force dispersal through the region to maintain the deterrence.

For much of the last 25 years, United States civilian and military leadership focused U.S. policy and military expenditures on the Middle East and the continued conflict in this region. While, at least in name, the U.S. is currently conducting a “Pivot to Asia”, U.S. leaders are challenged to develop a clear strategy and vision for handling the shifting power and resources in Southeast Asia. Ignoring the need to develop a strategy for responding to a rising China today will not cause the issue to disappear in the future. Despite decreasing defense budgets and other global crises, the U.S. cannot wait to develop “cost-effective ways to blunt, counter, sidestep, and defeat the rapidly maturing anti-access/area denial (A2/AD) capability of the People’s Liberation Army.”

The Chinese will not be blunted in their aspirations and not allow for U.S. interests in the region without a strong U.S. military presence.

China’s growing military and economic influence worldwide is making it a global peer competitor to the United States. In particular, growing military and economic influence is affecting the balance of power in Southeast Asia. China is struggling with Japan for local hegemony, potentially eroding the United States’

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4 Ibid., p. 2.
6 Ibid.
credibility and influence in the region. It is this growing struggle for power and resources which places China, the U.S., and multiple other Southeast Asia powers in a struggle for influence. Furthermore, Chinese Communist Party (CCP) policymakers clearly view oil as a strategic commodity that they must protect.7

China is developing increasingly dispersed abilities to detect and attack other forces in the region in order to protect their national interests. “China’s military modernization plan includes the development of capabilities to attack, at very long ranges, adversary forces that might deploy or operate within the western Pacific in the air, maritime, space, electromagnetic, and information domains.”8

In order to counter this A2/AD development in Southeast Asia, and in particular in the critical South China Sea, the U.S. must expand its critical fuel capability in this region of the world. Current fueling sites within the region do not provide an adequate logistics structure to support required continued power projection in this area. This paper examines both current and future Chinese capability for naval power projection and compares it to that of current U.S. capability and potential. Furthermore, it provides recommended courses of action that will support the growing developments in Southeast Asia and, in particular, in the critical South China Sea.

CHAPTER 2: CHINA’S 100 YEARS OF SHAME

Many societies have 'dominant ideas' or 'national narratives', which serve as 'the collective beliefs of societies and organizations about how to act.' In order to understand the dominant or national ideas for China and therefore to understand the context for current Chinese developments, it is important to understand China’s current official concept of Chinese history, at least the last 100 years of China’s long and rich history. For “historical memory is the most useful key to unlocking the inner mystery of the Chinese, as it is the prime raw material for constructing China’s national identity.”

Most Americans should easily identify with this concept of national identity as the majority of Americans quickly and readily identify with specific events, objects, and feelings which they identify as being American. Just as American citizens identify with images and feelings surrounding objects such as the American flag, the Star Spangled Banner, The Revolutionary War, Baseball, and apple pie, so too do Chinese citizens identify with their images, history, and context for understanding China. Framed another way, to gain a deeper understanding of the structure and dynamics of a country, one needs to look further than the orthodox

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10 Ibid.
research approach, which simply “focuses on collecting political, socioeconomic, and security data, and then conducting macro-analysis of institutions, policies, and decision-making.”  

In fact, “a nation’s history is not merely a recounting of its past; what individuals and countries remember and what they choose to forget are telling indicators of their current values, perceptions, and even their aspirations.”  

Utilizing this thinking, it is understandable that the focal point for modern Chinese thought centers around the two Opium Wars. The First Opium War (1839–1842) and the Second Opium War (1856–1860) related primarily to British trade in China and China's sovereignty. When China would not allow British goods to be imported, but was happy to export goods Britain wanted to consume, the British began developing the opium market in China which resulted in many Chinese being addicted to opium and many gang conflicts for control of the product and trading areas. After increasing Chinese addiction to opium, the British merchants managed to increase trade greatly due to this “needed” trade good. More importantly for current relations, it humiliated the Chinese state and, people and, this period of shameful addiction is something from which the Chinese society is just recently recovering.

“Chinese people’s historical consciousness of its colonial past and the belief that China must 'never forget national humiliation' are the dominant ideas in China’s public rhetoric.”

11 Ibid.
12 Ibid.
13 Ibid.
“Chinese strategists and officials will often tell you in conversation that the heart of all Chinese strategic thinking, and even Chinese development goals, is rooted in the humiliation of the Opium Wars, when China found itself helpless in front of British battleships.”¹⁴ “National ideas are difficult to change, as they become ingrained in public rhetoric and bureaucratic procedures that make them resilient like all traditions that are institutionally entrenched. These ideas often unconsciously but profoundly influence people’s perceptions and actions.”¹⁵ With this historical context, it’s not hard to understand the current developments now that China has shaken off the humiliation resultant from the Opium Wars.

“Chinese leaders have called the next twenty years a period of ‘great strategic importance.’ This is not to say that the Chinese government has some master plan to challenge the United States for hegemony and is using this ideological doctrine to finesse that power shift.”¹⁶ It is increasingly evident that there is a unified plan within the CCP, but is it a plan that challenges the U.S. overtly or in some asymmetric manner, or a plan in which China collaborates with the U.S. for the global “good” but only to the extent that it benefits China?

The discussion above purports that China is more collaborative, but as noted strategist Michael Pillsbury describes the situation, the U.S. and China are locked in a “hundred-year marathon” and the U.S. is coming into the race after China has already hit its stride. In order to understand this marathon, it is first essential to understand the Chinese concept of shi. As Pillsbury puts it, “at the heart of Chinese strategy is

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¹⁶ Joshua Ramo, p. 6.
shi, which is a difficult concept to explain to a western audience… Chinese linguists describe it as the ‘alignment of forces’ or ‘propensity of things to happen,’ which only a skilled strategist can exploit to ensure victory over a superior force.”

Pillsbury goes further to say how a close approximation in American popular culture is The Force, from director George Lucas’s Star Wars franchise. Since Star Wars draws heavily on eastern philosophy, and Japanese master Akira Kurosawa so influenced Lucas that he lifted large chunks of Kurosawa’s Hidden Fortress for Star Wars, it is not surprising that The Force and shi are similar concepts. At least in this manner more Americans can understand this similar concept. Better though is to understand it “as Sun Tzu described it in his chapter on shi in the Art of War, ‘those skilled at making the enemy move do so by creating a situation to which he must conform.’”

If one is to follow Pillsbury’s logic further regarding the concept of shi, then the U.S. needs to recognize that Chinese strategists are following the teachings of Sun Tzu and they are following a strategy intended to topple the American hegemon. No matter which theory is correct here, the fact is many other countries in the area are seeing growing Chinese hegemony as a concern to their safety and sovereignty.

Still, “many Chinese leaders now argue that what China needs most is a ‘Peaceful Rise’ (heping jueqi). But even this will demand a shift in the physics of

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18 Ibid.
19 Ibid.
20 Ibid., p. 215.
international power. That shift is now underway.”22 Mainly, the world is seeing this in China’s “backyard” sea regions. China sees these areas like their backyard, similar to the way in which the U.S. views areas such as the Gulf of Mexico and the Caribbean around Cuba and Haiti. Given this perception, not to mention the historical context, it’s easier to understand the currently developing Chinese Maritime force.23 From coastal defense and maritime protection to blue-water power projection and over-the-horizon capabilities, the PLA Maritime forces are developing at a rapid pace.

It is essential to think of the Chinese asymmetric strategic and military push as an attempt to acquire the power to avoid broader conflict. Chinese military forces can accomplish this with more tools than often utilized by the U.S. in the expensive U.S. military apparatus, and often uses the “sledge hammer” approach in order to handle dangerous exigencies as they emerge. China’s goal is to tackle problems before they arise. This is clear, for example, in the Chinese instinct towards multilateralism, a sense that good relations with many other big countries will make it harder for the U.S. to treat China as an enemy and will also let China have more influence in stopping conflicts before they emerge.24

China has been carefully watching U.S. military developments since the 1991 Gulf War and they have been utilizing the lessons learned in order to modernize their military. The 1991 Gulf War caught the attention of PLA commanders who saw this as exactly the kind of limited area and duration that they believed China would likely

22 Ibid.
23 The Chinese Maritime Forces includes the PLA Navy, Coast Guard, and Maritime Police Force
24 Joshua Ramo, p. 9.
face in future conflicts. Moreover, it clearly demonstrated the high level of technology that characterized modern warfare, leading Chinese strategists to prepare for “Local, Limited War under High-Tech Conditions.”

China has been developing increased capabilities not only for external, but also internal security. The CCP demonstrated their need for internal security development in 1989 when the PLA violently ended the 1989 democratic demonstrations in Tian’anmen Square. Since that time though, especially in light of international condemnation of the military crack-down, the CCP has distanced the PLA from such activities and developed more of a specialized internal police force.

In the 1990s, the most important military issue China faced “involved its relations with Taiwan and the United States. From the PRC perspective, reunification with Taiwan represents the final outstanding territorial issue of the Chinese revolution.” Furthermore, it ensured that the CCP maintained legitimacy and control as CCP leadership could no longer justify “its rule as the vanguard of the workers and peasants but rather as the party that can protect the PRC’s territorial integrity and restore China to a prominent status in Asia and the world. It remains the most important issue in the relationship between the PRC and the United States.” It also goes a long way to explaining current tensions and developments in Southeast Asia.

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26 For more discussion on the PLA military and police reforms of the 1990s, review Paul H. B. Godwin, “The People’s Liberation Army and the Changing Global Security Landscape,” in The PLA At Home And Abroad: Assessing The Operational Capabilities of China’s Military, Carlisle Barracks PA: Army War College Strategic Studies Institute, 2010 (pp. 45-91).
27 Peter Worthing, p. 193.
28 Ibid.
Despite the U.S.’s long history in Southeast Asia, China is correct in that the U.S. is not an Asian power. While the U.S. has territories in the region, and even more partners and allies, it does not have a significant homeland presence in Asia. In order to maintain America’s power in the region, it requires more than simply blunt military power in the region. It is more about the American experience, culture and history and how this impacts the populations in the area and through the shared experiences draws the U.S. closer to its Asian allies. The relationships developed between countries by the performance of international operations aimed at ensuring freedom of navigation, disaster relief, plus countering the threats of piracy, other transnational crimes, and terrorism all help forge and hold these bonds. “America’s place as an Asian power rests not only on economic and strategic interests but also on enduring ties of family, faith, and personal experience. For many decades these have bound the United States closely to South Korea, Japan, Australia, and the Philippines. Today they are linking it to India and to China as well.”

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29 Aaron Friedberg, p. 284.
CHAPTER 3: CHINA RISING

Unlike previous historic encounters with the west, China is now a growing superpower and has a burgeoning economy in need of natural resources in order to continue construction and further develop. Fuel remains a major commodity for the growth of the economy as well as the transportation and protection of global waterway goods. Likewise, fuel remains a necessary commodity for the U.S., but current U.S. fueling options in the region are limited. Fuel resiliency in United States Pacific Command’s (USPACOM’s) Area of Responsibility (AOR) is the long-pole in the tent for U.S. engagement and the support of USPACOM strategy. In fact, most of the U.S. Department of Defense (DoD) fuel in the region is currently stockpiled in Japan and South Korea, two of the U.S.’s main allies in the region. Unfortunately, the position of these great stockpiles places them many miles of sea away from Southeast Asia and the South China Sea.

As noted by Beebe and Kaldor, the need for economic growth necessitates military power in order to establish security for the developing powerhouse. “For emerging economies such as China, and India, energy and raw materials are crucial to sustain economic growth. The United States, Russia, and China all tend to adopt a strategic approach rather than a market approach to energy security. Military power is needed, so goes the argument, to secure access to energy, especially oil and gas.”

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30 Lt Col Russ Davis, USAF, USPACOM Deputy Chief, Strategy & Policy Division (J56), phone interview by author, Norfolk, VA, November 05, 2015.
This growing power struggle for resources is one of the main reasons that China, the U.S. and multiple other Southeast Asian powers currently struggle for rights in the South China Sea. Furthermore, for Chinese policymakers, this is more than a power struggle for fulfillment of the needs required for economic growth in China. They clearly view oil as a strategic commodity, which must be protected. China’s pipeline projects through Russia, Central Asia, and Southeast Asia to the Middle East add another level of security for the country.  

Figure 1 provides a visual depiction of China’s import transit routes. This map clearly illustrates the critical importance of China’s interests in the South China Sea. Of note, 86% of their crude oil and 55% of their natural gas flow through this area before reaching China, including the flow through the Straits of Malacca, Lombok and Sunda. Losing control of this waterway would necessitate increased flow through pipelines or a severe reduction in oil and natural gas demand in China. Neither of these options appears viable given the growth trends in China. Therefore, China will escalate their defense of their territory and claims in the South China Sea.  

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34 Ibid.
Chinese development continues to be constrained by limited resources and thus their sphere of influence and territorial growth is increasing. The U.S. has limited and distantly located basing sites and strategic partners in many parts of the world, but it’s position is particularly dangerous in Southeast Asia. This region falls under U.S. Pacific Command’s (USPACOM’s) Area of Responsibility (AOR). USPACOM’s strategy for the support and defense of U.S. defense priorities in the

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region is “Through strong relationships with allies and partners, assured presence facilitated by balanced, and distributed force posture, and an effective strategic communication effort that clearly and accurately conveys our intent and resolve.”

Chinese developments in the region complicate effective enactment of this strategy. China’s motivation to ensure energy security is driven by the scale of its projected consumption growth, which is currently projected to more than double by 2020. Furthermore, the “political legitimacy of the Chinese Communist Party (CCP) is tied to its ability to provide for the economic welfare of China’s citizens, which cannot be accomplished if domestic oil prices skyrocket or if there is a supply shortage.” This is a complicated 3-pronged statist oil security policy “composed of three factors: state direction over the activities of state-owned oil companies, the pursuit of global equity stakes, and energy diplomacy.” In order to continue to maintain power and meet the ever-growing energy needs of the growing Chinese economy, the current energy conflicts will not be settled anytime soon.

Current Chinese economic development is stalling, and while there are many very rich, there is a limited middle class and the peasant class is not seeing any benefits from any economic developments. In fact, many feel their standard of living is worse than that of their forefathers. “The peasant is the weak point in all China’s postwar planning. Unless his standard of living goes up, China’s industry will have no true domestic market but will be linked to the uncontrollable cycles of world trade and the menace of war; unless he is helped, 80 per cent of China will remain

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3 Vlado Vivoda, James Manicom, p. 243.
unchanged.”⁴ Should the freedoms and economic development for so much of China remain stagnant, it is conceivable that the people will push for more democratic reforms and the CCP could lose influence and power within the country. In order to maintain control, and counter democratic pressures, the CCP employs a form of political warfare. “Political Warfare is the logical application of Clausewitz’s doctrine in time of peace. In the broadest definition, political warfare is the employment of all the means at a nation’s command, short of war, to achieve its national objectives. Such operations are both overt and covert.”⁵ The PLA especially is effective at controlling the media and internet information that reaches the Chinese people. In addition, they have closed much of China to outside development and commercialism.

Today the world is one large, global market. Nations cannot ignore areas of the world where resources and the flow of trade converge, such as the South China Sea. In addition to disputes over landmasses in this region, there are issues of piracy and terrorism which affect all nations. These are issues which the U.S. and China should champion and bring the power of all affected countries to bear in order to curb the negative effect on all legitimate governments. Should the U.S. and China be able

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⁴ Joshua Ramo, p. 43.
to work out their differences in this key region and both be champions against these two activities, both countries will be champions for the world as well as decreasing their chances of going to war. True to military strategic thinking, “according to the concept of interdependence, trade is the most common measure of mutual dependence between states. As this increases, the likelihood of war between the states decreases.”6 Preventing outright warfare between the U.S., China, Japan, and other countries in the region certainly is in everyone’s interest.

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CHAPTER 4: DEVELOPMENT OF THE CHINESE A2/AD THREAT

Despite the mutual interest in avoiding conflict, the Chinese have extended their force projection capability throughout Southeast Asia. Their current intercontinental ballistic missile and naval power developments make the area more volatile and have stunted the United States’ power projection capability within the region. China does not see the U.S. as an Asian power and will continue to work to blunt U.S. and U.S. allies’ interests in the region without a strong U.S. military presence. Therefore, U.S. military strength must ensure that the U.S. position in Asia is “so strong and so resilient that Beijing will ultimately choose to stand down rather than risk everything on a cosmic roll of the dice.”¹ Furthermore, a strong U.S. presence is essential to ensuring there is not a conventional first strike from China against U.S. and allied forces and bases in the Western Pacific.

A key piece in this resiliency puzzle is the need for dispersed fuel options in order to support U.S. military power projection in the USPACOM AOR, and in particular in support of the South China Sea. Current fueling options in the USPACOM AOR are limited to six countries and territories: Guam, Japan, Philippines, Singapore, South Korea, and Wake Island. The majority of the sites are located in just two countries, Japan and South Korea.² The fact that locations and fueling options are limited is a critical vulnerability in the U.S.’s ability to project power in the USPACOM AOR. Additionally, in the critical and highly contested

¹ Aaron Friedberg, p. 275.
South China Sea, the U.S. only has two fueling sites in Singapore and one in the Philippines in order to support all U.S. Navy, Marine Corps, Army, and Air Force fueling needs.

Furthermore, as can be seen below in figure 2, the location of the sites are vulnerable to China’s conventional missile capability in the region should the U.S. and China ever elevate their current tensions to military conflict. This A2/AD threat clearly illustrates the need to establish a resilient fueling capability system that could operate outside of the threat rings.
While no refueling sites in the AOR would place the sites outside of China’s medium and intercontinental range ballistic missiles (see Figure 3 below), the primary threat is from China’s conventional missile capability in the region and is therefore the threat that the USPACOM strategy must mitigate.
Since 2013, China’s top leadership has emphasized the need for China to become a maritime power. In his final report as chairman of the Communist party of China at the 18th Party Congress, Hu Jinato declared this maritime need. He further championed efforts to advance across-the-board China’s maritime development. He declared that “[w]e need to do more to take interest in the sea, understand the sea, and strategically manage the sea, and continually do more to promote China’s efforts to become a maritime power.”

In fact, China is well on its way in this development plan. “China’s officially-disclosed military budget grew at an average of 9.5 percent per year in inflation-
adjusted terms from 2005 through 2014, and China will probably sustain defense spending growth at comparable levels for the foreseeable future.”\(^6\) This growing maritime presence creates concern for continued U.S. power projection in the region, since “China’s military modernization has the potential to reduce core U.S. military technological advantages.”\(^7\)

One technological advantage the U.S. has long claimed over other countries of the world is the ability to project massive air power from the sea via aircraft carriers. China is quickly shrinking this advantage as their own capability to build aircraft carriers that can challenge the U.S.’s superiority in this realm expand. China’s first carrier, the Liaoning, was a second-hand Soviet vessel built with 1980s technology. China commissioned it in 2012 after extensive refits.\(^8\) Now however, China is working on a second aircraft carrier, and this one is being developed and constructed in China according to domestic designs. “The 50,000-tonne vessel is being built in the port of Dalian. It will not be nuclear powered, the ministry says.”\(^9\)

While two carriers is far less than the 11 super carriers the U.S. Navy currently operates, the speed of China’s development is cause for concern. It’s even more troublesome since China requires fewer carriers in order to project power in their own backyard. Equally concerning is the fact that their new carrier is conventionally powered and will not only be utilized to protect China’s vital South China Sea oil concerns. It will also consume increasing amounts of the Chinese fuel

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\(^7\) Ibid.
\(^9\) Ibid.
supply in order to conduct its mission, thereby further increasing Chinese fuel
demand. Most likely this will also spearhead additional carrier construction and
operations which will further increase the Chinese consumption rates.

China’s decision to grow as a Maritime Power explains the current
developments in the waters near China, especially in the South China Sea. Beijing
has claimed sovereignty over most of the 1.7 million square miles that make up the
East and South China Seas, where six countries maintain various territorial and
maritime claims. In fact, it has been unapologetic about pursuing those goals.\(^\text{10}\) This
has heightened tensions in the region and drawn the U.S. into discussions with its
allies in the region, especially the Philippines. One of the major problems is that
China acts similarly to a new colonial power operating under the belief of a “manifest
destiny” that endows them with the right to control waterways within their sphere of
influence. “In 2010, for example, China's then foreign minister, Yang Jiechi,
dismissed concerns over Beijing's expansionism in a single breath, saying, "China is a
big country, and other countries are small countries, and that is just a fact."\(^\text{11}\) This
naturally makes other countries in the region nervous, and given USPACOM’s
Guiding Principle for modernizing and strengthening alliances and partnerships in the
AOR, the U.S. will be affected and will likely be implicated in addressing ongoing
disputes within the AOR between China and U.S. allies and partners.\(^\text{12}\)

China’s current program of expansion within its claimed territorial islands and
atolls in the South China Sea is resulting in great international controversy and


\(^{11}\) Ibid.

\(^{12}\) USPACOM Strategy 2013, p. 3.
increased tensions with its neighbors. This tension is further fueling China’s maritime development, which in turn is exacerbating the concerns their neighbors have regarding China’s intentions. “The two nations are playing a dangerous game of cat-and-mouse as the U.S. military responds to a massive island-building campaign by China in one of the world's most crucial and hotly contested waterways.”13 As evidenced by recent U.S. Naval activity in the region, the U.S. is challenging China’s claims to sovereignty in the region with events such as the destroyer USS Lassen (DDG-82)’s October 2015 operations. The Lassen transited within 12 nautical miles of Subi Reef in the Spratly Islands, which put the ship within an area that would be considered Chinese sovereign territory if the U.S. recognized the man-made islands as Chinese territory. As David Shear, the assistant secretary of Defense for Asian and Pacific Security Affairs, stated in congressional testimony, Chinese activity amounted to ‘a pattern of behavior that raises concerns that China is trying to assert de facto control over disputed territories and strengthen its military presence in the South China Sea.’14

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13 Spitzer, Kirk, “Kerry to confront China on islands; Beijing is building in disputed waters” USA Today, May 15, 2015.
14 Ibid.
CHAPTER 5: ISLAND DISPUTES & REGIONAL PARTNERSHIPS

As discussed previously, China is deeply invested in the maritime trade, especially crude oil and natural gas, which moves through the South China Sea. Therefore, they will continue to press for advantages in the area in order to grow trade by securing control throughout the area. Having additional land under their control to deploy, re-supply, locate radar systems, and fly over aircraft provides additional expansion of power projection capability. This has led to a multitude of “island building” activities within the region that China has termed “land reclamation”.

Since international law recognizes 12 nautical miles for Territorial waters, and 200 nautical miles for the Special Economic Zone, development of additional “island surface area” ostensibly creates additional regional power for China, and any other countries that practice land reclamation, should these creations be recognized as legitimate under international law. In addition, by having more islands to link in a “chain”-- the sphere of influence for the controlling countries is expanded.

One such area where China performed extensive land reclamation efforts is at “five of its outposts in the Spratly Islands. As of late December 2014, China had reclaimed about 500 acres of land as part of this effort.”1 At many sites, after land reclamation, China quickly transitions to infrastructure development. While these outposts could eventually host2 “harbors, communications and surveillance systems, logistics support, and at least one airfield…. The ultimate purpose of the expansion

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2 Ibid.
projects remains unclear and the Chinese Government has stated these projects are mainly for improving the living and working conditions of those stationed on the islands.”³ Despite its proclamations, many analysts and many in the media believe that China is attempting to alter the landscape in order to strengthen its territorial claims and improve its defense infrastructure in the South China Sea, which matches their Sun Tzu inspired strategy.

While the American World War II Pacific War centered on “island-hopping” campaigns with control of one island leading to a base for “hopping” to the next island and so forth until the Japanese power and resources were limited and ultimately strangled, there is a much older concept. “Japan had a very island-relevant element to its approach even earlier, driven in part by acquisition of Germany’s Pacific colonies.”⁴ “Chinese writings themselves trace the island chains concept back at least to the 1950s, when it helped shape US conceptions of how to fortify a post-war East Asian security order.”⁵ Additional Chinese writings cite various other American strategists and writers with no clearly coherent source that identifies where all can point to as where the concept originates.⁶ Regardless, all support a coherent belief in the control of expanded spheres of influence within the area. “Rather than a peculiarity of Chinese thinking, then, island chains represent an enduring component of regional geostrategic thought.”⁷

³ Ibid.
⁴ Ibid.
⁵ Andrew S. Erickson and Joel Wuthnow "Barriers, Springboards and Benchmarks: China Conceptualizes the Pacific 'Island Chains'.", The China Quarterly, January 21, 2016, p. 5.
⁶ Ibid., p. 6.
⁷ Ibid.
The disputed claims for territory, coupled with increased land reclamation, not just solely by the Chinese, are increasing tensions in the region. Additionally, it is becoming a hazard to freedom of navigation. In order to gain a visual understanding of the islands chains and their relational positions, see figure 4 below.

With these expanded developed islands, China has increasingly expanded capability to base and resupply ships and aircraft in increasingly distant ranges from the Chinese mainland. Additionally, these islands serve as perfect sites for increased radar and listening posts, which support Chinese maritime power projection and seek to blunt the power projection of other countries. Furthermore, it expands Chinese territorial claims and reduces international waters within the island regions.

The U.S. Navy has been challenging infringements on freedom of navigation operations (FONOP) in the region for many months now. The most recent challenge at this writing was on January 31, 2016, when destroyer USS Curtiss Wilbur (DDG-54) “transited within twelve nautical miles of Triton Island—a PRC-held feature in the Parcels also claimed by Vietnam and Taiwan.” This was the second USN FONOP patrol in the past five months. The USS Lassen (DDG-82) performed a FONOP patrol in October 2015, near Subi Reef, one of China’s artificial islands formed by land reclamation to an existing atoll. A statement released by the Office of the Secretary of Defense summed up the U.S. stance on Freedom of Navigation:

“‘innocent passage’ transit was designed to ‘challenge attempts by the three claimants . . . to restrict navigation rights and freedoms around the features they claim by policies that require prior permission or notification of transit within territorial seas.’ The right of innocent passage derives from Article 19 of the UN

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9 Ibid.
Convention on the Law of Sea (UNCLOS), which allows warships to pass through another nation’s territorial waters, “so long as it is not prejudicial to the peace, good order or security of the coastal state.” The conventional interpretation of this provision is that it does not require advance notice.”

China’s ongoing demand for island control and land reclamation gives the U.S. more opportunity to strengthen its’ key partnerships and alliances in this area, as well as developing new ones. Countries with internationally recognized claims on islands within the region are growing increasingly concerned by China’s reclamation actions. In particular, the Philippines and Vietnam are being challenged by Chinese developments. With regional powers’ their increasing concerns for national security, it’s the perfect time also to develop additional fueling sites within the region in order to ensure the U.S. can support its partnerships, enforce international freedom of navigation rules and combat terrorism within the area. All of these are in keeping with USPACOM strategy. All of the elements of this strategy require fuel.

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10 Ibid.
Within the current infrastructure, partnerships, and alliances in the South China Sea area, the U.S. has only three fueling sites. Two are in Singapore and one
in the Philippines. These limited sites leave the U.S. vulnerable and limit options to maintain power projection within the region and support the U.S.’s partners.

Technological advancements provide another option. The “Pentagon plans to address this problem in part by building new submarines and long-range stealth bombers, but the cost of such hardware is high, especially given their relatively modest payloads.” Enhancing and developing additional regional partnerships extends U.S. capability in the region, as well as helping Chinese neighbors project power on their own territory to ensure their national rights are supported. This though brings with it other challenges. “Even with the right resources, dealing with a welter of regional allies and partners will undoubtedly prove challenging. U.S. ground forces would have to play different roles depending on the country.”

Embedding advisors and trainers with national forces goes a long way towards developing the necessary capabilities.

“Several countries, Japan and Vietnam in particular, have already suggested that they are serious about fielding the kind of robust defenses that would be required for Archipelagic Defense. Other states beyond the first island chain, including Australia and Singapore, appear inclined to provide basing and logistical support.” No strong international NATO-like organizations currently exist in the region as a means for establishing an international Archipelagic Defense. The U.S. and its allies in the region need to work towards this goal now.

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11 DLA DFSP Spreadsheet from December 02, 2014.
13 Ibid.
14 Ibid.
Japan, the U.S.’s greatest ally in the region, also possesses the greatest economic and military capability. “Japan, with formidable capabilities of its own, could bolster its ground defenses without much U.S. support.” Ensuring that Japan maintains a strong presence in the region is crucial for maintaining civil relations among the various South China Sea countries.

Other countries in the region are not as powerful. In the Philippines for instance, U.S. ground forces would probably need to take on a larger role. In both Japan and the Philippines, “a greater U.S. ground presence would provide a level of assurance that air and maritime forces, which can be quickly withdrawn, cannot.” Once fully implemented, currently negotiated enhancements in the U.S.-Philippine Cooperative Agreement Effort developed by USPACOM, will allow for more training developments and support between the U.S. and the Philippines. Additionally, this could allow for the development of additional fuel and logistics sites in the Philippines, which would further enhance the U.S. power projection in the region.

To be sure, the struggle for control of rights and resources in the South China Sea is no small matter. There may be resources equivalent to one-third of the natural resources in the Persian Gulf. It’s not simply the resources in this area that make it key though, it is simple geography too. “This region serves as a crucial bridge

15 Ibid.
16 Ibid.
17 Lt Col Russ Davis, USAF, USPACOM Deputy Chief, Strategy & Policy Division (J56), phone interview by author, Norfolk, VA, November 05, 2015. Part of this interview provided the information on the enhancements in the U.S.-Philippine Cooperative Agreement Effort.
between the Indian and Pacific oceans, thus linking Europe, Africa, and the Middle East with East Asia.”\textsuperscript{19} This importance is further magnified by the fact that the East Asia economies and their related trade linkages are currently emerging as a major foundation for the global economy. Furthermore, China needs resources in order to support continued economic development and their continued power projection in the region.\textsuperscript{20}

While “military force will remain an important component of American power, providing security to allies is an important source of influence, and limited interventions are often crucial.”\textsuperscript{21} Simply put, the U.S. military is not the panacea for all problems and other levers of national power, be they diplomatic, informational or economic will also need to be utilized in order to garner and maintain key partners and allies in the region, and provide opportunities to stage fuel and other resources.

\textsuperscript{19} Ibid.
\textsuperscript{20} Joshua Ramo, p. 3.
CHAPTER 6: THE RUSSIAN INFLUENCE

While the focus of this paper is on China and their A2/AD developments in Southeast Asia, and in particular in the critical South China Sea, it is important to examine the growing Chinese-Russian interactions. Russia remains a major global source for oil and natural gas, and as such serves as a very viable partner for supplying the growing Chinese demand. Furthermore, Chinese-Russian collaboration creates an even greater global powerhouse for the U.S. to contend with in Southeast Asia.

In fact, the two countries find themselves increasingly close in relations due to converging interests:

“Russia wants to sell arms and oil, while China wants to buy them; both fear violent Islamist movements originating in Central Asia; and especially since Moscow took a sharp turn towards authoritarianism under Vladimir Putin, both feel threatened by American efforts to spread democracy. In recent years the onetime adversaries have begun to act in many respects like actual allies, conferring periodically on strategy and even staging large-scale joint military exercises.”

The current growing Russian-Chinese relationship is also expressed in a February 11, 2016 quote from Russian Foreign Minister Sergei Lavrov, when he said:

“I fully agree with you in respect of the coordination of our external political actions in a number of areas. The Russian-Chinese interaction has become a very sizable factor in international relations and world politics.”

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2 One Source Center website, “Interaction between Russia, China becomes important factor in global politics, particularly regarding Syrian conflict - Lavrov”, https://www.opensource.gov/portal/server.pt/gateway/PTARGS_0_0_200_203_121123_43/content/Display/CER2016021162445295#index=13&searchKey=21707020&rpp=10 (accessed February 16, 2016)

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soundbite and in context of the Syrian conflict, but it is a significant
acknowledgement of Russian-Chinese collaboration.

Just as with China, the U.S. currently maintains a huge technological
advantage over Russia and spends nearly 10 times more than Russia on national
defense, maintaining the U.S. military advantage. However, “Russia is now
developing some key technologies, new fighting tactics, and a brazen geopolitical
strategy that is aggressively undermining America's 25-year claim to being the only
truly global superpower. The result: Russia is unexpectedly re-emerging as
America's chief military rival.” Looming over the entire U.S.-Russian relationship is
Russia’s nuclear arsenal that it preserved as well as modernized.3

While China is the growing dominant power in Southeast Asia, Russian
influence and Russian-Chinese cooperation are also growing. Increasingly the two
countries are joining in joint military maneuvers and have increasingly burgeoning
trade relations. As both militaries develop key technologies, new fighting tactics,
strategies, and doctrine, they are separately and jointly becoming an ever-increasing
counter-balance to U.S. global interests.

Interestingly, the current situation harkens back to post World War II writings
which discussed China filling the void left by the fall of Japan and the desire for U.S.-
Russian cooperation in developing a strong Chinese government. At that time, it was
described that “the two greatest powers operating in the Orient now are the United
States and Russia. Both powers recognize that the vacuum left by Japan’s collapse
must be filled by a strong Chinese government, and each of the two is determined that

3 Andrew Tilghman and Oriana Pawlyk, "U.S. vs. Russia: What a war would look like between the
world's most fearsome militaries", Military Times, October 5, 2015.
this new government shall be at least as friendly to itself as to its rival.”\(^4\) It would seem, as the U.S. and Russia continue to develop “friendly” cooperation with China, that this 1946 desire is coming true. It’s just that the U.S. desire for democratic development in China has not yet materialized.\(^5\)

Therefore, it is essential that the U.S. keep a constant focus on the Russian-Chinese relationship. As for Russia by itself, the U.S. must ensure the continued relevance and utility of the North Atlantic Treaty Organization (NATO), while at the same time tempering NATO membership growth. NATO growth comes with a price, for as NATO membership grows, it encircles Russia. This ensures that Russian assertiveness will continue, and it threatens the independence of Poland, the Balkans, Ukraine and other states bordering Russia. Maintaining the appropriate balance of power with Russia ensures continued stability in Europe and other areas of Russian interest.

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\(^5\) Ibid., p. 323.
CHAPTER 7: RECOMMENDATIONS

The U.S. must expand its fuel capability in Southeast Asia, and in particular in the South China Sea in order to counter the Chinese A2/AD development in this critical region. Current fueling sites within the region do not provide an adequate logistics structure to support required continued power projection in the region.

Fuel is the life-blood for moving the military machine forward. Whether it’s a ground combat vehicle, an amphibious assault craft, an aircraft carrier, or a fighter jet, all need fuel in order to operate. Without fuel, ships and planes cannot be deployed to maintain the full breadth of the necessary A2/AD structure. Additionally, the ability to combat piracy and other transnational criminal elements, fight terrorism, and provide humanitarian relief due to natural disasters and or man-made atrocities, necessitates fuel.

Furthermore, it requires an adequate supply of fuel in the correct locations in order to ensure success. “The strategic movement of fuel around the world’s largest ocean is no small feat; it takes organization and collaboration to make the provisioning appear seamless, said DLA Energy Eastern Pacific Subarea Petroleum Officer Air Force Maj. Tyson Daw.”¹ For this very reason, not to mention the exposure to Chinese conventional missile capability, it is critical that a more robust and dispersed fuel infrastructure be developed in the USPACOM AOR. This development should not be constrained by the current Defense Logistics Agency-

Energy (DLA-E) Defense Fuel Supply Point (DFSP) model. Increasing development of fuel sharing agreements with partners and potential partners in the region would expand the capabilities. In particular, greater fuel supplies need to be able to service the South China Sea. The current three DFSPs in Singapore and the Philippines are inadequate.

DLA-E is chartered to provide the necessary fuel for U.S. Defense Department needs worldwide. However, they appear to be only slowly developing a dispersed structure in order to sustain operations in the USPACOM AOR. DLA Energy has been enhancing fuel support in the Asia-Pacific region and other fuel support options following a 2009 study. As DLA-E Commander, Air Force Brig. Gen. Mark McLeod puts it: “The rebalance has been happening for a while now and it’s been happening in a couple of different ways. From a logistics standpoint, we’ve been working for several years to rebalance assets in the Pacific.” But, concrete signs of the rebalance remain elusive.

We have more fuel in Japan, but no new locations and no dispersed scheme that mitigates missile threats. DLA-E’s solution it seems is to move fuel around as necessary. As DLA Energy Pacific Commander Navy Capt. Christopher Bower puts it: “Rebalancing assets in the Pacific means positioning supplies of fuel in the correct locations in the area of responsibility to support warfighter requirements, and also having a plan to move assets from other locations as necessary to meet those requirements as conditions change,” Bower continues by saying “While our

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3 Ibid.
4 Ibid.
customers would like us to store all their requirements in the AOR, we don’t currently have enough storage to do so. That means we will need to look at other strategies, such as swing stocks and pulling product forward from other locations to meet customer demand.”

If the U.S. is serious about a pivot to Asia, then there needs to be more than a swing of stocks in order to support the military machine in the USPACOM AOR. There needs to be an increase of DFSP’s. Given the alliance and partner network the U.S. has in the region, DLA-E needs to investigate and develop other locations. At a minimum, a more dispersed scheme should include DFSP’s in Australia, Vietnam, and Thailand. In addition, to further add to the dispersed scheme, DLA-E needs to investigate sites in other politically viable locations such as Cambodia, Brunei, and Malaysia.

Especially challenging to support is the Navy-Marine Corps Team which requires fuel delivery at sea. Currently, Combat Logistics Force (CLF) ships assigned to provide this service in the USPACOM AOR are limited. With the tyranny of distance and the operational requirements for combatant vessels in the AOR, an additional two to three CLF vessels need to be designated to support the AOR even with a properly dispersed fuel infrastructure in place. A CLF vessel can only travel a notional 16 nautical miles per hour, and even less when conducting operations. Their capability to handle the entire AOR is limited with combatant vessels needing fuel throughout multiple dispersed locations.

\textsuperscript{5} Ibid.
An alternative method for serving the Navy vessels would be to assign large Military Sealift Command (MSC) contracted bulk fuel cargo vessels in a designated location at sea and to have them operate as floating DFSPs to re-supply the CLF ships. This operating area for the bulk cargo ships would limit the transit times and in-port periods the CLF ships must currently accomplish in order to support the USN’s refueling needs. This would in many ways be akin to the Navy’s development of the western Pacific atoll of Ulithi during World War II in order to support staging for the USN’s western Pacific operations, most notably the invasion of Okinawa.

In addition to a dispersed network that can accomplish refueling operations in a dynamic peacetime environment, this also develops a robust structure which can accomplish the mission in a contested environment as well.

By implementing this expanded and dispersed network of fuel supply in the USPACOM AOR, the U.S. will be more positively poised to not only handle the Chinese A2/AD development in Southeast Asia, but to better provide support to U.S. partners and allies in the region. Furthermore, it can better accomplish support for increased power projections and operations to ensure freedom of navigation, performance of disaster relief efforts, and countering the threats of piracy, and other transnational crimes and terrorism.
CHAPTER 8: CONCLUSION

In keeping with USPACOM strategy, and U.S. efforts to maintain cordial relations in Southeast Asia, the key to countering China’s A2/AD developments in Southeast Asia, and in particular in the critical South China Sea, is the development of a dispersed fuel and logistical network which will allow for diversified power projection support that avoids the most likely regional threats. This will also allow for continued support of strategic partnerships and developing regional powers “through strong relationships with allies and partners, assured presence facilitated by balanced, and distributed force posture, and an effective strategic communication effort that clearly and accurately conveys [U.S.] intent and resolve.”1

It is these critical and strategic partnerships and alliances, rather than simply blunt military power, that will allow the U.S. to maintain power in Southeast Asia. It is more about the American experience, culture and history. The practice of ensuring freedom of navigation, performing disaster relief efforts, and countering the threats of piracy, other transnational crimes, and terrorism will continue to forge and hold these bonds. “For America, continued openness is not only an expression of self-confidence, it is an enduring source of national strength.”2 Returning to this structure of creating new partnerships keeps with the historic U.S. strategic approach and will ensure success for years to come.

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1 USPACOM Strategy 2013, p. 9.
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