



China-NATO Engagement in the Mediterranean Basin: Developing the Dragon's Logistics Tail and Supplying the PLA Navy in the Far Seas

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Abstract

China's engagement with NATO in non-combat operations such as anti-piracy and humanitarian assistance/disaster relief (HADR) cannot be divorced from its geopolitical calculations. For China, they serve as a platform to further project China's hard and soft power—improving PLA's long-range operational capabilities and its international image as a responsible stakeholder. This is driven by China's need to access energy, raw materials, and export markets to fuel domestic economic growth which ultimately supports Chinese Communist Party's legitimacy and survival. Given China's increasing demand for energy, as well as burgeoning trade and infrastructure investments in the MENA region, this provides opportunities for PLA to engage NATO. Whether it is counter-terrorism against AQIM in Algeria, HADR and common emergency response similar to the Libyan evacuation, maritime and energy security in the Eastern Mediterranean gas fields, or crisis management in Syria, the Mediterranean provides a fertile ground on which PLA can engage NATO and develop a logistics tail to supply its navy in the far seas.

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ANALYSIS

I. New Geopolitical Context

In an age of globalization, NATO Secretary General Anders Fogh Rasmussen seeks to transform NATO into a global role to more effectively counter emerging threats that defy territorial borders such as terrorism, piracy, energy cut-off and cyber attacks. At a 2010 Munich Security Conference, China's *Xinhua* news service reported that Rasmussen outlined his vision for "A permanent network of consultations and cooperation, with NATO as a hub, in which other important international players, such as China, India, and Russia could take part and discuss views, concerns, and best practices on security or even joint training and planning."¹

Moreover, former German Defense Minister Karl-Theodor zu Guttenberg emphasized the importance of NATO engaging China: "We don't want to compete with the United Nations. We don't want to turn NATO into a global security agency. The aim must be that the transatlantic partnership is complemented in a very natural way by the trans-Pacific partnership. We need an answer as to how we shape the alliance's relationship with China."²

Thus globalization is driving NATO to engage China. However, China does not need to engage NATO as it has other bilateral and regional options with the EU and SCO, or global option with the UN. Nonetheless, mutual security interests in Afghanistan on regional stability and counter-terrorism compels both NATO and China to seek cooperative solutions and a common framework for future relations. While China and NATO share interests in Afghanistan, the most fertile ground for future relationship most likely lies in functional interests in soft power pursuits of crisis management and HADR.

Before assessing potential modalities of developing a China-NATO relationship, it is important to first understand how China views NATO and what it hopes to achieve via engagement.

II. China's Views on NATO Engagement

China still has mistrust of NATO as a hegemonic tool of the U.S. In the Mediterranean, it perceived the NATO mission in Yugoslavia as challenging UN authority, as well as the recent 2011 Libyan campaign, in exploiting the Responsibility to Protect, or R2P and humanitarian assistance issue as a fig leaf for regime change.³ After suffering tremendous losses of over \$20 billion in investments and evacuating 36,000 Chinese nationals with the fall of the Gaddafi regime, it is no surprise that China vetoed UN Security Council Resolutions on Syria, for fear it would provide another leeway for NATO to exploit for military intervention and regime change, to the detriment of Chinese interests.

¹ "NATO chief eyes closer ties with China, India", *Xinhua*, February 8, 2010.

² *Ibid*; Tania, M. Chacho, "Potential Partners in the Pacific? Soft Power and the Sino-NATO Relationship", INSS Research Papers, U.S. Air Force Academy, 2011.

³ Dennis Blasko, "China's Views on NATO expansion: a secondary national interests", *China Brief*, Vol. 9, Issue 5, March 4, 2009.



On their views regarding Afghanistan, Dr. Cui Hongjian from Chinese Institute of International Affairs (CIIS) stated that Afghanistan opened the door of Asia to NATO and allowed in two types of presence. The first is a physical one, and the second is a psychological one, that the existence of NATO in East Asia is for the purpose of counterbalancing China's rise.⁴ Because NATO has reached out to partners such as Japan, South Korea, Australia and New Zealand, China perceives an Asian NATO—a global partnership of encirclement to contain China.⁵ This is exacerbated by current Japanese Prime Minister Shinzo Abe's recent visit to NATO to seek closer NATO-Japan ties, based on his 2007 proposal of forming a NATO global partnership of like-minded states as an "arc of freedom" in East Asia to counterbalance aggression by authoritarian states. He is the first Japanese head of state to visit NATO headquarters since 2007 and has set a flurry of criticisms in the Chinese press, so this may promulgate a new Sino-Japan competition to court and influence NATO.

III. China's Views on HADR Engagement

As for China's views on cooperation in HADR, non-combat operations in general and HADR in particular provide a platform for two main benefits: one is improving PLA operational capabilities, and the other is to improve international image as a responsible stakeholder—and allay the "China Threat" theory.⁶ It is important to always bear in mind that for China, HADR operations cannot be divorced from geopolitical calculations, especially in China's foreign policy goal of improving long-range power projection capabilities to protect its overseas interests. This is fundamentally driven by China's need to access energy, raw materials, export markets, and security of supply line to fuel its domestic economic growth—which ultimately supports the Chinese Communist Party (CCP)'s legitimacy. Thus the key driver is ultimately about regime survival.

To improve operational capability, China seeks opportunities for PLA to interact with foreign militaries highly adept at HADR and force projection (such as U.S., Britain, France) so they can apply "lessons learned" toward China's military modernization efforts. As Dave Helvey from Pentagon's China Policy shop noted, engagement with NATO provides a means for the Chinese to gain access to and insights on military operations, and to better understand the strength and weaknesses of all allied operations.⁷ For example, NATO's advanced HADR capability, coordinated through the Euro-Atlantic Disaster Response Coordination Centre (EADRCC), possesses many of the capabilities that China seeks to enhance. Gaining insights to NATO interoperability is also very relevant for China and the SCO—especially for their counter-terrorism operations in Afghanistan and Central Asia or other contingencies.

⁴ Dr. Cui Hongjian, "NATO's New Concept and Its Existence in Asia: Relevance for China", Session IV: The Future of NATO: Cooperation and its Limits, 5th Berlin Conference on Asian Security (BCAS), Berlin, September 30-October 1, 2010.

⁵ *Ibid.*, p.7.

⁶ Austin Strange, "The non-combat operations of China's Armed Forces in the 21st Century: Historical Development, Current Drivers and Implications for Military Projection", Thesis, College of William and Mary, 2012.

⁷ LTC Tania M. Chacho (USA), "Potential Partners in the Pacific? Soft Power and the Sino-NATO Relationship", INSS Research Papers, U.S. Air Force Academy, 2011, p.7.



Moreover, China sees NATO engagement in civil emergency planning and crisis management would provide PLA greater proficiency with some of the higher-level command and control and logistical force projection skills for long-range operations.⁸ So to that end, China has already approached NATO to express interest in attending these types of courses.⁹

- **Developing Long Range Logistics Tail**

It is important to underscore that logistics is important for PLA's long-range power projection. In 2004 Hu Jintao commissioned the PLA to conduct 'New Historic Missions' to protect overseas interests, in which the PLA stressed the need to develop a 'logistics tail' in the form of overseas bases to sustain their operations over the long term.¹⁰ President Hu emphasized the importance of logistics once again in 2010 when he said, "Modern wars are all about support. Without a strong comprehensive support capability, it is very hard to win combat victory. When logistics support is in place, victory is a sure thing".¹¹ Indeed, logistics and the security of supply lines are an important 'lessons learned' for the PLA, especially after watching NATO's Afghan campaign suffer repeated supply line cut-offs by Pakistan and the creation of a more expensive alternative Northern Distribution Network to the theatre.

As such on January 4, the Xinhua owned *International Herald Leader* newspaper published an article on China's intention to build 18 overseas bases (See Map 1). They took pains to explain these are not U.S.-style military bases, but are what they call "overseas strategic support bases" for logistics and replenishment.¹² Thus engagement in HADR and antipiracy operations, combined with overseas bases (with Chinese characteristics), are part of PLA's efforts to become an expeditionary navy and fulfil its New Historic Missions that supports CCP regime.

⁸ *Ibid.*

⁹ Mark Foster, Deputy, NATO Policy Division, J-5, The Joint Staff, interview cited in Tania Chacho, Feb 9, 2011.

¹⁰ LTC Tania Chacho, "Lending a Helping Hand: The People's Liberation Army and Humanitarian Assistance and Disaster Relief", INSS, USAFA, 2009.

¹¹ Hu Jintao, Addressing a PLA Logistics work meeting cited in "Fundamental guidance for Development of PLA Logistics—Study Hu Jintao's Important Discussion of Military Logistics Construction", *China Military Science*, No. 6, 2010, p. 25-31; Abraham Denmark, 'PLA Logistics 2004-11 Lessons Learned in the Field', in Roy Kamphausen, David Lai, Travis Tanner eds., *Learning by Doing: The PLA at Home and Abroad*, Strategic Studies Institute, U.S. Army War College (Carlisle, PA: USAWC, November 2012), p.298.

¹² "Chinese paper advises PLA Navy to build Overseas Military Bases", *China Defense Mashup*, January 9, 2013; Jorge Benitez, 'Chinese paper urges PLA navy to build overseas military bases', Atlantic Council, January 19, 2013; Yu Runze, "Chinese Navy expected to build strategic bases in Indian Ocean", *Sina English*, January 7, 2013.

Map 1: China's 18 overseas bases



Source: *International Herald Leader*, January 4, 2013; Atlantic Council, January 19, 2013

It is important to further clarify that China uses a commercial-diplomatic model rather than a U.S.-style military model for PLA Navy (PLAN) to carry out operations in various seaports. China's commercial-diplomatic model of overseas bases provides PLAN access based on close diplomatic relations with many countries in the region and organizational capabilities of major state owned entities (SOEs) such as COSCO (China Ocean Shipping Company). Because China's SOEs are government controlled, civil-military cooperation has broader applicability in China than in the West. In the Chinese case, this goes well beyond military contracting specialized firms, as mainstream logistics companies (e.g., COSCO Logistics) can also be dependable partners for the PLAN.¹³ Since CCP controls SOEs such as COSCO, the PLA—which is the CCP's military arm—also has priority access to COSCO-run seaports. As such it is not necessary for China to have permanent naval bases if PLAN has access by other means.

¹³ Lausanne Kamerling and Frans-Paul Vander Putten, "An overseas naval presence without overseas bases; China's counter-piracy operations in the Gulf of Aden", *Journal of Current Chinese Affairs*, Vol 40, No. 4, 2011, p. 131.



Aircraft carriers are also part of this extension of logistical capability to support China's growing global interests.¹⁴ China relies heavily on economic and diplomatic tools to secure foreign interests, with military tools complementing the others. As such they are likely to be deployed for such secondary missions of non-combat operations, rather than as deterrence against U.S. sea power.¹⁵ As David Lai from U.S. Army War College noted, China is likely to build several aircraft carriers in the next 15 years.¹⁶

Thus PLA sees engagement with NATO on HADR fulfils their geopolitical goals of developing an expeditionary navy, with important training for long-range logistics support and force projection capabilities in the far seas.

- ***Gaining Access and Insights to NATO Military Operations and Interoperability***

On a tactical level, cooperation with NATO provides PLA access to tactics, techniques and procedures used by the Alliance and its equipment. On the strategic level, China could also benefit from increased access to force projection technologies that NATO executes well. These could be applied towards China's protection of her increasing expat population, as well as putting HADR, crisis management, and counter-piracy techniques to immediate use both in the Horn of Africa and the Asia Pacific region where China has territorial disputes. Indeed China's East China Sea and South China Sea Fleets have participated in the escort missions in the Gulf of Aden. Retired Rear Admiral Michael McDevitt observed that anti-piracy and HADR deployments are thus real world "battle laboratory" for the PLA due to daily interactions with most of the world's greatest navies and absorb best practices for its own use to be an expeditionary navy.¹⁷

NATO is also the gold standard for military interoperability, which China seeks for its SCO. In 2010, SCO conducted its joint military exercise *Peace Mission 2010* that tested PLA Air Force's long-range expeditionary capabilities as well as SCO interoperability.¹⁸ Moreover, China also currently owns the container-terminal in Port Naples, which directly overlooks NATO's main Mediterranean naval base to observe and gain insights to NATO operations, whether deployed to Libya, or possibly Syria and Algeria.¹⁹ As China modernizes its military, engagement with NATO would provide the PLA with ample "lessons learned" for its expeditionary capabilities.

¹⁴ Tania Chacho, "Lending a Helping Hand: The People's Liberation Army and Humanitarian Assistance and Disaster Relief", INSS USAFA, 2009, p.11.

¹⁵ Lausanne Kamerling and Frans-Paul Vander Putten, "An overseas naval presence without overseas bases: China's counter-piracy operations in the Gulf of Aden", *Journal of Current Chinese Affairs*, Vol. 40, No. 4, 2011, pp. 128.

¹⁶ David Lai, "The Agony of Learning: The PLA's Transformation in Military Affairs", in Roy Kamphausen *et al* eds., *Learning by Doing: The PLA Trains at Home and Abroad*, (Carlisle, PA: SSI, USAWC, November 2012), p. 344.

¹⁷ Michael McDevitt, "PLA Naval Exercises with International Partners" in Roy Kamphausen *et al* eds., *Learning by Doing: The PLA Trains at Home and Abroad*.

¹⁸ Daniel M. Hartnett, "Looking good on paper: PLA Participation in the Peace Mission 2010 Multilateral Military Exercise", in Roy Kamphausen *et al* eds., *Learning by Doing: The PLA Trains at Home and Abroad*, p.220.



IV. Conditions for PLA-NATO Engagement on HADR and Security Issues

Generally China sees value for NATO engagement when it falls under the following conditions:

- (1) Project soft power as a responsible stakeholder, especially improving PLA image abroad post-Tiananmen Square Incident (and hopefully for EU to lift its arms embargo);
- (2) Acquire operational capabilities for long-range power projection and military modernization;
- (3) Further China's core interests, such as the "One China Policy" and territorial integrity of Taiwan, Xinjiang and Tibet, as well as protection of overseas interests;
- (3) Collect information on NATO operations that affect China's interests, such as in Afghanistan, Libya, Syria, or Algeria and elsewhere.

To that end, a good way to move PLA engagement forward is cooperation in the Mediterranean. The Mediterranean is a fertile region for PLA and NATO engagement on emergency response such as the 2011 Libyan evacuation, HADR, maritime security, and regional stability issues especially in the post-Arab spring aftermath.

V. Taking Forward PLA-NATO Engagement: Dialogue on the Mediterranean Region and post-Arab Spring Stability

There are three main reasons why approaching China on cooperation in the Mediterranean context is a good way to move engagement forward on HADR and other security issues.

Firstly, MENA region has become a high priority for China post-Arab Spring. China was caught off guard and suffered tremendous losses in Libya, and as such the Chinese government has elevated the MENA region as a foreign policy priority, even establishing the U.S.-China Middle East Dialogue in Beijing last August to coordinate on policies toward this region. In addition to energy reliance, China is also more involved in trade, development and natural resource extraction with Middle East and the Africa continent. China has vast interests in the Levant and North Africa—in Libya, Syria, Egypt and Algeria—which has 45,000 Chinese workers—even more than in Libya. Moreover, China is currently Algeria's number two trading partner after France, not to mention its investments in Algeria's rich natural gas resources. As Algeria is now facing instability via Mali that threatens Chinese interests, there may be a need and opportunity for cooperation in crisis management and common emergency response in Algeria.

Secondly, NATO engagement with PLA in the Mediterranean would not feed China's suspicion of encirclement, since it's geographically far away from China. China is suspicious that NATO seeking partners in the Asia Pacific such as Japan, South Korea, Australia and New Zealand is a way of forming an Asian NATO to encircle and contain China's rise, and this is recently exacerbated by Japanese PM Shinzo Abe's visit to NATO headquarters to seek closer ties to check Chinese aggression in Asia. However, the Mediterranean is far from China so there is no perception of encirclement should NATO seek engagement with PLA, especially for security issues on regional stability, energy and maritime security in the Eastern Mediterranean with the newly discovered Israeli and Cypriot natural gas fields, counter-terrorism and anti-piracy post-Arab Spring.

¹⁹ Peter Apps, "China, Russia, U.S. raise Mediterranean naval focus", *Reuters*, January 24, 2013.



Thirdly, the Mediterranean has added benefit for NATO since it's traditionally been a "NATO Lake", so all the more reason for engagement with China in NATO's own AOR. For the U.S, engaging China via NATO in this region would signal to our allies and partners such as those in the Mediterranean Dialogue (MD) and Istanbul Cooperation Initiative (ICI) that U.S. is not retreating from the Mediterranean region, but will maintain an active presence to address continuing new security challenges of terrorism, WMD proliferation, energy and maritime security. U.S. within NATO can also apply lessons learned from maritime security and conflict resolution in the South China Sea and apply them in the Eastern Mediterranean, where energy scrambles and various frozen conflicts risk getting hot quickly. In the South China Sea it is basically one country—China—against other claimants. In contrast, in the Eastern Mediterranean, it is various conflicts between Turkey, Cyprus, Greece, Israel, Hizbullah/Lebanon, Syria, which risks drawing in Iran, Russia and China into the region should a conflict break out. Thus this is a more volatile region than in the South China Sea.

VI. Potential PLA-NATO Engagement in the Mediterranean

Examples of NATO-PLA engagement can be Maritime security and energy security in the Eastern Mediterranean. China is increasing its investments in Israel and CNOOC has an eye towards the newly discovered Israeli gas in the Eastern Mediterranean. Chinese warships have also conducted 'show of flags' in the Mediterranean last July and August, around the same time that Russia dispatched its naval flotilla off the coast of Syria.²⁰

Counter-terrorism in the MENA region is another security issue for possible PLA-NATO engagement. AQIM is a common threat to NATO partners in the Mediterranean Dialogue as well as to Chinese interests, especially in Algeria where AQIM attacked Chinese interests in 2009 after the Xinjiang uprising. In Syria, China also faces Uyghur jihadists linked with Al-Qaeda, and China fears internationalization of the ETIM/Uyghur cause would threaten CCP legitimacy as well as Xinjiang stability and territorial integrity.²¹

China also has over 850,000 workers in the Middle East and Africa, where piracy and kidnapping are an increasing problem.²² So cooperating in crisis management and emergency response in the MENA region is a possible content for dialogue with China.

NATO could also engage China within the context of SCO. NATO member Turkey is already a Dialogue Partner and is seeking SCO membership, especially for cooperation in Afghanistan and Central Asia. If Turkey joins SCO as a full member, then that would bring China/SCO into the Mediterranean region.²³

²⁰ J Michael Cole, "China's Navy in the Mediterranean?", *The Diplomat*, July 30, 2012; "Why is Chinese Navy in the Mediterranean?" Atlantic Council, July 30, 2012; "Chinese warships Crosses Suez, Possibly Bound for Syria", *Anti-War*, July 29, 2012.

²¹ Ananth Krishnan, "Xinjiang militant groups active in Syria, says China", *The Hindu*, October 29, 2012; "Xinjiang jihad hits Syria", *Global Times*, October 29, 2012; "Xinjiang militants in Syria, China sounds 'high alert'", *Zeenews*, October 29, 2012; "Chinese uighurs join jihadis in Syria", *Hindustantimes*, October 30, 2012; "China claims Uyghur Militants are Seeking a Syrian Battlefield", Jamestown Foundation, Terrorism Monitor, Vol 10, Issue 22, November 30, 2012

²² Ding Gang (senior editor *People's Daily*), "Kidnappings result of Chinese labor exodus", *Global Times*, February 15, 2012.

²³ "Turkey: Abandoning the EU for the SCO?" *The Diplomat*, February 17, 2013; "Can Turkey cause a global power shift in joining the SCO?" *Stratistics*, February 21, 2013; "Turkey turns away from Europe, toward the Shanghai Cooperation Organization", *New York Times*, January 29, 2013; "Is Turkey Leaving the West?" *National Review Online*, February 7, 2013.



VII. Conclusion

Thus engagement in the Mediterranean post-Arab Spring is a way to move forward where NATO, China, and EU all have mutual interests in regional stability. After establishing cooperative mechanisms with the PLA in the Mediterranean, NATO and China can then apply this template in the Asia Pacific region on HADR or other security issues, and look into additional engagements in regions such as the Arctic or elsewhere.

However, it is important to bear in mind that any NATO engagement with PLA is a delicate balancing act of how to safeguard national (and collective) security in face of decreasing defense budget and increasing globalization. For the U.S. military within NATO, it is even more delicate because it cannot violate NDAA 2000 (National Defense Authorization Act 2000) that places restrictions on U.S. military relations with the PLA.²⁴

With respect to engaging partners who do not share similar values as NATO members, it is useful to apply the analogy of firms competing in a market place. Sometimes due to high R&D sunk costs, two competing firms would enter into strategic alliance on specific product areas to pool scarce resources together, while remaining competitors in all other aspects in the market place.

However, there is a caveat when it comes to China. Western companies entering into joint ventures and strategic alliance with China face risks such as forced technology transfer, intellectual property theft and industrial espionage. Likewise, NATO engagement with PLA faces similar risks of military technology transfer, intellectual property theft and military espionage—especially in light of Chinese cyber attacks. As such it is up to NATO to figure out how to engage where there is value for NATO, and set up appropriate safeguards and risk mitigation measures to protect its military's competitive edge.

Remarks:

Opinions expressed in this contribution are those of the author.

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²⁴ Section 1201 (a) of National Defense Authorization Act for FY 2000 (PL 106-65); Shirely A. Kan, "U.S.-China Military Contacts: Issues for Congress", CRS Report RL32496, February 10, 2012. The 12 restricted areas are: (1) Force projection operations; (2) Nuclear operations; (3) Advanced combined-arms and joint combat operations; (4) Advanced logistical operations; (5) Chemical and biological defense and other capabilities related to weapons of mass destruction; (6) Surveillance and reconnaissance operations; (7) Joint warfighting experiments and other activities related to transformation in warfare; (8) Military space operations; (9) Other advanced capabilities of the Armed Forces; (10) Arms sales or military-related technology transfers; (11) Release of classified or restricted information; (12) Access to a DoD laboratory.



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