



China's Maritime Silk Road – An Ambitious Undertaking: A View from Europe

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Abstract

The author begins his contribution with a discussion of the historical Silk Road. The Middle Kingdom saw itself as a major maritime power as early as the 15th century. He proceeds with an outline sketch of the “Renaissance” of the new maritime Silk Road in the 21st century, presenting the plans and visions of Chinese President Xi Jinping, as well as the chances and risks of this gigantic undertaking.

He then draws attention to current developments in the East and South China Sea, and the evident potential danger within this region. He concludes his contribution with 12 recommendations for action.

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Analysis

Historical Aspects

In his fascinating book, *Die Maritime Seidenstrasse* (The Maritime Silk Road), German sinologist, Professor Roderich Ptak, undertakes a historical survey of the seas between East Africa and Japan spanning from the early beginnings of seafaring through to the modern era. He traces the emergence of trading within this vast expanse, going on to offer a detailed account of the cultural exchange between the different seaboard, along with the diffusion of religions by way of seafaring and the constitution of political networks. The book, furthermore, includes biographical sketches of outstanding mariners, such as Admiral Zheng He, who with his legendary fleet embarked upon a voyage from China to East Africa. Professor Ptak's work contributes a remarkable chapter on world history as it unfolded beyond the reach of the European peninsula and prior to the latter's expansion.¹

En route to Southeast Asia and in the Indian Ocean, major Chinese fleets navigated their way as far as Hormuz, Aden and East Africa as early as the fifteenth century. Such expeditions were undertaken, above all under the leadership of Admiral Zheng He, who embarked upon his first voyage in the year 1405, and from which he was to successfully return to China two years later, in 1407. The Middle Kingdom saw itself at that time as a great maritime power, that is, prior to the immanent Portuguese expeditions to Asia and European expansion.²

In the section of his book that deals with the Ming voyage under the state aegis during the early years of the fifteenth century, Ptak gives a detailed account of a particular phase in Chinese foreign relations under Emperor Zhu Di (1360 – 1424). Ascending to the throne in 1403, Zhu Di – whose regency is known under the designation "Yongle" – pursued expansionist ambitions, as is exemplified in his initiation of several large-scale military campaigns against the Mongols. By way of consolidating his influence in East and South Asia, Zhu Di commissioned the construction of a major fleet, while appointing Admiral Zheng He with the execution of diplomatic missions.³

In the years between 1405 and 1433, the latter commanded seven large-scale fleets into the "Western Ocean" (Xi yang). Evidence indicates that some 20 000 men – some estimates even cite as many as 30 000 – were under his direct command, including, among others, seamen, troops, officials, physicians, technicians and others. State policy with respect to the fleet focused primarily on the western half of Southeast Asia together with parts of the Indian Ocean, whereas the eastern route and sea routes to Japan and Korea, by contrast, were evidently of little interest.⁴

While Zheng He's fleet was unprecedented, the routes were not. His fleet followed long-established and well-charted trade routes between China and the Arabian Peninsula in use at least since the Han dynasty. During the era of the Three Kingdoms, the King of Wu sent a diplomatic mission along the coast of Asia that extended to as far as the Eastern Roman Empire. After centuries of disruption, the Song dynasty restored large-scale maritime trade from China in the South Pacific and Indian Oceans as far as the Arabian Peninsula in East Africa.⁵

¹ Roderich Ptak, *Die Maritime Seidenstrasse – Küstenräume, Seefahrt und Handel in vorkolonialer Zeit* (München: Verlag C.H. Beck, 2007), p. 368

² *Ibid.*, p. 7

³ *Ibid.*, p. 234-249, see also Yongle, <https://de.wikipedia.org/wiki/Yongle> (accessed January 11, 2016)

⁴ *Ibid.*, p. 238

⁵ See Zheng He, https://en.wikipedia.org/wiki/Zheng_He (accessed January 11, 2016), p. 6-7. Chinese historians point out that during the Tang Dynasty (618-907) Chinese seafarers not only reached Southeast Asia, but occasionally the



When the Yongle Emperor died in 1424, his successor, the Hongxi Emperor (1424-1425), stopped the voyages for the duration of his short reign. Zheng He made one last voyage during the reign of Hongxi's son, the Xuande Emperor (1426-1435) following which the voyages of the Chinese treasure ship fleets were ended.

The precise reasons for this abrupt end to official Ming fleet policy remains a matter of controversy. As Professor Ptak notes, relevant documentation was destroyed in the Palace Fire. Whatever the case may be, the remarks in published sources indicate that expenditure on maritime shipping was overextended and the death toll among personnel too high. The objection to this argument claims that the state fleet programme – in terms of material and personnel costs – had by no means placed substantial stress on the state budget.⁶

A further argument contends that the Emperor relocated his court to northern Nanjing between 1402 and 1421; his primary objective was to concentrate more on the land front and to destroy the Mongols. Thus, in the absence of serious threat from the sea, he most likely lost interest in the maritime world.

However, the decision to terminate the state fleet programme was to have severe effects. While ocean-going vessels were subsequently scrapped, the former maritime personnel were used for construction work, inland transport or employed otherwise. Some short time later the Ming ceased to maintain its status as Asia's leading maritime force. Only the Southeast Asian neighbours remained loyal to the Emperor, probably in the hope of securing protection – should the need present itself – from Great China.

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

It was in a speech held at Kazakhstans's Nazarbayev University on September 7, 2013, that Chinese President Xi Jinping first officially announced China's and Central Asian countries' plan to construct an "economic belt along the Silk Road" – a trans-Eurasian project spanning from the Pacific Ocean to the Baltic Sea. Xi further claimed that this economic belt, comprising a population of close to three billion people, represents the biggest market in the world, and thus has unparalleled potential.⁷

Xi drew a historical comparison, in which he claimed that over 2100 years ago, during China's Western Han Dynasty (206BC-AD24), imperial envoy Zhang Qian had been twice dispatched to Central Asia in order to secure friendly contacts between China and Central Asian countries, and to open the door to the transcontinental Silk Road linking East and West, Asia and Europe. He emphasized that over the course of twenty-odd years, the ancient Silk Road has been fully revived following the rapid development of China's relations with Asian and European countries, and that the cultivation of friendly and cooperative relations with Central Asian countries is among China's foreign policy priorities.⁸

Five spheres of cooperation were formulated. The first involved strengthening policy communications; the second was to improve the road networks; the third was to promote trade facilitation; the fourth aimed at enhancing monetary circulation, while the fifth sought to strengthen people-to-people exchange.⁹

India Ocean as well. Ancient maps and official records indicate that China's sovereignty in the South China Sea may be traced back to the Han (206-220), Song (960-1279) and Ming (1368-1644) dynasties.

⁶ Roderich Ptak, *Die Maritime Seidenstrasse – Küstenräume, Seefahrt und Handel in vorkolonialer Zeit* (München: Verlag C.H. Beck, 2007), p. 248-249

⁷ http://usa.chinadaily.com.cn/china/2013-09/08/content_16952304.htm (accessed January 20, 2016)

⁸ http://www.fmprc.gov.cn/mfa_eng/topics_665678/xjpfwzysiesqjtfhshzzfh_665686/t1076334.shtml (accessed January 20, 2016)

⁹ Ibid.



On October 3rd, 2013, Chinese President Xi Jinping attended the 21st APEC Summit in Indonesia and delivered a speech at the Indonesian Parliament. It was in this speech that he first proposed the creation of a “21st Century Maritime Silk Road” (MSR) in order to promote maritime cooperation with ASEAN countries, and to realize common development and prosperity.¹⁰ He also proposed establishing the Asian Infrastructure Investment Bank (AIIB) to finance infrastructure construction and promote regional interconnectivity and economic integration.

Soon after the blueprint for AIIB was announced, Xi revealed the establishment of the Silk Road Fund to which China would contribute \$ 40 billion. Furthermore, the Chinese government drew on its huge foreign-exchange reserves to subscribe 65% of the fund's initial capital of \$10 billion; China Investment Corporation and the Export-Import Bank of China contributed 15% respectively, and the China Development Bank 5%.¹¹

Representatives from the 57 Prospective Founding Members (PFMs) convened in Beijing on June 29, 2015, where they signed the Articles of Agreement of the Asian Infrastructure Investment Bank. The Multilateral Bank holds an authorized capital of \$ 100 billion, 75% of which will be contributed by Asian and Oceanian countries. With a 26% share, China is set to become the single largest stakeholder.¹²

But what, precisely, is China's vision for the Silk Road Economic Belt (SREB) and the 21st Century Maritime Silk Road (MSR)? During the Boao Forum, China's National Development and Reform Commission (NDRC), in collaboration conjunction with China's Foreign Ministry and Commerce Ministry, issued an action plan for the SREB and the MSR. Beijing self-confidently points out that “The plan is expected to change the world political and economic landscape through development of countries along routes, most of which are eager for fresh growth”. It was during this high-level conference that President Xi Jinping voiced his hope that the annual trade volume between China and the “Belt and Road” countries is set to “surpass 2.5 trillion U.S. dollars in a decade or so.”¹³

This ambitious objective will connect and encompass Asia, Africa, and Europe and neighbouring seas. The land route focuses on bringing together China, Central Asia, Russia and Europe. The maritime route will comprise two pillars: one that links China to the Indian Ocean via the South China Sea and the other that extends through the South China Sea to the South Pacific.¹⁴

This plan fits neatly into China's Foreign Policy in the Asia-Pacific region. While encouraging its neighbouring states to cooperate in the economic field without any political strings attached, Beijing has continued its assertive policy with respect strengthening its position in the South China Sea, namely, by way of transforming reefs and other submarine maritime features into fully operative islands replete with 3000 m runways, air defence installations etc.¹⁵

¹⁰ Chronology of China's “Belt and Road” initiatives, Xinhua February 5, 2015, https://en.wikipedia.org/wiki/One_Belt,_One_Road (accessed January 20, 2016)

¹¹ International Institute for Strategic Studies (IISS) London, China's ambitious Silk Road vision, vol. 21, Comment 28 – October 2015.

¹² Wikipedia: One Belt, One Road, https://en.wikipedia.org/wiki/One_Belt,_One_Road (accessed January 20, 2016).

Regarding the Asian Infrastructure Investment Bank, see also Wikipedia https://en.wikipedia.org/wiki/Asian_Infrastructure_Investment_Bank (accessed January 20, 2016)

¹³ Shannon Tiezzi, Where is China's Silk Road Actually Going?, The Diplomat, March 30, 2015 <http://thediplomat.com/2015/03/where-is-chinas-silk-road-actually-going/> (accessed January 23, 2016)

¹⁴ Ibid.

¹⁵ William Yale, China's Maritime Silk Road Gamble, The Diplomat, April 22, 2015 <http://thediplomat.com/2015/04/chinas-maritime-silk-road-gamble/> (accessed, January 23, 2016)



The Maritime Silk Road is also designed to strengthen Beijing's relationships to friendly countries, such as Pakistan, Sri Lanka, Cambodia, and Malaysia. This, according to William Yale, will be accomplished primarily by way of economic incentives, such as infrastructural development and trade agreements. China's Maritime Silk Road and its infrastructure investments and projects also aim to facilitate more frequent People's Liberation Army Navy (PLAN) deployments in the Indian Ocean and beyond. The PLAN requires reliable logistics chains across the Sea Lines of Communication (SLOC) throughout Southeast and South Asia. But for the foreseeable future, the U.S. Navy and allied navies maintain the upper hand in projecting power throughout the region.¹⁶

Nevertheless, Washington views Beijing as a major challenge to its dominant power in East Asia, and has evolved a mixed strategy of hedging, rebalancing and containing China's growing influence by using its diplomatic, economic, military, but also cultural means, to maintain power within the region. From the Chinese perspective, in view of Washington's adoption of a 'hostile' containment strategy with respect to China's ascent, the US military in East Asia poses a substantial threat to China's national security and its core interests.¹⁷

Hot Spots East and South China Seas

In his analysis entitled *Danger on the High Seas: The East Asian Security Challenge*, former German Ambassador to China and Japan, Dr. Volker Stanzel, correctly observed that, "East and Southeast Asia is the region of the world with the greatest number of unresolved international maritime disputes, some of them so volatile that the possibility of armed conflict cannot be ruled out".¹⁸ His analysis points to "the two most dangerous [aspects in] these conflicts, in the South China Sea and the East China Sea, and finds that, at their core, is the competition between the United States – the guarantor of stability – and China –, the challenger to regional order".¹⁹

Having had the pleasure of attending the 21st International Seminar on Sea Names in Helsinki on August 24-26, 2015, in which I held a lecture entitled *Hot Spots East and South China Seas and the Importance of Crisis Management – A European Perspective*,²⁰ the present paper discusses only some of the more recent developments in the East and South China Sea.

Three weeks prior to Chinese President Xi Jin Ping's visit to the United States (September 23-26, 2015), US Secretary of Defence, Ashton Carter announced that his ministry planned to "fly, sail and operate anywhere that international regulations allow."²¹

And indeed, on October 27, the USS Lassen, a guided missile destroyer equipped with the Aegis missile-defence system, upped-anchor at Kota Kinabalu, Malaysia, and sailed within 12 nautical miles of the artificial islands built by China on the Subi and Mischief reefs in the Archipelago. This move highlighted Washington's conten-

¹⁶ Ibid.

¹⁷ See Weifeng Zhou, China's growing assertiveness in the South China Sea, Elcano Royal Institute, Madrid, ARI 60/2015 – 5/11/2015.
http://www.realinstitutoelcano.org/wps/portal/web/rielcano_en/contenido?WCM_GLOBAL_CONTEXT=/elcano/elcano_in/zonas_in/ari60-2015-chinas-growing-assertiveness-in-the-south-china-sea (accessed January 24, 2016)

¹⁸ Dr. Volker Stanzel, *Danger on the High Seas: The East Asian Security Challenge*, Policy Brief European Council on Foreign Relations, ECFR/156, January 2016.

¹⁹ Ibid.

²⁰ Dr. Peter Roell, Hot Spots East and South China Seas and the Importance of Crisis Management, in: International Relations and Security Network (ISN), Center for Security Studies (CSS), ETH Zurich, September 2015.
<http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?en&id=193350>

²¹ See Vladimir Terekhov, Summary of Xi Jinping's visit to the US, New Eastern Outlook, October 3, 2015.
<http://journal-neo.org/2015/10/03/summary-of-xi-jinpings-visit-to-the-us/> (accessed January 26, 2016)



tion that China's claim to territorial waters is invalid under international law. Although two Chinese navy vessels shadowed the Lassen, warning it to leave the area, China refrained from taking more aggressive steps.²²

In a speech at Beijing University, U.S. Admiral Harry Harris, Commander of the U.S. Pacific Fleet, made it clear that the US will continue patrols in waters claimed by China in the South China Sea. The U.S. Navy's freedom of navigation patrols were intended to prevent the erosion of international law and should not be construed as a threat to any country. The South China Sea does not represent an exception to the U.S. military's policy of operating wherever international law permits.²³

When Admiral Harris met with General Fang Fenghui, chief of the People's Liberation Army General Staff, the General remarked that the U.S. patrol near China's islands had created a "disharmonious atmosphere for our meeting and this is very regretful." He went on to claim that "Since ancient times the South China Sea islands have been Chinese territory and we are resolute in our determination and will to safeguard our sovereignty and maritime rights." Lu Kang, Chinese Foreign Ministry spokesman said that the Lassen's patrol "threatened China's sovereignty and national interest, endangered the safety of the island's staff and facilities, and harmed peace and stability."²⁴

The question as to who really contributes to peace and stability in the region depends on states' perceptions and interests. It is doubtless important to recall past occurrences; I submit, however, that this will not necessarily contribute to resolving the issues of the 21st century, including problems in the maritime arena. The multiple maritime disputes in Asia cannot be solved by military means. A more comprehensive approach could assist the establishment of trust, peace and stability.

In his article entitled *Time for American Action in the South China Sea*, Daniel Twining – senior fellow for Asia at the German Marshall Fund, former member of staff at the U.S. Trade Representative, the U.S. Senate and the U.S. Secretary of State – demanded that the U.S. must show greater innovation in the use of its superior military tools for the defence of the existing liberal order; he goes on to recommend the following four points:

Firstly, the U.S. must back up its official statements by action; U.S. forces must systematically challenge China's self-declared Air Defence Identification Zone (ADIZ) over the East China Sea, and its "Nine-Dash Line" in the South China Sea, thereby complicating China's ability to enforce its questionable claims.

Secondly, the U.S. should encourage its allies to undertake similar patrols through Southeast Asia's maritime commons. The U.S. and its allies should undertake joint exercises in the South China Sea's international waters, and thus challenge China's claims to control access to the latter.

Thirdly, the U.S. should work with its allies to help them deploy the same kind of anti-access and area-denial capabilities China is currently developing in its bid to exclude foreign forces from Asia's regional commons. These include missile defences, anti-submarine warfare capabilities, and more sophisticated patrol and combat aircraft.

Fourthly, the U.S. must focus more intently on the military dimensions of its pivot to Asia. U.S. troop deployment should be more dispersed across the region. Washington must also invest in systems to defeat China's

²² Tetsuro Kosaka, US-China friction set to drag on as Beijing flexes military muscle, *Nikkei Asian Review*, November 9-15, 2015

²³ Ting Shi, U.S. admiral politely informs China there will be renewed patrols in South China Sea, despite rising tensions, *Bloomberg News*, November 3, 2015.

²⁴ *Ibid.*



anti-access and area-denial capabilities, including directed-energy weapons, stealth bombers and drones, and theatre missile defences.²⁵

He goes on to argue that China's militarization of the installations it has built in the South China Sea are not simply a challenge to peace and security in South East Asia, but also signify a challenge to the global rules underpinning the liberal international order. Therefore, Washington should also consider putting China's broader interest at risk were it to continue militarizing the South China Sea. Thus, China's economic lifeline runs westward across the Indian Ocean to the Persian Gulf and Eastward across the Pacific, all areas in which the U.S. Navy remains the predominant force.²⁶ I assume that U.S. decision-makers are considering some of Twining's thoughts, and U.S. military target-planners have already completed their mandate.

During U.S. Secretary of State John Kerry's visit to Beijing in January 2016, he discussed a number of topics with Chinese Foreign Minister Wang Yi, such as the Korean Peninsula, the South China Sea situation, the Taiwan issue etc. With respect to the South China Sea, Kerry stressed the importance of establishing common ground among the claimants and of avoiding a destabilizing cycle of mistrust or escalation. Wang Yi agreed that it would be worthwhile determining as to whether or not there may be a diplomatic approach to relax tensions and to solve some of the challenges.²⁷

He urged, furthermore, that the United States be objective, fair and reasonable in the manner in which it deals with such issues. He pointed out that the islands and reefs operated by China house a number of necessary self-defence facilities. International law would grant all sovereign states the right to self-protection and self-defence and that this has nothing to do with so-called 'militarization'. Wang also drew on the well-known argument that the South China Sea has been China's territory since ancient times, and that China has the right to protect its territory, sovereignty and legitimate maritime rights and interests.²⁸

A survey of the outcome of the discussions between the two Foreign Ministers regarding the South China Sea indicates that no actual progress and break-through has been achieved. On the contrary, the guided missile destroyer USS Curtis Wilbur passed near Triton Island in the Paracel Islands on January 30, 2016, in what the Pentagon claimed had been a response to attempts by China, Taiwan and Vietnam to restrict navigation rights and freedoms. A spokesman for China's Foreign Ministry denounced the action.

Another interesting event took place on January 28, 2016, when Taiwan's president Ma Ying-jeou flew to the island of Itu Aba (Chinese Taiping Island), 1600 km distant to Taiwan, in order to greet the Taiwan coast guard personnel stationed on the island. In his speech he reemphasized Taiwan's claims over the South China Sea, which stem from the period in which the Republic of China (ROC) governed all China.²⁹

Ma's political aim is to create a cooperation and development mechanism with equal participation and resource-sharing between all parties involved in the region. The cooperation mechanism is based on an all-party agreement geared to shelving their respective sovereignty disputes: while not relinquishing their claims, they do not actively pursue them.³⁰

²⁵ Daniel Twining, Time for American action in the South China Seas, *Nikkei Asian Review*, Nov. 9-15, 2015, p.25-26

²⁶ Ibid.

²⁷ Xinhua, Beijing, January 27, 2016

²⁸ Ibid. See also Reuters, Beijing, February 1, 2016.

²⁹ <http://uk.reuters.com/article/uk-southchinasea-china-usa-idUKKCN0VA1TZ> (accessed February 3, 2016)

³⁰ Shannon Tiezzi, From South China Sea Islands, Taiwan's President Presents 'Roadmap' for Peace, *The Diplomat*, January 29, 2016, <http://thediplomat.com/2016/01/from-south-china-sea-island-taiwans-president-presents-roadmap-for-peace/> (accessed January 29, 2016).

³⁰ Ibid.



It is yet to be seen whether Ma's South China Sea Peace Initiative will bear fruit, though my optimism is curbed. The U.S., Vietnam and the Philippines have expressed opposition to the tour, claiming it may only exacerbate existing tensions.

Beijing's reaction and claim that Chinese people from the mainland and Taiwan have common responsibility to protect the Nansha Islands is an interesting aspect.³¹

And what might we expect from Tsai Ing-wen, Taiwan's newly elected president? The majority of participants at the Berlin Asia Dialogue 2016, held at the Federal College for Policy Studies (BAKS), concurred that the U.S., China and also Taiwan intend to maintain the status quo for the foreseeable future. Ms. Tsai will thus refrain from taking any political steps in the South China Sea which might anger Beijing – a promise, incidentally, given to the Obama administration on her visit to the U.S. in 2015.

Another hotspot in the South China Sea is the dispute between China and Vietnam. During Chinese President, Xi Jinping's visit to Vietnam in November 2015, both sides endeavoured to improve their strained relationship. In his talk with Prime Minister Nguyen Tan Dung, President Xi stated that to maintain and preserve stability on the seas both sides would benefit from auspicious disagreement management by way of regular consultations. Nguyen Phu Trong, Secretary General of the Vietnamese Communist Party, told President Xi that both sides should maintain the status quo across the region so as to avoid recourse to actions that may otherwise complicate the disputes. This included both sides refraining from militarizing the East Sea (Vietnamese term for the South China Sea), and, furthermore, that Vietnam and China should seek the rapid conclusion of a Code of Conduct in the South China Sea.³²

However, such good intentions rapidly evaporated. On Tuesday, January 9, 2016, Vietnam claimed that China had moved an oil rig into disputed waters within the South China Sea; Vietnam expressed its concerns to China regarding the movement of the Haiying Shiyou oil rig, going on to demand that China cease all drilling, and remove the oil rig from the area in which the two countries' continental shelves overlap.³³

In January 2016 Vietnam also accused China of violating its sovereignty by landing a plane on an airstrip installed on an artificial island located in a contested part of the South China Sea on January 2. Le Hai Bin, Foreign ministry spokesperson, said that the airfield had been "built illegally" on the Fiery Cross Reef in the Spratly archipelago, in territory comprising "part of Vietnam's Spratlys".³⁴

China reacted promptly: Hua Chunying, China's foreign ministry spokesperson, said that a civilian aircraft used by the Chinese government conducted a test flight at the new airport on Fiery Cross Reef in the Spratly Islands and that this activity was "entirely" within the range of China's sovereignty concerns.³⁵

It is my belief that Hua's statement will have a limited effect in assuaging the Vietnamese political and military leadership and other claimants in the South China Sea. All parties are well aware that where it is possible to land a civilian airplane on a 3000 meter long runway, the same can be done by military aircraft. Vietnam's

³¹ Xinhua, Beijing January 28, 2016. Xinhua also reported that both sides of the Taiwan Strait belong to China; that people on both sides have a common obligation to defend sovereignty and territorial integrity, and to safeguard the Chinese nation's overall and fundamental interests.

³² Shanon Tiezzi, China, Vietnam Seek to Move Past South China Sea Disputes, *The Diplomat*, November 06, 2015, <http://thediplomat.com/2015/11/china-vietnam-seek-to-move-past-south-china-sea-disputes/> (accessed January 30, 2016). Both sides signed also several trade agreements demonstrating their good relations in that field.

³³ The Associated Press, January 19, 2016.

³⁴ Aljazeera News, <http://www.aljazeera.com/news/2016/01/vietnam-china-landed-plane-disputed-island-160103130830421.html> (January 30, 2016)

³⁵ Katie Hunt and Kevin Wang, China Defends Test Flight in South China Sea after Vietnam Objects, *CNN*, January 4, 2016. <http://edition.cnn.com/2016/01/03/asia/china-vietnam-south-china-sea/> (accessed January 30, 2016)



attack capabilities would be jeopardised were China to permanently deploy military aircraft with anti-submarine warfare capabilities on Fiery Cross Reef.

It ought not to be overlooked that Vietnam continues to build up its armed forces. As South East Asia correspondent for Fairfax Media, Lindsay Murdoch, claimed in her report from Bangkok, the first of Vietnam's new advanced Kilo-class submarines has begun patrolling disputed waters of the South China Sea. Vietnam is also stepping up its use of the strategically important Cam Ranh Bay deep-water harbour, where six of the submarines are to be based by 2017.³⁶

I concur with Professor Thayer from the Australian Defence Forces Academy in Canberra, when claiming that once operational, Vietnam's six submarines would provide a potent strike capability when combined with the country's anti-ship and land attack cruise missiles, thereby substantially strengthening the country's ability to confront enemy incursions into its waters.³⁷

To strengthen their military, trade and maritime cooperation the presidents of Vietnam and the Philippines, Truong Tan Sang and Benigno Aquino, signed a strategic partnership agreement in November of last year. The Philippines expect more "goodwill visits" from the Vietnamese Navy. Both parties also plan coastguard and fishery cooperation. Furthermore, they have reaffirmed the importance of ensuring stability, maritime security, the safety and freedom of navigation and over flight in the South China Sea, as well as settling maritime disputes on the basis of international law including the 1982 United Nations Convention of the Law of the Sea.³⁸

Similarly, strategic partnership is evolving between the Philippines and Japan. During the bilateral meeting at the Asia-Pacific Economic Cooperation leaders' summit in Manila from November 18th to November 19th, 2015, Philippine President Benigno Aquino and Japanese Prime Minister Shinzo Abe agreed, in principle, to negotiate the transfer of defence equipment and technology from the Japan Self-Defence Forces (JSDF) to the Armed Forces of the Philippines (AFP). This strategic partnership will complement their bilateral alliances with the United States. The JSDF ships and planes will likewise have access to Philippine bases, enabling Japan to enhance its patrolling of the South China Sea.³⁹

In summer 2016 claimants in the South China Sea are expecting the outcome of the decision by the Permanent Court of Arbitration in The Hague regarding the Philippines' case against China's Nine-Dash-Line claim over the South China Sea under the United Nations Convention on the Law of the Sea (UNCLOS). On October 29, 2015, the Court ruled that it has jurisdiction over the case.⁴⁰ The Philippines contends that China's "Nine-Dash-Line" claim by China is invalid since it violates the UNCLOS agreements on exclusive economic zones and territorial

³⁶ Lindsay Murdoch, South China Sea Dispute: Vietnamese Subs Deployed as Deterrent to China <http://edition.cnn.com/2016/01/03/asia/china-vietnam-south-china-sea/> (accessed January 30, 2016)

³⁷ Ibid.

³⁸ Simone Orendain, Philippines, Vietnam Affirm United Front on South China Sea, Voice of America, News/Asia, November 17, 2015. <http://www.voanews.com/content/philippines-vietnam-affirm-united-front-on-china-sea-dispute/3061741.html> (accessed January 30, 2016)

³⁹ See Renato Cruz de Castro, Philippines and Japan Strengthen a Twenty-First Century Partnership, Center for Strategic and International Studies (CSIS, Washington, Asia Maritime Initiative, December 17, 2015. <http://amti.csis.org/philippines-and-japan-strengthen-a-twenty-first-century-security-partnership/> (accessed January 30, 2016)

See also Karen Lema, The U.S. are also open to patrols with Philippines in waters disputed with China, Reuters, Manila, February 3, 2016 <http://www.reuters.com/article/us-southchinasea-philippines-usa-idUSKCN0VCOMU> (accessed February 3, 2016)

⁴⁰ Philippines v. China, Wikipedia, https://en.wikipedia.org/wiki/Philippines_v._China (accessed February 1, 2016)



seas. China issued a position paper in December 2014 claiming that the dispute was not subject to arbitration as it was ultimately a matter of sovereignty, not exploitation rights.⁴¹

In their essay *Time is of the Essence in the South China Sea Arbitration Case*, Ernest Bower and Conor Cronin conclude that should the court rule China's claims to be illegal, then the Philippines, ASEAN, and the other countries throughout the world which endorse the principle that rule of law should govern the seas, will then need to carefully and constructively encourage Beijing to recognize and embrace this core tenet of international governance and security. The two authors also refer to the difficult domestic situation in the Philippines and the forthcoming Presidential elections scheduled for May 2016.⁴²

Now to recent developments in the East China Sea; here I draw attention to one of the biggest diplomatic issues between China and Japan, namely, to the disputes over the Diaoyu Islands (in Chinese), and the Senkaku Islands (in Japanese).

On December 2015, the Japanese government formally protested to the Chinese embassy in Tokyo and to China's Ministry of Foreign Affairs in Beijing about the entry of an armed Chinese government ship and two other vessels into waters that Japan claims as its own. The three vessels approached waters north of Kuba Island from around 8:19 a.m. local time, entering Japanese territorial waters at 9:30 a.m. before leaving them by 10:50 a.m.⁴³

Communications between the ships was amusing: When Japan's coast guard warned the Chinese to leave its territorial waters, the latter's response was that the Japanese vessel was in Chinese waters and should therefore leave immediately! According to a Japanese official, this entry of the three ships amounted to the 139th occasion since September 2012 in which Chinese government vessels had entered Japan's waters.⁴⁴

The Japanese Self- Defence Forces (SDF) are similarly prepared to take action if their warnings go unheeded, and where Chinese Naval vessels are found within about 22km of the Senkaku islands, even after being warned to leave the disputed islands.⁴⁵

The frequency of incidents continues to underscore the potential danger in the dispute between China and Japan involving the Senkaku Islands. China's perception born out of historical memories of Japan's aggression and war-time atrocities, deep mistrust and animosity together with a growing nationalism on both sides are among the factors contributing to the present situation.

While the strategic planning policy-making and economic factors that influence both countries naturally play key roles in bilateral relations, as Amrita Jash wrote: "At the root of the tensions is history, and the conflict of

⁴¹ Ibid.

⁴² See Ernest Bower and Conor Cronin, *The Asia Maritime Transparency Initiative and the Center for Strategic and International Studies* (Washington), January 13, 2016, <http://amti.csis.org/time-is-of-the-essence-in-south-china-sea-arbitration-case/> <http://amti.csis.org/time-is-of-the-essence-in-south-china-sea-arbitration-case/> (accessed February 1, 2016). For additional information on the likely outcome of the arbitration case see also *A Case of Rocks or Islands?* <http://amti.csis.org/time-is-of-the-essence-in-south-china-sea-arbitration-case/>

⁴³ See James Mayger and Yuji Nakamura, *Japan Protests Intrusion of Armed Chinese Vessels into its Waters*, BloombergBusiness, December 26, 2015 (accessed February 1, 2016).

<http://www.straitstimes.com/asia/east-asia/japan-protests-intrusion-of-armed-chinese-vessel-into-its-waters>

⁴⁴ Ibid.

⁴⁵ See Eugen Smith, *China Island Dispute: Will China heed the warnings of Japan to stay away from the disputed Senkaku Islands?*, YIBADA NEWS, January 14, 2016.

<http://en.yibada.com/articles/100210/20160114/senkaku-islands.htm> (accessed February 1, 2016)

See also the analysis by Dr. Rizal Kadir, *Overlapping Maritime Claims in the East China Sea between China and Japan: More than meets the eye?*, which points out that at the heart of maritime issues between Beijing and Tokyo are their respective overlapping claims in the East China Sea.

<http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?&lng=en&id=195495>



national identity between China and Japan. All tensions over the islands activate China's memories of a tragic past, and affirms its victim identity vis-à-vis the aggressor, namely, Japan."⁴⁶

Among instructive examples in how to resolve apparently intractable relations between states are the Franco-German Joint Declaration and Élysée Treaty, of January 1963, or Germany's *Neue Ostpolitik* (Germany's new eastern policy) under Chancellor Willy Brandt, which was initiated in 1969, and which normalized Germany's relations with Eastern European countries.

The European Union and Maritime Security

When ISPSW associates attend international conferences in Asia we are often asked about Germany's and the European Union's interest in maritime security issues in the Asia Pacific region. With respect to maritime issues, a passage in Chancellor Merkel's speech at the event co-hosted by the newspaper *Asahi Shimbun* and the Japanese-German Center Berlin held in Tokyo on March 9, 2015, is of interest both with respect to its political and military aspects.⁴⁷

"Germany and Japan have shared interests when it comes to enforcing the strength of International Law, which includes stability in other regions, such as waterways and trade routes in the East and South China Seas, the security of which we believe is threatened by maritime territorial disputes."

She continued: "These waterways connect Europe with this part of the world, among other things. Their security therefore also effects us in Europe. In order to reach a viable solution, I believe it is very important to make use of regional fora such as ASEAN in addition to bilateral efforts and also to overcome differences on the basis of international maritime law: this includes both smaller and larger partners in multilateral processes, and basing potential agreements on internationally recognized law ensures transparency and reliability. And transparency and reliability are vital requirements for preventing misunderstandings, prejudices and crises."⁴⁸

Chancellor Merkel's remarks clearly underscore the importance of confidence-building measures (CBMs), as early steps in crisis management and the creation of a peaceful environment in the East and South China Seas.

The year 2015 marked the first high-level international conference at which all aspects of Maritime Security were discussed and agreed upon. The G-7 Foreign Minister's Declaration on Maritime Security in Lübeck, on April 15, 2015, constitutes a highly valuable document. It draws attention to the importance of a maritime order on the basis of international law: "... we are committed to maintaining the principles of international law, in particular as reflected in the United Nations Convention on the Law of the Sea (UNCLOS)."⁴⁹

⁴⁶ See Amrita Jash, Diaoyu/Senkaku islands dispute: identity versus territory, Asia & The Pacific Policy Society, January 11, 2016. (accessed February 1, 2016)

<http://www.policyforum.net/diaoyusenkaku-islands-dispute-identity-versus-territory/> (accessed February 3, 2016)

See also, Robert E. McCoy, Deconstructing the Diaoyu-Senkaku Islands Dispute. Global Asia Forum, January 5, 2016. (accessed February 1, 2016)

<https://www.globalasia.org/deconstructing-the-diaoyu-senkaku-islands-dispute/> (accessed February 1, 2016)

⁴⁷ Dr. Peter Roell, "Hot Spot East and South China Seas and the Importance of Crisis Management – A European Perspective", in: World Politics of Security, XII Forte de Copacabana International Conference *International Security A European-South American Dialogue*, (Rio de Janeiro: Konrad Adenauer Foundation and CEBRI, 2015) 36.

⁴⁸ Ibid.

See also The EU Maritime Security Strategy and Action Plan. 90% of the EU's external trade and 40% of its internal trade is transported by sea. http://eeas.europa.eu/maritime_security/docs/maritime-security-information-toolkit_en.pdf

⁴⁹ G-7 Foreign Ministers' Declaration on Maritime Security, Lübeck, April 15, 2015. Press Release Federal Ministry of Foreign Affairs, Berlin. April 15, 2015.



Special reference to Asia is made in point 1: Fostering regional cooperation, ownership and responsibility, and in point 3: Intensifying information-sharing and advancing maritime domain awareness.⁵⁰ The G-7 Declaration on Maritime Security is a conducive starting point for more concrete measures and tasks.

Following up on the successful G-7 Foreign Ministers' April 2015 meeting in Lübeck, Germany, as G-7 Presidency, wished to contribute to the implementation of the Lübeck Declaration on Maritime Security, to strengthen maritime governance and to provide impetus to new forms of cross-sector and international cooperation with a view to enhancing maritime security. On December 14, 2015, the Federal Foreign Office organized a G-7 High-level Meeting on Maritime Security with 110 participants entitled "*Enhancing Maritime Security – Connecting Regions – Governing the Commons*."

In addition to a key-note speech by Minister of State for Europe, Federal Foreign Office, Michael Roth, and an opening panel entitled *Enhancing maritime security: How best to connect regions and govern the commons?*, experts in four roundtable discussions debated the following topics:

1. Towards situational awareness and surveillance of the global maritime domain – the next steps?
2. Peaceful dispute settlement in the maritime domain: The role of international law, negotiations and dialogue.
3. Preventing illegal, unreported and unregulated fishing
4. Networking maritime security in the Indian Ocean and beyond – the potential for interregional cooperation.

H.E. Toshiro Iijima, Ambassador in charge of Policy Planning and international Security Policy, Ministry of Foreign Affairs, Japan, made a closing statement.⁵¹

All these events show that there is a political will to contribute to peace and stability in the Asia Pacific region. Although present and medium-term politicians in Germany and in the European Union concentrate on issues such as migration, terrorism (ISIS), the situation in the Near and Middle East and in the Ukraine, Asia is too important for it not to be on the radar. The European Action Service (EEAS), together with other EU institutions, for example, the Institute for Strategies Studies in Paris, the EU Intelligence Analysis Centre (INTCEN) in Brussels etc., should critically analyse the situation in Asia, and issue valuable information for EU decision-makers, including situation reports on developments in the hot spots of East and South China Sea.

China's Maritime Silk Road – Challenges and Recommendations

In his particularly valuable study entitled *China's 21st Century Maritime Silk Road Initiative, Energy, Security and SLOC Access*, the Energy Studies Institute Fellow at the National University of Singapore, Dr. Christopher Len, refers to Beijing's attempts to secure China's maritime energy supply chain across the India Ocean region and

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

⁵⁰ See also Lutz Feldt, *The Importance of the Global Maritime Domain for World Politics and Security*, in: Institute for Strategic, Political, Security and Economic Consultancy (ISPSW), Berlin, Issue No. 382, October 2015.

<http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?lng=en&id=194184> (accessed February 4, 2016)

⁵¹ ISPSW President attended the conference. During Japan's G-7 Presidency, Tokyo will continue in 2016 to follow up the G-7 Foreign Ministers' Declaration on Maritime Security of April 2015, in the face of political, economic, military and other challenges. The participants are scheduled to discuss ways of deepening the discussions in the Maritime Domain and of expanding networks with colleagues from other parts of the world.



the South China Sea. The majority of China's seaborne energy imports transit through these regions; thus Beijing attaches greater importance to the security of the Sea Lines of Communication (SLOCs) and has growing strategic interests in ensuring unimpeded access in these two areas.⁵²

China is already engaged in a number of ongoing port projects in Gwadar, Pakistan, and in Colombo and Hambantota, Sri Lanka. In Bangladesh it is involved in Chittagong and has been lobbying for the development of a deep-sea port at Sonadia Island.⁵³ Beijing also plans to build its first overseas military outpost in Djibouti. Analysts claim that these activities comprise part of a broader global economic strategy that reflect the country's deepening ties with Africa.⁵⁴

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

Moritz Rudolf, research associate at the Mercator Institute for China Studies in Berlin, argues that suspicion towards OBOR is also fuelled by China's increasingly aggressive foreign policy. By pursuing a more assertive approach in the South China Sea territorial disputes, or by displaying modern military hardware during the World War II commemoration in Beijing on September 3, 2015, the Chinese leadership risks losing the required support of its neighbouring countries to make OBOR a success story.⁵⁵ And in the opinion of Tetsuro Kosaka, Nikkei senior staff writer, China's military reorganization could be more destabilizing than its new weapons.⁵⁶

Although Chinese policy-makers are convinced that the benefits of China's infrastructure-driven development model could also be transferred to Africa, the 21st Century Maritime Silk Road on infrastructure development is also a response to China's severe overcapacity in construction and manufacturing. The Maritime Silk Road will also help China transfer part of the labour-intensive infrastructure to Africa so as to benefit from lower wages and ample labour supply in view of China's rising wages and decreasing working population. While it may be true that many countries in Africa have benefited from Chinese engagement, some African leaders have openly criticized China's policies of securing its practical interests in African resources.⁵⁷

⁵² See Dr. Christopher Len, China's 21st Century Maritime Silk Road Initiative, Energy Security and SLOC Access, Maritime Affairs: Journal of the National Maritime Foundation of India, vol. 11, Issue 1, 2015.

<http://www.tandfonline.com/doi/full/10.1080/09733159.2015.1025535> (accessed February 5, 2016).

⁵³ Ibid.

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

⁵⁴ Jill Craig and Shannon Van Sant, China Base in Djibouti Reflects Economic, Africa Strategy, Voice of America News, Nairobi, December 7, 2015. <http://www.voanews.com/content/china-djibouti-base/3092183.html> (accessed February 5, 2016)

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

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

⁵⁵ Moritz Rudolf, China's 'Silk Road' Initiative is at Risk of Failure, The Diplomat, September 24, 2015.

<http://thediplomat.com/2015/09/chinas-silk-road-initiative-is-at-risk-of-failure/> (accessed February 6, 2016)

⁵⁶ Tetsuro Kosaka, Nikkei Asian Review, Tokyo, February 1-7, 2016, p. 24-27.

⁵⁷ See Frannie A. Leautier, Michael Schaefer and Wei Shen, Maritime Silk Road opportunities abound, ChinaDaily Europe, November 20, 2015.

http://europe.chinadaily.com.cn/epaper/2015-11/20/content_22486848.htm (accessed February 6, 2016)



A potential threat against ships, harbours and other Chinese installations along the Maritime Silk Road may be the target of international terrorism. Although this threat has declined in the last years it cannot be dismissed.

How does the Chinese academic community evaluate the OBOR? Experts believe that OBOR faces numerous challenges. “Internally, there is too great a focus on quick results, which could lead to wastage. Externally, OBOR faces political risks, the ‘three evil forces’ and challenges from big states, which are either concerned about the project or have interests that conflict with it. Lesser powers are equally concerned, although they express this disquiet differently. Chinese scholars clearly reflect the Chinese authorities’ view that OBOR is a highly significant foreign policy idea that has already moved beyond mere rhetoric. They find, however, that its articulation remains unclear and that in its current conception, it faces numerous problems. Developing greater clarity will clearly be a driver of academic thinking for the near-term future.”⁵⁸

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

I close with the following 12 recommendations:

1. In order to better understand developments in the Asia Pacific region, empathy with the mentality and interests of local decision-makers is imperative.
2. In that historical experience continues to be deeply rooted in the consciousness of decision-makers, as well as among the region’s general population, these overlap with the current dispute in the East and South China Sea. Thus, to build bridges political dialogue should be a priority.
3. Whereas, presently, decision-makers in the European Union concentrate first and foremost on such issues as migration, terrorism, the critical situation in the Near and Middle East, and with the ongoing Ukraine question, the precarious situation in the East and South China Sea requires constant observation. Thus, what is required is intelligence gathering by European intelligence agencies, more in-depth exchange with ‘partner agencies’, along with the use of open sources information etc.
4. To supplement information from state sources, EU decision-makers should also draw on the comprehensive knowledge sources of private institutions as follows:
 - a) Provision of analyses on the multiple aspects relating to maritime security.
 - b) Operative recommendations for action containing political, economic and military options, including “worst-case scenarios”.

⁵⁸ David Cohen, Antoine Bondaz, Aghata Kratz, Raffaello Pantucci and Qingzhen Chen, eds. Francois Godement, “One Belt, One Road”: China’s Great Leap Outward, European Council on Foreign Relation (ECFR), Paris, June 10, 2015.
http://www.ecfr.eu/publications/summary/one_belt_one_road_chinas_great_leap_outward3055 (accessed February 6, 2016).

See also Wolfgang Lehmacher and Victor Pacilla-Taylor, The New Silk Road: Idea and Concept, Institute for Strategic, Political Security and Economic Consultancy (ISPSW), Berlin, November 2015.

<http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?lng=en&id=194839>

See also Zhiqun Zhu, China’s AIIB and OBOR: Ambitions and Challenges, The Diplomat, October 09, 2015.
<http://thediplomat.com/2015/10/chinas-aiib-and-obor-ambitions-and-challenges/> (accessed February 6, 2016).



- c) Mediation of information gleaned from international conferences and workshops (themes, contents).
 - d) Participation in the elaboration of educational measures by EU member states in the area of the Indian Ocean and bordering regions.
 - e) Lectures on the maritime security.
 - f) Establishing contacts to those persons and organisations concerned with maritime security world-wide.
5. In view of the strained situation in the East and South China Sea, the U.S. and China should continue strengthening their dialogue on military intentions, above all regarding the risks involved with A2/AD capabilities.
 6. The development of a code of conduct in the South China Sea should be actively pursued. In order to succeed, the 21st Century Maritime Silk Road must be based on the principle of mutual respect and mutual benefit.
 7. China and other claimants in the South China Sea should seek a common approach with respect to oil and gas exploration in these waters.
 8. Japan and South Korea should develop a more future-oriented relationship.
 9. Improvement of regional and international cooperation for managing crises situations.
 10. Awareness-raising of potential threats emanating from territorial disputes in the East and South China Sea should be increased among decision-makers in politics, the armed forces, as well as in corporate and public sectors.
 11. The European Union should strengthen cooperation with those states which share our values.
 12. Communication capabilities and openness for understanding the perception of one's counterpart should be cultivated since this is fundamental for successful dialogue.

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



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