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STRATEGY TO DISSUADE CHINA FROM USING FORCE OR THE THREAT OF FORCE
TO INFLUENCE ITS NEIGHBORS

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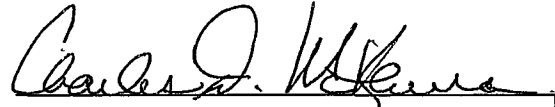
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Executive Summary

Title: Strategy to Dissuade China from Using Force or the Threat of Force to Influence Its Neighbors

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Thesis: This paper proposes a dual strategy to dissuade and/or deter China from using or threatening to use force to influence its neighbors. First, constructive engagement of regional partners is proposed to lessen the “security and stability” operations burden on PACOM forces. Second, direct engagement with China is proposed to reduce tensions and reduce the possibility of misunderstanding the military actions by either nation.

Discussion: The People’s Republic of China’s (PRC) expanding economic and military influence in the Indian Ocean present both an opportunity and a reason for concern to the United States (US). With their energy demand increasing beyond internal supply capabilities, Chinese strategists view the Persian Gulf as the western extent of their “strategic frontiers”¹, and perceive the entire Sea Line of Communication (SLOC) connecting China and the Persian Gulf as a critical vulnerability. China might attempt to gain control of the SLOC as a result of a perceived US threat. Conversely, a shared interest in these sea lanes could lead to increased US-PRC cooperation. A peaceful and influential China would be an ideal partner for maintaining stability and economic growth, while a strong and belligerent China presents a danger to US interests and those of its regional partners.

Conclusion: Increasing the military capacity of friendly regional states can lead to a reduction in OPTEMPO of US forces in the PACOM area of responsibility. This increases the number of PACOM forces available to respond to crises. It also may lead to a more formidable deterrent. Bilateral engagement with China reduces ambiguity concerning strategic intentions and prevents misinterpretation of military actions taken during crises. While engaging regional powers, including China, may create stability, any approach must consider US strategic interests and the instruments of national power the US will need to employ to safeguard its interests.

Introduction

The People's Republic of China's (PRC) expanding economic and military influence in the Indian Ocean presents both an opportunity and a reason for concern for the United States (US). With her energy demand increasing beyond internal supply capabilities, China's energy imports have increased on par with its rising economy. As a net importer of oil that comes from areas as distant as the Middle East, it comes as no surprise that Chinese strategists view the Persian Gulf as the western extent of their "strategic frontiers"², and perceive the entire Sea Line of Communication (SLOC) as a critical vulnerability.

Security for imported energy resources and other seaborne trade represents a vital national interest to China, the US, and US regional partners. The protection and control of this SLOC in particular is magnified by the fact that oil tankers bound for both Chinese ports and the ports of US' regional partners travel through the same waters. With the PRC's military capabilities on the rise, China could attempt to gain control of the SLOC if it were to perceive a threat from an expansionist US foreign policy.

The shared interest in this strategic SLOC could lead to increased US-PRC cooperation. A peaceful and influential China would be an ideal partner for the US if it is committed to maintaining stability and economic growth in the areas serviced by the SLOC. At the same time, a strong and belligerent China presents a danger to the US interests and those of its regional partners. This paper seeks to outline a plan for US Pacific Command (PACOM) to employ in this potentially volatile region. This dual strategy consists of constructive engagement with regional partners as well as direct engagement with China. The goal of the strategy is to dissuade and / or deter China from using force or the threat of force to secure control of the SLOC in this strategically important region.

Context

According to the Central Intelligence Agency's World Factbook, China's population passed 1.3 billion in July, 2007.³ This massive population, combined with an economy that according to *The Economist* magazine grew an estimated 11.4 percent in 2007⁴, has resulted in an increasing consumption of energy. In 1993, China went from being a net oil exporter to a net importer.⁵ As of January 2006, China had 18.3 billion barrels of proven oil reserves. The Energy Information Agency (EIA) estimated that in 2006 China produced 3.8 Million barrels of oil per day (Mmbbl/d), but consumed 7.4 Mmbbl/d. That increase in oil consumption represented 38% of the world's total increase in demand.⁶ It is doubtful that China will ever be able to satisfy its oil requirements from domestic requirements with internal sources.

It is estimated that by the year 2020, China's energy demand alone is expected to be 1.353 billion tons of oil equivalent (9.255 billion barrels).⁷ With this level of demand, China cannot focus on any one country for oil imports. A potential source of oil, and a proven area of contention, is the Spratly Islands. While there is no clear picture of how much oil is contained in the Spratlys and the immediate area surrounding them in the South China Sea, it is estimated that there are over ten times the amount of oil and seven times more natural gas than are in China's onshore reserves. Yet, this oil has not been brought "online" and it is unlikely to be available soon enough to meet the increases in China's demand.

The Middle East, however, has the potential to meet all of China's import demands.⁸ Since there are no overland pipelines or secure highways connecting the region to China, this oil must travel by tankers along a strategic SLOC crossing the Indian Ocean. One of the critical chokepoints on the route is the Strait of Malacca. It runs along the coastline of Malaysia, Singapore, and through the archipelago of Indonesia near the island of Sumatra. 60,000 ships

pass through the strait each year. This represents approximately 80 percent of China's energy imports and one third of world trade.⁹ Since security of this strait is a critical element to the economic vitality of regional nations as well as others throughout the world, any act of aggression, be it by anything from a band of modern pirates to a nation acting alone or as part of an alliance, would require a swift and decisive response. As such, the US, China, and other regional nations such as Indonesia, India, Malaysia, Thailand, Vietnam, and Burma have a common interest at maintaining its security. With the energy demand reaching new levels in China, any disruption in the SLOC would be perceived as a direct threat to China's national security. This requires that a delicate balance be maintained in US-PRC relations since the US Navy is the predominant sea power securing the SLOC at the present time.

In November 2003, Chinese President Hu Jintao stated that "certain major powers" have tried to control the Strait of Malacca, through which 80% of China's energy imports pass. He called for a new strategy to remedy what has become known as the "Malacca Dilemma" in the Chinese media.¹⁰ This concern about US intervention both in the strait as well as on the high seas is not without precedent. In August 1993, the US received what proved to be false intelligence regarding a Chinese vessel. The US alleged that the Chinese freighter *Yin He* was transporting weapons of mass destruction to Iran through the international waters of the Persian Gulf. The US Navy intercepted the freighter, which infuriated Chinese leaders. However, China soon realized that they did not have the means necessary to prevent such an incident from reoccurring in international waters.¹¹

Chinese officials are concerned that a lack of security, influence, or more to the point, control of the SLOCs through which their oil traverses could lead to domestic instability. The future of the regime could be jeopardized by a disruption in the energy supply. As a result,

China has increased its diplomatic and economic engagement with certain regional neighbors. At the same time it has been expanding its own military capabilities to deal with what it sees as its greatest vulnerabilities.

The *2006 National Security Strategy* states that the Chinese must realize “they cannot stay on this peaceful path” of economic and trade expansion while “holding onto old ways of thinking and acting that exacerbate concerns throughout the region and the world”.¹² According to the *2006 Quadrennial Defense Review Report*, “China has the greatest potential to compete militarily with the United States and field disruptive military technologies that could over time offset traditional US military advantages absent US counter strategies.”¹³ With an increasing naval capacity including a submarine force, a “blue water” navy, and amphibious assault capabilities, China must carefully calibrate its increasing capabilities in such a way that it does not alarm the other world and regional powers.

Military Engagement with Regional Partners and Allies

As stated above, China’s need for oil and other raw materials could result in friction with the US and other regional states. Though many countries are concerned about China’s rapid military and economic growth, they are reluctant to alienate China for the same reasons. When crafting a strategy, the US must be mindful of the strategic position of its allies and potential partners and avoid the “with us” or “against us” mentality.

The US military strategy in Southeast Asia need not and should not be China-centric. The US should focus on reassuring its allies and potential partners of its commitment to regional stability, security, and economic growth. To maintain regional stability, it is vital that the US be prepared to deter Chinese aggression. The best deterrent against aggression is a capable and ready response force. For the US, two options exist in providing such a response force. The first

is to deploy additional forces to the Pacific Theater. However, based on the current OPTEMPO and force requirements in the CENTCOM area of operations, this option is unlikely. The second and more likely option is to reduce the mission requirements of the forces currently assigned to the theater. The strategy proposed in the following pages is not revolutionary. However, it was designed to leverage the militaries of certain regional states to reduce the OPTEMPO of deployed US naval forces. This will better position PACOM to act as a deterrent to Chinese hostilities.

This proposal focuses on six countries: Indonesia, India, Malaysia, Thailand, Vietnam, and Burma. These countries have been selected because they seem to provide a short-term return on investment. This plan builds upon the Presidential initiatives to build partner military capacity to meet the regional security, humanitarian assistance (HA), and peacekeeping needs.¹⁴

Australia, Philippines, and Singapore have not been discussed in this paper because of the robust bilateral cooperation initiatives the US has with these countries. The remaining Southeast Asian countries have been omitted because they appear to require long term engagement to return limited gains.

The bilateral and multilateral engagements will be tailored for each partner or potential partner with an emphasis on increasing their military, humanitarian assistance, and/or law enforcement capacity and encouraging them to work with other regional states and the US to promote regional peace and prosperity. The operations have the additional aim of discouraging adversaries or potential adversaries from threatening US interests.

Indonesia

Indonesia's strategic importance is rooted in its location relative to the SLOCs that pass through the archipelago. The Straits of Malacca is one of the world's most traveled sea lanes

with over 60,000 ships passing through each year. In addition to being the “super-highway” for the oil and supplies to Northeast Asia Pacific countries, it is also a source of food, transportation, and economic vitality for nations of Southeast Asia. Therefore, it is critically important to the region and the world that the security of these waterways be protected.

PACOM currently engages in a myriad of non-kinetic missions designed to maintain regional security. These include humanitarian assistance operations, maritime security operations, disaster relief and management operations, freedom of navigation and law enforcement. Increasing Indonesia’s capacity to assist in these regional stability and security operations provides PACOM with two tangible results. It reduces PACOM’s OPTEMPO and it introduces another source of regional intelligence.

Increasing Indonesia’s capacity to respond to natural disasters with capable naval forces reduces PACOM OPTEMPO by developing a capable partner to share the burdens, in both men and materials, associated with regional HA and DR operations. Increasing Indonesia’s capacity to patrol and police the sea-lanes adjacent to their coastline replaces US security assets with Indonesian assets. Indonesia will be able to take a greater role in maintaining SLOC security, interdicting transnational crime, and tracking those engaged in WMD transport in the Malacca, Sunda, Lombok, and Makassar Straits.

By strengthening capacity to perform security and stability operations, the US can strengthen its intelligence cooperation with Indonesia. This has the potential of providing information on groups that operate contrary to the US interests without using additional US assets.

Training, equipping, and modernizing are essential to increasing Indonesia’s maritime capacity and likewise to reducing PACOM mission requirements. Indonesia actively participates

in many US military assistance programs designed to modernize partner nations military forces. The International Military Education and Training (IMET) program, Expanded International Military Education and Training, and Joint Combined Exchange Training (JCET) programs will provide training for Indonesia's military forces.

In addition to equipment, training is vital to increasing Indonesia's military capacity. Bilateral and multilateral exercises are a valuable method to prepare Indonesia's military to take on a greater role in Southeast Asia. Existing bilateral and multilateral exercises with the Indonesian armed forces should be expanded to reduce the inherent friction and exercise the command and control aspects of possible combined operations. Increased Indonesian exposure to the US military through bilateral and multilateral exercises, officer exchanges, and military liaison could be a key enabler to port access if the need should arise. Partnering with the world's largest Muslim nation could be used in the information operations campaign against religious extremist groups. The net result is that with Indonesia taking over non-kinetic mission sets in their coastal regions, the US forces are better postured to respond to crises and deter aggression.

India

India provides perhaps the greatest force multiplication capacity for the US and thus, is a highly desirable partner from the standpoint of regional security and stability. Its strategic position, along the sea lanes connecting Western and Eastern Asia as well as its growing navy, make India highly capable of ensuring freedom of navigation for commercial shipping, discouraging piracy and other illicit transnational crimes, and providing refueling and refitting bases for forward deployed US forces.

Helping India strengthen its maritime capacity would increase its efficiency and effectiveness of patrolling international and coastal waters including the approaches the Straits of

Malacca and beyond. The US benefits by an increased Indian presence and a corresponding US force reduction in support of maritime security operations in these areas. It also provides a strong naval presence to lead other regional partners in security cooperation and crime interdiction, a mission normally undertaken by US maritime forces.

Helping India to strengthen its maritime capacity can be done through technology transfer and military sales. US command and control technology could simplify real time intelligence sharing between the two navies by enabling easier communications, allowing the two countries to act in concert in areas of shared interests including those mentioned above as well as HA operations and interdicting WMD proliferations and other international crimes in the Indian Ocean, the South Pacific and the interconnecting waterways.

Bilateral and multilateral exercises are another important feature of a program to increase Indian military capacity. Increasing the number and frequency of the exercises would reduce the inevitable friction that is expected in the event of combined operations by testing command control and communication systems. Additionally, the exposure resulting exercises could be an enabler for future access to Indian ports and bases nearer to CENTCOM areas of operation.

Increased exposure through operational exercises and India's participation in military exchange programs such as IMET would lay the foundation for increased maritime cooperation. This translates into India providing assets for some of the maritime security and stability missions normally performed by US forces and for India to eventually take the lead in regional stability, security, HA, and DR operations. The goal of renewed cooperation with India is to strengthen military ties already in place based on Defense and Maritime Cooperation Framework. Leveraging Indian maritime forces for security and stability operations allows the US forces to take on the more provocative deterrent missions. There are limits to the speed and

extent of the renewed US-India defense relationship. India might construe US actions as an attempt to subordinate their military to that of the US. Both of these concerns can be mitigated by maintaining open and transparent dialogue with respect to the US-India military relationship.

Malaysia.

Malaysia's strategic importance to the US is based on its location astride the Straits of Malacca and the South China Sea as well as the many regional interests the two countries have in common. These interests include countering terrorist threats, regional stability and security, and countering transnational piracy.

Increasing Malaysia's maritime capacity will enable them to combat these threats along their borders. It will also free US forces to meet other regional challenges. Increasing Malaysia's ability to track and interdict transnational criminals and to combat terrorism provides an additional source of regional intelligence with no added cost to the US. Along with Indonesia, increasing Malaysia's capability to provide rapid HA could slowly remove US forces from this mission, leaving them free to provide a deterrent against possible Chinese aggression.

The US would benefit from additional bilateral and multilateral operational exercises with Malaysia by focusing on humanitarian relief, combating transnational crime, and freedom of navigation within the Straits. These exercises could increase interoperability, test command and control, and foster greater regional cooperation between the Malaysian military, the US and other regional security partners. These efforts would prepare the Malaysian military to carry out the maritime security, stability, and crime prevention missions near their coastline. PACOM forces would be free to carry out other regional operations.

Thailand

Thailand has been an America ally since the middle of the twentieth century. The US maintains close military ties with the Thais and the US is the largest provider of military aid to Thailand¹⁵. The two countries work in concert in fighting terrorist and in interdicting WMD trafficking.

The US should maintain its current level of training and equipment support to the Thai military. Maintaining counter-terrorism connections provides PACOM with more comprehensive intelligence on extremist groups operating in Thailand. Increasing Thai maritime capacity could provide a partner nation to absorb maritime security efforts at the entrance to the Straits of Malacca. Bilateral and multilateral training exercises with the Thai prepare them to take on HA and peacekeeping responsibilities in the region. Both of these missions would free up US forces in PACOM.

Vietnam

Vietnam's strategic importance is based on its location on the South China Sea. Additionally, its strained relationship with China and how that relationship could affect regional stability are important from a strategic point of view. Since gaining its independence from China in the tenth century, the relationship between China and Vietnam has been tenuous. Although Vietnam benefits greatly from trade with China; the two countries are at odds over competing claims in the potentially resource rich South China Seas. While the Philippines, Vietnam, Taiwan, Malaysia and Brunei claim some part of the Spratly Islands, China claims the entire island chain as Chinese territory. In 1988, seventy Vietnamese navy personnel were killed in clashes with the Chinese navy over the Spratly Island. More recently the Chinese Navy sank two Vietnamese fishing vessels engaged in commercial fishing in those same littorals. The conflict of overlapping sovereignty claims is exacerbated because the Spratly Islands are thought to lie

atop substantial oil and natural gas reserves. “Disputes have been propelled by an aggressive China, eager to meet growing energy demands that outstrip its supply capability.”¹⁶

Since relations between the US and Vietnam were normalized in 1995, military contact between the two nations have increased, albeit extremely slowly. Military contact should continue to increase through multilateral and bilateral combined exercises, component level exercises, and military exchange programs. The goal is to bring Vietnam into the regional security fold as a force provider for peacekeeping operation and HA. Additionally, closer military ties, might act as a deterrent to Chinese aggression in the South China Seas without actually committing US forces to the defense of the Vietnamese claims.

Burma.

US policy towards Burma is driven largely by human rights concerns while China’s policy towards Burma appears is driven by strategy and economics. Burma has strategic importance to China because US influence there is seen as an attempt by the US to encircle China. Burma is economically important because it can provide a land bridge between China and the Indian Ocean across which natural resources could travel.

Burma has the potential to destabilize the region and it is home to large numbers of transnational crime syndicates. It is a source country for human trafficking and the second largest producer of illicit opium.¹⁷ Most of the efforts to protect US interests with respect to Burma are diplomatic and outside the scope of this paper. Military cooperation is unlikely based on the repressive policies the Burmese Junta is taking with dissident civilians. The US should look to strategically position military forces to react with HA along the Burma’s borders in support of India and Thailand.

Regional Forums

Thus far this paper has proposed bilateral engagement. There are also opportunities to engage with regional forums such as Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF). Although neither is an active security association, the member nations have a common interest in regional stability and, in the case of ASEAN, have signed a multilateral anti-terrorism agreement to ensure regional stability. It is not likely that ASEAN or ARF would be used as an enabler of military operations; however, both could provide a forum to discuss bilateral and multilateral security concerns, peacekeeping operations, and humanitarian operations. This is important in maintaining transparency and a spirit of cooperation and understanding throughout the region.

Engagement with China

Increasing the military capacity of allies is crucial, but how should the US engage China? Should the US treat China as a regional partner or a threat? A strategy of engagement should treat China as a possible threat susceptible to influence instead of a certain enemy that the US should contain. The outcome of engagement should dissuade China from aggressive military action to control the SLOC while developing a shared vision of regional stability. Failure to develop a shared vision could result in regional conflict over energy imports with India or Japan. Furthermore, competition for control of the Spratly Islands with Vietnam, Malaysia, and the Philippines is possible.

Before discussing specific methods of engagement, it is important to understand Chinese perceptions of the US. After years of colonial rule and imperial conquest, most countries in Southeast Asia are seeking stability and balance of power through participation in multilateral regional alliances. Any perceptions of hegemony in the region tend to create an atmosphere of mistrust. The Chinese, who claim to understand the region, say that they seek stability and a

balance of power. However, there are indications that China seeks to become the regional hegemon. China's efforts to secure bilateral trade agreements with its neighbors, investments in Africa, and hosting of the 2008 Olympic Games reflect a desire for renewed "national dignity" and "a status of equality in the international community." China considers any threat to its dignity and international equality, both tied to regional hegemony, to endanger the country's security.¹⁸ This attitude makes the US appear to be an outsider engaged in "power politics."

One influential Chinese author put it this way:

'Many hotspot problems are located close to China, and the variables in China's peripheral environment have increased. Objectively speaking, at present there is no threat to China of large-scale invasion by an external enemy, nor will China easily become involved in conflicts and disputes in its peripheral regions, hence, China's security environment can in general be described as relatively good. However, taking a general look at the great powers in the world today, which country is facing such a complex and fragile peripheral security environment as is China (Russia is the only rival); from Kashmir and Afghanistan in the west to the Korean peninsula in the east, and then to the South China Sea and Taiwan strait, all the relevant problems are characterized by being hard to resolve over a long period and also by the possibility of breaking out at any time, and moreover all of them are closely connected to China's national security; what particularly merits attention is that "the American factor" is behind all these problems; of course, the existence of the American factor is not completely negative, and in many circumstances the American factor may be the constraining force preventing these crises from exploding.'¹⁹

The dialectic view of the US as a problem and a solution permeates all diplomatic relations with China. The Chinese elite believe that the United States seeks to maintain its status as world hegemon, which runs contrary to Chinese perceptions of "national dignity" and their "status of equality in the international community." The perceived conflict over hegemony makes many US actions appear threatening to the Chinese. Chinese views are important, but they should not dictate US actions. Instead, they provide clues to China's possible responses to US actions. US military planners must design methods to engage China within this framework of perceptions as

well as China's increased emphasis on energy security. Military engagement with China will improve China's transparency and help both countries avoid miscalculations. Methods of military engagement with China include military exchange programs, cooperative exercises, and combined operations.

Military exchange programs consist of senior level visits, strategic talks and functional exchanges. There is considerable debate over the benefits of military exchanges with China. Some argue that military exchanges with China have not benefited the United States, but these arguments are rooted in an over expectation of reciprocity. Reciprocity does not exist in the military exchanges between the US and China because they have opposing purposes for military engagement. US military officials want to conduct exchanges for explicit military reasons while the Chinese view the exchanges as an extension of strategic politics.²⁰ In spite of arguments against the usefulness of military exchanges with China, participants in military exchanges have testified to acquiring knowledge they would not have obtained otherwise.²¹ In a CRS report from December 2007, the record of military contacts show thirteen occasions since 1993 when the PLA allowed US officials to be first-time foreign visitors with "unprecedented access." Examples include the Satellite Control Center in Xian during 1995 and the T-99 tank in 2007.²² At the operational level, PACOM has participated in high-level meetings with Chinese officials in an effort to avoid a misinterpretation of each other's actions during a crisis. Admiral Keating, PACOM commander, stated that recent military exchanges had improved in both quantity and quality.²³ Recently, a Hong Kong newspaper explained Beijing's position:

'But thanks to the efforts of the two countries' governments there is constant forward movement in the two countries' relations in various areas, and bright points in military exchanges are becoming more and more apparent in the two countries' relations, playing an important role in increasing mutual trust, reducing mutual miscalculation, and in further raising the overall level of the bilateral relations'²⁴

As American and Chinese leaders recognize the value in military exchanges, the US should continue its efforts to expand exchange programs. General Pace, former Chairman of the Joint Chiefs of Staff, advocated an exchange initiative for young officers, military academy cadets, and midshipmen.²⁵ In accordance with the former Chairman's initiative, PACOM can create opportunities at regional schools of short duration such as Center for Excellence in Disaster Management and Humanitarian Assistance. The center provides a course in Combined Humanitarian Assistance Response Training and a Training Assistance Program (TAP). The Center customizes TAP education and training packages to support the needs of the participants. The Center should create a training package to support combined maritime security operations. Due to its proximity and relationship, PACOM could also facilitate Chinese military participation in courses at the East-West Center and Asia-Pacific Center for Strategic Studies (APCSS). As the People's Liberation Army attempts to improve the quality of its officer and NCO corps, Chinese receptiveness towards education programs may increase. These low cost attempts to create exchange opportunities could lead to future mid-level exchanges. Exchange programs serve many purposes. First, they create opportunities to develop communication that assists in conflict avoidance in the event of unplanned contact, such as during freedom of navigation operations. Secondly, exchange programs enhance the participants understanding of each country's strategic intentions. Military exchanges contribute to transparency even under the most controlled conditions.

Cooperative exercises are unlikely to occur on Chinese soil, but there may be opportunities to conduct combined exercises within the region in response to natural disasters and complex humanitarian emergencies. China has reason to participate in these combined exercises. China's policy of assisting countries in the region supports its desire to be recognized

as a leader in the international community, and combined operations would enhance their capabilities. National disaster response is an issue that China has recently faced and combined participation will increase their knowledge and training in response to internal emergencies. In many cases, response to natural disasters and emergencies will have a maritime expeditionary component creating an opportunity for combined naval exercises. The maritime component of exercises, while extremely choreographed, could create interoperability while maintaining the opacity of US capabilities. Exercises could include combined naval operations or Chinese troops carried on US military transport aircraft to an exercise site. Cooperative operations could take the form of humanitarian assistance to China's neighbors like Burma creating a shared responsibility for conditions within the region. Another initiative recommended by General Peter Pace was combined search and rescue exercises.²⁶ PACOM could conduct combined naval operations, such as search and rescue, with China and shared regional partners, such as Pakistan to maintain state sea-lanes. China and the US should attempt to develop a partnership against transnational crime. Piracy is a maritime threat along trade routes in Southeast Asia and the South China Sea. In 1999, 25% of the maritime piracy that occurred was against tankers affecting energy security.²⁷ Combined maritime policing operations would increase Chinese and US transparency. Allowance of this type of US transparency is not unprecedented. In June 2006, PACOM Commander, Admiral Fallon, invited PLA observers to the US "Valiant Shield" exercise that brought three aircraft carriers off the coast of Guam.²⁸ Another positive aspect of cooperation is that increased Chinese capability reduces US force requirements in response to a crisis. An unintended consequence is increased Chinese influence, but this is unavoidable. America cannot "contain" Chinese influence, so America must guide its use.

The US should attempt to establish a partnership with China where mutual interest exists. By virtue of geography, freedom of navigation and protection of sea-lanes is an interest shared by the US, China, and most of the countries of Southeast Asia, but for different reasons. The majority of trade is via sea-lanes and freedom of navigation directly relates to US investment in the region. China is more concerned with energy security and the protection of sea-lanes. In order to gain influence in the Strait of Malacca, China signed a memorandum of understanding on defense cooperation with both Malaysia and Indonesia, showing an increased concern.²⁹

As mentioned earlier in the context, the US interception of a Chinese freighter in 1993 magnified China's maritime weakness. China currently lacks the naval power to secure its vulnerable energy imports, so it has laid plans to increase the capacity and capability of the People's Liberation Army Navy (PLAN). In October and November 2003, the PLAN conducted joint naval exercises with both Pakistan and India in a step towards greater capability.³⁰ Likewise, it has increased port calls throughout the region, which could be perceived either as a show of force or as an attempt to develop politico-strategic relations, depending on one's perspective. While it is not anticipated that the PLAN will have the capability to deploy and sustain its forces throughout the Indian Ocean until 2020-2025, exercises like these demonstrate that China is increasing its ability to project naval power and potentially control the Indian Ocean.³¹

Taken individually, increased naval activity or increased naval capability is not a trigger for alarm in Southeast Asia. Nevertheless, from a strategic perspective, China appears to be setting the conditions for its energy security through the possibility of military action. If the US wants to influence the strategic situation, it is important to highlight to China and other regional powers that maritime cooperation is beneficial to all involved. For China and Southeast Asia,

economic growth drives national power, and open sea-lanes secure their economic growth. US leaders should project a message of cooperation instead of confrontation on matters of policy related to the SLOC that support their economic growth. The US goal should be to reduce forces assigned to sea-lane patrols while increasing the involvement of its regional partners. In spite of reduced presence, the US cannot forfeit freedom of navigation, so US commanders must strategically position forces to act as a deterrent to unilateral power plays by China. The combination of US strategic positioning and the increased military capacity of regional partners could accelerate Chinese military expansion, so it is important to maintain a senior level military dialogue and integrate all regional partners and China into a plan that benefits the needs of all countries within the region. While the US and China strengthen their bilateral relationship, the U. S. military should coordinate its activities through established forums, such as, Asian Pacific Economic Cooperation (APEC) and ASEAN to combat the perception that America seeks hegemony in the Southeast Asia.

Terrorism and WMD are other areas of mutual concern to the US and China, but the US should use caution when pursuing combined military operations in these areas. While American policies promoting preemption and the war on terror are not policies directed against China, from a Chinese perspective, they are a threat.³² Many in China view the War on Terror as a stratagem to enable US unilateral action to secure its position in the world.³³ However, RAND has recommended counterterrorism as one of three components in a security management program with China.³⁴ RAND's definition of a security management program would be an agreement between two countries in which the goal is to protect national security by reducing the chances of armed conflict and cooperating when appropriate against third party threats, such as terrorism.³⁵

Although the US differs from China in whom it categorizes as terrorist, both countries do not want the proliferation of weapons of mass destruction.

In the same way America and China seek to exploit economic common ground, both should pursue military partnership where a commonality of interest exists. Although, the military relationship between China and the US may continue to vacillate as both countries use the relationship to show displeasure with each others political actions. At the operational level, the US military should take advantage of favorable periods in Sino-US relations to develop partnerships against shared non-traditional threats. Partnership with China against nontraditional threats may lead to increased intelligence on regional issues when in the interest of both parties. Immigration of ethnic Chinese throughout the region allows China to have indigenous connections in many countries of interest in the War on Terror.

PACOM should pursue cooperation with the PLA against terrorism. The 2008 Olympics creates an opportunity for PACOM to cooperate with PLA forces to protect US citizens and third country nationals. However, on June 13, 2007, Deputy Under Secretary of Defense Richard Lawless testified to the House Armed Services Committee that China had not accepted offers from the Defense Department to assist in Olympic security.³⁶ Still, PACOM can pursue other forms of military contact by sharing training and techniques in neutral training environments.

If military engagement with China is going to be successful, the US must pursue it from a position of strength while maintaining mutual respect. Strategic positioning of US forces in the Indian Ocean and Southeast Asia must maximize force projection while minimizing permanent force structure. While reducing force structure, the US must make it clear to China that force positioning will honor current treaties and support friendly countries that desire freedom from Chinese influence in the region. Many US regional partners are not capable of maintaining

adequate militaries because of weak economies or restrictions due to diplomatic agreements. Mil-to-mil engagement, as discussed earlier, will continue to reduce regional dependence on US forces. In concert with building our regional partners strength within the same region, the US must make it clear that it can still project power into the region during a crisis. Where regional partners authorize basing, PACOM should use minimal forces to create and occupy facilities for contingencies. In locations where basing is not authorized, thought should be given to larger naval expeditionary units being employed for longer deployment periods. By reducing America's strategic footprint, the US undermines current Chinese perceptions:

'The United States has taken further steps to build an even tighter strategic ring of encirclement in China's neighboring regions. Over the past more than 1 year, the United States has significantly strengthened its network of military bases in the Asia Pacific region and its alliance relationship with China's neighboring countries; further strengthened the US Pacific Fleet; and established forward military bases in Central Asia, which is contiguous to China's Western region, in the name of counterterrorism.'³⁷

The US should pursue a partnership with China vice an adversarial relationship. China benefits from partnership because it enhances their status of equality in the international community. The US benefits from partnerships because it reduces the ambiguity concerning Chinese motives through increased interaction. Increased contact will provide more indicators of true intent, allowing planners to confirm or dismiss possible Chinese motives.

Conclusion

The US and China recognize the importance of the SLOC; therefore, both the US and China are vying for influence in the Indian Ocean region and Southeast Asia. Though it is critical to proceed with caution, the US must maintain a strong posture to prevent China from using force or the threat of force to influence its neighbors. Increasing regional allies and partners' military capacity reduces the operations tempo of US forces. This increases the

number of PACOM forces available to respond to crises and creates a more formidable deterrent. Bilateral engagement with China reduces ambiguity concerning strategic intentions and prevents misinterpretation of military actions taken during crises. While engaging regional powers, including China, will create lasting stability, any approach must consider US strategic interest and the instruments of national power. The US will need to safeguard its interest.

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