



CMSI Conference on China's Far Seas Operations
May 9/10, 2012
Executive Summary

- The primary reason for deploying navies today is to support defense of the global system against disruption from national and non-national threats. A Chinese navy capable of global operations can peacefully contribute to maritime order on this basis. But growing navies destabilize both the global balance of power and the regional balance of power. *To avoid these instabilities, China must concretely demonstrate its innocent intentions through the composition of its naval force.*
- China's far seas interests are rapidly expanding and fall into three categories—political, economic, and the security of its citizens abroad. However, China's continued insistence on special security rights in its near seas is based on a concept of absolute security, which leads it to maintain a confrontational approach in the near seas and to ignore cooperative and international approaches to security. This causes China "reputational loss" as other states take into account China's failure to abide by international norms. *There is a growing "strategic gap" between China's near seas actions and its far seas interests that damages China's relationships.*
- As China becomes stronger, it will pursue an increasingly independent foreign policy based on its interests and is unlikely to give up the freedom of action that continued free-rider maritime status would entail. *Nonetheless, China's maritime transformation is moving China beyond its past political and economic isolation and integrating it with the international community, a long-time goal of American foreign policy.*
- The PLAN's force structure developments to date have largely been about modernizing and improving an existing force structure. But in the next 10-15 years, the PLAN is likely to develop many more new types of platforms and begin performing new types of missions. Even so, *Beijing has relegated both aircraft carrier development and far seas operations to a lower, longer-term priority than high-intensity near seas operations.*
- *The logistical strain of conducting sustained far seas operations without a logistics infrastructure will force the Chinese to pursue some form over overseas supply facilities*—most likely dual use (commercial and military) logistics hubs.
- *In the near seas, China has sought to simultaneously manage tensions and to consolidate its regional claims. This has caused tension with the US that also limits cooperation in the far seas.* China has some motivations to continue to create incidents involving US maritime surveillance forces. One motivation for ignoring the rules in China's regional waters is to create a "threat that leaves something to chance," by which China escalates risk in the belief that US risk aversion will cause self-restraint. Nonetheless, along with continued operations in support of navigational freedoms, continued engagement with China on maritime issues is also important, even without demonstrated results, since over time a process of acculturation can occur.

Summary of Proceedings

Keynote

Dean Robert Rubel pg. 2

Panel 1 – *China's Evolving National Interests and Foreign Policy Choices*

Thomas Mahnken pg. 2

Abraham Denmark pg. 2

Ja Ian Chong pg. 2

Cai Penghong pg. 3

Commentary pg. 3

Panel 2 – *Securing the Global Commons*

CDR Dale Rielage pg. 4

LCDR Eric Pedersen pg. 4

Chris Yung pg. 4

Andrew S. Erickson pg. 5

Panel 3 – *Maritime Rule Sets*

CDR Jonathan Odom pg. 5

Li Mingjiang pg. 5

J. Ashley Roach pg. 6

Dale Stephens pg. 6

Conference Address

Wu Zhengyu pg. 6

Panel 4 – *Maritime Power and the Global Order*

Yu Wanli and Jiang Yimin pg. 7

CAPT Mark Redden pg. 8



Summary of Presentations

Keynote

Dean Robert Rubel, Center for Naval Warfare Studies, U.S. Naval War College

Current theories about economics and international relations all fail to account for the actual vector of global development. The global system consists of nodes (hubs of resource extraction, manufacturing, and consumption) and connectors (links that ensure the flow of people, materiel and information). This flow is the key aspect of the global system. Jiang Zemin's observation that economic globalization cannot be avoided by any country has important implications for Chinese naval development. Historically those emerging sea powers that chose to support the globalization trend fared well and those that opposed global development ended in failure. Strategic reflexes from previous eras still exist and the continental proclivity to close off the seas and the maritime tendency to encircle can all too easily motivate national strategies. Thinking globally about sea power requires seeing the seas and continents as a functional whole in terms of human activity. Unlike national strategies based on continental or maritime approaches, conflict is not an embedded structural component of a global framework contains since the underlying formula is "flow equals function." The primary reason for deploying navies today is to support defense of the system against disruption from national and non-national threats to flow. A Chinese navy capable of global operations can peacefully contribute to maritime order on this basis.

Panel 1 – China's Evolving National Interests and Foreign Policy Choices

Thomas Mahnken, U.S. Naval War College

The Chinese talk about the United States in openly competitive terms. But for China, a state that is naturally continental in nature, sea power is desirable rather than essential. Indeed, the PLAN remains an appendage of the Army. Furthermore, continental powers that go to sea acquire challenges. They risk entanglement in peripheral conflicts, inciting or threatening the dominant maritime power, and, since navalism and nationalism seem to go hand in hand, they risk promoting domestic nationalist forces that can become hard to control. The future of China's maritime trajectory is unclear since ultimately nations retain the power of choice, but

history is where the facts are and historical parallels should be sobering for both the US and China.

Abraham Denmark, National Bureau of Asian Research

China's expanding strategic power has intensified its reliance on international stability, including access to foreign resources and markets, which is linked to China's domestic stability. Even so, China's foreign policy and military strategy remain focused on more narrow national interests. This "strategic gap" damages China's relationships around the world. China has no strategic partners that it can rely on and even though its economic ties have expanded tremendously this has not translated into expanded strategic trust. This is because China's policies are exclusive, national, and continental. However, China's naval power is fast approaching a pivot point. PLAN strategists will determine how Chinese power is felt around the world. How China uses its increased naval power will be a leading indicator of whether China's new leaders will re-examine national interests and adjust their strategy to strengthen the stability of the international system and China's place within it or continue to undermine both.

Ja Ian Chong, National University of Singapore

Chinese relations in Southeast Asia are still recovering from the perception that China's behavior has become increasingly assertive since 2008, although continental Southeast Asian states (with the notable exception of Vietnam) tend to be more accommodating to China than maritime states. Despite Chinese diplomatic efforts to calm the situation and very strong economic ties between every regional state and China, there continues to be uneasiness China's perceived willingness to "muscle" its way into the South China Sea and what this might portend for a Chinese led regional order. There are two additional aggravating factors: the relative opacity and complexity of China's political system creates built-in uncertainty for other states and can result in major policy changes and political developments that appear with little warning; also, the many overlapping areas of administrative jurisdiction over various aspects of foreign policy complicates policy development and leaves the impression that the center cannot control the rest of the government.

Cai Penghong, Shanghai Institutes for International Studies

Overseas national interests are a new concept for China and are seen as a continuation of domestic policies and development. China overseas interests fall in three categories—political, economic, and the security of its citizens abroad. Politically, China's overseas interests involve those issues that bear on the Party's ruling status and China's socialist political system. Economic interests involve development of overseas markets, meeting internal energy demand, and pursuing overseas investment. The personal safety of China's overseas citizens is regarded as both a concern of Chinese society and a window into whether China is respected. Threats to China's overseas political interests involve rhetoric from Western critics that portrays China as increasingly assertive as well as "traditional thinking about communism." Regional instability and global tensions also arise from territorial disputes. Additional threats come from Islamic fundamentalist terrorism, supported by domestic separatist elements. Most Chinese also remain fearful that Japan will remilitarize. Chinese economic interests are threatened by possible closure of the Straits of Malacca or Hormuz, affecting energy and natural resource imports. Additionally, since China is a newcomer to international acquisition of resources, China's investments are in high-risk areas and subject to instability and economic loss. To address these challenges, China's foreign policy strictly adheres to the Party's strategy of Peaceful Development, must keep close pace with China's internal development, and must consider how to play a constructive role in the changing global architecture to protect Chinese internal and external interests. As a rising country, China will meet competition and pressure from the current hegemon, which will take any measure to stop China's expansion even though China hears many friendly remarks. To deal with this threat, China has options for the new leadership to consider, including 1) continuing free rider status, 2) peaceful competition through smart diplomacy, 3) military diplomacy to engage regionally and globally, and 4) achieve hegemony as a benign power. China will pursue an independent foreign policy based on its interests and therefore can no longer continue to pursue a free-rider status without losing its freedom of action. Peaceful competition is the preferred foreign policy approach, based on the concept of a "community of common interests," which is also the basis for China's use of naval power to maintain global maritime stability.

Commentary

A good case study for future Chinese use of maritime power to pursue its global interests is the Arctic. China's bid to be an Arctic player challenges Canada's China policy and its Arctic policy. Now, Sino-Canadian dialogue no longer centers on human rights or trade, but China's Arctic policy. China's motivations seem to be: 1) global maritime power requires global engagement; 2) a long-term interest in fisheries; 3) polar research (China is quite capable at it); and 4) concern about the possibility that jurisdictional and sovereignty claims may affect the future of shipping routes. The Japanese experience with China's pursuit of expanded maritime interests suggests a process will occur, beginning with an incremental increase in civilian presence, such as fishing and merchant vessels, moving to the appearance of civilian research vessels, then law enforcement vessels and eventually naval power. There is nothing inherently destabilizing about the presence of a Chinese fleet in the Arctic, but only if they are present to support globally agreed norms and frameworks.

China's overarching goal is to achieve a peaceful international environment to allow it to focus on economic development and to keep the population sufficiently satisfied to keep the CCP in power. Sovereignty issues become quite sensational, however, and the defense policy regarding them is deterrence. Since the Taiwan situation seems to be proceeding toward a peaceful resolution, the PLAN argues that SLOC security is its organizational purpose. Additionally, Beijing wants to be the regional hegemon—meaning no major regional decisions are taken of which it does not approve. Eventually, it may also aspire to global power, but as it pursues power China will attempt to change some of the rules to its advantage. One indicator of whether the PLAN will play a leading role in this process will be Wu Shengli's future. If he is promoted to the CMC, then the navy will have acquired more gravitas as a separate military force than it has had in the past. Concerning force structure development, the PLAN also promotes the perception of a Malacca Dilemma. That the perception is untrue is not the point—a perception has been created that drives force structure policies. In the US, too much of the finger-wagging at China for its A2AD and naval policies should really be focused on our own shortcomings. If the Chinese are improving, the US needs to outpace them.

Are China and the US in an evolving security dilemma? Each side seems to have growing doubts

about the status quo nature of the other side. PRC discussions about US policy suggest to a general perception that US policy has moved from 'engagement + containment' to 'containment + engagement.' Several factors are aggravating the speed and intensity of the evolving security dilemma.

- 1) The existence of new media, which prevents the governments from controlling the narrative.
- 2) A clash of exceptionalisms exists in which each side has a sense of moral superiority. This is aggravated in China by the fact that those who claim China is the most peace-loving nation are also those who are most likely to advocate greater defense spending.
- 3) Racial perceptions on both sides that add to mistrust.
- 4) The difference in our political systems. There is a strong Chinese belief that for the US to treat China more peacefully, China would need to change its political system to a democracy. In conclusion, there is mixed evidence about the existence of an evolving security dilemma.

Panel 2 – Securing the Global Commons

Commander Dale Rielage, USN, Staff, Chief of Naval Operations

The wider Chinese government is focused on the preservation of the Party's ruling position and thus on stability and economic development. The Navy's roles derive from these objectives, but the Chinese people also have a role in shaping the development and roles of the Party's navy. The transformation of the Navy has been as much about personnel as force structure. Where the navy was once not much more than an army gone to sea, the PLAN has an increasingly professional naval development, which represents an important shift in mindset. This professionalism has created a natural tension with Party control and created an expectation that, as holders of specialized knowledge, they will be respected for their professional opinions. Technical improvements include the ability to operate jointly, to exercise with increasing frequency beyond the near seas, and the ability to sustain long-range operations over a period of years. While the Second Artillery focuses on A2AD weapons, the PLAN developed multi-mission forces not specifically designed for a single campaign or adversary and capable of performing both near and far seas operations. The popular approval that accrued to the PLAN as a result of its participation—however symbolic—in the evacuation of Chinese nationals from Libya had real power. But the PLAN remains an inexperienced navy despite its enormous strides,

and therefore susceptible to overconfidence and miscalculation.

LCDR Eric Pedersen, USN, Office of Naval Intelligence

The PLAN's force structure developments to date have largely been about modernizing and improving an existing force structure. There have been no major changes to the mix of naval force structure over the past 10-15 years. But in the next 10-15 years, the PLAN is likely to develop many more new types of platforms and begin performing new types of missions. The strategic drivers for this change include: 1) the Historic Missions, which are designed to guarantee military strength to consolidate the CCP's ruling position; 2) Army Building Objectives, which are designed to enable the army to keep pace with economic and political developments; 3) Mission-based Requirements to support missions for modern, hi-tech warfare to the first island chain and beyond. These drivers result in several mission improvement areas, including China's aircraft carrier program, submarine force developments, hospital ships to respond to regional disasters, and logistical improvements. The hospital ship may have an impact on regional perceptions of Chinese power, positively or negatively. For instance, will combatants begin to accompany hospital ships to "assist" in the future? Two implications of these force structure developments are worth noting. First, several acquisitions, such as an SSBN program and development of a carrier air wing, suggest China will need to secure expanded operating space. Second, while the PLAN is increasing its engagement, there remains no evidence that it is developing a power projection force.

Chris Yung, National Defense University

China's expanding overseas naval mission sets, the logistical strain of conducting sustained operations far from the Chinese mainland, and the increased operational costs of forward operations without a logistics infrastructure will force the Chinese to seriously consider constructing some form of overseas basing facilities. Although a robust debate exists as to whether an overseas basing system would be desirable for China, Chinese military and security analysts who support such a plan base their case on five main arguments: 1) it is essential to provide logistics and supply support for out-of-area military operations, 2) it can be done in compliance with international law and the restrictions and preferences of host nations, 3) it could help support

regional stability and thereby gain regional support, 4) could be undertaken in countries with favorable views of China and based on mutual interest, 5) could contribute to sea lane security for Chinese trade, protect Chinese citizens and companies abroad, and deter foreign intervention against Chinese overseas interests. Among the alternative approaches to basing available to the Chinese government, they are most likely to pursue a 'Dual Use Logistics Facility' model. This would likely involve a mix of commercial and military facilities that emphasizes contracting for commercial support, cooperative development, use of the partner's military facilities, and continued economic and political engagement. Additional attributed would likely include robust distribution networks rather than warehousing, a light footprint that keeps combatants mostly at sea with only supply ships making regular port entry, and could possibly serve as a staging point for Chinese troops to perform special missions in the region.

Andrew S. Erickson, U.S. Naval War College

Drivers for China's aircraft carrier program include its growing maritime trade interests, increasing energy dependency, a growing expectation among the Chinese public that overseas workers should be protected during times of crisis, and the government's desire to increase its international influence in order to better protect Chinese interests. Nonetheless, far seas-capable aircraft carriers are not a central focus of PLAN force structure development, probably because China currently lacks comprehensive, fixed wing deck aviation capabilities. To fill this gap, China is developing the J-15 naval fighter aircraft, but there is little evidence of active development of shipborne aviation control aircraft, ASW capable aircraft, or a logistics network to sustain far seas aircraft carrier operations. Thus, China's aircraft carrier program is a long way from being capable of protecting China's resource SLOCS except perhaps as a helicopter platform for non-traditional security missions such as antipiracy. It nonetheless offers Beijing symbolic power, could support rescue efforts of Chinese citizens overseas, and could contribute to HADR missions. Beijing's approach therefore suggests it has relegated both aircraft carrier development and far seas operations to a lower, longer-term priority than high-intensity near seas operations.

Panel 3 – Maritime Rule Sets

Commander Jonathan Odom, USN, Pacific Command

For more than a decade, China has challenged US military operations and activities in and over the waters of East Asia through military operations, national legislation, 'nationalist' civilian proxies, diplomatic protests, and public statements. While US interests and policy drive support for broad navigational freedoms, including for military purposes, Chinese national preferences demonstrate a desire to control foreign military activities within its near seas. Nonetheless, China's growing overseas interests provide impetus for it to develop its naval capabilities and to begin operating beyond the near seas. This creates a dilemma between its near seas policies and its far seas interests. China could maintain its limiting policy on military activities, but this would eventually require it to accept limitations on its use of its military strength. Alternatively, China could insist on one set of rules for East Asia and another set for its far seas operations, but would have to manage significant international criticism and mistrust. Finally, China could accept the existing international order

Li Mingjiang, Nanyang Technological University, Singapore

There is a lack of policy consensus over many aspects of China's maritime claims and a lack of consensus over just what are China's maritime interests and how they should be pursued through state policy. Regional disputes and tension with the US and others has caused China to engage in a process of domestic consensus building, but China has yet to develop coherent policies toward its maritime periphery. In the meantime, China has sought to simultaneously manage tensions and to consolidate its regional claims. It engages with regional states through both bilateral discussions and, reluctantly, with ASEAN as a collective through the process to implement the Declaration on the Conduct of Parties in the South China Sea (DOC). The DOC process will have significant effect of creating regional norms and will have profound implications for regional maritime governance. At the same time, senior Chinese leaders have sought increasingly to exert state power over the maritime periphery. In March 2012, at the Chinese People's Political Consultative Conference, MGEN Luo Yuan proposed 1) consolidating administrative jurisdiction

over the SCS island groups, 2) clearly defining the meaning of China's claim within the 9-dashed line, 3) deploy military forces to any possible islet in the South China Sea, 4) encourage resource exploitation by Chinese fishermen and energy companies, and 5) enhance its public opinion campaign to better shape international opinion. Liu Cigui, Director of the State Oceanic Administration, noted that China now exercises administrative and law enforcement functions from the Yalu River in the north, to the Okinawa Trough in the east, James Shoal in the south and including the features of Socotra Rock, the Diaoyu Islands, Scarborough Shoal and the Spratlys. China's grudging acceptance of working out maritime differences with ASEAN as a group bodes ill for long-term, multilateral regional maritime cooperation. Additionally, a lack of policy consensus among political stakeholders as to the nature of China's maritime interests and the appropriate policies to pursue them makes permanent resolution of disputes unlikely.

J. Ashley Roach

From 1917 to the early 1960's Soviet policy makers viewed international law of the sea as a set of rules to push others away from the Soviet coast. Following WWII, the USSR's defense policy changed from one focused on homeland defense to one that preferred guarantees for freedom of navigation and overflight. During the period from 1960-1982, the Soviet Union increasingly engaged with the United States and the international community to solidify rights to navigational freedom for itself and to prevent creeping jurisdictionalization over ocean areas. This shift occurred after the Soviet government expended substantial resources to end its maritime weaknesses. The policy change protected its expansion of maritime economic interests and facilitated its naval power. Where the US and USSR continued to have differences, such as over the extent to which warships could engage in innocent passage in another state's territorial sea, American resolve to protect its rights, even to the extent that it resulted in the Black Sea bumping incident, eventually led to Soviet acceptance of the US point of view. The Soviets' policy change provides significant precedent for China, as China's interests have similarly changed as a result of its maritime modernization. Additionally, China has an incentive to end its narrow view of navigational freedoms since international law requires reciprocity. That is, as China's naval power expands, the PLAN will only be able to operate in the far seas to the extent that

China allows similar navigational freedoms in its own waters.

Dale Stephens, University of Adelaide

Rather than a set of clear rules, UNCLOS can best be seen as a treaty that seeks to attain balance between coastal state jurisdiction and navigational freedoms. Reconciling the overlapping relationships in the same waters is less a binary process of determining lawful from unlawful than "a reckoning of fettered discretions in given contexts." In exercising navigational freedoms, maritime states must ensure that their actions do not constitute an 'unlawful intervention' in the affairs of a coastal state. International law clarifies that unlawful intervention involves actions that coerce a coastal state. Thus, the Chinese claim that military activities within an EEZ can be heavily restricted cannot be credibly maintained and coastal states cannot prohibit or regulate the full range of routine military transits, operations, and exercises based on its jurisdictional authority over the exclusive economic zone. Additionally, the Chinese suggestion that naval operations other than mere passage are prohibited by the UNCLOS 'peaceful purposes' clause is defied by overwhelming state practice. The solution to filling such textual gaps and ambiguities lies in operational assertions. Even though they run the risk of confrontation, they effectively crystallize the consensus view of the asserted right or obligation. The US Freedom of Navigation Program does operate to bolster collective regional will. Additionally, China's continued insistence on special security rights in its near seas will cause it "reputational loss" as other states take China's failure to abide by international norms regarding law of the sea into account in other dealings with it. Thus, along with continued operations in support of navigational freedoms, continued engagement with China on maritime issues is also important, even without demonstrated results, since over time a process of acculturation can effectively shape Chinese perspectives.

Conference Address

Wu Zhengyu, Renmin University

In geostrategic terms, states that border the Eurasian continent—rimland powers—are sandwiched between heartland powers and sea powers and have security challenges presented by both. Because of this, even if a rimland power achieves seapower temporarily, it cannot sustain it

indefinitely. China is a typical rimland power and therefore does not have the luxury of being purely a land power or purely a sea power, but must balance its resources in both directions. Thus, China has an interest in developing sufficient maritime power to protect itself and to preserve its interests. The geography of the United States, on the other hand, requires that it must secure itself from maritime encirclement by maintaining a balance of power among major powers on the continent and thereby avoiding the creation of a regional hegemon. Maritime transformation pursued by a rimland power creates strategic instability because it destabilizes both the global balance of power and destroys the regional balance of power. To avoid these instabilities, a rimland power that chooses maritime transformation must concretely demonstrate its innocent intentions through the composition of its naval force. China is now experiencing a powerful round of maritime transformation enabled by a period of security on its land borders and driven by its creation of an overseas market economic orientation. To avoid inciting conflict with the United States, China must address several factors. Concerning the relationship between force structure and strategic intentions, seapower can serve two strategic purposes for modern China—to extend the strategic depth of off-shore defense and to guard the security of strategic sea lines of communication. These two missions do not require China to build a navy capable of challenging the United States. Land-based weapons can increase maritime security and are cost-efficient. A surface fleet need only play a tripwire role. Sea lines security can be achieved by a surface fleet that engages in international cooperation. With cooperation, any threat could only emanate from the leading maritime power, against which history demonstrates that a rimland powers navy could ultimately be defeated. Third, in pursuing its maritime transformation, China must account for simultaneous pressure from the leading maritime power and from neighboring middle powers. Statements that China does not intend to challenge the exiting order on the seas are insufficient because they are aimed at the global, not the regional, status quo. To allay regional concerns, China must participate in multilateral institutions and accept the presence of extra-regional powers, specifically the United States, in the regional order. A challenge for China remains, in that Chinese strategists pursue a concept of absolute security, which leads it to maintain a confrontational mentality and ignoring cooperative and international approaches to security. On the other hand, the United States should bear in

mind that China's maritime transformation indicates that China is moving beyond its past political and economic autarky and integrating with the international community, a long-time goal of American foreign policy.

Panel 4 – Maritime Power and the Global Order

Yu Wanli and Jiang Yimin, Peking University

China's rapid naval modernization and its increasingly active maritime presence have intensified existing American strategic suspicions. Nonetheless, the Post Cold War strategic environment is becoming increasingly complex and characterized by small-scale regional conflicts, transnational terrorism, the proliferation of WMD, and the spillover effects of failed states. It is without a doubt to Beijing that even though this is a period of US supremacy, the world is not by default heading in a direction favorable to US interests. The US navy has responded by calling for a global maritime partnership, but Chinese counterparts see the cooperative strategy not as altruism but as a smart strategic calculation to maintain American hegemony. This skepticism is confirmed by intense US intelligence-gathering activities in China's coastal areas, increasing US presence in the Western Pacific, prominent US deployments within the first island chain, and what appears in Beijing to be American abandonment of its neutral position on South China Sea disputes. Respect for each other's core interests, prioritizing mutual understanding and trust, and substantially improving the bilateral political relations are required to improve maritime cooperation. Despite this, a wave of cooperation has already begun in less sensitive areas, including port visits, naval diplomacy, active Coast Guard interactions, senior officer exchanges, bilateral exercises (in 2006), and ongoing anti-piracy operations. Nonetheless, truly substantive cooperation has not been explored despite the shared interest in maritime security. China's rapid modernization of its naval force is not intended to challenge US maritime hegemony, but to support China's growing maritime interests and to ensure it greater access to the global maritime commons. As move seaward closer relations between the two defense communities will be required to avoid miscalculation. Faculty and student exchanges will be helpful to cultivate a new community of military officers with international vision. And collaborating on operations such as humanitarian

assistance and search and rescue can help stabilize the global maritime common.

Captain Mark Redden, USN, and Phillip Saunders, National Defense University

High profile maritime incidents involving US maritime surveillance forces in China's EEZ cause strategic tension. These episodes occur despite existing mechanisms, such as MMCA, CUES, and the COLREGS, that, taken together, provide a robust set of overlapping rules that should be sufficient to prevent such incidents. Thus, the problem lies not with the rules but with the existence of motivations that drive the Chinese toward non-compliance. This is underscored by the professional US-China maritime interactions in the far seas. One motivation for ignoring the rules in China's regional waters is to create a "threat that leaves something to chance," by which China escalates risk in the belief that US risk aversion will cause self-restraint. However, comparing the overall US-China

relationship to the US-Soviet relationship, it is clear that the US has little incentive to stop its intelligence gathering for three main reasons: 1) insufficient risk of serious escalation; 2) lack of relative naval parity, especially in the limited scope and nature of China's maritime intelligence collection capability; and 3) unlike the zero-sum US-Soviet relationship, US-China dynamics have broad aspects of cooperation. Likewise, strong domestic currents of Chinese nationalism and a special sensitivity to sovereignty issues give China little incentive to decouple the EEZ issues from the overarching political relationship. Thus, the three most important factors that contributed to the US-Soviet INCSEA Agreement are not sufficiently present to induce mutual US-PRC restraint in maritime and air interactions within China's EEZ and nearby waters and the pattern is likely to continue. This tolerable status may change, however, as China's naval strength grows over the next 10-15 years.

