

OPRF MARINT Monthly Report

February 2006



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This monthly report is edited/ summarized by publisher and staff writers based on published news resources.

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Introduction

Law and order: In order to increase anti-piracy patrol activities in the Malacca Straits, Malaysia announced a plan to add 10 to 15 small strike vessels. Meantime, at a press conference, Admiral William Fallon, Commander of the US Pacific Command, expressed his intention to assist anti-terrorism and anti-piracy activities in the Straits. The US assistance is likely to be limited to patrol capability buildup and technical cooperation. He added that the United States was particularly concerned about maritime security of the waters off the Malaysian state of Sabah on Borneo Island and the southern Philippines because these are areas of terror activities by Islamic separatist groups.

An article in the February 2006 issue of Jane's Intelligence Review touched on the probability of oil tankers or liquefied natural gas (LNG) tankers use as weapons of maritime terrorism, and the risk that ships could be used as delivery vehicles for weapons. This topic is featured in Chapter 2, "Intelligence Assessment".

Military security: The Russian Navy plans to build 20 new frigates over the next 15 to 20 years. The intention is to deploy at least five new types of ships in each of four Russian fleets in the Black Sea, Baltic Sea, Pacific Ocean and North Atlantic Ocean. The Commander of the Russian Navy said that the frigates would be the Navy's mainstay over the next decades. The Navy has also shown interest in the acquisition of several aircraft carriers.

In the Philippines, unmanned aerial vehicles (UAVs) for security in the waters of the Southeast Asian archipelago will be purchased. The UAVs are to be used mainly for maritime patrols to strengthen the capability to collect nearly real-time video recording images and other information necessary for policy decision-making.

In Taiwan, Director-General of the General Political Warfare Bureau, Defense Department, Hu Chen-pu, said that Taiwan does not count on the military assistance of any other nation and its defenses are designed to fight without depending on any other nation such as the United States.

An Indian Naval Fleet Review was held in eastern Indian water, which is the first-ever congregation of warships on India's eastern seaboard. This is interpreted as a clear message from India that it is going to expand its strategic frontiers eastwards.

Admiral Takashi Saito, Chief of Staff, Maritime Self Defense Force of Japan, visited India and initiated a comprehensive security dialogue with his Indian counterpart, Admiral Arun Prakash, on February 15. The dialogue focused on vital sea-lane defense in the Malacca Straits.

The US Bush administration released the "Quadrennial Defense Review Report 2006" this month. This topic is taken up especially in Chapter 2, "Intelligence Assessment."

Diplomacy and International Relations: Taiwan President Chen Shui-bian announced this month that he would abolish the National Unification Council (NUC) and its unification guidelines. He

stressed that the decision is designed not to change the status quo.

Resources, Environment and Others: China National Offshore Oil Company Limited (CNOOC Ltd.) disclosed that an oil field in the South China Sea has successfully come on line with oil production of 1,500 barrels per day. China announced a plan to reduce all kinds of environmental pollution by 2010. The Chief of the State Environmental Protection Administration of China warns that problems of environmental pollution have become a trigger of social instability in that country.

Indian Prime Minister Manmohan Singh and French President Jacques Chirac signed a joint statement of an agreement to promote peaceful nuclear energy development in India. Singh declared that India would separate its military and civil nuclear facilities and comply with requirements by the International Atomic Energy Agency to allow nuclear technology imports.

1. Intelligence Bulletin

1.1 Law and order

February 1 "US Pacific Fleet Admiral warns the Malacca Strait can be at risk for maritime terrorist attacks" (Stuff.com.nz, February 2, 2006)

In an interview following a major naval conference in Sydney, Admiral Gary Roughead, the commander of the US Pacific Fleet said on February 1 that maritime terrorist attacks in the Malacca Straits, even not a large scale, could give the whole world economic impacts. He said (1) There needs to further strengthen cooperation among navies to fight with terrorism. But the weakness of maritime security was the lack of information on ships and cargoes. Establishing a global information sharing system like the airliner is necessary. (2) Vessels capable of rapid, inshore deployment are becoming more important as the war on terror has been changing the framework of the world's navies. The US Navy is becoming more flexible and unpredictable in its deployment patterns.

February 2 "Philippine Army, MILF agree to halt fighting in Mindanao" (ABS-CBN News, February 2, 2006)

The Philippine military and the Moro Islamic Liberation Front (MILF) agreed on February 2 to halt their fighting in Mindanao and deploy a joint ceasefire monitor team to avoid further attacks. The announcement was brought into realization following a conflict occurred the previous week. The conflict sparked by land disputes killed more than 13 people. Both sides are scheduled to begin peace talks in Malaysia at the end of February.

February 9 "Malaysia to beef up security in the Malacca Strait" (Channel News Asia, February 9, 2006)

Malaysian Marine Police Commander Abdul Rahman Ahmad said on February 9 his country would add 10 to 15 small strike vessels that are capable of speeding up to 45 knots to its fleet. The vessels will be used for patrol activities against piracy in the Malacca Straits. Each ship will cost US\$135,000. The Marine Police currently operate four vessels. Rahman added Thailand, Malaysia and Indonesia will conduct their joint naval exercise over the next three months. Malaysia is also talking with Singapore about implementation of a similar exercise.

February 23 "Indonesia, Malaysia to hold talks with Lockheed Martin about surveillance in the Malacca Strait" (The Jakarta Post, February 23, 2006)

Indonesian and Malaysian governments are in talks with Lockheed Martin Corp. about the supply of airborne surveillance equipment for patrol activities in the Malacca Straits. The company is expected to offer the combination of maritime aircraft and unmanned aerial vehicles (UAVs), but financial consideration is likely to take precedence in the decision making by the two

countries.

February 26 "US Pacific Command Admiral assures it will help to secure the Malacca Strait" (The Jakarta Post, February 26, 2006)

Admiral William Fallon, Commander of the US Pacific Command expressed his intention to assist activities against terror and piracy in the Malacca Straits. He said the details of the cooperation will be examined after Malaysia, Indonesia and Singapore sign a pact outlining standard operating procedures (SOP) in coming April. The regional officials have called on the US, China, Japan and other foreign countries to provide equipment and technical help. Accordingly, the US assistance is likely to be limited to patrol capability buildup and technical cooperation. Malaysia and Indonesia have been opposed to the direct foreign intervention, saying their territorial sovereignty must be respected. Fallon said progress has been made in maritime security in the region, citing that Indonesia is building radar sites along its coast. He added that the US was particularly concerned about maritime security of the waters off the Malaysian state of Sabah on Borneo Island and the southern Philippines because these are areas of terror activities by Islamic separatist groups.

February 27 "Australia, India to conduct joint fishing patrols" (Sydney Morning Herald, February 27, 2006)

Australian Foreign Minister Alexander Downer told reporters that his country and Indonesia will launch joint naval patrols to crack down on illegal fishing. After talks with his Indonesian counterpart Hassan Wirayuda, Downer said the two countries would soon start discussions on how their joint patrols should be coordinated. He also welcomed Indonesian's positive attitude toward their joint patrols, adding such activities would help deter any illegal maritime activities. 252 illegal Indonesian fishing vessels were captured off Australia's northern and western coast in 2005, compared to the 162 cases in 2004. Australia has warned that it would crack down on illegal activities by foreign fishing vessels. The Australian federal government recently compiled a special budget of A\$88 million to clamp down on illegal fishing in the northern area, including four new Customs patrol boats and extra Customs officers. Downer said the two countries would start talks in weeks on extending Indonesian naval patrols to the Australian waters, emulating the example of security arrangements that already had been in place among Indonesia, the Philippines and Malaysia.

1.2 Military security

February 1 "Russian Navy plans to build 20 frigates over next 15 to 20 years" (RIA Novosti, 01 February 2006 & GLOBE AND MAIL, 01 February 2006)

Russian Naval Chief Admiral Masorin said the Navy plans to build 20 new frigates over the next

15 to 20 years. The intention is to deploy at least five new types of ships in each of four Russian fleets in the Black Sea, Baltic Sea, Pacific Ocean and North Atlantic Ocean. He said the frigates will be the Navy's mainstay over the next decades, suggesting that funding for the projects could be used from increased oil profits. He was quoted as saying that the Navy does not need to own 12 aircraft carriers like the US, but the Navy needs one or two of such ships.

February 1 "Philippines to purchase UAVs" (DefenseNews.com, February 1, 2006)

The Philippines has decided to purchase unmanned aerial vehicles (UAVs) for security in the waters of the Southeast Asian archipelago, President Gloria Arroyo said on February 1. According to the text of the order released by Arroyo, she authorized the procurement or lease of UAVs or drones, together with other reconnaissance and surveillance equipment. The UAVs are to be used mainly for maritime patrols to strengthen the capability to collect nearly real-time video recording images and other information necessary for policy decision-making.



illustration only (DefenseNews.com, February 1, 2006)

February 7 "Israel, India agree on joint-development of weapons" (Xinhua, February 7, 2006)

On February 7, India and Israel signed a bilateral agreement on joint-development of sea-based air defense missiles, Barak-II. The Barak-II along with Barak-I will replace India's aging Russian OSA-M and Volna RZ-31 missile arsenal. The co-developed model has a more refined seeking capability and better downlinking capacity, including a long-range target tracking system. The deal is realized after 17 months negotiation.

February 7 "A Senior Official of Defense Department says Taiwan won't expect US military aid" (Taipei Times, February 8, 2006)

Taiwan's Director-General of the General Political Warfare Bureau, Defense Department, Hu Chen-pu said on February 7 that Taiwan does not count on military support from other nations and its defenses are designed to fight without depending on any other nations like the US. He also said "The US has never promised to come to Taiwan's aid in the event of cross-strait hostilities. Nor has Taiwan anticipated such aid from the US, for we can never be sure if it would render us assistance." The ministry's Integrated Assessment Office estimates China is expected to deploy

more than 1,800 ballistic missiles by 2010 and the total number of conventional and nuclear-powered submarines will also increase from 32 to 44 by 2008 and to 50 by 2015. The office sees China will get the upper hand in the cross-strait military balance by 2015 by establishing a fleet of aircraft carrier. A computer analysis by the office estimates that the nation's armed forces need nine sets of Patriot Advanced Capability (PAC-3) missiles, 12 maritime patrol aircraft and 10 submarines to counter China's military threat.

February 9 "India is ready to test-fire The Agni-3" (Space War, 09 February 2006)

India is ready to test-fire its Agni-III, but it will not conduct any test before the US President George W. Bush's visiting the country in March, the Defense Ministry announced on February 9. Of missiles held by India, the Agni-III is the most powerful one, with a range of 2,100 miles and capable of carrying a payload of nuclear and conventional weaponry up to one ton. The Agni-III could be a powerful weapon in a conflict with China. As well, it is capable of rapid deployment and firing, and will be road and rail-mobile.

February 9 "Indian Navy to hold naval review in eastern sea areas" (CNN-IBN, February 9, 2006 & The Hindu, February 13, 2006)

Indian President Abdul Kalam is expect to review the Indian Naval Fleet in eastern Indian water of Vishakhapatnam on February 12, which is the largest congregation of warships on India's eastern seaboard. 58 armed-to-the-teeth ships, 37 aircraft and two submarines will join the demonstration. It will be the first time that the Presidential Fleet Review is held out of Mumbai. This is interpreted as a clear message from India that it is going to expand its strategic frontiers eastwards. Rear Admiral Pradeep Chauhan, Assistant Chief of Naval Staff said this is associated with the entire change in the approach of the Navy as part of the nation's approach towards looking east. After the Fleet Review, Kalam said the Navy should pay attention to not only the "three dimension" – undersea, on sea and in the air – but also the "fourth dimension", as utilizing space through communication satellites and reconnaissance satellites. He noted the growing importance of the Navy in the country's strategic planning. He also described the Indian Ocean as a "national treasure", saying the region's economic growth heavily depends on transportation through the sea lanes. He pointed out that the Navy had played a role in providing the necessary support for conducting these operations.

February 10 "Indian Navy commissions fast-attack craft" (Xinhua, February 10, 2006)

The Indian Navy commissioned its first indigenous fast-attack craft, INS Bangaram, in Southern Naval Command on February 10. The 320-ton and 45 meters long craft is capable of sailing over 20 knots. It is also capable of covering more than 2,000-nautical miles without replenishment.

February 10 "Australian Navy inducts two of new patrol boats" (ABC News, February 10, 2006)

The Royal Australian Navy commissioned two of new Armidale class vessels. The Navy will build a total of 12 vessels for A\$500 million. Equipped with state-of-the-art surveillance technology, the Armidale class vessels are capable of intercepting and apprehending suspected illegal fishing vessels and boats with refugees.

February 11 "New Zealand Navy launches new ship" (Newstalk ZB, February 11, 2006)

The New Zealand Navy launched its 9,000-ton class multipurpose vessel on February 11. This is the first of seven vessels to be built as part of New Zealand's defense project, the "Protector". The ship can carry 250 troops, four helicopters and light armored vehicles.

February 15 "Kyrgyzstan demands 100-fold rent hike for US use of military base" (Xinhua, February 15, 2006)

Kyrgyz President Bakiyev said on February 15 his government would demand a 100-fold raise of the usage fee of the US base in Kyrgyz used as a military base during its operations in Iraq. With saying that the US has expressed understanding, Bakiyev stated the current monthly rent for US\$2 million will soar to US\$ 207 million.

February 15 "Singapore, Australia to renew agreement on use of Shoalwater Bay training facility"(Channel News Asia, February 15, 2006)

Singapore and Australia renewed their agreement on allowing Singaporean forces to train at the Shoalwater Bay Training facility in Queensland. This renewal will enable Singaporean troops to use the facility until 2009. Singapore conducts its annual exercise named Exercise Wallaby at the site.

February 15 "Chief of the Japanese Maritime Self Defense Forces visits India" (The Hindu, February 15, 2006)

Chief of the Japanese Maritime Self Defense Forces Admiral Takashi Saito and his Indian counterpart Admiral Arun Prakash began a comprehensive security dialogue on February 15 about defending vital sea lanes in the Malacca Straits. The talk focused on enhancing military and training exchanges as well as conducting joint naval and coastguard exercises.

February 15 " US to hold large-scale naval exercises In Pacific" (Agence France Presse, February 15 2006)

Amid the increasing concerns about China's military buildup, the US Navy plans to carry out one of its biggest naval exercises in the Asia-Pacific region this summer. The Navy is expected to conduct three exercises from June to August, involving four aircraft carriers, said Commander of the US Pacific Fleet Admiral Gary Roughead on February 14 in Washington. Two of the exercises

will be held in the Western Pacific and confined to the US Navy, whereas the third exercise that is planned near the Hawaiian Islands will involve navies from at least eight countries including Australia, Chile, Japan, South Korea and Peru.

February 16 "Russia to increase troops, aircraft, at base in Kyrgyzstan" (People's Daily Online, February 16, 2006)

Russian officials told reporters that the country would deploy additional troops and aircraft to the Kant air base, Kyrgyzstan. Russia will double the number of officers at the base to 260 and triple the number of the aircraft by the end of 2006. Currently Russia has Su-27 and Su-25, cargo planes and helicopters stationed at the facility. The base is also just a few miles away from the US Gansi air facility where Kyrgyzstan requires the US to increase rent.

February 16 "Chinese army to adopt civilian cooks, drivers, typists" (People's Daily Online, February 16, 2006)

China announced that it will replace regular forces in logistic posts such as cooks, drivers and secretaries with civilian employees. The officials hope that this will promote professionalization of the force.

February 20 "Pakistan successfully test-fires missile" (Reuters, February 20, 2006)

Pakistan Navy announced it successfully test-fired the indigenous Hatf-2 Abdali surface-to-surface missile on February 19. The missile is capable of carrying nuclear weapons with a distance of 200 kms. The testing location is not disclosed.

February 20 "US, Philippines launch annual joint exercises in Jolo" (Financial Times, February 20, 2006)

The US and Philippine forces launched their annual joint exercise, termed "Balikatan" on February 20 in Jolo. The exercise will continue for two weeks. 2,000 out of 5,000 US troops were deployed to the region suffered damage from last week's landslide for humanitarian missions.

February 21 "China increases electronic surveillance over the East China Sea" (United Press International, February 21, 2006)

The Sankei Shimbun reported on February 21 that China has rapidly increased its air surveillance within Japan's air defense zones. According to China's official report, it conducted 146 times air-patrol activities with surveillance planes over disputed area of the East China Sea during the last year. Japan's Defense Agency also said the number of flight scrambled to intercept invading Chinese planes has increased up to 30 in recent months from zero in 2002. With mainly flying over gas fields in the East China Sea, apparently Chinese reconnaissance aircraft has engaged in gathering electronic information like radar frequencies which are emitted by Japan's Air Self-Defense jets from ground bases.

February 26 "India, Singapore begin joint naval exercise" (The Hindu, February 26, 2006)

India and Singapore started joint naval exercises in the Bay of Bengal on February 26. The exercises, named "SIMBEX 2006" involved one destroyer, two missile corvettes, one submarine and maritime patrol aircraft from Indian Navy and two Victory class missile corvettes, one Fearless class ASW patrol vessel and one Fokker 50 maritime patrol aircraft from the Republic of Singapore Navy. The SIMBEX 2006 is the 13th bilateral exercise between the two navies and will continue until March 8. For the first time it was held off the eastern water of India.

1.3 Diplomacy and International Relations**February 7 "KMT Chairman advocates status quo" (Taipei Times, February 8, 2006)**

Taiwan's Kuomintang (KMT) Chairman Ma Ying-jeou contributed an article titled "Taiwan's Pragmatic Path" to the Asian Wall Street Journal on February 7. He states that the country needs a new paradigm to maintain the status quo, saying that neither of the country's option of unification with China nor independence would be likely in the near future. "Taiwan, while it seeks to defuse tensions across the Taiwan Strait, should also demonstrate its determination to protect itself by maintaining adequate defensive capabilities," he said. With regard to the arms procurement bill that has been at a standstill, he also stressed the importance of dealing with it by weighing up four factors: cross-strait relations, the country's defensive needs, its financial capability and public opinion.

February 10 "China, ASEAN agree to ensure peace in South China Sea" (ZEE News, February 10, 2006)

China and ASEAN agreed to jointly safeguard peace and stability in the disputed South China Sea during the second meeting of implementation of the declaration on the conduct of China-ASEAN joint working group held at Sanya, southernmost province of Hainan. At the two-day meeting concluded on February 9, both sides also mapped out the following strategies: (1) Promoting the pragmatic cooperation in South China Sea is of great importance to pushing forward the development of the Sino-ASEAN strategic partnership. (2) Working together to make the South China Sea a "sea of peace, friendship and cooperation." (3) Drawing up a working plan on relevant cooperation projects for the China-ASEAN joint working group in 2006.

February 24 "China to map offshore islands and reefs" (The Hindu, February 24, 2006)

China announced on February 24 that it would map the country's offshore islands and reefs in the coming five years to maintain its marine rights and interests. China's coastal line is the fourth longest in the world, with 18,000 kilometers long. The country's territorial sea area stretches to

380,000 square kilometers, with 7,372 islands over 500 square meters each. It is also estimated that China has about 24 billion tonnes of marine oil resources, and 14 trillion cubic meters of marine natural gas resources.

February 27 "Taiwan to cease NUC and unification guidelines" (Taipei Times, February 28, 2006)

On February 27, Taiwan President Chen Shui-bian announced that he would scrap the National Unification Council (NUC) and its unification guidelines. He said the decision is based on the principle of popular sovereignty. It was also prompted by Chinese ongoing military buildup and attempts to use non-peaceful means to change the status quo in the Taiwan Strait in a unilateral way. Although the President avoided using an articulation of "abolishing", he did not make his intention clear why he chose careful expressions. In response to this, the US officials expressed understanding of the terminology Chen used toward the NUC and unification guidelines and confirmed that Taiwan and the US coincide in opinion about maintaining the status quo.

Note: The Guidelines for National Unification was approved by the Cabinet on February 23, 1991 with a goal of setting up democratic, free, equitable and prosperous China, but no timetable has been set. The principles of the guidelines include: Unification should be achieved on a step-by-step basis under the principles of reason, peace, equality and reciprocity. It should be acknowledged that both China and Taiwan are parts of Chinese territory. The timing and manner of China's unification should respect the rights and interests of the Taiwan citizen as well as protect their security and welfare.

1.4 Resources, Environment and Others

February 10 "CNOOC starts oilfield operation offshore South China Sea" (Xinhua, February 10, 2006)

China National Offshore Oil Company Limited (CNOOC Ltd.) announced on February 10 that an oil field offshore South China Sea has successfully marked a daily production of 1,500. The oil field is situated about 120 kilometers southeast of Hong Kong in Eastern South China Sea. The field's on-peak gross production capacity is estimated at 2,000 barrels of oil per day. The facility of the fields consists of two platforms, eight wells and a 41-kilometer long undersea pipeline, producing approximately 12,000 barrels of oil per day.

February 15 "China to tackle with environmental pollution" (The Associated Press, February 15 2006)

China announced on February 15 that it will reduce any kinds of pollution by 2010. In order to come up with vast amount of money associated with antipollution measure, the government plans

to make changes to pricing and adopt taxation measures. The head of the State Environmental Protection Administration, Zhou Shengxian warns that the problems of the environmental pollution have become a trigger of social instability.

February 20 "France, India agree to promote peaceful nuclear energy development" (Bloomberg, February 20, 2006)

Indian Prime Minister Manmohan Singh and his French counterpart Jacques Chirac signed a joint statement on February 20 agreeing to promote the peaceful nuclear energy development in India. Singh said that India would separate its military and civil nuclear facilities and comply with a requirement by the International Atomic Energy Agency to allow nuclear-technology imports. The US law bans the export of technology supporting the nuclear program of any country that hasn't signed the Nuclear Non-Proliferation Treaty.

February 21 "Devon, China sign pact to broaden production in South Yellow Sea" (TMC net, February 22, 2006)

Devon Energy Corp. the Oklahoma City-based energy company said on February 21 that it signed a new contract with China on drilling oil and natural gas in the South Yellow Sea. The contract will allow Devon to control about 4,200 square miles in the Southern Yellow Sea Basin. The area is about 250 miles northeast of Shanghai. Devon has engaged in producing oil offshore from China since 2003.

February 28 "India to increase spending on national infrastructure" (Bloomberg, February 28, 2006)

India announced that it would increase spending on national infrastructure aimed at outstripping China as the region's growth powerhouse. The plan includes a 20 percent budget increase on ports. Some international transport analysts have pointed out that India's economy growth has been hindered by system weakness of its ports. Currently in Indian ports, it takes about 10 times as long as Chinese ports to unload.

2. Intelligence Assessment

Released “Quadrennial Defense Review Report 2006” of the United States

The United States Defense Department released the “Quadrennial Defense Review Report 2006” <hereafter 2006 QDR> on February 3, 2006 and was presented to the Congress on February 6. The QDR is a report submitted to Congress every four years after a review with the goal of long-term defense planning on the force structure, force modernization plan and budget plan for the “National Security Strategy of The United States” decided by the National Security Council, and also the “National Defense Strategy of the United States of America” by the Department of Defense. The first QDR was released in May 1997 under the Clinton administration. For the current Bush administration, this is the second report after the 2001 QDR, which was published right after the terrorist attacks on September 11, 2001. The 2001 QDR clarified the US position to shift its defense planning from that of threat-based approach, having been advocated during the era of post Cold War, to the capabilities-based approach, based on capacities to respond to a broad range of situations. The 2006 QDR, based on operational lessons learned from the Global War on Terror (GWOT) over the past four years, is the first publication made public at the time of war on terrorism, providing more concrete defense planning of the capabilities-based approach than the previous one. From the perspective of the OPRF monthly report’s areas of interest, the main features of the 2006 QDR are below.

1. Response to the Global War on Terror

Of the GWOT, having cognizance of “long war”, the focus of the 2006 QDR are on the following: defeating terrorist networks, preventing the acquisition or use of Weapons of Mass Destruction (WMD) by the actors such as hostile states and non-state, and defending the homeland in depth.

Since the September 11 attacks, the GWOT has been ranked in the United States a war to be fought using every any resources including the military at its disposal. The 2006 QDR says, “Since 2001 the U.S. military has been continuously at war, but fighting a conflict that is markedly different from wars of the past. The enemies we face are not nation-state but rather dispersed non-state networks. Unlike the image many have of war, this struggle cannot be won by military force alone, or even principally. And it is a struggle that may last for some years to come”. Currently, the crucial battlegrounds in the long war against terrorism are Afghanistan and Iraq. In the latter, over 130,000 US solders are deployed, but the situation that no clear exit is yet in sight continues.

The long war against terrorist networks extends far beyond the borders of Iraq and Afghanistan and includes many operations characterized by irregular warfare – operations in

which the enemy is not a regular military force of a nation-state. The QDR emphatically states, “The US, its allies and partners must maintain the offensive by relentlessly finding, attacking and disrupting terrorist networks worldwide. They must increase global pressure on terrorist networks by denying them sanctuary in both the physical and information domains.”

In order to defeat the terrorist networks, in the 2006 QDR the following types of capabilities are particularly noted:

- Human intelligence to discern the intentions of the enemy,
- Persistent surveillance to find and precisely target enemy capabilities in denied areas,
- Special operations forces to conduct direct action, foreign internal defense, counterterrorist operations and unconventional warfare.

The QDR points out concrete measures to buildup the abilities: (1) to strengthen the capabilities to perform long-duration indirect clandestine operations, psychological operations, and civil affairs operations by upgrading of the Special Operations Forces (SOF), and (2) to establish unmanned aerial vehicle (UAV) to increase surveillance, reconnaissance and strike capabilities.

As for the Navy, the QDR says that since 2003 the Navy has started to convert four of the former nuclear ballistic missile submarines (SSBNs) to submarine platforms to carry more than 150 cruise missiles each and to fulfill special missions with embarked Special Operations Force personnel to penetrate denied areas. This program is ongoing and the four submarines will re-enter service by September 2007.

As far as the denial of the acquisition and use of WMD by hostile states and non-state actors is concerned, the QDR points out “the principal objective of the US is to prevent hostile states or non-state actors from acquiring WMD. This involves diplomatic and economic measures, but it can also involve the use of military force.”

As one of the preventive measures for the denial of proliferation of WMD, multilateral joint naval exercises based on the Proliferation Security Initiative (PSI) have been conducted. The next chapter, “From the Overseas Arguments,” introduces that shipping and the global supply chain generally are already being used as delivery vehicles for weapons, which presents a formidable and sustained threat to world security. On this account, it is assessed that importance of ongoing monitoring activities at sea will further be heightened. In addition to such preventive means, in the 2006 QDR particular emphasis is placed upon the need for the capabilities of neutralization of WMD as well as the responsive capabilities in case of actual use of WMD.

Of the war against terrorism, homeland defense of the United States is ranked the biggest challenge. Strategically the United States enjoyed its geopolitical advantage of insularity except

for the nuclear threat from former Soviet Union during the Cold War. Its security environment has essentially changed, however, since the September 11 attacks. According to the 2006 QDR, the US aims at strengthening the security posture of the homeland in depth by increasing homeland security ability and improving coordination among the Department of Homeland Security, other federal agencies, each state and Municipality.

2. How to handle countries at strategic crossroads

Another principal area taken up in the 2006 QDR is “shaping the choice of countries at strategic crossroads.” In the 2001 QDR released in the wake of the September 11 attacks, emphasis was on the importance of enhancing the capabilities of immediate response to “the arc of instability” that stretches broadly from the Middle East located in the south edge of the Eurasian continent to Northeast Asia, and that is likely to become a hotbed of terrorism. However, there is no direct citation of “arc of instability” in the 2006 QDR. One of the notable features of the 2006 QDR of this time, reflecting today’s international relations, is that how to cope with the countries at strategic crossroads is regarded as a key issue.

From the perception that “the choices that major and emerging powers make will affect the future strategic position and freedom of action of the US, its allies and partners,” the 2006 QDR underscores the importance that “the United States will attempt to shape these choices in ways that foster cooperation and mutual security interests. At the same time, the United State, its allies and partners must also hedge against the possibility that a major or emerging power could choose a hostile path in the future.” Russia, China and India are named in this category. In the monthly bulletin published by the Ocean Policy Research Foundation, the movement around the United States, India, Russia and China has been carefully observed from the perspective of “a great game of the 21st century.” The 2006 QDR acknowledges, “Beyond these regions, the choices of major and emerging powers, including India, Russia and Chine, will be key factors in determining the international security environment,” and outlines each of those countries, as below:

(1) India

The 2006 QDR evaluates India as a country “emerging as a great power and a key strategic partner.” India, as already pointed out in the OPRF monthly report, is heightening its presence in South Asia. At the US-India summit held in July 2005, reinforcing their strategic partnership was expressed in the joint statement. The US came to grips with full atomic energy cooperation with India, who is in fact a nuclear power and a nonmember nation of Nuclear Non-Proliferation Treaty. President George W. Bush paid his first-ever Delhi visit in March 2006. As pointed out in the 2006 QDR, the relations with India with which the United States shares a common value of democracy, will likely occupy an increasingly important opportunity in the future for the US security policies.

(2) Russia

Russia is commented by the 2006 QDR as “Russia remains in transition.” “Russia is unlikely to pose a military threat to the United States or its allies on the same scale or intensity as the Soviet Union during the Cold War.” “The US will cooperate with Russia on shared interests such as countering the proliferation of Weapons of Mass Destruction and combating terrorism.” On the other hand, the US remains concerned about Russia. Of the Russian internal situations, the 2006 QDR is wary of “the corruption of democracy, the repression of non-governmental organizations (NGOs) and press freedom, the centralization of political power and the limitations of economic freedom.” As for the international relations, it says, the US welcomes Russia as a constructive partner,” but expresses its increasing concern about Russia’s “sales of destructive weapons technologies abroad and actions that compromise the political and economic independence and territorial integrity of other states.”

(3) China

Unlike its attitude toward the other two nations, the US has increased its vigilance against China. The 2006 QDR states, “Of the major and emerging powers, China has the greatest potential to compete militarily with the United States and field disruptive military technologies that could over time offset traditional U.S. military advantages absent U.S. counter strategies”.

China had been discussed with wariness in past QDRs. The 1997 QDR pointed out that (1) “China has the potential to become a military superpower in Asia in and after 2015. (2) China continues its military modernization despite struggling with several challenges. Along with this line, the trend is likely to strengthen its power-projection capabilities. (3) There are growing concerns among other countries in Asia about China’s growing military power. Whereas, the 2001 QDR stated (1) Asia is gradually becoming an area susceptible to big scale military competition. (2) Maintaining a stable balance in Asia will be a complex task. The possibility exists that a military competitor with a formidable resource base will emerge in the region. Although the US avoids pointing fingers at China here, it is an obvious reference to China’s military power.

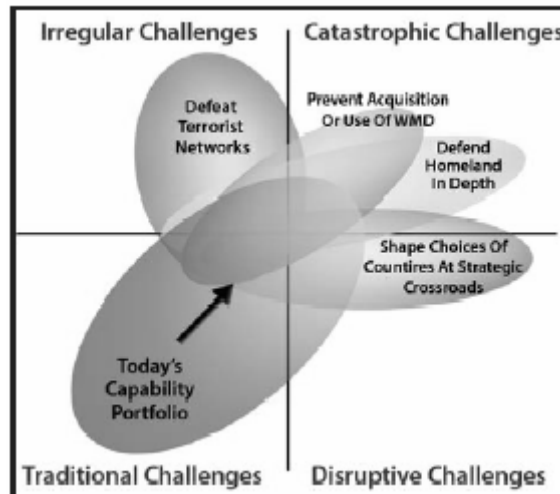
The US seems to perceive that China’s military modernization efforts in these years have made progress so as to become recognized as a military threat in the region. The Bush administration will promote forging ties with China as a constructive “stakeholder” in the international society. The 2006 QDR also clarifies the orientation of its portfolio of the military to be shifted toward Asia, and equally attaches equal importance to hedge risk against China’s future choice. This will be discussed below.

3. Reorientation of force planning and greater presence in the Pacific Ocean

Facing orientation of composing the force structure that can deal with these four areas of priority, the QDR classifies the capabilities into three objectives. Four priority areas are:

- Defeating terrorist networks,

- Defending the homeland in depth,
- Shaping the choices of countries at strategic crossroads, and
- Preventing hostile states and non-state actors from acquiring or using WMD.



As the diagram shows, the Department is shifting its portfolio of capabilities to address irregular, catastrophic and disruptive challenges while sustaining capabilities to address traditional challenges.

Based on these four priority areas, its Force Planning Construct is redefined into three objective areas: (1) Homeland Defense, (2) War on Terror/ Irregular (Asymmetric) Warfare and (3) Conventional Campaigns. Together with concrete situations and future plans, details of them are explained in the orders of Vision – Progress to Date – QDR decisions respectively. The Force Planning reorientation has the following characteristics: (1) from the posture of large and permanent overseas garrisons to expeditionary operations, (2) from focusing on traditional combat operations to capability handling asymmetric challenges, (3) from conflicting joint operations to integrated and interdependent operations in order to achieve synergistic effects. A diagram in the 2006 QDR (p.19) shows such a direction.

What draws attention in the Force Planning reorientation is the US force buildup in the Asia-Pacific region. “The fleet will have greater presence in the Pacific Ocean, consistency with the global shift of trade and transport. Accordingly, the Navy plans to adjust its force posture and basing to provide at least six operationally available and sustainable carriers and 60 % of its submarines in the Pacific to support engagement, presence and deterrence.” The 2001QDR already made a policy statement that the United States intended to buildup aircraft carriers and surface vessels in the Pacific Ocean. The Navy is expected to strengthen its all over its deployment ability, which will enable immediate deployment of six operationally available carrier strike groups and additional two within 90 days. Such a buildup plan appears to be part of risk strategy against China’s.

(Source: US Department of Defense website)

<http://www.defenselink.mil/pubs/pdfs/QDR20060203.pdf>

✂ From the Overseas Arguments ✂

Threat of Maritime Terrorism by Large Ships

The Ministerial Conference on International Transport Security was convened from January 12 to 13 in Tokyo. The Ministerial Statement on Security in International Maritime Transport Sector recalled, “We recognize that acts of terrorism pose a serious threat to international maritime transport and that acts of piracy and armed robbery against ships recur with alarming consequences. We, therefore, believe that it is essential to reduce the vulnerability of international maritime transport to such unlawful acts.” (The full text of the statement is cited in the January 2006 issue of the OPRF Monthly report.)

Many experts pointed out the risk of oil tankers or liquefied natural gas (LNG) tankers coming under terrorism attack. This topic has also been taken up several times in the OPRF monthly reports. Martin Murphy’s article “Maritime terrorism: the threat in context” (Jane’s Intelligence Review, Feb. 2006, pp. 20-25.) describes two points of contention, which are large ships as weapons, and ships as delivery vehicles for weapons. Detailed descriptions are below:

Large ships as weapons: The writer says that large ships have been regarded as dangerous since the September 11 attack, when civilian airplanes were in fact used as weapons. Relatively small objects like airplanes can carry destruction force through a synergy between kinetic energy and explosive power of the on board fuel. Accordingly, large ships, especially oil tankers and LNG tankers, have been of special

concern. The writer acknowledges that maritime terrorism use of such ships could cause economic damages, but qualifies the danger, asking, “Such attacks are possible, but the question is, are they probable?” He points out fatal obstacles and technical difficulties in the use of large ships as weapons, citing the following points:

- (1) It is true that attacks on oil or gas terminals could have a serious impact, but it would take some time to plan and prepare such attacks in the West. However, it has become harder to carry out a terror attack since the September 11 attack. Several spots in danger along the global energy supply routes lie on the sea or close to the sea. It is questionable whether attacks using large ships will target those areas. One thing for sure is this has not happened so far.
- (2) It is also only in limited conditions that oil or gas can be weapons. The problematic issue is how to ignite or explode these substances. For example, the Torrey Canyon, a supertanker running off England in 1967, did not burn until a large-scale aerial attack including the use of napalm was carried out. Refined oil, including kerosene and aviation fuel, is rather easy to ignite, but its transport volume is less. Crude oil vapor accumulated in empty tanks poses a bigger danger than refined oil. It poses a threat when some tankers are full and others are empty, such as in the case of the French-tanker Limburg attack in October 2002 off Yemen. If the cargo or vapor ignites, the tanker’s hull has the potential of explosive power sent skyward. Shipments of LNG pose similar technical difficulties for would-be terrorists. The transport vessels are built and maintained with the best shipbuilding technology. With few exceptions, gas terminals

are situated far from human habitation. Even if terrorists were to attempt to puncture the tanks and ignite the gas leaking into the air, it is unlikely that the gas would spread throughout the whole ship because it would be contained inside the tanks.

- (3) A large ship underway is difficult to steer and requires trained crewmembers onboard. Maritime terrorism needs to be discussed in a different perspective from that of plane hijack, a known method to terrorists. Considering the current airport security environment, it would be much easier for terrorists to seajack than hijack, but the problem for them is how to operate the ship after capture. In order to use the ship as a “floating bomb” in the vicinity of their target, it must be steered in narrow, intricate waters. Indeed, if terrorists can succeed in such navigation, there is no way to prevent seajacks. However, there seem to be too many negative factors for them to carry out such attacks.

The writer argues that what poses a threat in maritime terrorism is an attack carried out by a small ship, not a large one, citing the 2000 bombing of the USS Cole at the Yemeni port of Aden and attack of the French tanker Limburg. He also refers to a Sea Tiger, a branch of the Liberation Tigers of Tamil Eelam (LTTE). The Sea Tiger have used small boats in suicide and submergence missions, destroying nearly half the vessels they attacked, including Sri Lankan Navy patrol ships. The writer also points out that although a small boat is difficult to steer under heavy weather and easily breaks apart, it is advantageous for terrorists because it is cheap, spry and not easily detected. Furthermore, although it is unlikely that a small ship could sink a large ship underway, it is capable of

disabling it, or damaging it to gain media attention.

Ships as delivery vehicles for weapons:

Another point of contention the writer cites is weapons as delivery vehicles, saying, “Shipping and the global supply chain generally are already being used as delivery vehicles for weapons, which presents a formidable and sustained threat to world security.” He states his opinion as follows:

- (1) Much interest has been paid to the possibility that a large ship or a container on a ship can be used for delivery of weapons such as biological, chemical, radiological, or even nuclear (CBRN) materials. By ordinary shipments or smuggling, land-based terrorists can deliver weapons, equipment and money necessary for land-based terrorist activities. With the exception of the Sea Tiger, most terror groups have found value in land targets attacks that do not require new tactics or technologies.
- (2) However, terrorist activities depend on supplies. To organized criminal groups or terrorists, it becomes increasingly difficult to transport men or material on land or by air. Instead, sea transport is an attractive way to such groups because there is less chance to be detected than land or air transport. None of them want to call attention to their transport activities. Hence, the irony is that it is less likely that they will engage in violent action at sea.

The New York Times published an article about the possibility that LNG tankers or terminals could come under terrorism attack (Eben Kaplan, ‘Q&A: Liquefied Natural Gas: A

Potential Terrorist Target?" New York Times, February 11, 2006). The article introduces a report of the Sandia National Laboratories, part of the US Department of Energy (DOE). The report assesses four possible ways terrorists could attack LNG tankers:

- (1) **Ramming:** This is an attempt to damage a LNG tanker by running another vessel into it. A crack to the hull of the tanker is unlikely unless the tanker is hit at high speed or is hit with a sharp object. However, once such crack occurs, there is a bigger chance of causing a massive conflagration to the tanker.
- (2) **Triggered Explosion:** An attempt to trigger an explosion by setting explosives like mines under the sea route of an LNG tanker or on the tanker itself. If the force of the explosion is powerful enough, it could cause gas leakage and ignition.
- (3) **External Attack:** There are some ways for terrorists to attack an LNG tanker. The USS Cole attack in 2000 is an example. Another way is attack by missiles or rocket-propelled grenades. Tankers are at increased vulnerability when they are around inland waterways. The impact of the attack varies from its size and location, but in the worst-case scenario a massive explosion would occur.
- (4) **Hijacking:** After hijacking an LNG tanker, terrorists could steer it to a densely populated area and detonate the cargo. This is the most destructive scenario.

The article says LNG tankers are required to give ninety-six hour notice to the US authority before they approach the country's waters so that they are provided a safety escort such as a small fleet. As for the rest of the escorts, the US

dispatches local police boats, divers, firefighting tugboats, and helicopters to escort the tankers. In addition to these approach safeguards, bridges along the tanker's route are closed and flights are suspended at nearby airports. Any private ships are kept away from the tanker. The tankers are inspected and a bomb test is conducted. Crewmembers go through a security check before boarding. Access is controlled at LNG terminals and security personnel are trained to respond to threats.

Kaplan, the author of this article, points out the US National Defense official has expressed security concerns about the USS Cole-type of attack by terrorists because terrorists are able to make an high impact at a low cost. Currently, there are five LNG terminals in the US. Of the four located along the shore, two are near the populated areas of Savannah (Georgia) and Boston. The fifth terminal is located in the Gulf of Mexico.

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