

OPRF MARINT Monthly Report

December 2007



CONTENTS

Major Events in December 2007

1. Information Digest

- 1.1 Security
- 1.2 Military
- 1.3 Diplomacy and International Relations
- 1.4 Shipping, Resources, Environment and Miscellaneous

2. Intelligence Assessment

China's refusal of USS carrier's visit to Hong Kong and its future developments

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

Each resource is referenced with bracket below each title and is displayed as link URL on the last page of this report.

Publisher: Masahiro Akiyama

Staff writers:

Kazumine Akimoto, Tsutomu Inuzuka, Takehisa Imaizumi,

Hideshi Ueno, Masahiro Kunimi, Tetsuo Kotani, Takehisa Tomomori, Hiroko Saito

All rights reserved.

This report, or parts thereof, must not be produced in any form without permission in writing of the publisher.

Major Events in December 2007

Security: On December 4, two American and one German ship cornered the Somali pirates that had hijacked Japanese freighter, the Panamanina-flagged *Golden Nori* owned by Dorval Shipping, Inc., on October 28 in Bosaso in Somalia. Pirates freed a tanker and its crew members on the 12th, which meant no ships and their crews were being held by Somali pirates for the first time in the year 2007.

On December 21, Admiral William Fallon, the commander of U.S. forces in East Africa and the Middle East, said in a VOA interview that he had ordered his naval commanders to take a tougher approach to pirates off the coast of Somalia, in an effort to help the region's economy and promote stability.

Military: In Asia, competition in expanding submarine fleets is likely to be intensified. On December 3, Indian Navy chief Admiral Sureesh Mehta announced that India's first indigenously-built nuclear submarine - "Advanced Technology Vessel (ATV)"- will be ready for testing by 2009. On December 18, Taiwan's President Chen Shui-bian warned against a possible Chinese blockade of Taiwan at Tsoying naval base in southern Taiwan, and pressed for a build-up of naval force, particularly for purchasing eight submarines. On December 26, Australian New Defense Minister Joel Fitzgibbon ordered planning to begin on the next generation of submarines to replace the Royal Australian Navy's *Collins*-class submarines. The 17-year project will cost up to 25 billion Australian dollars. On December 29, the Republic of Korea (ROK) Navy deployed nation's first type-214 class submarine (1,800-ton), the *Sohn Won-il*, to Jinhae naval base after 18 months of test-operations.

On December 5, Russian Defense Minister Anatoly Serdyukov told the president at a meeting in the Kremlin that Russian Navy has resumed its continual presence in several regions of the world's oceans. Serdyukov said, "There are plans to dispatch ships to the northeast Atlantic and the Mediterranean Sea from now to February 3, 2008. The expedition is aimed at ensuring a naval presence and establishing conditions for secure Russian navigation."

On December 13, the chief of the U.S. naval operations Admiral (ADM) Gary Roughead said in testimony before the House of Representatives Armed Services Committee, "It is cause for concern that U.S. shipbuilding capacity and industry is not as competitive as other builders around the world." In particular, ADM Roughead his concern about China's flourishing shipbuilding sector.

On November 21, China did not allow the U.S. aircraft carrier, USS *Kitty Hawk* to visit Hong Kong. Our assessment is available on the status of the military relations between the United States and China, including the development of the situation thereafter, in the analysis column in this monthly report.

Diplomacy and International relations: The relations between Vietnam and China are getting

intense over the sovereignty the Spratly and Paracel Islands.

On December 4, Vietnamese Foreign Ministry spokesman reaffirmed Vietnamese sovereignty rights over the Truong Sa (Spratly) and Hoang Sa (Paracel) Islands. This was made in response to the recent decision by China to create the “Sansha administrative town” in Hainan Province. On December 11, China’s Foreign Ministry spokesman urged the Vietnamese government to take a responsible attitude and effective measures to the Vietnamese protests against China in Hanoi and Ho Chi Minh City in Vietnam. The spokesman stressed that China has indisputable sovereignty over the South China Sea and its surrounding areas, which is China’s consistent policy. According to the Chinese newspaper dated December 16, China’s Hainan provincial authorities said in Hainan they only have “Sanya,” but not “Sansha.”

On December 19, the U.S. Senate Foreign Relations Committee published a report summarizing the deliberations about the United Nations Convention on the Law of the Sea (UNCLOS) at the Senate Foreign Relations Committee. The report is recommending the Senate members to approve ratification of the UNCLOS at the plenary session, as well as attaching opinions of those who have opposed the ratification.

Shipping, Resources, Environment and Miscellaneous: At the meeting commemorating the “Juanda Declaration and Archipelago Day” on December 5, Indonesian maritime experts urged the government to make more efforts and called for a shift in focus in national development strategy -- from land to sea in order to develop the country's long-neglected maritime sector.

On December 7, the shipping collision accident occurred off Mallipo beach, Taeon County, South Chungcheong Province, South Korea, making the oil spill the biggest such disaster in South Korean history. On December 19, the South Korean Coast Guard and the Ministry of Maritime Affairs and Fisheries confirmed the oil tanker, carrying 263,000 tons of crude oil, spilled an estimated 10,500 tons of crude oil into the sea as a result of the collision.

On December 14, Canada’s MacDonald Dettwiler and Associates Ltd (MDA) announced the successful launch and deployment of RADARSAT-2, Canada’s next-generation commercial Synthetic Aperture Radar (SAR) satellite. RADARSAT-2 will provide effective means of monitor what’s happening in the Arctic Ocean. According to the BBC news dated December 12, scientists in the United States released a new study predicting the Arctic will be ice-free during the summer period in five to six years. This new study proposes a timeline that is much more aggressive than most previous studies that predicted an ice-free Arctic will appear between 2040 and 2100.

China’s National Development and Reform Commission (NDRC) officially launched the oil reserve center on December 18. The NDRC said the center would keep an eye on the movement of demand and supply of both domestic and international oil markets. The NDRC has established four strategic oil reserve bases in Dalian, Qingdao, Ningbo and Zhoushan.

On December 26, China published a government white paper (WP). Beijing clarified that its worldwide security of oil and gas supplies should be carried out in a spirit of fair play and international cooperation so as not to disrupt sensitive international markets.

1. Information Digest

1.1 Security

December 4 “U.S., German warships corner Somali pirate” (Reuters, December 4, 2007)

On December 4, two American warships and one German warship cornered the Somali pirates that had hijacked Japanese freighter, the Panamanina-flagged *Golden Nori* owned by Dorval Shipping, Inc., on October 28 in Bosasso in Somalia. Although the *Golden Nori* was hijacked over a month ago while transporting benzene from Singapore to Israel, an American warship was monitoring the ship after having destroyed some smaller speedboats of the pirates. Saeed Mohamed Rage, Puntland region's fishing and marine minister, said at a news conference on the 4th, “Two American warships and one German warship have been monitoring the *Golden Nori* for 42 days after it was hijacked. The pirates arrived in Bosasso around 10:00 in the evening. There were 21 crew members on board. We told them to surrender.” According to Rage, the pirates are demanding an undisclosed ransom. On the other hand, a spokesperson of the U.S. Fifth Fleet in Bahrain said, “We are monitoring the situation of the *Golden Nori* since its hijacking. We continue to encourage the pirates to free the crew and the vessel.” According to the spokesperson, the U.S. Navy has been strengthening its anti-piracy efforts off Somalia in recent months.

Source: Reuters, December 4, 2007

<http://www.reuters.com/news/pictures/articleslideshow?articleId=USL0456817820071204&start=1&channelName=worldNews>

The *Golden Nori* in Bosasso port

【Related Stories】

According to the *International Herald Tribune* dated December 10, Somali pirates threatened to kill the 22 (sic) crew members unless a ransom of one million US dollars was paid, Andrew

Mwangura, head of the Kenya-based East Africa Seafarers' Assistance Program, said on the 10th. (International Herald Tribune, December 10, 2007)

According to the *International Herald Tribune* dated December 12, pirates freed the tanker and its crew members on the 12th, which meant no ships and their crews were being held by Somali pirates for the first time in the year 2007. No information is available on whereabouts of the pirates who seized the ship or whether or not a ransom was paid. (International Herald Tribune, December 12, 2007)

December 21 “U.S. Navy gets tough with pirates off Somalia, says U.S. Central Command” (Voice of America News, December 21, 2007)

On December 21, Admiral William Fallon, the commander of U.S. forces in East Africa and the Middle East, said in a Voice of America (VOA) News interview that he had ordered his naval commanders to take a tougher approach to pirates off the coast of Somalia, in an effort to help the region's economy and promote stability. Admiral Fallon said that, in recent months, pirates off the coast of East Africa have become bolder, attacking more and larger ships. Moreover, he said, “I have given some guidance to our naval commanders, and we've been able to get some approvals to do some things that are a little more aggressive than we had in the past. We're going to continue to operate in this area and to do everything we can to discourage this kind of activity.”

December 26 “Sri Lanka detains Indonesian-registered ship on suspicion of arms smuggling” (Channel NewsAsia, December 26, 2007)

On December 26, Sri Lanka's navy, mobilizing more than 10 fast attack craft, helicopter gunships and Israeli-built Kfir fighter jets, clashed with a flotilla of 16 rebel boats of the “Tamil Tiger” off the southern seas of Delft, one of the bigger inhabited island's off the Jaffna peninsula. The Defense Ministry said they hit and sank 11 rebel boats, leaving at least 40 guerrillas dead. Before the sea battle came, the navy had detained an Indonesian-registered vessel drifting off the island's east coast. A navy spokesman said the boat was carrying a 12-member Indonesian crew, and the ship appeared to be of the type used for arms smuggling by the “Tamil Tigers.” The Indonesian crew members have since been brought to Colombo for further questioning. The vessel has been towed to Galle naval base on the southern coast. Sri Lanka has stepped up naval patrols to intercept “Tamil Tiger” rebels smuggling weapons.

1.2 Military

December 3 “India is to test its indigenous submarines by 2009” (Defense-aerospace, December 4, 2007)

On December 3, Indian Navy chief Admiral Sureesh Mehta announced that India's first indigenously-built nuclear submarine - code-named “Advanced Technology Vessel (ATV)”- would

be ready for testing by 2009. Admiral Mehta also said that India was in negotiations with Russia to lease a Russian nuclear submarine with the aim of training Indian naval personnel.

December 5 “Russian Navy tries to restore global presence”(RIA Novosti, December 5, 2007)

Russian Navy has resumed its continual presence in several regions of the world's oceans, Russian Defense Minister Anatoly Serdyukov told the president at a meeting in the Kremlin on December 5. “There are plans to dispatch ships to the northeast Atlantic and the Mediterranean Sea from now to February 3, 2008. The expedition is aimed at ensuring a naval presence and establishing conditions for secure Russian navigation,” said Serdyukov. According to the minister, an aircraft-carrying heavy cruiser, two anti-submarine ships and a tanker left for the Mediterranean on 5th, where they will be joined by a Black Sea Fleet missile cruiser and a tanker. A total of four warships and seven other vessels of Russia's Northern, Black Sea and Baltic fleets, as well as 47 planes and 10 helicopters, have been dispatched for the mission. Three exercises, involving the vessels and aircraft, are being planned.

In mid-August 2007, Russian President Vladimir Putin announced the resumption of strategic patrol flights (see 1. 2 Military in the OPRF MARINT Monthly Report, August 2007). According to a senior Air Force official on 4th, Russia's strategic bombers have since carried out over 70 patrol flights over the Pacific, Atlantic, and Arctic oceans, as well as the Black Sea. During almost all their patrol, Russian bombers had been escorted by NATO interceptor aircraft.

【Related Story】

According to the Norwegian military sources, the Russian Northern Fleet has started a training operation in the close vicinity of a Norwegian “Troll” oil platform in the North Sea. As many as 47 aircraft and several types of military ships including a tanker are involved in the training. Also strategic bombers are engaged. Several aircraft and helicopters are in the air around the aircraft carrier *Admiral Kuznetsov*, which is located near the “Troll” platform. The military flying has made the “Troll” platform owner, Norwegian oil and gas producer StatoilHydro, temporarily halt helicopter traffic to and from the platform. Norwegian Coast Guard vessels have been sent to the area to monitor the situation. The Russian Northern Fleet vessels participating in this exercise are most probably on their way to the Mediterranean where Russia has signaled that it wants to strengthen its presence.

The Russian training operation near the “Troll” could possibly be seen as a signal from the Russian Armed Forces about their intention to maintain presence in the High North and to protect Russian economic interests in the area. Both Norway and Russia have the last years expressed their intention to step up their presence in the area following the development plans for Arctic oil and gas. (The Barents Observer, December 11, 2007)

December 6 “Malaysia has interest in South Korea’s new landing / transport ship” (The Korea Herald, December 6, 2007)

South Korea's new type of a large-deck landing / transport ship, the *Dokdo* (Korean name for the Japanese territory “Takeshima”), is attracting keen interest from participants in the Langkawi International Maritime and Aerospace exhibition being held in Malaysia. Ranking Malaysian defense officials and local and overseas media are paying special attention to the ship built by Hanjin Heavy Industries & Construction Co. in South Korea. Malaysia's top military officer Gen. Tan Sri Abdul Aziz bin Hj Zainal expressed great interest in adding *Dokdo*-class ship to his nation's fleet. The Malaysian government is reportedly considering purchasing the *Dokdo*-class transport ship as part of its nine-year plan to bolster defense capabilities and supporting international humanitarian missions.

Being commissioned on July 3, 2007, the *Dokdo* is expected to be a key element of Korea's mobile fleet to be established in 2010. The 14,000-ton *Dokdo* is capable of carrying 300 crew members and 700 troops and staff, plus seven helicopters, six tanks, three artillery guns, two hovercrafts, and other vehicles. The ship would be used to support marine-landing operations. However, Chinese experts categorize the ship as an aircraft carrier. (See 1. 2 Military in the OPRF MARINT Monthly Report, July, 2007.)

December 6 “Taiwan must be ready for China’s aircraft carriers --Taipei defense expert reports” (Taipei Times, December 6, 2007)

A Taiwan defense expert, Chen Ta-chen, said in his article contributed to the Taiwanese newspaper *Taipei Times* dated December 6 that Taiwan must prepare for the China's possession of the aircraft carriers by adopting a strategic viewpoint of 10 to 15 years ahead. The key points are as follows.

- (1) During a question-and-answer session at the legislature on November 28, Minister of National Defense Lee Tien-yu said that the military would be capable of destroying 60 percent to 70 percent of China's troops in case of an invasion. However, Lee did not include a Chinese formation of aircraft carrier battle groups in his analysis of the combat strengths of China.
- (2) Taiwan must prepare for the possession of Chinese aircraft carrier battle groups. Although an aircraft carrier without a battle group is worthless, China's military already has all the destroyers, frigates, submarines and support ships it needs, except cruisers. All it must acquire now are aircraft carriers themselves and the fighter aircraft for them. China is the world's third-largest ship builder and it would not be too difficult for it to build medium-sized aircraft carriers weighing about 50,000 tons. As for carrier-based aircraft, China has already signed a deal with Russia to purchase Su-33 fighters and intends to remodel its Su-30 or J-10 fighters into carrier-based aircraft. With full political and financial support, China could be expected to have initial aircraft carrier battle groups within 10 years.
- (3) China is likely to build one aircraft carrier battle group for its East Sea Fleet and another for its South China Sea Fleet. The task of the former would be to counter U.S. power, and the one of the latter would be to safeguard China's marine transport lines in the South China Sea and the

Indian Ocean. In the case of a cross-strait war, the East China Sea battle group would attack from the east while the South China Sea battle group would attack from the south.

- (4) Most of China's submarines are deployed to the East China Sea Fleet. Within the next 10 or 15 years, China could be capable of amassing as many as 40 to 50 advanced conventionally powered submarines. In addition to these, China has assigned a nuclear-powered submarine detachment to the North China Sea Fleet and has plans to form another (for the South Sea Fleet). But because of the continental shelf, the waters around Taiwan are more suitable for small, conventionally powered subs. Nuclear-powered submarines would likely be responsible for supporting the carrier group attack on the east coast and interdicting U.S. forces coming for aid.

December 13 “U.S. Navy Chief expresses concern about China’s shipbuilding capabilities” (Channel NewsAsia, December 14, 2007)

On December 13, the chief of the U.S. naval operations Admiral (ADM) Gary Roughead said in testimony before the House of Representatives Armed Services Committee, “It is cause for concern that U.S. shipbuilding capacity and industry is not as competitive as other builders around the world.” In particular, ADM Roughead mentioned on China's flourishing shipbuilding sector as follows. “They are very competitive on the world market. There is no question that their shipbuilding capability is increasing rapidly. I believe that not in a distant future they will likely surpass Korea as the prominent ship builder in the world.” On the other hand, according to Republican lawmaker Duncan Hunter, China is turning out 5,000 commercial ships a year, against 300 by the United States, and an average of three submarines a year, to the United States' one. China is also producing steel nearly five times as much as the United States, some 480 million tons a year. Lawmaker Hunter said, “These facts mean that China will have naval capability to outstrip the United States if they turn that commercial ship building capability into warship-building capability.”

December 14 “Russia completes a dual purpose diesel-nuclear submarine” (Individual.com, December 14, 2007)

Russia's Interfax news agency reported that the Russian navy completed a new experimental submarine that could run on both diesel and nuclear power. Launched on 14 December from the Severodvinsk naval facility, the B-90 *Sarov* diesel submarine will employ a nuclear reactor installed aboard as its auxiliary propulsion system. It is intended to be used as an experimental platform to test the mixed-use of nuclear and diesel propulsion systems aboard Russian submarines. The *Sarov* will also be used to test various new types of weapon systems, including combat unmanned underwater vehicles as well as marine systems.

December 15 “U.S. Navy’s Aegis cruiser leaves East Timor for the Middle East waters” (Associated Content, December 15, 2007)

A U.S. Navy’s Aegis guided missile cruiser, USS *Port Royal* (CG 73), departed for the U. S. 5th

Fleet's operational control areas, after leaving the East Timor's capital of Dili on December 15. CG 73 will take part in patrols in the areas off "Horn of Africa" as well as operations around Afghanistan and Iraq.

December 17 "India to promote military ties with Vietnam" (Zee News, December 17, 2007)

On December 17, Indian Defense Minister A K Antony, on his visit to Vietnam, said that, as part of measures to boost strategic defense ties with Vietnam, India will supply 5,000 vital spares of Russian-made *Petya* class frigates and send a four-member expert team to the country in the first half of 2008 to train Vietnamese army on conduct of U.N. Peacekeeping operations. The two countries also agreed to set up a Joint Working group to form a framework for boosting further defense cooperation. Vietnam expects to take Indian help in application of information technology in defense and technical support to the country's navy. Hanoi also intends to increase Joint Naval and Military level exercises between the two countries.

December 18 "Taiwan President pressed for naval expansion" (AFP, December 18, 2007)

Warning of a possible Chinese blockade of Taiwan at Tsoying naval base in southern Taiwan on December 18, Taiwan's President Chen Shui-bian pressed for a build-up of the island's seaborne defenses, and mentioned as follows: "Since Taiwan is surrounded by ocean, its external trade relies largely on shipping. Should China launch a naval blockade, Taiwan's lifeline would suffer severe impact." Based on this, Mr. Chen called for parliamentary approval for purchasing eight submarines, six PAC-3 Patriot systems and 12 P-3C anti-submarine aircraft from the United States. Taiwan navy's submarine fleet currently consists of two 50-year-old *Guppy*-class diesel-electric boats, both in very poor condition, and two Dutch-built *Hai-Lung*-class boats commissioned in 1987/88. The defense ministry says Taiwan needs the eight submarines because China could use its huge fleet to blockade the island in the event of war.

【Related story】

On December 20, Taiwan's legislature has approved FY 2008 defense budget. The defense budget totaled 341.4 billion Taiwan dollars (NT\$) - a 12 per cent increase over 2007. The budget includes a NT\$2 billion allocation for a feasibility study on the acquisition of U.S.-made diesel submarines as well as an allocation for three sets of U.S.-made PAC-3 Patriot missile systems. They had been held up for more than two years by the Kuomintang (KMT), the main opposition party. Details of the cost of the PAC-3 Patriot systems were not made public, but the government first proposed their acquisition of six systems. The KMT did not elaborate on why it had retracted its opposition. (AP, December 21, 2007)

December 25 “Russia Successfully Launches Sea-Based Ballistic Missile” (RIA Novosti, December 25, 2007)

On December 25, Russia conducted a successful test launch of a third-generation intercontinental ballistic missile from a nuclear submarine, K-114 *Tula* (*Delta IV*-class), in the Barents Sea in the Arctic. A dummy warhead of a new-generation SLBM, RSM-54 Sineva (NATO designation SS-N-23 Skiff), fired from a submerged position, hit a target at the Kura test site on the Kamchatka Peninsula. Sineva is a liquid-propellant missile, which has a reported range of 5,500 miles and can carry four nuclear warheads. It is allegedly capable of penetrating any existing missile defenses. The Sineva was previously test-fired by the submarine on December 17. A dummy warhead hit a target at the same testing grounds in Kamchatka with high precision. Equipped with 16 Sineva missiles, *Delta IV*-class submarines currently form the mainstay of Russia's Strategic Missiles Forces. Seven of the series were built between 1984 and 1992. At least 11 test launches would be planned in 2008.

December 26 “Australia’s new government reveals a construction plan of next generation subs” (The Australian, December 26, 2007)

Australian New Defense Minister Joel Fitzgibbon has ordered planning to begin on the next generation of submarines to replace the Royal Australian Navy's *Collins*-class submarines. The plan aims to gain “first pass” approval for the design phase from cabinet's National Security Committee in 2011. The 17-year project will cost up to 25 billion Australian dollars.

In Asia, regional nations such as Indonesia, China and India are seeking to drastically expand their submarine fleets, potentially altering the balance of naval power in the region. “There is widespread agreement that submarines provide a vital military capability for Australia, The development of new submarines requires long-term planning and needs to progress quickly,” Mr. Fitzgibbon said. The aim will be to create the world's most deadly conventional submarine fleet to allow Australia to maintain its strategic advantage over fast-growing rival navies in the region. Although the Defense Ministry has not yet ruled out the possibility of Australia acquiring nuclear-powered submarines, this option is considered highly unlikely on strategic, practical and political grounds.

According to the Defense Ministry, one of the options to be considered for the new submarine fleet will be small unmanned mini-submersibles that can be launched from the “mother” submarines. The new submarines will have the new generation air-independent propulsion systems, and will be able to carry a greater variety of long-range weapons, possibly including long-range cruise missiles as well as short-range tactical land-strike missiles.

December 29 “ROK deploys its 1st Type-214 class submarine” (The Korea Herald, December 30, 2008)

On December 29, the Republic of Korea (ROK) Navy deployed nation's first *type-214* class submarine (1,800-ton), the *Sohn Won-il*, to Jinhae naval base after 18 months of test-operations. The submarine is the lead unit of the Navy's KSS-II project to build six next-generation

submarines by 2018. It can cruise at a maximum 20 knots and accommodates up to 40 crew members. The submarine is equipped with an air independent propulsion (AIP) system, with which it can perform deep-sea operations for two weeks at a time.

1.3 Diplomacy and International Relations

December 4 “Vietnam reaffirms its rights to Paracel & Spratly Islands” (Viet Nam News, December 4, 2007)

On December 4, Vietnamese Foreign Ministry spokesman Le Dung has reaffirmed Vietnamese sovereignty rights over the Hoang Sa (Paracel) and Truong Sa (Spratly) archipelagos. Dung’s comments were in response to the recent decision by China decision to create the “Sansha administrative town” in Hainan Province. The town would cover three archipelagos in the East Sea (the East China Sea), including the Hoang Sa and Truong Sa archipelagos (besides the Macclesfield Bank), over which Viet Nam declares its sovereignty. Dung said, “Viet Nam strongly rejects the creation of Sansha Town and its inclusion of the two Vietnamese archipelagos. Such an act was an encroachment on Viet Nam’s territorial sovereignty and was detrimental to the process of negotiation to find durable solutions to solve the maritime issue between the two nations.” He stressed Viet Nam’s consistent policy to settle all disputes through peaceful negotiations while respecting international laws and practice, especially the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the spirit of the Code of Conducts for concerned parties on the East Sea, made in 2002 in order to maintain peace and stability in the East Sea and the region.

【Related Story 1】

Regarding protest in Hanoi and Ho Chi Minh City targeting China, Chinese Foreign ministry spokesman said on December 11, “We hope the Vietnamese government takes a responsible attitude and effective measures to stop it and avoid bilateral ties from being hurt.” He said China had indisputable sovereignty over the South China Sea and adjacent waters, and this was China’s consistent stance. He stressed that China was clear about this situation. (Xinhua, December 11, 2007)

【Related Story 2】

According to the *South China Morning Post* dated December 19, an official from the Hainan provincial authorities said in Hainan they only have “Sanya,” but not “Sansha.” Another official from the Hainan provincial government said the authorities had not received any documentation from the central government on redesignating the area as “Sansha” city. News that Beijing created “Sansha” was first reported by Vietnamese media and followed up overseas. In sharp contrast to the attention outside China, no mainstream mainland media have covered the issue.

December 6 “ICJ’s hearing over dispute between Malaysia and Singapore -- Its influence on Indonesia” (The Jakarta Post, December 6, 2007)

In the article contributed to the Indonesian daily newspaper *Jakarta Post* dated December 6, Andi Arsana,* a lecturer at the Indonesia’s Gadjah Mada University says the prospect for the case being heard before the International Court of Justice (ICJ) about the dispute** between Malaysia and Singapore over the sovereignty of the Pedra Branc (Pulau Batu Puteh) will influence on demarcation of the borders of the straits between Indonesia and two countries. The gist of the report is as follows.

- (1) Indonesia has no direct influence on the case between Malaysia and Singapore. However, the decision made by the ICJ will be important for Indonesia, being the closest neighbor. In addition, Indonesia has not yet completed its maritime boundary delimitation with these two states around the disputed features. The decision concerning the sovereignty over the three features will influence the future maritime boundary settlement as this will define with which state Indonesia will negotiate its maritime boundaries in the region.
- (2) Indonesia agreed to continental shelf boundaries in 1969 with Malaysia and territorial sea boundaries in 1973 with Singapore. These boundaries have pending segments in the area close to Pulau Batu Puteh. Therefore, the negotiation concerning the settlement of maritime boundaries with these countries will depend on the decision of the ICJ. Notwithstanding the future owner of Pulau Batu Puteh, it is worth noting that the islands are entitled to claim the maritime area and jurisdiction around it, including the continental shelf for up to 350 nautical miles. This can be one of the considerations in the future negotiation concerning maritime boundaries.

Note * : Andi Arsana is currently a United Nations-Nippon Foundation Fellow in the Division for Ocean Affairs and Law of the Sea, at the U.N..

Note ** : Regarding this case, refer to 1. 3. Diplomacy in the OPRF MARINT Monthly Report, November 2007. The open hearing at the ICJ was concluded on November 23. The judgment is expected to be final in six months. For the details including the arguments of the two parties, refer to the homepage of the ICJ:

<http://www.icj-cij.org./docket/index.php?p1=3&p2=1&k=2b&case=130&code=masi&p3=6>

December 19 “U.S. Senate Foreign Relations Committee published a hearing report on UNCLOS” (U.S. Congressional Research Service HP, December 19, 2007)

The U.S. Senate Foreign Relations Committee published a report summarizing the deliberations about the United Nations Convention on the Law of the Sea (UNCLOS) at the Senate Foreign Relations Committee on December 19. The report is recommending the Senate members to approve ratification of the UNCLOS at the plenary session, while attaching opinions of a minority group who have opposed its ratification at the same session. On the report, see the following URL: http://www.fas.org/irp/congress/2007_rpt/lots.pdf

1.4 Shipping, Resources, Environment, and Miscellaneous

December 5 “Government should focus to ocean developments,’ urge Indonesian experts” (The Jakarta Post, December 6, 2007)

Indonesian maritime experts reminded the government of the pressing need to develop the country's long-neglected maritime sector. The point was made at a discussion organized by the Indonesian Maritime Council and the Indonesian Press Council at an event commemorating the Juanda Declaration and Archipelago Day on December 5. Council secretary Professor Rizald Max Rompas insisted that the Indonesian maritime sector could contribute as much as 150 billion US dollars to nation's income annually if developed properly, but Indonesia had forgotten the richest resources that make them stand out from the rest of the world. Also, Bonar Simangunsong, council advisor of the National Maritime Convention, called for a shift in focus in national development strategy -- from land to sea while expressing, “We see Indonesia as no longer a country made of islands, but as a large area of water through which islands are scattered.” On the other hand, Bonar pointed out on the problems for the maritime developments as follows: (a) The number of patrol ships assigned to monitor the safety of Indonesian seas was not sufficient to cover the country's vast marine territory; (b) Every year Indonesia suffers a great loss from illegal fishing; and (c) The sea is also a favorite entry point for drugs and is used frequently by human traffickers. Thus, he urged that Indonesia should improve its maritime security.

On December 13, 1957, Indonesia was declared an “archipelagic state,” which has been called “The Juanda Declaration,” named after former Prime Minister Djuanda Kartawidjaja (Premiership was abolished in July 1959). It is each year celebrated as “Archipelago Day.” The declaration of an archipelagic state annuls the principle of a three-mile territorial sea, and regards the waters in the archipelagoes as a means of forming the nation, not dividing each of the islands. The declaration was later incorporated into a key 1960 law, and concept introduced in the declaration was reaffirmed by the third United Nations Convention on the Law of the Sea (UNCLOS) in 1982. (UNCLOS, Archipelagic States in PartIV)

December 7 “Oil spill after tanker collision off South Korean east coast” (Chosun Ilbo, December 8 and various sources)

On December 7, the shipping collision accident occurred off Mallipo beach, Taean County, South Chungcheong Province, South Korea, making the oil spill the biggest such disaster in South Korean history. South Korean Ocean and Marine Department announced, “Around about 7:15 a.m. on December 7 in seas off ten kilometers northwest of Mallipo beach, a ‘barge’ carrying a crane collided with a Hong Kong-registered oil tanker *Hebei Spirit* (146,800 tons) at anchor, which suffered three punched holes in the oil containers in her port-side, and leaked a 15,000 metric tons of oil into the sea.” Although there were no human casualties, the spill more than doubled previously worst oil spill happened in 1995, the “*Sea Prince* accident.” It is feared to inflict serious damage to the fisheries, including aquaculture as well as sea pollution.

BBC News December 10, 2007
<http://news.bbc.co.uk/2/hi/asia-pacific/7135896.stm>

According to the Chosun Ilbo dated December 11, the Korean Coast Guard continued its cleanup efforts, mobilizing about 220 ships, five helicopters, and some 13,000 soldiers, police and civilian volunteers. To avoid confusion in the command system, the Korean government ordered the Coast Guard and the Ministry of Maritime Affairs and Fisheries to deal with the spill in the sea, and the South Chungcheong provincial government to clean up the oil on the coast and mobilize manpower and equipment. (Chosun Ilbo, December 11, 2007)

According to the Channel NewsAsia dated December 14, as of 14th, some 16 aircraft and 254 vessels were combating the spillage along with some 25,000 people, including 10,100 volunteers. Four decontamination experts from the U.S. Coast Guard arrived in Seoul on the 11th. Singapore pledged to offer one airplane and other equipment, while China and Japan promised to send ships carrying oil absorbents. In addition, the Northwest Pacific Action Plan, part of a United Nations program, said it would also send ships carrying the material. (Channel NewsAsia, December 14, 2007)

According to The Chosun Ilbo dated December 18, the coast guard told after all the parties concerned, including the Coast Guard, Hebei Ocean Shipping Co. Ltd., Hyundai Oilbank Co. and various insurance companies, confirmed that the ship was safe to sail, the *Hebei Spirit* arrived at the port in Seosan, South Chungcheong. The oil tanker, carrying 263,000 tons of crude oil, spilled an estimated 10,500 tons of crude oil into the Yellow Sea as a result of the collision. (Chosun Ilbo, December 18, 2007)

On December 19, South Korea's Marine Accidents Inquiry Agency confirmed the Hong Kong-based oil tanker, *Hebei Spirit*, spilled a total of 12,547 kiloliters of crude oil into the sea after a collision. It was an increase of 19.5 percent, or 2,047 kiloliters from the former estimate of 10,500 kiloliters. The oil tanker was carrying 302,641 kiloliters of crude oil.

December 14 "Canada launches an Arctic exploring Satellite" (RADARSAT-2 HP, December 14, and Globe and Mail, December 10, 2007)

On December 14, Canada's MacDonald Dettwiler and Associates Ltd (MDA) announced the

successful launch and deployment of RADARSAT-2, Canada's next-generation commercial Synthetic Aperture Radar (SAR) satellite. The satellite was launched from the Baikonur Cosmodrome in Kazakhstan on a Soyuz launch vehicle. RADARSAT-2 is the product of a unique partnership between the Canadian Space Agency (CSA) and MDA. MDA is responsible for the marketing and distribution of the data via a global network of partners and ground receiving stations.

Luc Brule, project manager for RADARSAT-2 at the CSA, says, "The ice in the north will continue to melt, which means international ships will be going through the Northwest Passage. So we need ways and means to control that passage because these are Canadian waters. RADARSAT will help us better monitor what's happening up north." From an altitude of 800 kilometers, RADARSAT-2 will be able to pinpoint any foreign vessels regardless of any weather conditions. The RADARSAT-2 is actually a new version of earlier satellite called RADARSAT-1 (with a resolution of ten meters) that was launched in 1995. The new satellite in an orbit will pass over the north and south polar regions once every 100 minutes, and it will have a resolution of three meters. (Globe and Mail, December 10)

December 12 "Arctic summer ice-free by 2013, a new study reports" (BBC News, December 12, 2007)

Scientists in the United States released a new study predicting the Arctic will be ice-free during the summer period in five to six years. This new study proposes a timeline that is much more aggressive than previous models: most studies published before this one predicted an ice-free Arctic between 2040 and 2100.

The latest results of the study were released by Professor Wieslaw Maslowski of the National Aeronautics and Space Center (NASA) at an American Geophysical Union meeting. He told that previous projections had underestimated the processes now driving ice loss. As their modeling studies, Professor Maslowski and his team used data of arctic summer ice-sets from 1979 to 2004.

Summer melting in September, 2007 reduced the ice cover to 4.13 million square kilometers (km), the smallest ever extent in modern times. The minimum ice extent shattered the previous record for ice withdrawal set in 2005, of 5.32 million square km. The long-term average minimum, based on data from 1979 to 2000, is 6.74 million square km. In comparison, 2007 was lower by 2.61 million square km, an area approximately equal to the size of Alaska and Texas combined.

Professor Peter Wadhams from Cambridge University, UK, an expert on Arctic ice, comments that some models have not been taking proper account of the physical processes that go on. He says, "The ice is thinning faster than it is shrinking; and some modelers have been assuming the ice was a rather thick slab. Maslowski's model is more efficient because it takes account of processes that happen internally in the ice." Professor Maslowski cites the "ice-albedo feedback" effect in which open water receives more solar radiation, which in turn leads to additional warming and further melting. Commenting that the Arctic is now being set up for further ice loss in the coming years, Professor Wadhams predicts, "It might not be as early as 2013 but it will be soon, much earlier than 2040."

The U.S. National Snow and Ice Data Center (NSIDC) collects the observational data on the extent of Arctic sea ice. Its research scientist Dr Mark Serreze says, “My thinking on this is that the year of 2030 is an unreasonable date. In my view, Maslowski’s projections are not so aggressive.”

Source: BBC News, December 14, 2007

http://news.bbc.co.uk/2/shared/spl/hi/pop_ups/07/sci_nat_enl_1197437853/html/1.stm

Minimum ice extent of Arctic in 2005 and 2007

December 17 “Indonesia to install 23 Tsunami buoys until late 2008” (Antara News, December 17, 2007)

The Indonesian government has set itself the target of installing 23 tsunami buoys in Indonesian waters until the end of 2008, an official of the Agency for the Assessment and Application of Technology (BPPT) said on November 17. According to the official, 11 of the tsunami buoys will be locally made, and ten units are to be produced in Germany and the rest in the United States. The tsunami buoys will be installed at a depth of 2,054 meters below the sea level. The collected data will be directly transmitted to the Meteorology and Geophysics Agency (BMG).

December 18 “China sets up oil reserve center” (China Daily, December 18, 2007)

China’s National Development and Reform Commission (NDRC) officially launched the oil reserve center on December 18. The commission said the center would also keep an eye on the movement of demand and supply of both domestic and international oil markets. The NDRC said the country decided to establish four strategic oil reserve bases in Dalian, Qingdao, Ningbo and Zhoushan, respectively. They are designed to maintain strategic oil reserves of an equivalent to 30 days of imports, or about 10 million tons.

December 25 “Chemical Freighter sank off southern coast of South Korea” (Chosun Ilbo, December 26, 2007)

On December 25, a chemical carrier *Eastern Bright* (13,000-ton) sank 15 km off the coast of Baekdo Island near Yeosu, South Jeolla Province. Yeosu coast guards and the Navy mobilized 12 vessels and choppers to search for the ship. They rescued a sailor, but the ship, and 14 persons including the captain and the rest of the crew remain missing. The ship left Gwangyang, South Jeolla Province on December 24 for Taiwan. Since the *Eastern Bright* was carrying 2,000 tons of 68 percent-proof nitric acid to be used for industrial purposes in Taiwan, South Korean Coast Guards are testing waters for a possible chemical spill. Nitric acid is colorless with a strong odor and is easily dissolved in water and air.

December 26 “China publishes white paper on energy” (The Washington Post, December 27, 2007)

On December 26, China issued a government white paper (WP). Beijing clarified that its worldwide security of oil and gas supplies will be carried out in a spirit of fair play and international cooperation so as not to disrupt sensitive international markets. The WP declared, “China did not, does not and will not pose any threat to the world's energy security.” As for the global warming, the WP also repeated its argument that China should not be forced to put a limit on greenhouse gas emissions at this stage of its economic development. It noted that heavily industrial nations such as the United States and those of Western Europe got their start without any such restrictions, and only now they are finding the issues urgent. Moreover, the report pointed out, China's rise to become the world's second-largest greenhouse gas emitter after the United States is a recent phenomenon, preceded by years of low-level emissions. Referring to its long-term average, the report stressed, “China is a developing country in the primary stage of industrialization, and with low accumulative emissions.”

2. Intelligence Assessment

China's refusal of USS carrier's visit to Hong Kong and its future developments

The crew members of the U.S. aircraft carrier, USS *Kitty Hawk*, were to spend in Hong Kong the Thanksgiving holiday for four days beginning on November 21 with their families who had flown there. The visit to Hong Kong had been planned several months before. However, the Chinese-side refused the entry of the USS *Kitty Hawk* shortly before its arrival. Later, the Chinese-side allowed the U.S. Navy to anchor in the harbor as scheduled, but at that time the carrier battle group had already been bound for Japan, sailing approximately 250 miles off under heavy weather.

A series of events which occurred before and after them, including the refusals of port calls of other vessels, clearly brought out the realities of the U.S. and China relations. The U.S. and China military relations have deepened mutual exchanges for the past ten years, but, the strategies pursued by two nations are in the direction of crossing in the ocean of the southern periphery of the Eurasian Continent on its basis, which has caused occasionally discords and frictions between them. Nevertheless, such discords and frictions, even though they brought about temporary recession to the U.S. and China relations, have been controlled and overcome in the more comprehensive framework of relations between the two countries. In case of the recent incident, it could be said to have been caused by such a conflicting side of the U.S. and China military relations.

Below is a summary over the current event and its future prospect.

1. U.S. and Chinese Military Strategies crossing in the Ocean

The basic factor that directs the national security strategy of a nation is a geographical position of the country, and the geographical position of the nation is an unchangeable factor in the international relations. No nations can develop their security policies by disregarding their geopolitical factors. China is a continental power which occupies a greater part of the Eurasian continent. On the other hand, the United States is regarded to be "an insular power of continental size" which is geopolitically located between the Pacific Ocean and the Atlantic Ocean. Therefore, for the United States, the oceans at both ends of the Eurasian continent are said to be the foremost fronts of its national security strategy.

Looking from the geopolitical points, the relations between the U.S. and China are those between maritime power and continental power facing the Pacific Ocean. The geographical features show that the frontline of the Eurasian continent is rimmed with the island nations from Japan in Northeast Asia to Malaysia in Southeast Asia. Japan and Britain are island nations facing the ends of the east and west of the Eurasian continent, which are the allies of the United States in the foremost front. Also, Taiwan occupies an extremely important strategic position for

both the United States and China in the consecutive links of the island nations. Basically, the geopolitical relations between the United States and China are regarded to have been a stable structure, so long as two nations respect their own areas under the mutual influences bordered the Ocean.¹

However, the modernization of the Chinese military power in recent years, in particular, its naval power is posing a challenge to the U.S. superiority in the sea, which has developed into a big factor of threatening the stability primarily provided by the geopolitical relations between the two nations.

China's focus of strengthening military power is, in the near term, on preparation for military capabilities to stand against the contingencies in the Taiwan Strait, bearing in mind the possibility of U.S. intervention. An Annual Report to Congress on Military Power of the People's Republic of China 2007 published by the U.S. Defense Department is forming a judgment on the military balance of the two coasts in the Taiwan Strait to be "getting favorable to China." In the long term, development of China's air and naval power is showing the trend of expanding beyond Taiwan. According to the report, China appears to be engaged in a sustained effort to develop the capability to interdict, at long ranges, aircraft carrier and expeditionary strike groups that might deploy to the western Pacific. (As for the annual report in 2007, see 2.1 Intelligence Assessment in OPRF Monthly Report, May 2007.)

Through promoting such "area denial and anti-access strategy,"² confrontation structure between the U.S. naval power with the aircraft carriers at its core and Chinese naval forces is getting to be clarified. For instance, an accident of collision between U.S. navy's E-P3 reconnaissance aircraft and a Chinese fighter aircraft in the vicinity of Hainan Island occurred in April 2001. By this accident the military relations between the United States and China were interrupted for several years. Also, a China's *Han*-class nuclear submarine violated the Japanese territorial waters around Ishigakijima Island in November 2004, causing a diplomatic problem between Japan and China. In addition, in October 2006, a China's *Song*-class diesel-electric submarine breached the surface in close proximity to the USS *Kitty Hawk* aircraft carrier in the open waters near Okinawa in the Pacific-side. These incidents are said to be an indication how the confrontation structure of military relations between the United States and China are intensified in the western Pacific. A series of port call denials could be regarded as part of these indications.

2. Denials of port calls

The crew members of the U.S. aircraft carrier, USS *Kitty Hawk*, battle group were to spend in Hong Kong the Thanksgiving holiday for four days beginning on November 21 with their families

¹ See, Robert S. Ross, "The Geography of the Peace: East Asia in the Twenty-first Century," *International Security*, Vol.23, No.4 (Spring 1999), p.81-118.

² As for China's area denial and anti-access strategy, it has been made public in the recent report issued by the U. S. Rand Corporation (March 29, 2007); Detailed in *Entering the Dragon's Lair: Chinese Antiaccess Strategies and Their Implications for the United States*. The report is available on Internet at ; http://www.rand.org/pubs/monographs/2007/RAND_MG524.pdf

who had flown there. The visit to Hong Kong had been planned several months before. However, the Chinese-side refused the entry of the USS *Kitty Hawk* shortly before its arrival. Later, the Chinese-side allowed the U.S. Navy to anchor in the harbor as scheduled, but at that time the carrier battle group consisting of five accompanying vessels (one of which was a nuclear attack submarine) had already been bound for Japan, sailing approximately 250 miles off under heavy weather.

The cancellation of the port visit just before the arrival was extremely unusual, by which they were caught by surprise, according to U.S. Navy officials. Chinese Foreign Ministry (CFM) made no explanation on the reason of the initial refusal, but later, CMF spokesman said at an interview on November 22, "We have already decided to allow the USS *Kitty Hawk* aircraft carrier group to stay in Hong Kong for rest and reorganization during Thanksgiving. It is based completely on humanitarianism. China has already informed the U.S. of this decision." Giving no explanation for the delay, the spokesman said only that the process for approving port calls was based on the principles of "sovereignty" and the "specific situation" on a "case-by-case basis." (Voice of America News.com, November 22, 2007)

Having been denied entry to Hong Kong temporarily, a U.S. aircraft carrier group sailed through the Taiwan Strait on November 23 – 24 on its way back to Yokosuka base in Japan, the U.S. Navy said on November 29. "USS *Kitty Hawk* carrier strike group has transited the Taiwan Strait. This was a normal navigational transit of international waters, and the route selection was based on operational necessity, including adverse weather," Navy spokesman said. On November 30, while declining to comment directly on the subject, Taiwan's Ministry of National Defense spokesman said Taiwan respects the right of any foreign vessel to sail through the Taiwan Strait as long as they are in international waters and pose no threat to Taiwan. Taipei regards that Taiwanese waters are limited to 12 nautical miles (22 kilometers) off the coast and that the area beyond is considered international waters. USS *Kitty Hawk* battle group returned to Yokosuka on November 27. (Taipei Times, Saturday, December 1, 2007) According to the spokesman of the U.S. Seventh Fleet, although two minesweepers passed through the Taiwan Strait with the carrier battle group, the USS *Tpoeka*, a nuclear-powered submarine that is part of the group accompanying the carrier, did not move through the Strait as well. The spokesman did not explain why. (The Honolulu Advertiser, December 2, 2007)

The transit of the Taiwan Strait could be regarded as an expression of displeasure from the U.S.-side. On December 14, a Chinese Foreign Ministry spokesman had expressed "grave concerns" to the United States over USS *Kitty Hawk* passing the Taiwan Strait, saying, "We were informed by the U.S. side it was caused by the stormy weather that the fleet passed through the Taiwan Strait." (Xinhua, December 4, 2007)

Yet entire aircraft battle groups rarely do so. The last time that occurred was in 2002 when the USS *Constellation* aircraft carrier and its escort ships moved through the Strait. During the Taiwan Straits crisis in March, 1996, the United States deployed two aircraft carrier battle groups to waters near Taiwan. But the carrier groups stayed out of the Strait.

Admiral Gary Roughead, the chief of U.S. naval operations, said he was refused by the

Chinese-side to allow two small U.S. minesweepers, USS *Patriot* and USS *Guardianto*, enter Hong Kong a few days before (the USS *Kitty Hawk's* group) to avoid a tropical storm and refuel. (Two Sasebo-based vessels made a good-will visit to Haiphong, Viet Nam on November 14-18.) Navy officials said two mine sweepers were most troubled by China's refusal to escape an approaching storm and receive fuel. The minesweepers were instead refueled at sea on their way back to their home port in Japan. On November 28, Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, said China's refusal to let the minesweepers dock went against international rules to provide safe harbor, and blamed China strongly, saying, "That's perplexing to me. I don't understand." (AP, November 28, 2007) Also, Admiral (ADM) Timothy Keating, Commander of the U.S. Pacific Command, said, "To have denied the port entry of the minesweepers was extremely unusual. These ships needed shelter from the storm. So, the refusal of port visit to both ships is another matter for us, and it is more perplexing than the denial for the USS *Kitty Hawk's* port visit request." ADM Keating said he intended to raise the issue to sort out Chinese intention during a visit to Beijing in mid January. (AFP, November 28, 2007)

The Pentagon said a request for the USS *Reuben James* (based at Pearl Harbor), a Navy frigate, to make a New Year's holiday stop in Hong Kong on November 30 was formally denied by the Chinese on November 22. No reason was given for the refusal. Chinese-side also gave notice that it refused landing rights for a routine scheduled visit by a U.S. Air Force C-17 transport aircraft engaging in support missions for the U.S. consulate in Hong Kong. (AP, November 30, 2007)

3. Background for port call refusals

The U.S. Defense Department issued a formal protest to China on November 28 over its refusal to permit U.S. Navy ships to enter the port of Hong Kong on two occasions last week. "We are expressing officially our displeasure with the incident," the department's press secretary told reporters. He said a Chinese military officer who is Beijing's defense attache in Washington was called to the Pentagon to accept the protest. It was a formal complaint and protest. (AP, November 28, 2007)

What is lying behind such Chinese actions? Although it remains unclear what has made China refuse the port visits, the words from Chinese-side have referred to two procedures the United States took recently. One is President George W. Bush's meeting with the Dalai Lama and the presentation of the Congressional Gold Medal for the Tibetan spiritual leader by the U.S. Congress. The other is the U.S. agreement with Taiwan to sell nearly one billion US dollars in advanced ground support equipment for Taiwan's Patriot II anti-missile batteries and 12 P-3C ASW aircraft.

For example, Foreign Minister Yang Jiechi told President Bush in a meeting on November 28 that the canceled ship visits were a "misunderstanding", adding that China had "grave concern" about U.S. weapons sales to Taiwan. On November 29, a Foreign Ministry spokesman said that, despite the recent good relations between the United States and China, they have been confused and harmed by the wrong behaviors of the United States, pointing out a meeting between U.S.

President Bush and the Dalai Lama and U.S. sale of weapons to Taiwan. (Xinhua, November 30, 2007)

Pointing out the U.S. decision to present the Congressional Gold Medal to the Tibetan spiritual leader, Shi Yinong, a professor at People's University in Beijing said, "China just hoped to tell that China is unhappy with Bush." (The Washington Post, November 24, 2007)

On the other hand, in addition to these reasons, some press report other interesting reasons. According to Taiwan newspaper, the *Taipei Times*, dated November 29, the Hong Kong-based newspaper *Ming Pao* said the Chinese refusal of port call was connected to a large-scale military exercise recently conducted by the Chinese Navy's Eastern and Southern Fleet in an area of the Pacific Ocean east of Taiwan and north of the Philippines. The exercise was a drill for blockading Taiwan, it said. An online version of the *Ming Pao* article said, "Sources reported that during the exercise some Chinese ships ran into the USS *Kitty Hawk's* battle group in international waters sailing toward Hong Kong." By refusing to allow the USS *Kitty Hawk* into Hong Kong, China "wanted to hide the details of their naval exercises and combat capability to blockade the Taiwan Strait as part of a military attack on Taiwan," the newspaper said. No information is available from the China's official media on this exercise. (Taipei Times, November 29, 2007)

Moreover, the U.S. think-tank, *Power and Interest News Report (PINR)*, while reporting that the USS *Kitty Hawk* is considered a significant vessel by the Chinese, summarizes its major points as below. (a) The USS *Kitty Hawk* provided indispensable support to the campaign in Afghanistan, to which China, along with other member states in the Shanghai Cooperation Organization, has taken a clear stance of active disapproval. To the Chinese government, the USS *Kitty Hawk* is symbolic of Washington's role in Afghanistan and presence in Central Asia. (b) To the Chinese government the USS *Kitty Hawk* is also symbolic of Washington's extended deterrence for Taiwan. Based on this, the PINR points out, given that the USS *Kitty Hawk* symbolizes Washington's presence and dominance in China's backyard, the rejection of the USS *Kitty Hawk* and concurrent expedition of a Chinese missile destroyer to Japan must be viewed as changes in the balance of power in East Asia.³

4. Future prospects

In 1997, as Great Britain ceded sovereignty over Hong Kong to China, an agreement gave China the right to reject individual port calls; in return, Western nations were given assurances that this right would be exercised infrequently and that in general port calls would be approved promptly. This arrangement has proven successful and functioned to maintain Hong Kong's status as an international hub of freight traffic. Each year, the U.S. Navy makes approximately 50 port calls in Hong Kong.⁴

Regarding the recent refusal of port calls, some analysts are referring to it as the biggest U.S.-China military crisis since the forced landing of a U.S. E-P3 reconnaissance aircraft

³ Richard Komaiko, "China's Decision to Deny U.S. Ships from Port of Hong Kong," *Power and Interest News Report*, December 5, 2007

⁴ Op.cit.

following a collision with a Chinese fighter jet near Hainan Island in 2001. China canceled U.S. Navy visits to Hong Kong in the past to register displeasure over incidents such as NATO's 1999 bombing of the Chinese embassy in Serbia and the E-P3 spy plane accident. Such halts to port calls were resumed after a lapse of definite time.

Despite the current issues, the U.S.-side seems to believe they can have good relations with China. On November 29, U.S. Press Secretary Ms. Perino said, although they feel badly for the families and for the crew members, who were looking forward to seeing together, the U.S. government has been in good communication with the Chinese to overcome the accident of refusal of port calls. She said, "I think the President believes we have good relations with China, and we work cooperatively with China on so many different issues. This is one small incident. And in the big picture, in the big scheme of things we have very good relations. We would just like to clarify this issue to overcome the matter." (The White House Press Briefings, November 29, 2007)

Also, U.S. defense officials said the current incident (with the USS *Kitty Hawk* and the minesweepers) demonstrated the need for greater contact between the two navies. ADM Roughead said, "That is one of the reasons why I think we need to continue the military-to-military engagements." Also, ADM Keating confirmed the United States has invited the Chinese military to take part in some basic exercises, and said the U.S. Navy had given no thought to bypassing Hong Kong in the future. (AFP, November 28, 2007)

In addition, the United States-Peoples' Republic of China Defense Consultative Talks got under way in Washington on December 3. In this meeting, representing the respective country, Eric S. Edelman, U.S. undersecretary of defense for policy, and Lt. Gen. Ma Xiaotian, the People's Liberation Army's deputy chief of general staff for foreign affairs, attended to discuss U.S.-Chinese defense relations, regional and global defense issues, the global war on terror and missile defense. "The United States Defense Department continues to maintain a strong dialogue and continues to seek ways to strengthen the military-to-military relationship with China", Pentagon spokesman, Whitman, said. Whitman admitted that the dispute over the USS *Kitty Hawk* visit did not cause the United States to postpone or cancel the regular Defense Consultative Talks between the two countries. (American Forces Press service, December 3, 2007)

Apart from such intent of the U.S.-side, the recent denials of port visits has made us recognize that the Chinese-side has, so to say, a "Hong Kong Card" which can be used as a means of expressing their displeasure to the relations with the United States. So far, China's decisions over the port call have not caused serious problems, but the issues of arms sale to Taiwan and Tibet, which have been widely interpreted as a reason for the refusal of the port visits, will continue to remain as the constant and difficult matters between the two countries with the intensifying trade frictions.

Also, in the United States the movements of pointing out the rise of hardliners against the United States in China have been noted. For instance, Kurt Campbell, former U.S. Deputy Assistant Secretary of Defense for International Security Affairs (present Director, Center for a New American Security) is pointing out in a joint article with Nirav Patel, an expert on Asian Affairs, that the recent refusals of the port calls might be a signal which conveys there might be a

change of power relations or at least arguments within China over the best foreign policy against that United States, in addition to the presence of hardliners who do not mind avoiding tensions and frictions in the relations with the United States. (Taipei Times, December 10, 2007) Besides, a critic living in Hawaii, Richard Halloran, points out a lack of communication between the People's Liberation Army (PLA) and the Foreign Ministry. He says China's civilian leaders, beginning with President Hu Jintao, are believed to want stable military relations with the United States. However, the PLA sees U.S. forces as the enemy. The civilian leaders, in turn, need the support of the PLA to stay in power and thus are reluctant to oppose the military leaders. (The Honolulu Advertiser, December 9, 2007)

Therefore, the situation, where, so to say, a "Hong Kong Card" is used, is fully anticipated in future. If the port calls to Hong Kong are refused so frequently, it will not only affect the operational readiness of the U.S. Navy but also it cannot but eliminate the concern that the situation will develop into unexpected direction. Not only the military exchange between the United States and China but also the crisis management system will be questioned.

The military hotline is to be established between the United States and China, which is the first hotline China makes with the foreign country. (Xinhua, November 12, 2007) Commenting on the perception gap that exists between Beijing and Washington over the hotline, Dr. Cheng-yi Lin, Chairman of the Institute for Taiwan Defense and Strategic Studies, mentions on it as follows: (a) For Beijing, the military hotline is a key catalyst for future military exchanges program with the United States. (b) For the United States, military transparency, clarification of military intent, notification of dangerous military activities, avoidance of military incidents or even crisis communications in the Taiwan Strait are main functions of the hotline.⁵ Moreover, Dr. Cheng-yi Lin points out the problem on where in Beijing the key focal point or receiver of the military hotline will be placed, and on who will come out to respond to it. Bonnie Glaser and Daniel Murphy, both the China and security experts with Chinese Affairs at the Center for Strategic and International Studies in Washington (CSIS), said, "In our views, the United States is putting a lot of stock in a hotline that may not function really well. We know who is on the line in this country, and who makes decisions. In China, that person cannot make decisions. He will have to go to a party official."⁶ Despite these problems, the military hotline makes the prompt communication means available between the United States and China, whose significance in the crisis control will be great.

Both the United States and China has an "Agreement between the Department of Defense of the United States of America and the Ministry of National Defense of the People's Republic of China on Establishing a Consultation Mechanism to Strengthen Military Maritime Safety" which was signed in January 1998 by the two defense ministries as the crisis control measures in the ocean.⁷

⁵ Cheng-yi Lin, "U.S.-China Military Hotline a Model for Cross-Strait CBM," ChinaBrief Vol. VII, Issue 22, November 29, 2007, The Jamestown Foundation.

⁶ Bonnie Glaser and Daniel Murphy, "China and the USS *kitty Hawk*," December 6, 2007. CSIS.

⁷ On the Agreement. see the following URL: <http://www.nti.org/db/china/engdocs/milmarag.htm>

As it has already been mentioned, an important point of Chinese expansion of military force is in a short-term placed on the buildup of the capability of countering the conflict in the Taiwan Strait in view of a possible intervention by the United States, while, in a long-term, strengthening of Chinese maritime and air forces is in a trend of expanding beyond Taiwan. In the foremost front in the western Pacific where the military strategies of the United States and China are crossing each other, utilization of such crisis control mechanism will be an important task for the United States and China in future in order to prevent the occurrence of the unexpected situation and to control the development of the situation in case of occurrence of the territorial conflicts and so on.

Links

AFP	http://www.afp.com/home/
AP	http://www.ap.org/
American Forces Press Service (US Dept of Defense)	http://www.defenselink.mil/news/articles.html
Antara News	http://www.antara.co.id/en/
Associated Content	http://www.associatedcontent.com/
BBC News	http://www.news.bbc.co.uk/
Centre for Strategic & International Studies (CSIS)	http://www.csis.org/index.php
Channel NewsAsia	http://www.channelnewsasia.com/
China Daily	http://www.chinadaily.com.cn/english/home/index.html
Chosun Ilbo	http://www.english.chosun.com/
Defense-aerospace.com	http://www.defense-aerospace.com/
Globe and Mail	http://www.theglobeandmail.com/
Individual.com	http://www.individual.com/sample.php
International Court of Justice	http://www.icj-cij.org/documents/index.php?p1=4&p2=2&p3=0
International Herald Tribune	http://www.ihf.com/
International Security, Vol.23	http://www.people.fas.harvard.edu/~johnston/GOV2880/ross2.pdf
JoongAng Ilbo	http://joongangdaily.joins.com/
NTI	http://www.nti.org/db/china/engdocs/milmarag.htm
Power and Interest News Report (PINR)	http://www.pinr.com/index.php
RADARSAT-2	http://www.radarsat2.info/
RIA Novosti	http://en.rian.ru/
Rand Corporation	http://www.rand.org/
Reuters	http://today.reuters.com/news/default.aspx
South China Morning Post	http://www.scmp.com/portal/site/SCMP/
Taipei Times	http://www.taipeitimes.com/
The Australian	http://www.theaustralian.news.com.au/
The Barents Observer	http://www.barentsobserver.com/
The Honolulu Advertiser	http://www.honoluluadvertiser.com/apps/pbcs.dll/frontpage
The Jakarta Post	http://www.thejakartapost.com/headlines.asp
The Jamestown Foundation	http://www.jamestown.org/
The Korea Herald	http://www.koreaherald.co.kr/index.asp
The Washington Post	http://www.washpost.com/index.shtml
The White House Press Briefing	http://www.whitehouse.gov/news/briefings/
U.S. Congressional Research Service	http://www.fas.org/irp/congress/2007_rpt/lots.pdf
Vietnam News	http://vietnamnews.vnagency.com.vn/
Voice of America News (VOA)	http://www.voanews.com/english/portal.cfm
Xinhua	http://www.xinhuanet.com/english/
Zee News	http://www.zeenews.com/

Ocean Policy Research Foundation

3F, Kaiyo Senpaku Bldg., 15-16 Toranomom 1-Chome, Minato-ku, Tokyo 105-0001, Japan
TEL.81-3-3502-1828 FAX.81-3-3502-2033

The "Ship & Ocean Foundation" is operating under the name of "Ocean Policy Research Foundation"