

China's Rise as a Maritime Power: Ocean Policy from Mao Zedong to Xi Jinping

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1. Introduction

The international community has been viewing China's recent moves relating to the seas as representing "maritime expansion," and the Chinese themselves have come to talk about making their country a maritime power. In the political report he delivered in the autumn of 2012 to the eighteenth National Congress of the Communist Party of China, which stands at the top of the country's power structure, General Secretary Hu Jintao declared, "We should enhance our capacity for exploiting marine resources, develop the marine economy, protect the marine ecological environment, resolutely safeguard China's maritime rights and interests, and build China into a maritime power."¹ This was Hu's final report as the top leader of the CPC; after delivering it he stepped down from his posts as general secretary and chairman of the Central Military

¹ English from "Full text of Hu Jintao's report at 18th Party Congress," section viii, at http://news.xinhuanet.com/english/special/18cpcnc/2012-11/17/c_131981259_9.htm (accessed on February 28, 2014).

Commission and was succeeded by Xi Jinping. And at the National People's Congress, in March this year, Xi was elected to succeed Hu in the largely ceremonial post of state president. But the leadership transition did not change the commitment to building China into a maritime power, which has been set as a medium- to long-term strategic objective.

So what do the Chinese mean when they speak of becoming "a maritime power"? Liu Cigui, director of the SOA, or State Oceanic Administration, has offered this explanation: "Building China into a maritime power is an essential path on the way to the sustained development of the Chinese nation and [achievement of the status of a] global power. A 'maritime power' is a country that has great comprehensive strength in terms of the development, use, protection, management, and control of the seas."²

Ocean policy is the embodiment of this sort of maritime strategy. China's latest white paper on ocean policy, *China's Ocean Development Report (2012)*, explains the relationship between strategy and policy and their respective scopes as follows: "Ocean policy is a code of behavior established for the state's strategy, course, development plans, and external relations concerning the seas; it is a basic policy embodying the intentions and interests of the state. It encompasses policies concerning development and use of the seas, including utilization of sea areas, development and protection of sea islands, protection of the marine environment, marine science and technology, marine industry, publicity/education, and human resources development. Marine industry includes such fields as transportation, travel/tourism, fisheries, oil and gas development, and manufacturing of engineering equipment."³

The concept of "policy" in China differs from that of parliamentary democracies, but its scope is similar in general terms. The SOA is the government organ in charge of ocean policy, but it does not have total authority in this area. As far as I can surmise from the fragmentary coverage in the Chinese media, there are at least more than 30 diverse party and state organs

² Liu Cigui, "The First-Ever Reference to 'Maritime Power' in the Political Report to the 18th Party Congress Has Important Practical and Strategic Significance" [十八大報告首提"海洋強國"具有重要的現實和戰略意義], *China Oceanology Review* [中國海洋報], November 12, 2012.

³ China Institute for Marine Affairs, *China's Ocean Development Report (2012)* [中國海洋發展報告(2012)] (China Ocean Press), p. 261.

involved in various aspects of ocean policy. There are also moves among the provincial tier of local governments along the coast, of which there are 11 (the provinces of Liaoning, Hebei, Shandong, Jiangsu, Zhejiang, Fujian, Guangdong, and Hainan; the province-level municipalities of Tianjin and Shanghai; and the autonomous region of Guangxi), and the jurisdictions under them.

The National People's Congress in March 2013 approved a proposal from the State Council for an overhaul of the state organs handling ocean policy, which made certain adjustments with respect to two points.⁴

First, in order to strengthen the setup for integrated planning and comprehensive coordination of oceanic issues, a new National Oceanic Commission is to be established as a high-level adjustment organ. It will unify and adjust research on the formulation of the state's medium- to long-term ocean development strategy and the handling of important matters relating to the seas. The practical operations of this commission will be conducted by the SOA.

Second, in order to achieve unified maritime law enforcement, four existing organs – China Marine Surveillance (under the SOA), China Coast Guard (Ministry of Public Security), Fisheries Law Enforcement Command (Ministry of Agriculture), and Anti-smuggling Bureau (General Administration of Customs) – are to be consolidated under unified management by the SOA, which is to safeguard China's maritime rights and interests and carry out maritime law enforcement activities under the name of "China Maritime Police Bureau" and the operational direction of the Ministry of Public Security.

Over the more than 60 years since the establishment of the People's Republic of China, ocean policy has not developed from the start in a comprehensive, linear manner, but has gone through a number of phases. Though it is difficult to delineate these phases precisely, we may identify them in rough terms as follows: (1) the period of getting started and going through gyrations in the early years after the foundation of the PRC, (2) the post-Cultural Revolution period, which brought the introduction of market

⁴ Proposal on State Council Institutional Reform and Transformation of Government Functions [国务院机构改革和职能转变方案], at http://news.xinhuanet.com/2013lh/2013-03/10/c_114968104.htm (accessed on February 28, 2014).

mechanisms following the shift to reform and opening up, along with moves to improve the legal framework, (3) the period of increasing dependence on the seas and of stepped-up assertion of maritime rights and interests, and (4) the current period of ocean development strategy and pursuit of maritime-power status. Below I will present an overview of this history and look at prospects for the future.

2. Early Years

On October 1, 1949, Mao Zedong (1893–1976), speaking from the gate tower at Tiananmen Square, proclaimed the establishment of the People’s Republic of China. But the situation within the country was as described by the phrases “every sector awaits development” and “starting from scratch.” The official history of the PRC’s ocean policy focuses on moves in the following areas, centering on the initial steps toward collectivization and the introduction of a planned economy (these were activities under the direct control of or direct operation by the government):⁵

- Marine fishery (establishment of a national fishing corporation and fishing communes)
- Coastal salt manufacture (nationalization of salt beds)
- Reclamation of coastal wetlands (development of land for state farms)
- Marine transportation (requisitioning of the Nationalist-owned China Merchants Steam Navigation Co.; establishment of a deep-sea merchant ship corporation in collaboration with Poland)
- Shipbuilding (building of cargo ships in Dalian and Shanghai)
- Ports (construction and expansion of new ports at Tanggu in Tianjin and Zhanjiang in Guangdong)
- Education (establishment of the Shanghai Fisheries College and other universities)
- Scientific research (creation of the Chinese Academy of Sciences’ Qingdao

⁵ *Oceanic Activity in Contemporary China* [当代中国的海洋事业] (China Social Sciences Press, 1985), pp. 12–16.

Marine Biological Laboratory)

In addition, work progressed on building the organization of the navy.⁶ These moves gradually laid the foundations for China's sea power.

A. Declaration of a 12-Nautical-Mile Limit

In September 1958 China issued a "Government Declaration Concerning the Territorial Sea."⁷ This declaration proclaimed that China's territorial sea extended for a distance of 12 nautical miles from the straight baselines, applicable to all of China's territory, including the mainland and coastal islands, Taiwan (separated from the mainland by the open sea) and the islands around it, the Penghu Islands, Dongsha Islands (commonly called the Pratas Islands in English), Xisha Islands (Paracels), Zhongsha Islands (Macclesfield Bank), Nansha Islands (Spratlys) and all other islands belonging to China. However, this declaration did not explicitly claim the Senkaku Islands (called the Diaoyu Islands by China and Tiaoyutai by Taiwan) as Chinese territory.

Upon rereading this declaration, I note that the second paragraph refers to "all of the islands within the baselines, including Dongyin Island, Gaodeng Island, the Mazu [Matsu] Islands, the Baiquan Islands, the Wuqiu Islands, Greater and Lesser Jinmen [Quemoy] Islands, Dadan Island, Erdan Island, and Dongding Island" as being "internal sea islands." These are islands near the coast of Fujian Province that the Taiwan-based Nationalist (Kuomintang) forces continued to hold even after they lost the mainland to the Communists. The declaration was issued in the midst of the Second Taiwan Strait Crisis, when the PLA was bombarding the islands of Quemoy. The strategic emphasis at this point was on the struggle with the Nationalist

⁶ Li Junting and Yang Jinhe, eds., *An Examination of China's Armed Forces 1949-1989* [中国武装力量通览 1949-1989] (People's Publishing House, 1990), pp. 22-23. In the area of organization building, the PLA (People's Liberation Army) Navy was established in April 1950, and command structures (including headquarters and political, logistics, and equipment and technology departments) were set up for the East Sea Fleet and South Sea Fleet in October 1955 and for the North Sea Fleet in May 1960.

⁷ The declaration, "中华人民共和国政府关于领海的声明" in Chinese, was dated September 4, 1958.

administration of Chiang Kai-shek (1887–1975), and China needed to deter the US Navy (Seventh Fleet) from approaching its coast and intervening. The declaration was in line with the agenda of the developing countries, which at the time were pushing for a broadening of the scope of territorial waters at the first United Nations Conference on the Law of the Sea in Geneva, but the top priority for Beijing on the oceanic front was security.

B. Establishment of the State Oceanic Administration

Even so, this period brought some embryonic moves toward China's future ocean policy. At the suggestion of Zhu Kezheng (Coching Chu, 1890–1974), an internationally known Chinese meteorologist, an Oceanic Section Office was established within the Science Planning Committee (the precursor of the State Science and Technology Commission, which would later become the current Ministry of Science and Technology) in 1956. It included seven specialized subsections in the fields of physics, deep seas and oceans, hydrometeorology, chemistry, biology, geology/geomorphology, and observation instruments. The new organization started comprehensive surveying in the Bohai, Yellow, and East China Seas in 1958 and in the South China Sea the following year. The practical operations were conducted on its behalf by the navy.

In 1959, the tenth anniversary of the foundation of the PRC, a number of new organizations were established, including the Shandong College of Oceanology (now the Ocean University of China, located in Qingdao), the Institute of Oceanology (Qingdao) and the South China Sea Institute of Oceanology (Guangzhou) under the Chinese Academy of Sciences, and the oceanology institute under the Navigation Guarantee Department of the Chinese Navy Headquarters (Fourth Naval Research Institute, Qingdao), handling hydrographic activities.

In an extension of these moves, the State Oceanic Administration (SOA) was established on July 22, 1964, as an organ directly under the State Council. With the agreement of the PLA General Staff Department, the navy's oceanology institute and marine survey squadron were shifted to the new SOA, as was the Oceanic Section Office of the State Science and Technology Commission. The following year three bureaus were set up within the SOA: the

North Sea Bureau in Qingdao, the East Sea Bureau in Ningbo, Zhejiang Province (later moved to Shanghai), and the South Sea Bureau in Guangzhou. These locations precisely matched those of the navy's three fleets. The SOA operated coastal stations and provided predictions for the tides, coastal weather, and wave conditions. It had its own fleet of survey vessels, starting with some transferred to it from the navy, and it developed observation instruments together with other organizations, notably the First Ministry of Machine-Building. The role of the agency was defined as "to serve in the construction of national defense and the construction of the national economy on the basis of the duties assigned to it by the State Council."⁸ Its actual powers, however, were limited to responsibility for oceanographic surveys; at this early stage it was not what could be called a policymaking organ.

C. Protection of Marine Surveying During the Cultural Revolution

With the start of the Cultural Revolution in 1966, China entered into a 10-year period of turmoil, with a far-left line taking hold throughout the country. In marine fishery, for example, the unbalanced slogan "More ships mean more production" led to the overbuilding of dragnet fishing boats, which are said to have exhausted fishery resources. In areas of reclaimed land the focus was on food production, while other considerations, such as aquaculture, production of reeds for papermaking, and activities for environmental protection, such as the planting of trees as windbreaks, were neglected – and in the end even the effort to produce more staple foods failed.

Marine surveying, however, received great protection even during this period of turmoil. The SOA was equipped with a number of additional vessels, including the *Shijian*, a Chinese-built 3,167-ton survey ship, in 1969, and the 13,650-ton *Xiangyanghong 05*, a converted Polish freighter, in 1972. The *Xiangyanghong 05* conducted four survey missions starting in 1976 to check hydrometeorological conditions in the area of the planned landing of the transportation rocket (effectively a long-range ballistic missile) that China

⁸ Yang Wenhe, Chen Boyong, Wang Hui, eds., *Oceanic Events of Twentieth-Century China* [二十世纪中国海洋要事] (China Ocean Press, 2003), p. 88.

test-launched for the first time into the South Pacific in 1980. This is an indication of the intimate connection between the SOA and the development of China's military strategy.

In addition, two marine geological survey squadrons of the geology department (now the Ministry of Land and Resources), one based in Tianjin (and later in Shanghai) and the other in Zhanjiang, conducted geophysical surveys for oil, the former (using vessels including the survey ship *Kantan 1*) in the Bohai, Yellow, and East China Seas, and the latter in the South China Sea, notably in the waters off the coast of the Pearl River Delta.

3. The Shift to Reform and Opening Up and the Improvement of the Legal Framework

By the end of 1977, Deng Xiaoping (1904–97) had established his hold on power, and he shifted China's policy course toward reform and opening up. The government under Deng also laid the foundation for building a maritime presence focused on economic development. A major factor allowing China to turn its attention in the direction of the waters to its east and south was the elimination of the burden that had been imposed by the land-based confrontation with the Soviet Union to the north and west. The navy, which had previously limited its strategy to coastal defense because of the priority placed on the army, shifted its sights to offshore defense.⁹

This period brought the establishment of the United Nations Convention on the Law of the Sea (UNCLOS, concluded in 1982, ratified by China in 1996), which introduced the systems of rights to exclusive economic zones (EEZs) and to the continental shelf. The waters under China's jurisdiction thereby grew from 370,000 square kilometers to 3 million km², equal to almost one-third of the country's land area of 9.7 million km². The Chinese came to feel

⁹ *Memoirs of Liu Huaqing* [刘华清回忆录] (Liberation Army Publishing House, 2004), pp. 432–39. Liu Huaqing (1916–2011), who was a naval commander, is said to have been the first to officially propose “offshore defense” as a naval strategy at a command post exercise review meeting of naval heads and organs on December 20, 1985, and to have explained the concept at an expanded meeting of the navy's party standing committee on January 25, 1986.

excitement about the prospects for this “blue territory.”

A. Introduction of Market Mechanisms

The program of reforming the economy while preserving the one-party rule of the Communist Party came to be called “socialism with Chinese characteristics.” For example, the shipbuilding industry, which is part of the maritime sector in the broad sense of the term, went through a series of changes, becoming the Shipbuilding Industry Authority, then the Ninth Industrial Management Bureau, and later the Sixth Ministry of Machine-Building, but as early as 1982 it was reorganized into a state-owned enterprise, the China State Shipbuilding Corporation (CSSC). The Jiangnan Shipyard (Shanghai) and other shipyards were also turned into corporations at a rapid clip. And in order to further strengthen the working of competition, in 1999 the CSSC was split into two state-owned entities, one to handle operations in places like Shanghai and Guangzhou and the other to handle operations in places like Dalian and Wuhan; the former retained the name CSSC in English, and the latter was named the China Shipbuilding Industry Corporation (CSIC).

In the field of marine transportation, in addition to the China Ocean Shipping (Group) Company, or COSCO, which had been established in 1961, China Shipping Container Lines (CSCL) was set up as a subsidiary of the China Shipping Group in 1997, creating a setup with two major enterprises. The government adopted two forceful policies, (1) building China’s ships in China and (2) shipping China’s goods in China’s ships. These created a positive cycle of reinforcement, supporting the export-led growth of the Chinese economy and generating further advances in shipbuilding and marine transportation.

At the same time the cargo-handling facilities of the country’s major ports were upgraded, mainly to handle container freight, and the motorways, railways, and river-based transport links between them and the interior reaches of their hinterlands were improved. Port authorities and ship inspection organs were established, and 25 ports were opened to foreign trade by 1983.

B. The Quest to Find and Develop Offshore Oil and Gas

A noteworthy development during this period was the launch of efforts to develop offshore oil and gas fields, initially as a valuable source of foreign currency and later as a source of energy for domestic use. In 1980 work started the first exploratory oil well in the Bohai Sea; it was conducted as a joint undertaking between China and the Japan National Oil Corporation (now JOGMEC, the Japan Oil, Gas, and Metals National Corporation). In 1982 the State Council promulgated a regulation to allow the introduction of foreign capital for development of these offshore energy resources.¹⁰ China thus turned to foreign sources for the technological know-how and capital that it was sorely lacking. The government also established the China National Offshore Oil Corporation (CNOOC) to serve as the contact point and partner for undertakings involving foreign parties. CNOOC also undertook downstream operations like refining and retailing, and it has now developed into one of the three major oil companies in China.¹¹ And the government's Ministry of Petroleum Industry was abolished in 1988. This represented a change going beyond the earlier principle of separating enterprises from the apparatus of state control.

China was transformed from a resource-poor country into an oil exporter, but economic growth led to the emergence of energy shortages, and in 1993 it became a net importer of oil. The Chinese headed abroad, buying rights to oil fields in places like the Middle East, Africa, and South America, and they also focused on securing rights to energy resources within the waters under Chinese jurisdiction. With no prospect for a substantial increase in production from onshore oil fields, China extended its development of offshore oil and gas fields in the East China and South China Seas.

In the East China Sea, where Japan and China have failed to progress toward demarcation of the boundary between their exclusive economic zones,

¹⁰ Regulations of the People's Republic of China on the Exploitation of Offshore Petroleum Resources in Cooperation with Foreign Enterprises [中华人民共和国对外合作开采海洋石油资源条例], promulgated and effective January 30, 1982; revised September 30, 2011.

¹¹ The other two are China National Petroleum Corporation (CNPC) and China Petroleum & Chemical Corporation (Sinopec).

China started full-scale development of the Pinghu gas field in 1999 and of the Chunxiao and Longjing gas fields (which Japan calls Shirakaba and Asunaro, respectively) in 2004; this became a source of diplomatic friction between the two countries. In the South China Sea, China's development activities have been limited to the nearby waters off the Pearl River Delta and in the Beibu Gulf (Gulf of Tonkin), but the Chinese have objected to the resource development activities that Vietnam and the Philippines have taken the initiative in conducting within waters that China considers to be under its jurisdiction, and with nationalistic sentiments also becoming involved, confrontations with these two countries have emerged.

In 2005 China joined with the Philippines and Vietnam in launching a trilateral oil exploration program in the South China Sea. This was in keeping with Deng Xiaoping's legacy of calling for disputes to be shelved and development conducted jointly. But the Philippines withdrew from this undertaking after a little more than a year, having become dissatisfied with what it saw as activities being conducted mostly in the waters under its jurisdiction. In 2008 Japan and China reached a political agreement on "joint development" of some of the gas fields in the East China Sea, but the two countries' ties subsequently chilled without any concrete progress having been made in talks on the matter. In 2011 China completed the domestic construction of a semi-submersed oil rig, Haiyang Shiyou (Oceanic Petroleum) 981 (30,670 tons), capable of drilling at a depth of 3,000 meters, and the following year it was installed in the South China Sea to the south of Hong Kong.

C. Improvement of the Legal Framework for Protection of the Environment and Ecosystem

In a change from the neglect of the law that prevailed during the Cultural Revolution, China switched to a posture of using laws as the basis for carrying out government policies and for encouraging shifts in the industrial structure. In the field of ocean policy, the system of legislation became established to a certain degree during this period. Table 1 presents the major laws and provisions that were adopted.

Table 1. Major Laws and Provisions Relating to Ocean Policy

Category	Name	Year promulgated (or issued)	Promulgating organ
Basic laws, external policies	Declaration on China's Territorial Sea	1958	Chinese government
	Law on the Territorial Sea and the Contiguous Zone	1992	NPC Standing Committee
	UN Convention on the Law of the Sea (UNCLOS)	1996 (ratified)	NPC Standing Committee
	Declaration on the Baselines of the Territorial Sea	1996	State Council
	Law on the Exclusive Economic Zone and the Continental Shelf	1998	NPC Standing Committee
	Declaration on the Territorial Sea Baselines of Diaoyu and Its Affiliated Islands	2012	State Council
Administration of sea areas	Law on the Administration of the Use of Sea Areas	2001	NPC Standing Committee
	Island Protection Law	2009	NPC Standing Committee
Development and protection of marine resources	Regulations on the Exploitation of Offshore Petroleum Resources in Cooperation with Foreign Enterprises	1982	State Council

	Regulations for Protection of the Propagation of Fishery Resources	1979	State Council
	Fisheries Law	1986	NPC Standing Committee
	Regulations for Management of the Salt Industry	2005	State Council
Marine environmental protection	Marine Environmental Protection Law	1982	NPC Standing Committee
	Regulations Concerning Environmental Protection in Offshore Oil Exploration and Exploitation	1983	State Council
	Regulations on Control Over Dumping of Wastes in the Ocean	1985	State Council
	Regulation on the Prevention and Control of Vessel-induced Pollution to the Marine Environment	2009	State Council
Maritime traffic safety	Maritime Traffic Safety Law	1983	NPC Standing Committee
	Port Law	2003	NPC Standing Committee

Sources: Compiled mainly from online resources, notably the websites of the Asian Legal Information Institute (<http://www.asianlii.org/>), the Chinese Ministry of Land and Resources (<http://www.mlr.gov.cn/mlrenglish/>), and Chinalawinfo Co., Ltd. (<http://www.lawinfochina.com/>).

The first point to note about the moves to improve the legal framework is the ostensible emphasis on the protection of the marine environment and ecosystem. From 1974 the SOA conducted intermittent investigations of pollution in the Yellow, East China, and South China Seas. In Jiaozhou Bay (Qingdao) it was reported that 40% of the area of shallow waters used for aquaculture was polluted and that oil smells and poisons had made seafood inedible.¹²

A certain degree of consensus emerged that the situation was critical, and this led to the adoption of the Marine Environment Protection Law in 1982.¹³ The SOA became responsible for surveying and monitoring the marine environment and for scientific research, and it also was placed in charge of environmental management for offshore oil development and waste disposal. Responsibility for supervision, surveying, and monitoring of marine pollution relating to commercial ships and port operations was assigned to the ship inspection and port regulation department (which has since been merged into the Maritime Safety Administration, Ministry of Transport), while fishing vessels and fishing ports were assigned to the fisheries law enforcement and fishing port regulation department (now the Bureau of Fisheries, Ministry of Agriculture). On the day when this new law was promulgated, in March of the following year, SOA patrol vessels and aircraft marked “China Marine Surveillance” conducted their first patrols from Qingdao, Shanghai, and Guangzhou. So “marine surveillance” got its start with missions for environmental protection.

Since the turn of the century, the SOA has been publishing annual reports on the state of the marine environment and on marine disasters. Both reports distinguish between natural disasters due to such causes as violent winds, abnormally high tides, and icebergs and “environmental disasters,” such as red and green tides (harmful algal blooms), major oil spills, and salt damage from seawater, and the SOA has been stressing the need for measures

¹² *Oceanic Activity in Contemporary China*, pp. 333–34.

¹³ Marine Environmental Protection Law of the People’s Republic of China [中华人民共和国海洋环境保护法], promulgated August 23, 1982, effective March 1, 1983; revised December 25, 1999, effective April 1, 2000.

to prevent or mitigate disasters of the latter type.

The legal framework for fisheries was also improved at around the same time.¹⁴ The main focus of the legal regulations is to prevent the depletion of resources. A system of fishing permits was introduced, along with the issuance of certificates for fishing vessels and for their crew members, the provision of licenses for aquaculture, the establishment of areas closed to fishing and of no-fishing seasons, the adoption of rules on the size of net meshes and on the percentage of young fish that catches may include, and other provisions to lessen the level of catches, along with the introduction of explicit bans on use of dynamite, poison, electric shocks, and other methods of fishing that sweep up whole masses of resources in a single swoop. A revision of the Fisheries Law in 2004 introduced a system of total allowable catches and strengthened measures to prevent corruption among fishery officers.

Even so, as the nation has focused single-mindedly on economic growth and the worship of money has spread, gaps between the ostensible legal provisions and actual behavior have come to be widely reported in the areas of environmental protection and preservation of resources. It seems to be virtually impossible for the central government to stop marine pollution and the depletion of resources, and local leaders and fishers continue to strive for higher production volumes and values. It has also been noted that Chinese fishing fleets have been entering other countries' waters and causing increasing trouble.

D. Legislation on Management of Territorial Seas and Islands

The second point of note in connection with China's marine legislation is its adoption of the Law on the Administration of Sea Areas and the Island Protection Law. These represent a new trend in the twenty-first century. They may be positively assessed as movements aimed at promoting shifts and adjustments in the industrial structure in keeping with policy objectives

¹⁴ Regulations for Protection of the Propagation of Fishery Resources [水产资源繁殖保护条例], promulgated and effective February 10, 1979. Fisheries Law of the People's Republic of China [中华人民共和国渔业法], promulgated January 20, 1986, effective July 1, 1986; first revision October 31, 2000; second revision August 28, 2004.

through legal means by establishing systems for orderly use and management of the seas. At the same time, however, they have undeniably led to expansion of the interests of the organs involved.

The Law on the Administration of the Use of Sea Areas came into effect in 2002 after a period of tentative implementation by the SOA and the Ministry of Finance.¹⁵ It provides for state ownership of the seas (the surface, body, and seabed of interior waters and territorial seas),¹⁶ with the rights of ownership being exercised by the State Council and the State Council's maritime administrative department (the SOA) supervising and managing their use. This organization issues certificates of rights to use of water areas, in return for which it collects fees. In the regulations governing implementation of the law, it is provided that these certificates can be "marketized," meaning that they can be put up for auction and that they can be used as collateral for loans. It is a distinctive legal system adopted by China under its socialist regime.

The SOA determines the functional division of sea areas – whether they are to be slated for development, administrative protection, protection of nature, special purposes, or holding.¹⁷ The law stipulates the maximum periods for which sea area uses can be set: 15 years for aquatic breeding, 20 years for shipbreaking, 25 years for tourism and entertainment, 30 years for salt production and mineral exploitation, 40 years for public interests, and 50 years for construction projects including ports and shipyard factories.

The Island Protection Law came into effect in 2010.¹⁸ It provides for

¹⁵ Law of the People's Republic of China on the Administration of the Use of Sea Areas [中华人民共和国海域使用法], promulgated October 27, 2001, effective January 1, 2002.

¹⁶ The present Constitution of the People's Republic of China (effective 1982, revised 2004) states, "All mineral resources, waters, forests, mountains, grasslands, unreclaimed land, beaches and other natural resources are owned by the state, that is, by the whole people, with the exception of the forests, mountains, grasslands, unreclaimed land and beaches that are owned by collectives in accordance with the law" (Article 9), and, "Land in the cities is owned by the state. Land in the rural and suburban areas is owned by collectives" (Article 10), but it contains no provisions regarding sea areas.

¹⁷ The "National Functional Divisions of the Seas (2011-2020)" [全国海洋功能区划 (2011-2020年)], promulgated by the SOA on April 25, 2012, provides for eight functional divisions: agriculture and fisheries, ports and navigation, industrial/urban use, mining/energy, travel/leisure/entertainment, marine conservation, special uses, and holding.

¹⁸ Island Protection Law of the People's Republic of China [中华人民共和国海岛保护法], promulgated December 26, 2009, effective March 1, 2010.

the protection of islands with special purposes (such as those where territorial sea base points are located, those serving national defense purposes, and those within marine natural reserves). Uninhabited islands belong to the state, and under the same thinking as in the case of the Law on the Administration of the Use of Sea Areas, users are charged fees. In the waters over which China claims jurisdiction, there are more than 6,900 islands with areas of at least 500 square meters; 433 of them are inhabited, and the remainder are uninhabited. There are said to be over 10,000 smaller islands. Development of uninhabited islands has been progressing in connection with economy building, and there have been reports of increasingly serious rampant development, such as destruction of ecosystems through quarrying and lumbering, reduction in the number of islands because of use of explosives and the linking of islands to the mainland, and unauthorized occupation for tourism.

As I noted at the outset of this article, the SOA is the government organ responsible for China’s ocean policy, but in practice a multitude of other organs are also involved in this field, as outlined in Table 2. The PLA has also strengthened its say to a certain extent through legislation. And under China’s distinctive system of governance, various organizations under the Central Committee of the Communist Party lead in the setting of policy directions.

In a move that relates more to the reinforcement of claims of sovereignty than to island management, in March 2012 the SOA and the Ministry of Civil Affairs acted under the Island Protection Law to proclaim China’s official names for Diaoyu Island and the islands around it. And starting in September of the same year the government announced the geographical coordinates and geographical features of the islands, such as mountains and streams.

Table 2. Principal Administrative Organs Involved in Ocean Policy and Their Relevant Functions

Organization	Main relevant functions
Ministry of Foreign Affairs	Marine boundary policy, direction and coordination of marine external affairs,

	diplomatic negotiations on boundary demarcation and joint development
Ministry of Land and Resources (1) China Geological Survey (2) National Mapping Agency	Protection and rational use of marine natural resources (1) Execution, management, and compilation of marine geological surveys (2) Management of marine surveying
State Oceanic Administration (SOA), a vice-ministerial-level agency of the Ministry of Land and Resources	Management of use of sea areas, protection of the marine environment, marine science and technology, marine international cooperation, prevention/mitigation of marine disasters, safeguarding of the state's maritime rights and interests, monitoring of the marine economy, maritime energy conservation, management of use of uninhabited islands, use of seawater, periodic patrols of waters under China's jurisdiction for the protection of China's rights and enforcement of its laws
Ministry of Environmental Protection	Direction, coordination, and supervision of marine environmental protection, measures against marine pollution from inland sources and coastal construction
Ministry of Science and Technology	Management of marine science and technology and promotion of its development
Ministry of Transport (1) Maritime Safety Administration (2) China Maritime Search and Rescue Center (3) China Rescue and Salvage	Supervision of maritime transport, management of ports (1) Regulation of maritime safety, prevention of pollution from ships, inspection of ships and facilities, supervision and management of navigational security (2) Nationwide coordination of rescue

	<p>activities</p> <p>(3) Rescue, salvage, maritime firefighting, prevention of oil spills</p>
<p>Ministry of Agriculture</p> <p>(1) Bureau of Fisheries</p>	<p>Economic development of marine fisheries</p> <p>(1) Fishing industry management, fisheries law enforcement, supervision of ports and fishing boat inspections</p>
<p>Ministry of Water Resources</p>	<p>Management of coastal levees, land reclamation, and estuaries, management of water-use construction</p>
<p>Ministry of Public Security</p> <p>(1) Border Control Department</p>	<p>Policing</p> <p>(1) Management of inshore marine public safety, China Coast Guard</p>
<p>Ministry of Industry and Information Technology</p>	<p>Regulation and management of marine salt production, stockpiling of salt</p>
<p>Ministry of Education</p>	<p>Coordination of cooperation with UNESCO</p>
<p>State Forestry Administration</p>	<p>Conservation management of wetlands and mangrove forests</p>
<p>National Energy Administration</p>	<p>Management of offshore oil and gas industries and of electric power generation (including nuclear energy and new and renewable energy sources)</p>
<p>China National Tourism Administration</p>	<p>Management of ocean cruising industry</p>
<p>State Administration of Cultural Heritage</p>	<p>Conservation and management of heritage items in the water, examination of submarine excavation</p>
<p>General Administration of Customs</p> <p>(1) Anti-smuggling Bureau</p>	<p>Customs</p> <p>(1) Control and detection of maritime smuggling</p>
<p>PLA Navy</p> <p>(1) Navigation Guarantee Department, Navy</p>	<p>Protection of maritime safety and sovereignty, safeguarding of maritime rights and interests</p>

Headquarters	(1) Surveying of waterways, publication of maritime charts for civilian use
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Source: Compiled by the author from *China's Ocean Development Report (2012)*, pp. 309-17.

4. Increased Tilt Toward the Ocean and Stepped-Up Pursuit of Claims

As China's economic growth allowed it to emerge as a great power, the country became more energetic in pursuing its maritime rights and interests, including sovereignty over islands and jurisdiction over waters. China adopted a clear posture of maximizing its political, security, and economic interests by interpreting and citing the concepts and provisions of UNCLOS to its own advantage, while working to keep other countries from exercising their claims.

A. Turbulence in the East China and South China Seas

In the 1970s China started to press its claim to the Diaoyu Islands, and the Ministry of Foreign Affairs issued a statement declaring: "Diaoyu Island and other islands, such as Huangwei Islet [in Japanese, Kubashima], Chiwei Islet [Taishoto], Nanxiao Island, and Beixiao Island, belong to Taiwan. Like Taiwan, they have been integral parts of China's territory since long ago. The Chinese people will liberate Taiwan without fail. The Chinese people will recover Diaoyu and the other islands that belong to Taiwan without fail."¹⁹

There was no explanation from the Chinese for why they started pressing their claim at this juncture. But many in Japan have analyzed it as being related to the results of a scientific investigation that concluded there were huge deposits of oil and gas in the East China Sea and particularly in the continental shelf north of Taiwan, as reported by the United Nations' Economic Commission for Asia and the Far East (ECAFE) in 1969.

In the South China Sea, meanwhile, there is partial or total overlapping of the claims to ownership of islands and jurisdiction over waters among seven parties: China, Taiwan, Vietnam, the Philippines, Malaysia, Brunei, and Indonesia. Following the Battle of the Paracel Islands between China and South Vietnam in 1974, China established its effective control over all of the Paracels. In 1988 the Chinese skirmished with the Vietnamese in the

¹⁹ "Statement of the Ministry of Foreign Affairs of the People's Republic of China on the Diaoyu Islands Sovereignty Issue" [关于钓鱼岛所有权问题中华人民共和国外交部声明], *Materials on Postwar China-Japan Relations 1971-1995* [战后中日关系文献集 1971-1995] (China Social Sciences Press, 1997), pp. 61-62.

Spratly Islands (Johnson South Reef Skirmish) after winning a commission from the United Nations Educational, Scientific, and Cultural Organization (UNESCO) to build an observation post in the Spratlys and starting to build it at Fiery Cross Reef. Following this clash the Chinese secured six reefs in the Spratlys for the first time and stationed a permanent garrison. And in 1995, the Chinese extended their effective control over Mischief Reef (which the Chinese call Meiji Reef), also claimed by the Philippines, building what it described as shelters for fishermen and stationing personnel from the Bureau of Fisheries Administration for the South China Sea.

In 2002 China and the Association of Southeast Asian Nations (ASEAN) signed a “Declaration on the Conduct of Parties in the South China Sea,” seeking to reduce the tension between them in these waters. Since then, however, the two sides have failed to make substantive progress toward elevating the status of this document to a legally binding code of conduct. Some of the details are clouded, but in recent years the Chinese have taken to referring to their claims in the East China and South China Seas as “core interests.” Meanwhile, in 2012 Vietnam adopted a maritime law defining its own territory as including the Paracels, Spratlys, and the Macclesfield Bank in their entirety. China countered this by establishing a local government for the three groups of islands under the city of Sansha, sited on Yongxing Island (Woody Island) in the Paracels, and by setting up a military security district for this city.

B. Territorial Sea Law

In 1992 China adopted a Law on the Territorial Sea and the Contiguous Zone.²⁰ Article 1 of this law declares: “This Law is enacted for the People's Republic of China to exercise its sovereignty over its territorial sea and the control over its contiguous zone, and to safeguard its national security and its maritime rights and interests.” This was the first time Chinese legislation referred explicitly to

²⁰ Law of the People's Republic of China on the Territorial Sea and the Contiguous Zone [中华人民共和国领海及毗连区法], promulgated and effective February 25, 1992. English translation at <http://www.lawinfochina.com/display.aspx?id=670&lib=law> (accessed on February 28, 2014).

the concept of “maritime rights and interests.” Maritime interests are taken to have three key aspects: political interests, economic interests, and security interests.²¹

The adoption of the Territorial Sea Law provided domestic legislation to complement UNCLOS, but Article 2 includes this provision: “The land territory of the People’s Republic of China includes the mainland of the People’s Republic of China and its coastal islands; Taiwan and all islands appertaining thereto including the Diaoyu Islands; the Penghu Islands; the Dongsha Islands; the Xisha Islands; the Zhongsha Islands and the Nansha Islands; as well as all the other islands belonging to the People’s Republic of China.” With this, China explicitly declared its sovereignty over Japan’s Senkaku Islands and all the islands in the South China Sea whose ownership is disputed between China and other countries.

Article 13 declares, “The People’s Republic of China has the right to exercise control in the contiguous zone to prevent and impose penalties for activities infringing the laws or regulations concerning security, the customs, finance, sanitation or entry and exit control within its land territory, internal waters or territorial sea.” And Article 14 provides as follows:

“The competent authorities concerned of the People’s Republic of China may, when they have good reasons to believe that a foreign ship has violated the laws or regulations of the People’s Republic of China, exercise the right of hot pursuit against the foreign ship. . . .

“The pursuit, if not interrupted, may be continued outside the territorial sea or the contiguous zone until the ship pursued enters the territorial sea of its own country or of a third State.

“The right of hot pursuit provided for in this Article shall be exercised by ships or aircraft of the People’s Republic of China for military purposes, or by ships or aircraft on government service authorized by the Government of the People’s Republic of China.”

The inclusion of provisions concerning “security” is a distinctive feature of this law. The Chinese argue that this is consistent with international

²¹ Wang Lidong, *Theory of the State’s Maritime Interests* [国家海上利益论], (National Defense University Press, 2007), pp. 83–136.

law inasmuch as contiguous zones were established in the first place to secure the interests and needs of the coastal state.²² They have also noted by way of explanation that, while maritime security is a form of state security (political security, national defense security, and economic security), many other countries also have come to place great weight on nontraditional fields of security (such as responses to natural disasters, environmental degradation, international terrorism, and international crime).²³ The content of the law provides a good example of China's extreme sensitivity to "security."

In 1996, when China ratified UNCLOS, it also issued a government declaration setting forth the baselines for the coast of its mainland and for the Paracels.²⁴ At this point, however, it excluded the northern side of the Shandong Peninsula facing North and South Korea across the northern Yellow Sea, Taiwan and Japan's Senkaku Islands in the East China Sea, and the Macclesfield Bank and Spratly Islands in the South China Sea from the declaration, leaving these to be announced at an appropriate future juncture. With respect to the East China Sea, after the Japanese government (then headed by Prime Minister Noda Yoshihiko) announced its intention of "nationalizing" the Senkakus, the Chinese government issued a declaration concerning the sea baselines of Diaoyu and its affiliated islands.²⁵

C. Issues Concerning the Exclusive Economic Zone

In 1998 China adopted a Law on the Exclusive Economic Zone and the Continental Shelf.²⁶ This law also raises a number of issues.

²² Liu Zhongmin, *Global Ocean Politics and China's Ocean Development Strategy* [世界海洋政治与中国海洋发展战略] (Current Affairs Press, 2009), pp. 270-71.

²³ *China's Ocean Development Report (2012)*, pp. 66-67.

²⁴ Declaration of the Government of the People's Republic of China on the Baselines of the Territorial Sea of the People's Republic of China [中国政府关于领海基线的声明], May 15, 1996.

²⁵ Declaration of the Government of the People's Republic of China on the Territorial Sea Baselines of Diaoyu and Its Affiliated Islands [中华人民共和国政府关于钓鱼岛及其附属岛屿领海基线的声明], September 10, 2012.

²⁶ Law of the People's Republic of China on the Exclusive Economic Zone and the Continental Shelf [中华人民共和国专属经济区和大陆架法], promulgated and effective June 26, 1998. English translation at http://www.mlr.gov.cn/mlrenglish/laws/200710/t20071011_656313.htm (accessed on February 28, 2014).

First, Article 2 of this law declares, “The People’s Republic of China shall determine the delimitation of the exclusive economic zone and the continental shelf in respect of the overlapping claims by agreement with the states with opposite or adjacent coasts in accordance with the equitable principle on the basis of international law.” But in talks between Japan and China concerning the boundary between their EEZs, the Chinese side pushed for an area extending beyond the geographical median line to the Okinawa Trough based on the natural extension of the continental shelf. And with respect to the geographical median line, the Chinese assert that the continental side is a continuous coastline but that the Japanese coastline is made up of non-continuous islands, and that it goes against the equitable principle to delineate the zones on the basis of these unequal geographical conditions. In December 2012 the Chinese government submitted an application to the Commission on the Limits of the Continental Shelf for recognition of its continental shelf extending as far as the Okinawa Trough.

Second, Article 14 states, “The provisions in this law shall not affect the historical right[s] that the People's Republic of China enjoys,” explicitly declaring that the determination of the EEZ and continental shelf does not mean the abandonment of China’s historical rights in the surrounding sea areas. In other words, China takes the posture of invoking its historical rights in order to secure its rights and interests. This is the logic that probably underlies the claim that the Chinese have been making since the time of the Republic of China for its “nine-dash line” (or “nine-dotted line”) around a broad area extending out like an ox tongue into the South China Sea.

Third, UNCLOS stipulates (in Article 58, paragraph 3) that states exercising their rights of navigation and overflight through an EEZ “shall have due regard to the rights and duties of the coastal State.” UNCLOS does not define the meaning of “due regard” in this context, but China has taken the posture of trying to restrict the intelligence, surveillance, and reconnaissance activities of the US military, undertaking activities as a state with an emphasis on its own defense rights. Typical examples of this are the April 2000 collision between a J-8 Chinese naval fighter jet and a US naval EP-3 electronic reconnaissance aircraft in the skies near Hainan Island and the March 2009 harassment of the US navy’s 3,450-ton *Impeccable* sonar surveillance ship, also

off the coast of Hainan, by a number of official vessels and fishing ships. These incidents reveal China's touchiness about keeping the US military out of its EEZ. The United States (Navy, Marine Corps, and Coast Guard) has responded from the standpoint of stressing freedom of navigation, clearly asserting its position that surveying of sea lanes and military investigations are not "scientific research," which under UNCLOS requires approval from the coastal state in the form of prior clearance through diplomatic channels.²⁷

D. Strengthening of Maritime Enforcement of Rights

China has had five administrative organs involved in patrols for maritime law enforcement: the SOA's China Marine Surveillance (charged with the safeguarding of maritime rights and interests, supervision and management of sea area utilization, and preservation of the marine environment), the Ministry of Agriculture's Bureau of Fisheries (management of fisheries law enforcement), the Ministry of Transport's Maritime Safety Administration (regulation of maritime safety, prevention of pollution from ships), the Ministry of Public Security's China Coast Guard (maritime public safety), and the Anti-smuggling Bureau of the General Administration of Customs (detection of maritime smuggling). These are sometimes called the "five dragons." The confrontations with other countries over maritime rights and interests have mainly involved just two of the five, namely the CMS and the Bureau of Fisheries.

I noted above that vessels marked "China Marine Surveillance" first set out on patrols in 1983 for environmental protection. But the launch of the CMS as an agency within the SOA did not come until 1998. It was at this time that it became responsible for the protection of China's maritime rights and interests. In 2008 a provision was added specifying that it was to conduct periodic patrols for the protection of China's rights and enforcement of its laws, meaning the conduct of patrol activities in sea areas over which China claims jurisdiction.

The CMS has three fleets corresponding to its North Sea, East Sea, and South Sea branches, each including three or four flotillas and one air

²⁷ See, for example, The Commander's Handbook on the Law of Naval Operations (NWP1-14),

detachment. The newest force is the 10th Flotilla of the South Sea Fleet, which was deployed on Yongxing Island in the Paracels in March 2013. Marine surveillance units have also been established within the maritime affairs sections of provincial or other local governments, such as in Fujian Province. According to a report in a specialized journal, the total number of surveillance vessels is 62, of which 26 have sufficient seagoing capability to be used in the protection of rights and interests on the high seas.²⁸ The patrols have code names, such as “Haidun” for sea area utilization, “Hudao” for island defense, and “Bihai” for preservation of the marine environment.

Meanwhile, the patrol squadrons of the Fisheries Law Enforcement Command, which had been assigned to the Bureau of Fisheries Administration for the Yellow Sea and Bohai Sea (Yantai, Shandong Province), Bureau of Fisheries Administration for the East China Sea (Shanghai), and the Bureau of Fisheries Administration for the South China Sea (Guangzhou), were renamed Fisheries Law Enforcement Commands for their respective bureaus in 1995. And in 2000 a Fisheries Law Enforcement Command was established. In addition there are large numbers of organizations at the local-government level. As of the end of 2010 there were said to be 1,421 law enforcement patrol ships nationwide, though only eight of over 1,000 tons.²⁹

The addition of large, advanced vessels carrying helicopters, such as the *Haijian 83* (3,980 tons) and the *Yuzheng 310* (2,580 tons) to the fleets of the CMS and the Fisheries Law Enforcement Command started in 2005, when China’s economic strength had grown. The use of a “white fleet” of administrative vessels rather than a “gray fleet” of naval vessels on the front lines may be seen as a restrained response in terms of avoiding the escalation of tensions. But it has been noted that as new equipment has been added, there has also been an increase in China’s assertive activities.

at <http://www.usnwc.edu/getattachment/a9b8e92d-2c8d-4779-9925-0defea93325c/> (accessed on February 28, 2014), pp. 2–9 and 2–10. (This handbook is shared by the US Navy, Marine Corps, and Coast Guard.)

²⁸ Zhang Zhiming, “The CMS Corps Protecting Diaoyu Island” [保卫钓鱼岛的中国海监总队], *Naval and Merchant Ships* [舰船知识], November 2012, pp. 19–22.

²⁹ Jin Jiang, “The Law Enforcement Vessels of the Fisheries Law Enforcement Command” [中国渔政执法船], *Naval and Merchant Ships*, July 2012, pp. 20–22.

In the South China Sea, there were two incidents in 2011 when CMS ships and others cut the cables laid by vessels exploring oil and gas fields within the EEZ claimed by Vietnam. And in 2012 there was a prolonged face-off between Chinese and Philippine vessels near Scarborough Shoal (Huangyan Island to the Chinese) in Macclesfield Bank, where a Philippine frigate (soon replaced by coast guard patrol vessels) seeking to stop suspected poaching by a fleet of Chinese fishing boats confronted vessels from the CMS and the Fisheries Law Enforcement Command, which were looking after the fishing boats in line with China's claim to the shoal. The Philippines called for the matter to be submitted to the International Tribunal for the Law of the Sea, but the Chinese refused; instead they applied economic pressure on the Philippines, including the imposition of an embargo on banana imports and the halting of group tours.

Since September 2012 it has become more or less an everyday occurrence for vessels from the CMS and the Fisheries Law Enforcement Command to sail in the territorial waters and contiguous zone around Japan's Senkaku Islands. CMS planes have also violated the islands' airspace. As reported in the Chinese media, around the same time these repeated incursions started occurring, 12 obsolescent PLA Navy ships were converted into patrol vessels. These include large vessels like the *Haijian 111* (4,420 tons), which was an icebreaker in the North Sea Fleet, and the *Yuzheng 206* (5,872 tons), which was a survey ship in the East Sea Fleet.

Given the background to its establishment, the SOA has always had close ties with the PLA Navy, but in 2009 the two signed a new agreement on cooperation. This provides for annual meetings between their heads every spring and for strengthened cooperation in six areas, including strategy and policy, safeguarding of rights and interests, marine surveying, polar and oceanic observation, rear-area resupplying and disaster prevention and mitigation, and publicity to promote maritime culture and awareness of the seas.

Meanwhile, the inefficiency of the "five dragons" setup had been pointed out for some time, and a responsible official from the State Commission Office for Public Sector Reform offered the following explanation for the March 2013 proposal for reorganization:

“For a long time our country’s maritime law enforcement power has been scattered. The functions of each of the law enforcement teams, including China Marine Surveillance (under the SOA), the China Coast Guard (Ministry of Public Security), the Fisheries Law Enforcement Command (Ministry of Agriculture), and the Anti-smuggling Bureau (General Administration of Customs), have been unitary, and they have been unable to deal with illegal acts that they happened to encounter outside their respective areas of responsibility; this has impacted the effectiveness of law enforcement. Each has built its own wharves, ships, and communications and security systems, resulting in duplication and waste of resources. Also, they have overlapped in issuing certificates and making inspections; this has resulted in high costs and low efficiency and has increased the burden on enterprises and the masses. . . . By consolidating the maritime law enforcement teams and functions of the SOA and related organs and having the SOA safeguard China’s maritime rights and interests and carry out maritime law enforcement activities in the name of the “China Maritime Police Bureau,” this reform will enhance the integrated allocation and use of administrative resources, thereby improving efficiency and service levels.”³⁰

One of the “five dragons,” however, the Maritime Safety Administration (Ministry of Transport), was not merged with the other four. No reason for this has been offered. The reorganization will probably lead to the unification of thinking at the strategic level, but it has not been announced how the various specific roles and powers of the four previous organizations are to be handled on the operational level.

The current vice-minister of public security has been named to the concurrent posts of deputy director of the SOA and head of the Maritime Police Bureau. And the director of the SOA is doubling as the political commissar of the Maritime Police Bureau. But it seems that the new bureau is not going to be a “China Coast Guard” granted comprehensive law enforcement authority in a

³⁰ “State Commission Office for Public Sector Reform Replies to Questions from the People’s Daily and New China News Agency Regarding the Organizational Reform and Functional Changes in the State Council” [「授權發布：中央編辦負責人就國務院機構改革和職能轉變答人民日報、新華社記者問」], http://news.xinhuanet.com/2013lh/2013-03/10/c_114967850.htm (accessed on February 28, 2014).

single stroke.

5. Ocean Development Strategy and Explicit Pursuit of “Maritime Power” Status

The first time the importance of the seas was officially raised at the National Congress of the CPC, which stands at the summit of China’s political leadership, was at the fifteenth Congress, held in 1997, during the rule of Jiang Zemin. The general secretary’s report to the congress noted, “The seas are an important element of the national territory and resources that can be developed on an ongoing basis.” The 16th Congress, held in 2002, after Hu Jintao took the helm, acknowledged “the need for a strategic organ to implement maritime development.” In an extension of this recognition, the State Council, in the “Outline of the Plan for National Marine Economic Development” it adopted the following year, declared that China would build itself into a maritime power in stages. This was the first time that the Chinese government set forth the term “maritime power” in an official document. And it was noted at the opening of the eighteenth Congress of the CPC in 2012 that building China into a maritime power had become established as a strategic objective.

Facing increasingly serious shortages of food, energy, and water resources, China is leaning more and more to the seas. The new trend is an omnidirectional maritime strategy, including the development of new fields like renewable maritime energy sources and deep-seabed mineral resources, prevention and mitigation of marine disasters, and expansion of Arctic and Antarctic observation activities.

A. The Twelfth Five-Year Plan

The foundations of China’s government policies are determined on the basis of five-year plans that are drawn up in line with the strategic course set by the CPC and officially approved by the National People’s Congress. The eleventh five-year plan, for 2006–10, included just one section about the seas, but the twelfth plan, for 2011–15, has an entire chapter on the subject of promoting

development of the marine economy. This has been followed by the drafting of more detailed plans by various government organs, including five-year plans for maritime operations, for marine economic development, and for the development of marine science and technology, also subject to approval by the State Council. However, the contents of these detailed plans are not released in full.

Chapter 14 of the twelfth five-year plan starts with a call to “develop and implement a marine development strategy based on unified sea and land planning, and improve marine development and control capabilities.”³¹

Section 1, “Optimizing the marine industry structure,” includes the passage “develop marine oil and gas, marine transport, marine fishing and coastal travel industries greatly, and expand marine biopharmaceutical, integrated seawater utilization, marine engineering equipment manufacturing and other rising industries.”

And in Section 2, “Strengthening integrated marine management,” we find these passages: “Strengthen sea area and island management, improve the market mechanism for sea area use rights, . . . Make unified planning of marine environmental protection and land-based pollution, and strengthen the protection and recovery of the marine ecosystem. . . . Improve the marine disaster relief system, and strengthen the handling capability of marine emergencies. Strengthen integrated marine surveying and mapping, and carry out polar and oceanic scientific investigation actively . . . ensure the safety of marine transport channels [sea lanes], and maintain our country’s marine rights and interests.”

B. New Marine Resources And Polar Observation

What underlies this increased emphasis on the seas? Though the five-year plan does not set forth a clear explanation, it presumably relates to the red lights that

³¹ The Outline of the Twelfth Five-Year Plan for National Economic and Social Development of the People’s Republic of China [中华人民共和国国民经济和社会发展第十二个五年规划纲要], March 28, 2011. English translation at <http://www.britishchamber.cn/sites/default/files/full-translation-5-yr-plan-2011-2015.doc> (accessed on February 28, 2014).

China sees in connection with its supplies of food, energy, and water, three key resources for its 1.3 billion people. In very rough terms, China's cultivated acreage per person is only 40% of the world average, it depends on imports for 55% of its oil, and its supply of fresh water per person is just a quarter of the global level. So securing sustained supplies of these resources from the seas is a crucial issue for the country.

Setting aside traditional fields, here I will focus on the new trends, with overviews of three particular fields.

The first field is use of renewable energy from the seas. China's Renewable Energy Law came into effect in 2006.³² And in 2010 the National Energy Administration and the State Oceanic Administration promulgated a provisional facilitation law on managing construction of maritime wind farms. The same year brought the start of operation of a large-scale three-megawatt wind farm in the waters off Shanghai. On-site testing has also begun for power generation using tide-level differences, waves, and tidal currents. Work on power generation using temperature and salinity differences is reportedly being conducted at an experimental stage.

In the area of seawater use, China has built Asia's biggest reverse-osmosis-membrane desalinization plant in Tianjin and is also promoting exports of such plants. It is said that the output capacity of the country's desalinization facilities will be on the order of 2.2 million to 2.6 million cubic meters in 2015. The extraction of chemicals from seawater has also been launched on a practical basis. And the use of seawater for purposes like cooling circulation is at the model development stage.

The second field is exploration for deep-seabed mineral resources. Aside from oil and gas, methane hydrates ("fire ice") are the most closely located such resource with prospects for practical development. Based on exploration over the past decade, it has reportedly been determined that there are tremendous deposits of this resource – amounting to half of China's onshore and inshore oil and gas reserves – under the waters of the South China

³² Renewable Energy Law of the People's Republic of China [中華人民共和國可再生能源法], promulgated February 28, 2005, effective January 1, 2006. English translation at http://www.npc.gov.cn/englishnpc/Law/2007-12/13/content_1384096.htm (accessed on February 28, 2014).

Sea in such places as the Xisha Trough, the area around the Dongsha Islands (Pratas), and to the southeast of Hainan Island. Since 2009 Guangzhou Marine Geological Survey, an organ of the Ministry of Land and Resources, has been operating *Haiyang 6*, a 4,600-ton geophysical survey vessel, which is exploring mainly for methane hydrates.

Meanwhile, in 2001 the International Seabed Authority, established under UNCLOS, granted exclusive deep seabed exploration rights for manganese nodules in an open sea zone of the northwest Pacific to the China Ocean Minerals Research and Development Association (COMRA). China was one of eight countries to receive such rights from the ISA at that point. COMRA is an external organ affiliated with the SOA, and it is headed by a deputy director of the SOA. It operates the *Dayang 1*, a 4,385-ton specialized resource-survey vessel. In 2011 it was also authorized by the ISA to explore for submarine hydrothermal deposits in the southwest Indian Ocean. In 2012 it was reported that the *Dayang 1* had extracted a 1.2-ton sample from the seabed of the South Pacific at a depth of 3,000 meters. Cobalt crust is said to be found in locations under the open seas of the northwest Pacific, and in 2012 China applied to the ISA for a mining area there.

The third field is polar observation, for which the SOA's Arctic and Antarctic Administration is responsible. In 1984 the SOA dispatched its first observation mission to the Antarctic on its 13,000-ton ocean-going scientific survey vessel *Xiangyangjiang 10* accompanied by the PLA Navy's 12,000-ton salvage and rescue ship J121 *Changxingdao*, and set up Changcheng Station on King George Island. Since then China has added two more Antarctic stations, Zhongshan Station on the east coast of the Antarctic continent and Kunlun Station at the continent's highest point of elevation. In 1993 the Chinese acquired a 21,000-ton icebreaker from Ukraine, which they named *Xuelong*. As of January 2013 they had dispatched a total of 29 missions to the Antarctic.

The Chinese government has declared: "Under treaty, the mineral and energy resources of the Antarctic cannot be developed until 2041, but as countries exhaust their resources, they are proceeding with basic surveys under the banner of science and laying the groundwork for future claims of territory

and resources in pursuit of their national interests.”³³ Though the passage is written in a detached tone, it seems to be tacitly setting forth China’s own intention of not getting left behind. The Chinese are now at work producing a domestically built icebreaker. During the period of the twelfth five-year plan they say they will add one or two more base stations and assign fixed-wing aircraft for connections between the stations and other purposes.

In the Arctic, the *Xuelong* conducted five observation missions from 1999 through 2012, and in 2004 China established an observation base, Huanghe Station, on Norway’s Svalbard Island. The Chinese are probably taking advance moves with a view to the opening up of Arctic seaways as a result of the receding of the polar ice cap and to participation in resource exploitation. The fifth mission made a round trip to Iceland in the summer of 2012, passing through the Sea of Japan and Soya Strait to the Okhotsk Sea, sailing by the island of Paramushir in the northern Kurils to the Bering Sea, and taking a coastal route through Russia’s EEZ. On its return trip, as the melting of the Arctic ice cap had progressed faster than expected, the *Xuelong* was able to take the shortest route through the central Arctic Sea on its return, passing close to the North Pole; the vessel concluded its trip by passing through the Tsugaru and Tsushima Straits. It has been suggested that Russia is concerned, in terms of both security and economic rights, at the fact that the mission passed through the Sea of Okhotsk on its outward leg and that it did not follow a coastal route through the Arctic on its return leg.

6. Conclusion

Ocean-related economic activity accounts for almost 10% of China’s gross domestic product, and the share is said to be above 16% in coastal regions. This activity is the source of some 33.5 million jobs. Meanwhile, the growth rate of the Chinese economy was 7.8% in 2012, falling below 8% for the first time in 13 years. In the context of this slowdown, local authorities particularly in coastal regions are looking at the seas as a new engine of growth to replace the urban

³³ *China’s Ocean Development Report (2012)*, p. 363.

development activities that have leveled off, and they have been coming out one after another with plans for marine economic development. One now often hears comments from key officials declaring that China's future is as a maritime power and that the marine economy is the engine for achieving this.

In 2010 China overtook Japan in terms of nominal GDP, becoming the world's second-largest economy. And it has a huge pool of scientific researchers. But it produces few scientific or technological innovations on its own, and it has a low ratio of domestically developed key core technologies. And it has been noted that the level of transfer of research results to industry is still not high. Even so, under its system of one-party rule, China is able to carry out basic and cutting-edge research under state auspices in areas that are not commercially profitable, along with large-scale projects in fields like space development and military technology; these activities double as boosters of national prestige.

In the field of maritime research, in 2012 the *Jiaolong*, a domestically built submersible, carried its crew to a maximum depth of 7,062 meters in the Mariana Trench in the Pacific Ocean, an accomplishment that suggests the potential for exploitation of deep-sea resources. And in 2011 China successfully launched the *Haiyang 2* (HY-2), an observation satellite capable of real-time monitoring of dynamic conditions in the ocean environment. The keywords for China's new oceanic frontiers are "deep-sea," "polar," and "space."

In the report he delivered to the National Oceanic Work Conference in January 2013, SOA Director Liu Cigui identified the SOA's 10 major tasks for the new year.³⁴ The first item was "Constantly strengthen comprehensive ocean management," and in this connection he stressed the urgency of enacting a basic law on the oceans, regulations for management of Antarctic activities, and a law on exploration and development of oceanic resources. The session was attended by about 400 people from more than 30 organizations, including State Council bodies, the military, and local governments. Clearly the enactment of the proposed legislation, particularly a basic law on the oceans, will be the top priority for the newly created National Oceanic Commission,

³⁴ "Taking Advantage of Opportunities to Achieve Additional Victories in Maritime Strategy Initiatives" [乘勢而上再奪海洋工作新勝利], *China Oceanology Review* [中國海洋報], special edition, January 11, 2013.

which is to serve as a high-level organ for policy coordination.

Director Liu also stressed the importance of action to “resolutely safeguard the maritime rights and interests of the state,” the fourth of the 10 major tasks. Since this is a key point, let me share a full translation of what he said in this connection in his statement to the session:

“We will maintain the law enforcement patrols that have become normalized to safeguard rights and interests in the waters of the Diaoyu Islands. We will show our jurisdictional claims externally through ongoing patrols of the waters of the South China Sea under Chinese jurisdiction. We will move ahead in areas including selection of the scope of protection for territorial sea base points, management of place names in the South China Sea, research to determine the extent of the continental shelf extending beyond the 200-nautical-mile limit, and the naming of seabed places. We will move further ahead with comprehensive administration, and we will strike a ‘combination blow,’ the main elements of which will be legal, administrative, and maritime activities and public opinion propaganda. We will undertake systematic deepening of research and external propaganda on hot issues of maritime rights and interests.” It is extremely unusual for a responsible official to go so far as to talk of a “combination blow” in a public session like this.

After becoming general secretary in the fall of 2012, Xi Jinping, came out with repeated appeals to nationalist sentiment with expressions like “great renewal of the Chinese nation,” “Chinese dream,” and “dream of a strong military.” In the spring of 2013 the new leadership team headed by President Xi Jinping and Premier Li Keqiang got fully underway. To judge from the context of what we have seen so far, it seems certain that this new leadership will continue to press China’s claims to maritime rights and interests with increasing strength as a key element of the country’s ocean policy.

Because of space limits I barely touched on the PLA Navy in this article, but it is rapidly expanding its armaments and regularizing battleship exercises that extend beyond the first island chain. Trends in the navy will, needless to say, have a major impact on the direction of China’s ocean policy.

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