An aerial photograph of a US Navy ship, likely a destroyer, sailing on the open ocean. The ship is white with a dark hull and has an American flag flying from its mast. In the background, another ship is visible on the horizon. The sky is overcast and the water is a deep blue with whitecaps.

SOLACE GLOBAL

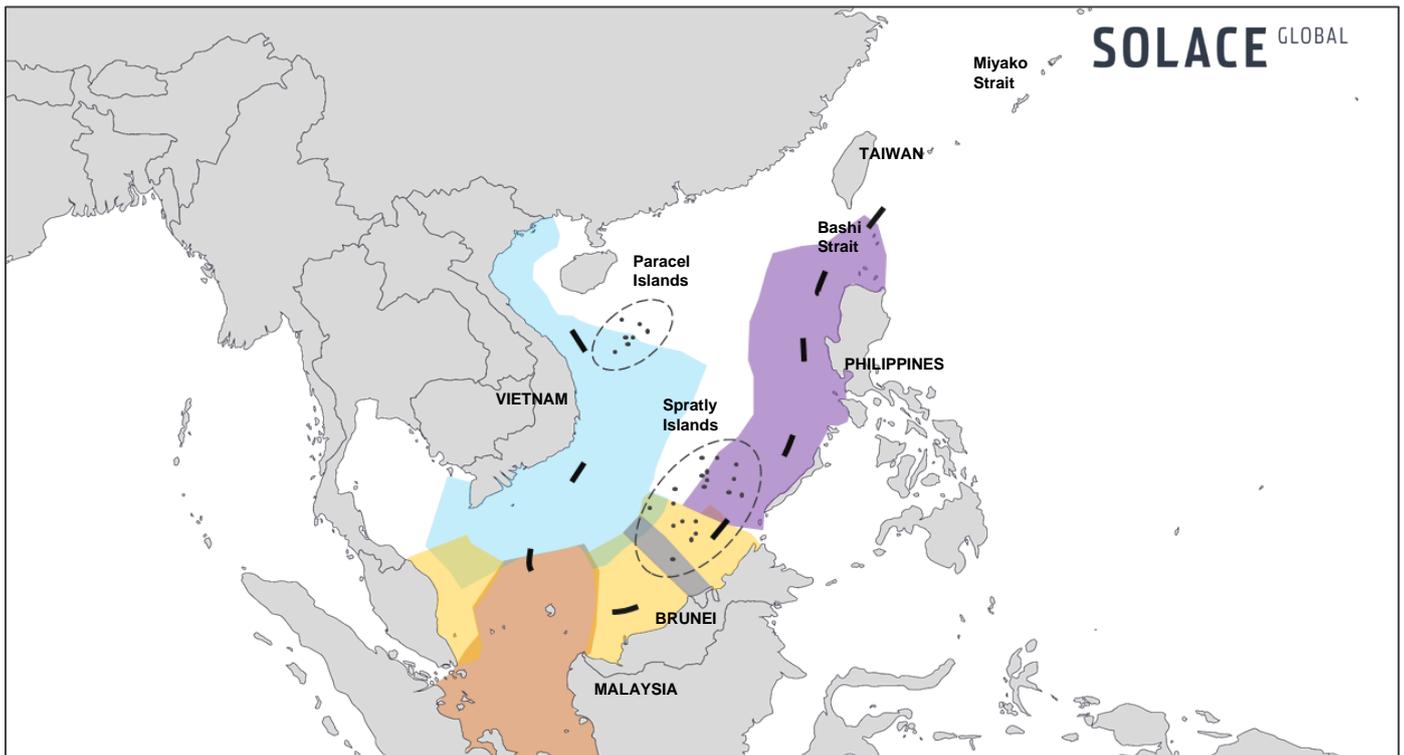
CHINA

HEADING TOWARDS MARITIME ESCALATION
DESPITE THE PANDEMIC



Key points

- Despite the Covid-19 pandemic, China has been conducting increasingly assertive naval operations in two key foreign policy areas, Taiwan and the South China Sea.
- China's provocative actions have sparked international condemnation, including from the US State Department, which accused Beijing of exploiting the vulnerability caused by the pandemic to pursue its strategic objectives.
- Whilst the US Navy has retaliated by conducting Freedom of Navigation Operations (FONOP) across the South China Sea, its ability to effectively retaliate has been curtailed by Covid-19 outbreaks among the crew of both its main aircraft carriers stationed in Asia.



Aggressive naval operations

Amidst the ongoing Covid-19 pandemic, China is coming under the spotlight for aggressively pursuing its strategic objectives while its regional neighbours are busy tackling the crisis. In the past month, Beijing has stepped up its efforts to assert dominance in two key foreign policy areas, Taiwan and the South China Sea, conducting aggressive manoeuvres in disputed waters and highly provocative military exercises.

Together with the ramming of a Vietnamese fishing boat near the Paracel Islands, and the shadowing of Malaysian oil survey vessels operating in contested waters, Beijing recently extended its claim over dozens of inlets and reefs by formally establishing two new districts in the South China Sea. Chinese authorities have also announced their intention to develop its coastguard's military capabilities, further enhancing its capacity to police and project power over disputed waters.

Since February, as the Covid-19 pandemic was reaching its peak in China, the People's Liberation Army (PLA) also conducted repeated aerial exercises around Taiwan, forcing the island's military to mobilise its jets in response. While Chinese air and naval exercises continued throughout March and April, Taiwan has also been conducting military drills, aimed at deterring aggression from the mainland. In late March, a major combined exercise was conducted involving all branches of its military, testing the island's ability to repel invading forces.



This increase in Chinese provocative naval activity prompted the US to step up its retaliatory Freedom of Navigation Operations and military exercises despite both its aircraft carriers being restricted to port for over a month due to a Covid-19 outbreak among their crews. In the past week, three warships from the US Seventh Fleet, together with one Australian frigate, sailed into the disputed waters off the Paracel island chain, initiating the latest maritime standoff between the US Navy and the People’s Liberation Army Navy (PLAN). A few days later, an American warship also sailed through the Taiwan Strait, while the Chinese aircraft carrier *Liaoning* crossed the Bashi Strait, which separates Taiwan from the Philippines.

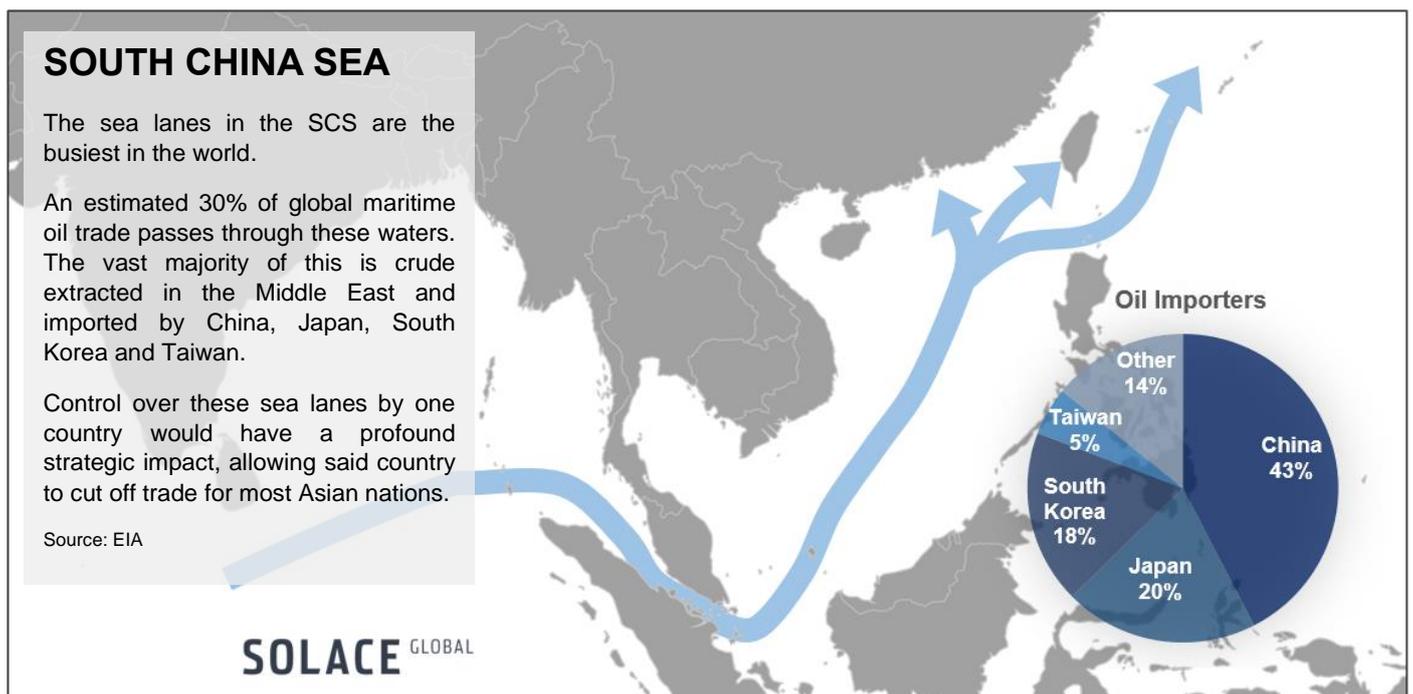
While none of these incidents represent a radical shift from existing practices and foreign policy priorities, both their timing and the geopolitical backdrop have contributed in drastically increasing regional tension and the militarisation of disputed waters. The repeated maritime shows of force have sparked international condemnation and have the potential of tarnishing China’s regional relations, as they suggest that China will not be deterred by the weakened state of its neighbours to aggressively pursue its regional objectives and challenge American authority over the Indo-Pacific.

This, however, could also represent an attempt by the Chinese leadership to assert strength in its periphery in order to reassure both its political establishment and population that its ability to project power is intact after the health crisis, particularly as the country braces for the growing backlash over the virus’ origin.

South China Sea

The South China Sea (SCS), a strategic waterway shared by Taiwan, Vietnam, Singapore, the Philippines, Indonesia and Brunei, has seen a considerable increase of aggressive Chinese activity despite the Covid-19 pandemic sweeping through the region.

Together with a number of incidents between China and its regional neighbours, Beijing also announced the unilateral establishment of two new administrative districts on the Spratly and Paracel Islands, effectively claiming sovereignty over dozens of contested islets and reefs and renaming them in Chinese. This will likely be followed by an influx of resources and ships in the two administrations, as well as an increase in patrols and maritime operations in the surrounding waters. A degree of retaliation from other claimants to the islands is to be expected in the upcoming months and, whilst this is unlikely to lead to direct military confrontation, it might increase the number of incidents in the area, as well as the anti-Chinese sentiment among the affected populations, particularly in case of loss of life.





Throughout the month of April, Vietnam, Malaysia and Indonesia, have reported harassment by Chinese ships in contested waters, ultimately leading Vietnam to directly reach out to the United Nations to protest the ramming and sinking of one of its fishing boats near the Paracel Islands. Shortly after, on 17 April, Malay authorities reported a standoff between a vessel operated by its state oil company and the Chinese survey ship *Haiyang Dizhi 8*. While these pressure tactics are commonly employed by China against its rivals, their timing kindled international outrage, including by the US State Department, whose statement urged Beijing to “stop exploiting the distraction or vulnerability of other states to expand its unlawful claims in the South China Sea.”.

The increase in highly provocative action in the South China Sea also prompted the US Navy to initiate freedom of navigation operations in the area. Last week guided-missile cruiser *USS Bunker Hill* sailed in the vicinity of the Paracel and Spratly Islands in back-to-back missions despite growing Chinese protest.

While these operations are important to reaffirm the importance of the freedom of navigation, they have proven unsuccessful in preventing China from gradually establishing its control over the most contested waterway in the world. Furthermore, an increase in American naval operations in the region generally leads to a more aggressive rhetoric and policy by Beijing, whose officials routinely accuse Washington of militarising an already volatile situation.

Taiwan

Tensions between Taiwan and China have significantly escalated since the beginning of 2020, as the incumbent president Tsai Ing-wen secured a landslide victory during the elections in January. Due to her pro-independence political stance and her public rejection of the one-China policy, Tsai and her re-election represented a strong rebuttal to Beijing’s pressure, particularly important in the context of the anti-government protests continuing in Hong Kong.

A Chinese retaliation to the election in the form large-scale military exercises was not unexpected, as their size and frequency had already drastically increased since President Tsai first came into office in 2016. It was the decision to show force now, both on a military and diplomatic sphere, while Taiwan and its main military backer, the United States, are dealing with a health crisis that drew considerable criticism towards Beijing.

Most notably, on 11 April, Taiwanese warships were forced to mobilise and put to sea in order to monitor the movements of a mainland Chinese carrier strike group. Led by the flagship aircraft carrier *Liaoning*, the strike group was detected about 330km east of the northernmost tip of Taiwan, in the strategic Miyako Strait. The provocative manoeuvre was a rehearsal and demonstration of the PLAN’s ability, in wartime, to cut Taiwan off from its American and Japanese allies.

The standoff between Beijing and Taipei also manifested in the diplomatic realm, with controversy surrounding its membership of the World Health Organisation (WHO). As China considers Taiwan as one of its renegade provinces, therefore devoid of national sovereignty, it has historically vetoed its participation to all international organisations and has repeatedly accused Taipei of taking advantage of global crises to gain support in its quest to UN membership. While Taiwan had been allowed in the WHO meetings as an observer for several years until 2016, Beijing continued to reject its participation throughout the Covid-19 pandemic. Nevertheless, the island was among the most successful countries in dealing with the outbreak of the virus, but this was largely due to its investment in health emergency preparedness in the aftermath of the SARS outbreak rather than the support of the WHO.

Both the escalation in military exercises and the diplomatic row between China and Taiwan are fundamentally consistent with Beijing foreign policy behaviour, and in light of the Covid-19 outbreak they can be interpreted as an attempt to demonstrate strength and control despite the crisis. Moreover, the timing of the military exercises helped expose a considerable weakness in the capacity of the US Seventh Fleet to effectively project power in the East and South China Sea, with both its carriers deployed in Asia incapacitated by Covid-19.



These escalations feed into pre-existing frictions between Beijing and Washington, exacerbated by the reciprocal accusation of responsibility for the pandemic, which will likely result in a period of heightened tensions and possibly an increased deployment of military resources to Indo-Pacific waters.

Geopolitical aftermath

Despite the dramatic increase in cross-strait tensions and Chinese assertiveness in the South China Sea, an all-out conflict remains unlikely in the near term. Regional stakeholders might, however, choose to focus their maritime resources in defending their claims or project war-readiness capabilities through highly provoking military drills. This decision will largely depend on the ability of the US Navy to act as a deterrent against Beijing's maritime ambitions. Freedom of navigation operations, while an important show of force on an international level, have proven insufficient as a tool to deter Beijing from extending control over the South China Sea.

The Covid-19 pandemic also had a devastating effect on the US naval resources in the region, forcing to port both of its aircraft carriers and fuelling existing doubts over their ability to react effectively to a Chinese attempt to change the status quo. As it stands, the US Navy is heavily outnumbered in the SCS and its reduced power projection capacity makes it difficult to maintain its credibility as a regional stakeholder and key ally. China's increasing ability to seamlessly act in its maritime periphery, integrating military and paramilitary forces, has had the effect of highlighting a potential gap in Washington's operational capabilities in Asia.

Chinese military planners have been focussing heavily on increasing the PLAN's access denial capabilities to eventually prevent an American intervention in both conflict scenarios. Current trajectories suggest a future wherein Taiwan will not be able to count on US support and may be forced to capitulate in an untenable military strategic situation unless it can deter an invasion by virtue of its native military forces alone. Likewise, a direct intervention by the US or its allies in the South China Sea would come at incredible cost and put to the test their ability to effectively project power across the Ocean.

The militarisation of the South and East China Seas would, however, have a devastating effect on the Chinese economy, which relies heavily on the maritime shipping lanes for its exports and oil supply. The United States and its allies, including Japan, India, Australia and Vietnam, maintain the ability to deny access to key waters including the Indian Ocean, the Straits of Malacca, Sunda, and Lombok, as well as much of the South and East China Seas. China has been, therefore, focussing on gradually expanding its control on peripheral waters, often by using non-military maritime resources, such as its Coast Guard, and securing key waterways.

While a revision of the US strategic approach in the Asia Pacific is becoming increasingly urgent, Beijing is unlikely to radically shift away from its current policy of combining low level militarised pressure with economic incentives in favour of direct conflict in the near future. However, this escalation during a pivotal global crisis such as the Covid-19 pandemic could also potentially provoke changes in the geopolitical balance of the Asia-Pacific region, particularly as it became clear that Beijing would not be deterred from pursuing its strategic interests.