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In a Fortnight: Food Security and Chinese “Comprehensive National Security”

On February 6, China published “Central Document No. 1”, its annual statement of agricultural policy. Two weeks later, on February 20, China’s Ministry of Agriculture (MOA) announced that it will begin its annual moratorium on fishing starting on May 1 ([MOA](#), February 20). Though on the surface somewhat innocuous, China’s agricultural and fishing policies are increasingly intersecting with its broader national security objectives. Both issues are connected by a view of

national security that pulls together traditional security issues with domestic stability, economic issues and food security.

This connection can be seen in Chinese President Xi Jinping’s articulated vision of security. On February 22, Xi presided over a “National Security Work Conference” in which he continued his elaboration of his “Overall Security Concept (总体安全观)” ([81.cn](#), February 21). Peking University International Relations Professor Ye Zicheng (叶自成) explains that Xi’s concept brings together a full range of issues, both traditional (foreign policy and military security) and economic (such as food security) ([PKU](#), April 19, 2016). Domestic economic realities will increasingly affect Chinese external security decision-making.

Most attention to Chinese security policy is given to its military development and foreign relations, particularly the eastern and southern axis encompassing Taiwan, Japan, and South-east Asia. However, the most important “direction” for Chinese security thinkers is internal (内). Unsurprisingly China spends more on its stability maintenance budget (维稳) than it does on national defense (*China Brief*, March 6, 2014). Internal security brings sources of potential disruption into sharp focus, including social inequality and land distribution. This casts agricultural and fishing policies in a new light and makes understanding these policies more important.

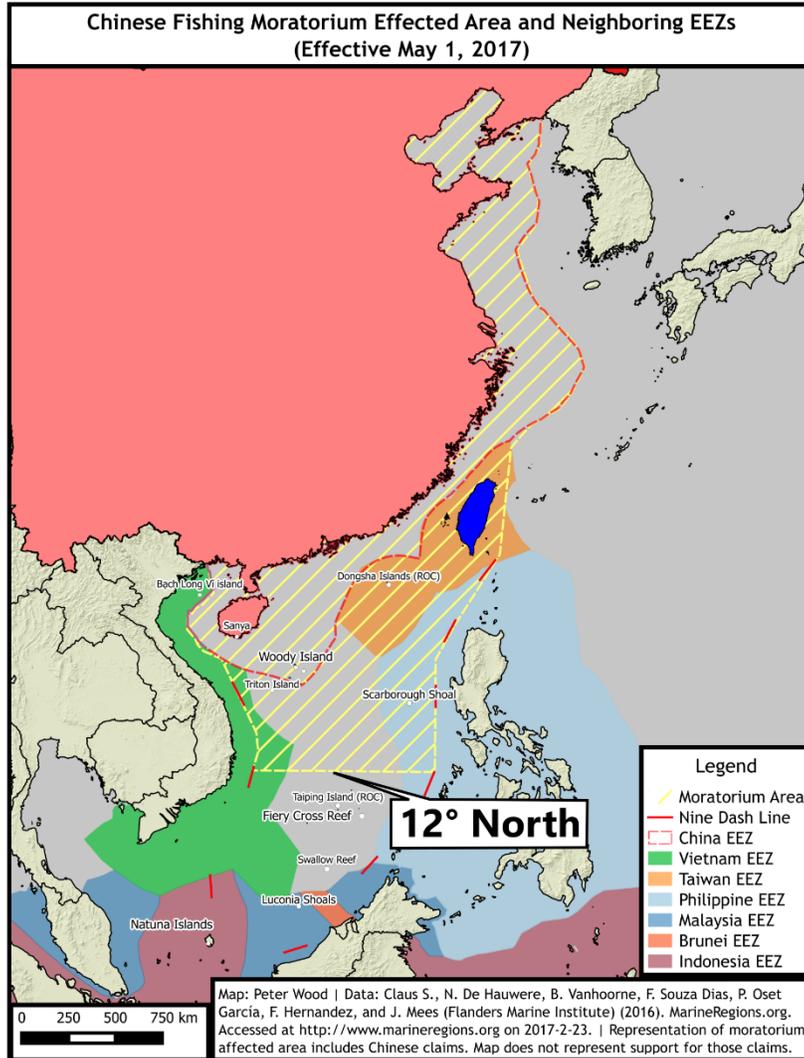
Agricultural policy, for example, intersects with concerns about domestic stability and food security. Despite rapid urbanization, 44 percent of Chinese citizens still live in the countryside (World Bank, 2015 [Accessed February 20]). Improvements in the lives of China’s farmers has accounted for a significant proportion of the decrease in those living in the poverty line. However, the growing disparity in wealth is a source of tensions, contributing to issues such as rising crime rates and drug use (See *China Brief*, February 6 and September 4, 2015, for discussion of these issues). Increased crop production and ensuring market stability are linked with raising farmers incomes. With rural governments already under budget strain and crime in the countryside on the rise, the success or failure of these policies will have a direct impact on Chinese social stability.

Though the focus of Central Document No. 1 is rural development and ways to increase the welfare of China’s farmers, one section in particular is noteworthy: continual increases in grain production to ensure food security. China’s ability

to produce sufficient food for itself is under threat from pollution, urbanization and desertification. Though China has been able to produce most of its own grain, the issue remains a core concern for Chinese leaders, as highlighted by its inclusion in the 2015 National Security Law (国家安全法). According to Article 22: *The State completes a food security safeguard system, protecting and improving the overall food production capacity, improving the system for food reserves, the transport system, and market regulatory mechanisms; completing early warning systems for food security, ensuring security food supplies and quality* (ChinaLawTranslate.com, MOD.gov, July 1, 2015).

These concerns have prompted Xi Jinping and others to call for a reorganization of Chinese land, the collection of smaller plots into larger ones, and the reorganization of small towns in favor of larger ones to free up land. Such policies will see greater emphasis ahead of the 19th Party Congress as Xi and other leaders attempt to deliver policy successes before the meeting.

While Document No. 1 has primarily a domestic effect, China’s fishing moratorium also affects Chinese external security and diplomacy. The moratorium is meant to protect China’s stocks of fish by allowing time for the fish to breed. However, the scope of the regulation directly impacts China’s relations with its neighbors. Notably, the moratorium will curb fishing above 12 degrees of latitude, roughly halfway between the northern and southern halves of the South China Sea (see map). Given China’s territorial claims as demarcated by the “Nine-Dash Line”, the moratorium will cover much of the Philippine and Vietnamese Exclusive Economic Zones in the South China Sea. Chinese territorial claims are frequently backed up by Chinese Coast



The Philippines made guaranteed access to Scarborough Shoal a condition of its broader rapprochement with China over the summer of 2016, and Philippine fishermen were able to access the area shortly after President Duterte's meeting with Xi Jinping ([Rappler](#), [Philippines] October 28, 2016). Chinese and Philippine Coast Guards established a hotline as part of the establishment of a Joint Coast Guard Committee ([Philippine Coast Guard](#), February 22). Chinese fishing vessels are also clashing with other governments further afield as they look for untapped shoals, sometimes without other nations' permission. Indonesia has sunk hundreds of captured Chinese fishing vessels caught operating illegally in its waters (March 25, 2016). On the other side of the world, an Argentinian Coast Guard Vessel even sank a Chinese fishing ship after repeated warnings about operating in Argentine coastal waters ([Global Times](#), March 17, 2016).

Guard vessels, meaning that the moratorium would essentially cut-off much of China's neighbors from prime fishing spots. Unsurprisingly then, Vietnamese Foreign Ministry spokesperson Le Hai Binh responded to the moratorium, stating that "Vietnam resolutely opposes and rejects the regulation issued by China" ([VNExpress](#), February 28). This fishing policy becomes a method for Beijing to protect its food security by ensuring stocks of fish, but also carries over into foreign policy, by acting as a way to enforce its territorial claims in the South China Sea.

Access to fish has even been a bargaining chip in China's dealings with its southern neighbors.

The role of Chinese food security policy in its broader national security concept deserves greater attention. Domestically, Chinese leaders are under pressure to deliver economic benefits to their rural citizens while reforming Chinese agriculture to protect China's ability to feed itself. Similarly, China's demand for fish is quickly exhausting local stocks, but regulations—if enforced without negotiation with China's neighbors—will quickly bring tensions to a head over this limited resource.

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China's Navy Gets a New Helmsman (Part 1): Spotlight on Vice Admiral Shen Jinlong

By Andrew S. Erickson and Kenneth W. Allen

A new leader has just taken the helm of the world's second largest navy. Vice Admiral Shen Jinlong (沈金龙) reportedly replaced Admiral Wu Shengli (吴胜利) as PLAN Commander on January 17, 2017 ([Global Times Online](#), January 20). On the morning of January 20, Shen offered Lunar New Year greetings to sailors on patrol in the Gulf of Aden via video-teleconference ([Chinese Navy Online](#), January 20). Authoritative state media reports have offered few details on Shen, making it important to analyze a broad array of Chinese-language sources to distill what his elevation may mean for China as a maritime power. Given Xi Jinping's sweeping and ongoing military reforms, the organizational dynamics surrounding Shen's rise merit particularly close examination. Understanding these dynamics can help outside observers anticipate the identity, experience, promotion of PLAN leaders, as well as the positions that they hold relative to the PLA and its key commands.

Shen's Selection

Admiral Sun Jianguo, long viewed as Wu's natural successor as PLAN commander by many, represented China at the 2015 and 2016 Shangri-La Dialogues. Sun is now expected to retire by the end of February 2017. Sun's impending retirement opened up possibilities for a set of Vice Admirals considered by foreign observers to be potential candidates to succeed Wu, namely Tian Zhong, Liu Yi, Ding Yi, Jiang Weilie, Yuan

Yubai, Su Zhiqian—and, most importantly, Shen Jinlong ([China Brief](#), September 20, 2016).

Of note, Shen was the last one of this group to be promoted to Military Region (MR) Deputy Leader, now Theater Command (TC) Deputy Leader, grade (December 2014) and the last one to receive his second star (2016). Normally, when someone lower in protocol order moves to the top of the protocol list or is promoted to the next grade, this indicates that the others will not get a grade promotion and will retire at their mandatory age based on their grade. However, as with many situations under Xi Jinping, certain rules appear to be changing. Specifically, when Shen became the PLAN commander, VADM Yuan Yubai—a year ahead of Shen in grade and time in rank—was simultaneously promoted to the same grade and became the commander of the Southern Theater Command. [1] As will be discussed in Part 2, it is not yet clear if Shen will become a PLA Central Military Commission (CMC), member when Wu retires at the end of 2017.

Several of Shen's career highlights point to his status as an emerging leader. In August 2014, shortly after the end of Shen, flew to Hawaii commanded a three-ship task force for a port call to San Diego had just finished participating for the first time in Rim of the Pacific (RIMPAC), the world's largest international maritime exercise ([China Military Online](#), August 6, 2014). In September 2016, Shen headed the PLAN delegation to the twenty-second International Seapower Symposium at the U.S. Naval War College. One pattern common to Chinese bureaucracy is a tendency toward incrementally testing, grooming, and socializing rising leaders over time. In retrospect, Shen was clearly being groomed.

Table 1: Shen Jinlong's Career Path

Date	Billet	Grade	Rank
1974	Soldier & Squad Leader	None	None
1978	Commander, Platoon	Platoon Leader	None
[1980]*	Navigation Director, U/I vessel	[Company Deputy Leader]	None
1982	CO, Tug Boat	[Company Leader]	None
1990	Coxswain, Submarine Hunter Boat	[Battalion Deputy Leader]	[LT/LCDR] †
1992	CO, Frigate	Battalion Leader	[LCDR/CDR]
[1994]	Chief of Staff, Frigate Dadui	Regiment Deputy Leader	[CDR/LCDR]
1995	Commander, Frigate Dadui	Regiment Leader	[CPT/CDR]
[1998]	Chief of Staff, Zhidui	Division Deputy Leader	[CPT/SCPT]
[2000]	Deputy Commander, NSF Vessels Training Center	Division Deputy Leader	[CPT/SCPT]
2002	Commander, NSF Vessels Training Center	Division Leader	SCPT
Nov. 2004	Commander, 10th Destroyer Zhidui (Dalian)	Division Leader	SCPT
2009	Commander, Lushun Support Base	Corps Deputy Leader	SCPT
Apr. 2010	Commandant, Dalian Naval Ship Academy	Corps Deputy Leader	SCPT & RADM
Aug. 2011	Commandant, Naval Command College (Nanjing)	Corps Leader Grade	RADM
Sep. 2014	Deputy Commander, South Sea Fleet	Corps Leader Grade	RADM
Dec. 2014	Deputy Commander, Guangzhou MR and Commander, South Sea Fleet	Military Region Deputy Leader	RADM
Mar. 2016	Deputy Commander, Southern Theater Command and Commander, South Sea Fleet	Theater Command Deputy Leader	RADM & VADM
Jan. 2017	Commander, PLA Navy	Theater Command Leader	VADM

* The information in brackets are logical assumptions based on the time frame as well as the grade and rank structure.
†The PLA's rank system that was abolished in 1965 was not re-implemented until 1988.

Historically, the PLA's service commanders are authorized only one trip abroad per year, while only a few lower-level PLA officers are lucky to travel abroad at all and are limited to only one visit. [2] For example, VADM Zhao Xingfa, who was a PLAN deputy commander in 2008, accompanied then Chief of the General Staff, General Chen Bingde, to Serbia and Norway. Although

Zhao retired as a deputy commander, participation in certain senior officer-led visits is an indicator of grooming for the commander's position ([Xinhua](#), September 10, 2008). For example, as a PAAF deputy commander, Lieutenant General Liu Shunyao accompanied Defense Minister and CMC Vice Chairman Chi Haotian to the United

States in November 1996 and became the commander the next month. **[3]** In September 1998, one of the PLAAF's Deputy Political Commissars, Lieutenant General Qiao Qingchen, accompanied CMC Vice Chairman Zhang Wannian to the United States and became the political commissar three months later.

Career Background

Although no information was found concerning any direct connection between Shen and Xi Jinping, since Xi assumed power in 2012, Shen has risen rapidly. **Table 1** provides information about Shen's career since he joined the PLAN as an enlisted member in 1974.

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Date	Billet	Grade	Rank
1974	Soldier & Squad Leader	None	None
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[1994]	Chief of Staff, Frigate Dadui	Regiment Deputy Leader	[CDR/LCDR]
1995	Commander, Frigate Dadui	Regiment Leader	[CPT/CDR]
[1998]	Chief of Staff, Zhidui	Division Deputy Leader	[CPT/SCPT]
[2000]	Deputy Commander, NSF Vessels Training Center	Division Deputy Leader	[CPT/SCPT]
2002	Commander, NSF Vessels Training Center	Division Leader	SCPT
Nov. 2004	Commander, 10th Destroyer Zhidui (Dalian)	Division Leader	SCPT
2009	Commander, Lushun Support Base	Corps Deputy Leader	SCPT

Apr. 2010	Commandant, Dalian Naval Ship Academy	Corps Deputy Leader	SCPT & RADM
Aug. 2011	Commandant, Naval Command College (Nanjing)	Corps Leader Grade	RADM
Sep. 2014	Deputy Commander, South Sea Fleet	Corps Leader Grade	RADM
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Mar. 2016	Deputy Commander, Southern Theater Command and Commander, South Sea Fleet	Theater Command Deputy Leader	RADM & VADM
Jan. 2017	Commander, PLA Navy	Theater Command Leader	VADM

* The information in brackets are logical assumptions based on the time frame as well as the grade and rank structure.
†The PLA's rank system that was abolished in 1965 was not re-implemented until 1988.

Comparison with Former PLAN Commanders

The PLAN has had eight commanders since its creation in 1949. None of them, including Shen, have shared similar career paths. **[4]** The first two commanders, Xiao Jinguang and Ye Fei, moved from the Army to the Navy and served primarily in political commissar roles. Liu Huaqing served in Army, Navy, and weapons development billets, finishing his career as a Vice-Chairman of the Central Military Commission and as the last PLA member to sit on the Politburo Standing Committee. Zhang Lianzhong and Zhang Dingfa served primarily as submarine officers, while Shi Yunsheng was a naval aviator. Wu Shengli and Shen Jinlong are career surface officers. As shown in **Table 2**, the only common progression for Shen and his two predecessors

is that they all served as fleet deputy commanders and commanders.

While Shen is not yet well known outside Chinese military circles, the sixty-year-old brings wide-ranging professional military education (PME), operational, and international experience to his new position. Shen was born in October 1956 in Shanghai's Nanhui District (上海南汇区), now part of Pudong New District. Since joining the PLAN at 18 in 1974, he has served as commanding officer of a frigate and chief of staff and

Russia in 2001, as well as at the PLA National Defense University in 2008 and 2012. Available information concerning his background suggests that he appears to have always been an avid reader and to have conducted considerable self-study on military topics.

On July 20, 2010, Shen was promoted to Rear Admiral, while serving as the Commandant of the Dalian Naval Ship Academy, a corps deputy leader-grade billet (People's Navy, July 21, 2010). In August 2011, he received a grade promotion to corps leader grade and was appointed

Commandant of the Nanjing Naval Command College (南京海军指挥学院). In this capacity, Shen participated in what was arguably a watershed intellectual event for the PLAN: On February 23, 2012, Shen's college convened the first International Escort Forum (国际护航研讨会). The two-day event gathered a large number of PLAN officers and 84 foreign participants, including from the United States, to discuss anti-piracy experiences in the Gulf of Aden and prospects for further cooperation in that area.

By September 29, 2014, Shen was appointed Deputy Commander of the South Sea Fleet with the same grade of corps leader ([China News Online](#), September 30, 2014). On December 30, 2014—less than four months after being appointed Deputy Commander, he received a grade promotion to Military Region Deputy

Table 2: PLA Navy Commander Career Paths

	Shen Jinlong	Wu Shengli	Zhang Dingfa	Shi Yunsheng	Zhang Lianzhong	Liu Huaqing
CMC MBR		X	X			
Dep Chief of the GS		X				X
AMS CDT			X			
PLAN DCDR/CS				X	X	
Fleet CDR	X	X	X			
Fleet DCDR/CS	X	X	X	X		X
Command College CDT	X					
Academy CDT	X	X				
Base CDR	X	X			X	X
Base DCDR/CS			X			X
Flotilla/Division CDR	X	X			X	
Flotilla/Division DCDR/CS	X		X		X	
Squadron/Regiment CDR	X			X		
Squadron/Regiment DCDR/CS	X			X		

commander of a frigate squadron (大队; *dadui*). He also commanded the North Sea Fleet's 10th Destroyer Flotilla (支队; *zhidui*); and then served as commanding officer of the North Sea Fleet's Lüshun Support Base (旅顺保障基地) ([Mingpao News Net](#), January 12). Like Wu before him, Shen was Commandant of the Dalian Naval Vessel Academy (大连舰艇学院; April 2010–August 2011). Shen was sufficiently well-regarded within the PLAN to have been sent to advanced studies at Russia's Kuznetsov Naval Academy in

Leader grade and was appointed as both Commander of the South Sea Fleet (like Wu before him) and deputy commander of what was then known as the Guangzhou Military Region ([Zhejiang News Online](#), December 31, 2014). In both this leadership capacity and as the head of two PLAN PME institutions, he gained considerable experience in receiving foreign delegations. On July 29, 2016, Shen was promoted in rank to Vice Admiral but retained the same grade (People's Navy, July 30, 2016).

From June through August 2014, the guided-missile destroyer *Haikou* (海口舰; DDG-171), the guided-missile frigate *Yueyang* (岳阳舰; FF-575), and the replenishment ship *Qiandaohu* (千岛湖舰; AO-886) formed Task Group 171 to participate in RIMPAC 2014 (June 26–August 1) and a follow-on visit to San Diego ([Xinhua](#), August 2, 2014; [PRC Embassy](#), USA, August 16, 2014).

Senior Capt. Zhao Xiaogang, who was the commanding officer of an unidentified East Sea fleet destroyer flotilla (*zhidui*), reportedly served as the commanding officer during the RIMPAC exercise. Shen then flew to Hawaii, boarded the *Haikou*, and served as the commanding officer for the trip to San Diego, where PLAN deputy commander, VADM Tian Zhong, arrived and apparently served as the lead officer.

While en route to San Diego, the vessels conducted exercises related to the Code for Unplanned Encounters at Sea (海上意外相遇规则) with the USN's USS *Lake Champlain* (CG-57) and USS *Independence* (LCS-2) ([PLA Daily](#), August 11, 2014). This was followed by a five-day port call in San Diego, at which time, Tian Zhong apparently served as the delegation leader. While in San Diego, the Chinese Ambassador to the United States, Cui Tiankai, and Consul General of

Los Angeles, Liu Jian, participated in the port call, which involved the Commander of the U.S. Third Fleet ([PLA Daily](#), August 14, 2014).

This deployment meant the PLAN would be closely observed by most of the world's other major navies. Given that all three phases were executed well, Shen's participation most likely helped further his selection as the next commander.

Conclusion

The aforementioned experiences constitute valuable preparation to serve as PLAN commander and likely played a role in Shen's selection. Beyond his documented qualifications, however, it remains unclear if Shen's appointment to PLAN commander was influenced decisively by inter-service rivalry, personal choice by Xi Jinping, the promotion system or some combination of factors. Examining and contextualizing Shen's position of leadership offers potential insights into the PLAN's evolving organization and ongoing development as well as its relation to the PLA and its civilian masters. Part 2 of this series will further explore these important factors.

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Notes

1. This may be part of a broader trend toward having officers at the division and above level gain a broader experience first within different branches and then within different MRs/TCs, Fleets, or MRAF/TC Air Forces. The next step is to be involved in joint commands, which would include being a fleet commander and concurrent MR/TC commander or as a deputy chief of the general staff/Joint Staff with a foreign relations/intel portfolio.
2. Kenneth Allen, "Trends in PLA International Initiatives under Hu Jintao," in Roy Kamphausen, David Lai, and Travis Tanner, eds., *Assessing the People's Liberation Army in the Hu Jintao Era*, Carlisle, PA: Strategic Studies Institute, 2014
3. Kenneth W. Allen and John F. Corbett, "Predicting PLA Leader Promotions," in Andrew Scobell and Larry Wortzel, eds., *Civil-Military Change in China: Elites, Institutions, and Ideas After the 16th Party Congress*, (Carlisle, PA: Strategic Studies Institute, September 2004).
4. China's Navy 2007, Office of Naval Intelligence, <https://fas.org/irp/agency/oni/china-navy2007.pdf>.

China Tolerating Vietnam's South China Sea Activities, For Now

By Derek Grossman

China's expanding military presence in the South China Sea has prompted Vietnam to enhance its ability to protect its own holdings in the region. In late November, for example, commercially available imagery revealed that Vietnam was dredging a new channel at Ladd Reef on the southwestern edge of the Spratly Islands, perhaps as a precursor to land reclamation or to improve access to other features ([ChinaTimes](#), December 9, 2016). In the same month, Hanoi extended its sole runway and added new hangars on Spratly Island. Vietnam also reportedly fortified several of its holdings with what appear to be Israeli-built Extended Range Artillery (EXTRA) precision-guided rocket artillery launchers over the summer ([Global Times](#), August 11, 2016).

Curiously, Chinese leaders have not punished Vietnam for any of these activities or even so much as complained about them. Instead, Beijing continues to maintain cordial and cooperative bilateral ties, with Chinese President Xi Jinping on January 12 hosting Vietnamese Secretary-General Nguyen Phu Trong in Beijing for bilateral talks. China has probably tolerated Vietnam's South China Sea activities because it feels increasingly confident in its improving military position throughout the region.

Indirect Condemnations

Chinese leaders have issued only indirect condemnations of recent Vietnamese activities in

the South China Sea. For example, Beijing's foreign ministry officially responded to the reported deployment of EXTRA by stating that "China has indisputable sovereignty over the Nansha Islands [the Chinese name for the Spratly Islands] and their surrounding waters." The ministry further noted that "China has always firmly opposed the illegal occupation of parts of China's Nansha Islands and reefs by certain countries and their illegal construction and military deployments on these islands and reefs" ([China Daily](#), August 11, 2016). It is noteworthy that Beijing issued such measured and generic statements given the provocative nature of the PRC media report. Indeed, even the often-strident state-run media outlet *Global Times* gave Vietnam the benefit of the doubt, stating that it hoped the report was "only speculation from Western media" and the two sides should practice restraint to avoid a crisis ([Global Times](#), August 11, 2016).

China's reaction to other Vietnamese actions has been similarly circumspect. The foreign ministry, for instance, responded to reports that Vietnam had expanded its runway by urging the "relevant country"—Vietnam was not specifically named—to "truly respect China's sovereignty and legitimate rights and interests" and to "immediately stop its illegal occupation and construction and withdraw their personnel and facilities" ([FMPRC](#), November 18, 2016). Beijing's defense ministry also declined to identify Vietnam regarding the runway issue ([China Military Online](#), November 30th, 2016). Both ministries instead left it up to *Xinhua* to later identify Vietnam as the country in question ([Xinhua](#), November 18th, 2016). Separately, Hanoi's dredging activities at Ladd Reef prompted the foreign ministry to make similarly indirect statements

([FMPRC](#), December 15, 2016; [FMPRC](#), December 9, 2016).

Bilateral Relations Remain Positive

Despite their mutual suspicion, Chinese and Vietnamese leaders have remained remarkably cordial and cooperative in multiple dimensions of the bilateral relationship. In late December, for example, Vietnam hosted a two-day conference on enhancing economic cooperation with China ([Xinhua](#), December 28, 2016). On defense, both sides routinely hail their cooperation. In February 2009, Vietnam and China finalized the demarcation of their border. Since then, Hanoi and Beijing have engaged in a series of confidence-building measures that have included defense minister discussions and joint exercises along the border, the most recent of which was a "joint anti-terror" border exercise in July 2016 ([VietnamNet Bridge](#), November 2, 2016; [The Diplomat](#), July 30, 2016; [Xinhua](#), August 30, 2016).

Even in the most contentious of domains, the maritime domain, China and Vietnam tend to look past their differences. In mid-January, after meeting with counterparts in Beijing, Vietnamese Secretary-General Nguyen issued a joint "communiqué" stating that the two sides planned to "manage well their maritime difference, avoid actions that complicate the situation and escalate tensions, and safeguard the peace and stability of the South China Sea." To be sure, maritime differences are assiduously avoided in favor of cooperation. In November, for instance, the Chinese and Vietnamese coast guards took part in a joint patrol to monitor fishing areas of the Gulf of Tonkin ([People's Army Newspaper \[Vietnam\]](#), November 9, 2016). Moreover, in a symbolic step, the Chinese navy in October made a first-ever port call to the international

port within Vietnam's Cam Ranh Bay ([The Diplomat](#), October 23, 2016). Indeed, Xi Jinping in November called for China and Vietnam to work together to maintain stability in the South China Sea—well after reports that Hanoi had deployed EXTRA on disputed features ([Xinhua](#), November 20, 2016).

Confidence Borne of Military Superiority

Beijing probably keeps bilateral relations cordial and productive in spite of Vietnamese actions because it maintains overwhelming military superiority in the region. China's "Southern Theater Command" fields diverse capabilities at multiple locations to keep the balance of power well in Beijing's favor. These include guided missile destroyers, nuclear-missile equipped submarine forces, long-range supply vessels, coast guard and other maritime enforcement ships, marine forces with dedicated amphibious capabilities, multiple launch brigades for land-based missiles, and air assets ranging from bombers to multi-role fighter aircraft ([China Brief](#), July 22, 2016).

Beijing's considerable arsenal has enhanced its confidence to the point that China has decided only to quietly bolster its military defenses on disputed features. In November, for example, the Center for Strategic and International Studies' Asia Maritime Transparency Initiative assessed that China over the summer had deployed close-in weapon systems (CIWS) and anti-aircraft artillery on all of its holdings in the Spratly Islands. According to expert analysis, CIWS could be effective against sea-skimming cruise missiles, while anti-aircraft artillery could provide point defense for airfields and radar installations ([AMTI](#), December 14, 2016). Vietnam has been actively acquiring cruise missiles that

can be launched from a range of surface ships, such as *Gepard*-class frigates or *Molniya*-class corvettes, and from one of its six acquired *Kilo*-class submarines. In addition, Vietnam's air force continues to modernize its fixed-wing aircraft, which now features 36 Sukhoi Su-30s, in the hopes of providing Hanoi with maritime strike capabilities throughout the region.

China has deployed more high-profile defenses on Woody Island, the main island in the disputed Paracel Island chain within closer proximity to Vietnam. Beijing in mid-February 2016 deployed two batteries of eight Hongqi-9 (HQ-9) surface-to-air missile (SAM) launchers to Woody Island that enabled highly capable targeting of aircraft and missiles out to 120 nautical miles ([Guancha](#), February 17, 2016). The deployment of this system—derived from the Russian-built S-300—is a permanent fixture and not tied to exercises like the previous two deployments ([China Brief](#), March 28, 2016). Beijing may also seek to use recently constructed facilities throughout the Spratlys to house additional SAMs, though this remains unclear for the moment.

Separately, in October, Beijing opened its first desalination plant in the South China Sea on Woody Island, providing an important source of fresh water to grow and sustain the present population there of approximately 1,500 residents—most of whom are Chinese military personnel. In late December, Beijing initiated regular charter flights between Woody Island and Hainan to "improve the work and living conditions of the city's public servants and stationed soldiers" ([Xinhua](#), December 22, 2016). With the desalination plant in place, Beijing will also have more fresh water available to help reduce the negative effects of operating weaponry in a high

salt environment ([The Diplomat](#), October 4, 2016). China might eventually decide to permanently station its fighter aircraft like the J-11B—which rotated through the island in 2015—on Woody Island, though sufficient fuel storage and hangar space would still be required ([Defense News](#), November 8, 2015).

Limits to Chinese Tolerance?

Judging from China's response thus far, it is fair to say that Beijing has chosen to tolerate recent Vietnamese construction activities in the South China Sea. However, China has a range of options to express its displeasure with Hanoi, such as emplacing a new structure in disputed waters, conducting military exercises, or stepping up sovereignty patrols in the region.

Any of these responses is possible, especially as tensions predictably rise in the South China Sea during the spring. In May 2014, for example, Beijing decided to emplace the *Haiyang Shiyou* oil rig in disputed waters, resulting in a months-long standoff between Chinese and Vietnamese coast guards until Beijing finally decided to remove the rig. It is unclear what motivated China to move the rig into the area in the first place, but the tactic was clearly designed to put pressure on Vietnam's sovereignty claims.

Chinese leaders might change their calculus if they believe Vietnam is trying to enlist the support of the U.S. or other partners to settle bilateral disputes. Hanoi's burgeoning security relationships with Japan, India, and the U.S. will be particularly sensitive to China. Beijing might also decide to more assertively and overtly challenge Vietnam if it assesses that Hanoi has acquired capabilities that can more effectively challenge

China's military assets in the region. For example, for years Vietnam has been trying to procure from India the Brahmos sea-skimming supersonic anti-ship cruise missile, which could significantly endanger Chinese surface combatants. Recent reports also indicate that New Delhi might sell Hanoi the medium-range Akash SAM that might threaten China's fighter aircraft operations if acquired ([Asia Times](#), January 11).

Finally, seasonal frictions over access to fishing and natural resources in the South China Sea could prompt increasingly aggressive Chinese tactics against Vietnamese vessels that might trigger an overtly military response. This week Vietnam slammed the imposition of a Chinese fishing ban from May to August in waters near the Paracel Islands—a tactic Beijing has employed annually since 1999. In this regard, the next few months should be instructive as to the future trajectory of the relationship.

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Renewable Energy and the PLA's Next Generation of Self-Sufficiency (Part 1)

By Commander Wilson VornDick

This is the first in a two-part series on Chinese energy security and renewable energy.

In December 2016, China unveiled one of its most ambitious renewable energy (可再生能源) initiatives thus far with plans to invest over \$360 billion as part of the Chinese National Energy Administration's (NEA) new "Thirteenth Five-Year Plan" (可再生能源发展"十三五"规划以实) (NDRC.gov, December 2016). This initiative promotes the adoption of more non-fossil energy sources by 2020 and will be a benefit not only for the soot and smog-cloaked cities of China, but also create up to 13 million jobs, conserve scarce resources such as water, and buoy the flagging Chinese renewable energy sector (National Energy Administration of China, January 5). While this announcement garnered praise from the international community, a second announcement a few days later for the Implementation Plan for Frontier Power Grid Construction that ties in the Chinese constabulary and military forces went largely unnoticed (China News, January 10).

This joint plan between the NEA, the Logistics Department of the Central Military Commission (CMC), and the China Southern Power Grid Company aims to resolve the "electricity problems" of the PLA and the Border Defense Force by 2020 (NEA; China Southern Power Grid Company, [accessed February 10]). Zhao Keshi, a member of the CMC and director of the Logistics

Department of the CMC, asserted that President Xi Jinping conceives of energy construction as an integral part of the national security plan to include expansion and construction of more renewable energy resources. Additionally, Zhao identified two important and ongoing trends in his remarks: the revolution in national energy and the full integration of civilian and military (civ-mil) development, that will enhance the Chinese "wartime ability to fight." From Zhao's comments, it would appear that China is securitizing renewable energy, as part of a broader energy strategy (能源战略). But before the military role in renewables can be assessed, it is essential to examine some key aspects of renewable energy.

Primer on Renewable Energy

China has relied primarily on fossil fuels for its energy needs. With the exception of hydro-power (水电) harnessed from its large network of dams and extensive historical use, alternative energies were largely unknown in China until the mid-1990s. Renewables slowly gained prominence as technologies were transferred to China through business ventures and research conducted in Western corporate and university laboratories. Later, this transfer of renewable technology increased rapidly as Chinese companies merged and acquired Western companies, or through their own internal research and development efforts. State-owned energy providers then tapped into renewable companies as part of their energy production portfolio. As a result, a mix of both private and public Chinese entities are now heavily involved in the renewable energy sector.

Recognizing the potential and necessity of renewable energy, the Chinese government has

funded renewable energy initiatives and research, such as the Chinese Meteorological Administration's Wind and Solar Energy Resource Center (中国气象局--风能太阳能资源中心) ([CMA](#), January 10). China now harnesses a wide variety of renewable energy sources, from biomass (生物质发电), to wind power (风电), to ocean energy (海洋能), to solar power. Greenpeace estimates that China installed an average of one wind turbine every hour of every day in 2015 and covered the equivalent of one soccer field every hour with solar panels ([Greenpeace](#), January 10). However, renewable energy sources are unequally distributed across China. While solar power is ubiquitous and the most accessible throughout China, hydroelectric power generation, such as the Three Gorges Dam (三峡大坝), is severely limited to rivers and lakes. The same is true for ocean energy generation along the coast and wind power. Interestingly, wind energy could play an integral part in power generation for military and constabulary forces positioned in the restive and contentious areas within and bordering China. This is because the strongest and most effective wind currents for capturing energy are located primarily in the west, in Xinjiang and Xizang, or along the southeastern coast, adjacent to Hong Kong, the South and East China Seas, and Taiwan.

Yet, China's successes in renewable energy have not gone unnoticed. A few years ago the U.S. State Department launched a series of collaborative efforts between American and Chinese companies. However, there have been a string of high-profile events that have diminished the prospects for future cooperation. Primarily, a downturn in renewable energy sector dampened global enthusiasm in the early 2010s. This was followed quickly by multiple lawsuits against China. In 2012, America sued China in

the WTO for dumping solar panels on the American market ([Reuters](#), [accessed February 17]). Meanwhile, Beijing's *Sinovel Wind Group* was sued in both American and Chinese courts by its previous wind turbine software supplier, Massachusetts-based *AMSC*, for "unauthorized" use of *AMSC's* proprietary software ([Bloomberg](#), [accessed February 27]).

The Chinese military is not the first or only to explore renewables. The U.S. Navy has invested heavily in biofuels as part of the "Great Green Fleet" initiative, while the Department of Defense has invested in a variety of programs ([U.S. Navy](#), February 17; [DoD-NREL](#), February 17). However, China has sought to expand the use of renewables both at home and abroad, especially where it is making strategic leasing arrangements. A recent article in the Natural Science Edition of the Journal of Xiamen University by both PLA University of Science and Technology and the Dalian Naval Academy personnel assessed the potential for wind power generation in and around the Gwadar Port area in Pakistan, site of a future PLA-Navy base ([Chinamil](#), December 1, 2016). **[2]** As the article points out, the researchers hoped their efforts would promote sustainable development in Gwadar and provide a "demonstration" for Chinese projects abroad. In addition, the report's release coincided with an infusion of more than \$500 million by China into renewable energy resources in Pakistan through the China-Pakistan Economic Corridor, a \$45 billion dollar agreement to build infrastructure projects which include wind and solar ventures ([CEPEC News](#), February 23, 2016). In the future, it is likely China will deploy renewables to other recently established leases in the Maldives, Djibouti, or one of its many land-based satellite tracking stations. In another study, personnel in

Xi'an at the PLA's Construction Engineer Research Institute and the Energy Evaluation Center for Building tested energy-saving techniques in residential buildings that can be cross-applied to commercial, industrial, or military facilities. [3] This civ-mil component in China's renewable energy sector cannot be understated.

Civil-Military Integration in Renewables

China's 2015 Military Strategy contends that accelerated civ-mil integration will be key to unspecified, sectors. To aid civ-mil cooperation, "stronger policy support" will be initiated to "establish uniform military and civilian standards for infrastructure, key technological areas and major industries . . . It is also necessary to push forward with the shared utilization of military capabilities and those of other sectors" ([Defense White Paper](#), May 29, 2015). As such, the overlap in civ-mil cooperation is manifest for a number of reasons. First, it is important to point out that renewable energy systems can be easily replicated and applied by both government and commercial entities, respectively called government off-the-shelf (GOTS) or commercial off-the-shelf (COTS). Second, a number of key figures in the renewable energy sectors have backgrounds in the Chinese military and maintain close relations with military industries and government, paralleling the civ-mil integration that the *2015 Military Strategy* commands. Three are particularly noteworthy: one in solar, one in the broader renewable energy portfolio, and one in wind.

Miao Liansheng spent 13 years as a PLA soldier, but now leads *Yingli Green Energy Holding Co. Ltd.*, a New York-listed solar company. Miao's hometown of Baoding, about 100 miles south-

west of Beijing, is the "nationally designated alternative energy production base." [1] Both the Chinese and American *Yingli* websites tout *Yingli* as the world's leading producer of photovoltaic (PV) modules with nearly 65 million produced thus far ([Yingli Solar](#) [accessed February 10]). Another leader in solar power, Zhu Gongshan, the founder of *GCLPoly*, has one of the longest and most diverse histories in the energy sector. Zhu began with the construction of a thermal power plant in Taicang in 1996 by teaming up with *Kong Continental Mariner Investment*, whose largest shareholder was the powerful *Poly Group*. Historically, *Poly* has maintained close ties with the PLA and Deng Xiaoping's family. In 2006, Zhu transitioned to renewables. Rather than follow other Chinese companies' lead and focusing on downstream production, Zhu started by producing polysilicon, the raw material of PV panels. After success there, he transitioned again to solar power plant construction and silicon wafer production in 2009. This time he received an investment of \$700 million by the government-backed sovereign wealth fund, *China Investment Corporation*.

The same civ-mil connection is present in the wind sector. Zhang Chuanwei served 10 years in the PLA before starting *Ming Yang Wind Power Group*. He is noteworthy for pioneering turbine leasing by partnering with the Chinese bank *ICBC* and intends to make *Ming Yang* the global leader in offshore wind power through more integrated turbines, energy storage, and grid technology.

However, China's heavy civ-mil relationship in renewable energy has not gone unnoticed, especially in the U.S. In 2010, Congress launched an investigation when it was discovered that *Suntech*, with ties to the PLA, was the largest

supplier to a solar plant at Nellis Air Force Base in Nevada. As a result, Congress inserted Sections 846 and 858 into the *2015 National Defense Authorization Act* that prescribed that the Defense Department comply with the Buy American Act when purchasing most photovoltaic devices, effectively shutting out Chinese suppliers. [4] In 2012, the Obama Administration with the backing of the Committee on Foreign Investment in the United States (CFIUS) blocked construction of a wind farm adjacent to a sensitive U.S. Navy development facility in Oregon. While *China Daily* did not specify, Reuters pointed out the direct connection between *Ralls Corporation*, its parent company (Shanghai-listed *Sany Heavy Industry Co.*), and *Sany's* chairman Liang Wengen, previously a senior representative to multiple Chinese National Congresses ([China Daily](#), September 29, 2012; [Reuters](#), September 29, 2012). The PLA's role in China's energy development and strategy is less surprising given China's larger energy security issues.

Chinese Energy Strategy

Graduate research by Yuan Weicheng from Taiwan National University identifies six dilemmas that China faces with regards to its energy security. [5] First, China inordinately focuses on the coal industry which distorts broader economics. Second, China's large imports of oil and gas are beholden to political risk. Third, these imports traverse vulnerable, strategic sea-lanes, such as the Malacca Straits and the Horn of Hormuz. Fourth, Chinese state-owned energy enterprises are split by political factions and rife with corruption. Fifth, it is difficult for China to maintain its strategic oil reserve up to the International Energy Agency's recommended 90-day limit. Finally, China's energy demand is causing wide-

spread environmental devastation as well as associated social distortions. As Yuan points out, in 2013, the *3rd Plenary Session of 18th Communist Party Congress* rolled out reforms, spearheaded by the Central National Security Commission and the Central Leading Group for Comprehensively Deepening Reform to address these six dilemmas.

In his assessment, Yuan contends that Xi's emphasis on energy security is a national, global, and strategic issue. First, politically, Xi needs to combat the powerful oil clique and ratchet down corruption of the state-owned energy enterprises. Second, China should promote the transformation of its energy infrastructure and revolutionize its energy sector to promote economic growth, diversity, and sustainability. Third, China should deepen foreign energy cooperation initiatives through diplomatic means, such as "One Belt, One Road" and the Asian Infrastructure Investment Bank. Fourth, China should develop fossil fuel alternatives to not only lessen the detrimental environmental impacts they cause but also to alleviate the negative social distortions they create. For example, spontaneous local environmental protests have increased in frequency throughout China over the last few years to the chagrin and concern of China's leadership. Fifth, the PLA will play a pivotal role in both protecting China's oil reserves and securing China's vital and strategic energy routes that span from Africa to the South China Sea. In conclusion, China, under Xi's leadership, will adopt a more proactive and comprehensive approach to energy strategy in response to its unfavorable condition. Indeed, this transformation has begun and is manifest in some recent, renewable-focused activities by the PLA.

Conclusion

The deep connections between China's energy sector and its government are not entirely new or novel. However, what is unique is how these connections have emerged in the emergent renewable energy sector. Broadly, China's embrace and advancements in renewable technologies and techniques over the past two decades has been remarkable. Amid the background of globalization, China now has mastered a sector begun and largely driven by foreign competitors. Indeed, the tables have turned. As the previously mentioned dossiers indicated, the PLA has played an important, albeit understated role as an incubator and financier for some of the leading commercial efforts in renewable energy. The next article in this series will examine the role of the PLA in China's national energy strategy.

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China and Saudi Arabia Solidify Strategic Partnership Amid Looming Risks

By Chris Zambelis

While the wider Middle East remains convulsed by conflict and instability, China's influence and interests in the region continue to expand in a familiar pattern. As the world's largest consumer of energy

overall and the world's second biggest importer of crude oil, China's Middle East policy continues to be driven by the need for secure sources of energy. The China National United Oil Company (Chinaoil), a joint subsidiary of China National Petroleum Corporation (CNPC) and Sinochem Corporation, alone purchased 7 million barrels of Middle East crude in January 2017 (Yibada.com [New York City], February 5). Unsurprisingly, China's closest partner in the Middle East, Saudi Arabia is home to roughly 18 percent of the world's total oil reserves and is the world's top exporter of crude. The two countries' relationship was solidified in 2009 when China surpassed the United States as the top destination of Saudi oil exports. Although Russia overtook Saudi Arabia as China's number one supplier of oil in 2016, China's reliance on Saudi oil will remain central to its energy security calculus (Gulf Business [Dubai], January 17).

However, multiple state-level bilateral exchanges in 2016 point to an evolving relationship that transcends oil. Sino-Saudi relations witnessed an unprecedented expansion in bilateral security cooperation in 2016 in the form of their first ever joint counterterrorism exercise (al-Jazeera [Doha], October 23, 2016). The increasing pace of Sino-Saudi contacts points to a more expansive phase of bilateral relations over a convergence of interests in the security sphere. The increasingly security-focused elements on display in China's relationship with Saudi Arabia represent the latest sign of China's growing appetite for showcasing its military capabilities beyond its borders. At the same time, given Saudi Arabia's predicament, China's growing engagement with the kingdom exposes it to a multitude of risks.

Energy, Economics, and Diplomacy

The outcome of the Saudi Deputy Crown Prince Mohammed bin Salman al-Saud's three-day visit to

Beijing in August 2016 is further illustrative of the growing amity between China and Saudi Arabia. The ambitious and multi-titled grandson of King Salman bin Abdulaziz al-Saud—Prince Salman also serves as Saudi Arabia’s second Deputy Prime Minister and Defense Minister—has emerged as the face of the kingdom’s drive to reform, modernize, and diversify its economy under its Vision 2030 plan ([al-Arabiya](#) [Abu Dhabi], April 26, 2016). Salman visited at the invitation of Chinese Vice Premier Zhang Gaoli, shortly ahead of the September 4–5 meeting of the eleventh annual meeting of the Group of 20 (G20) in Hangzhou. Salman’s meetings with Vice Premier Zhang yielded fifteen memorandums of understanding (MOUs) governing cooperation in the energy, mining, housing, finance, infrastructure, and public works sectors. The MOUs also outlined plans to help finance reconstruction projects in areas affected by earthquakes in China, collaboration between the Chinese Ministry of Science and Technology and King Abdulaziz City for Science and Technology, and future cultural exchanges. Prince Salman also met with officials representing the Bank of China, Bank of China for Telecommunications, and the Asian Infrastructure Development Bank ([Asharq al-Awsat](#) [London], August 30, 2016). The two sides also announced the creation of a joint bilateral strategic body to act as a framework for future bilateral contacts ([al-Arabiya](#), August 30, 2016; [Xinhua](#), August 30, 2016). Prince Salman also met with China’s Defense Minister Chang Wanquan in an exchange that yielded a commitment to further advance Sino-Saudi security cooperation ([Xinhua](#), August 31, 2016).

Similarly, Chinese President Xi Jinping’s January 2016 visit to Saudi Arabia yielded a host of energy and trade agreements. China imported approximately 1 million barrels per day of crude oil in 2016 from Saudi Arabia, accounting for around 20 percent of its overall energy demand ([Gulf Business](#),

January 17). China is also Saudi Arabia’s biggest oil customer and overall largest trading partner. Xi’s visit was the first stop on a three-nation Middle East tour that would also bring him to Egypt and Iran. His trip was the first by a Chinese president to the kingdom in seven years. Xi’s talks with King Salman resulted in the elevation of the current bilateral relationship to what was termed a “comprehensive strategic partnership.” Both leaders appeared side-by-side at the King Abdullah Petroleum Studies and Research Center in Riyadh to remotely inaugurate the Yanbu Aramco Sinopec Refining Company (YASREF) oil refinery ([YASREF](#), February 9, 2016; [Xinhua](#), January 21, 2016; [Ministry of Foreign Affairs](#), January 20, 2016). Located in Yanbu Industrial City along the Red Sea in the kingdom’s al-Medina Province, YASREF represents a joint venture between the Saudi Arabian Oil Company (Aramco) and the China Petroleum and Chemical Corporation (Sinopec). Initiated in 2012 at an initial investment of \$10 billion, the effort represents China’s single-largest investment in Saudi Arabia. Aramco holds a 62 percent stake while Sinopec holds a 37 percent stake in YASREF ([YASREF](#), February 9, 2016). YASREF is a full-conversion refinery and the first overseas refinery constructed by Sinopec.

Xi used the occasion to praise the state of Sino-Saudi relations and emphasize the kingdom’s role in China’s OBOR initiative. Recognizing the significance of China’s emphasis on establishing a web of regional trade and communication lines, Saudi Arabia has since expressed interest in joining the China-Pakistan Economic Corridor (CPEC) ([Express Tribune](#) [Karachi], October 1, 2016). Both sides also reiterated their agreement on a range of range of regional topics, including combatting terrorism. Numerous agreements governing cooperation in the energy, communications, technology, environment, culture, aerospace, and scientific sectors were also concluded ([Xinhua](#), January 21, 2016).

As the last country to recognize the People's Republic of China in 1990, Sino-Saudi relations have grown markedly from their previous state of passive indifference to Cold War tensions. Saudi Arabia's strategic alliance with the United States took precedent over all else in foreign affairs. The changing geopolitical landscape has prompted Saudi Arabia to revise its foreign policy. Much has been said of former U.S. president Barack Obama's declaration of a U.S. strategic pivot towards Asia. Saudi Arabia has initiated its own strategic pivot of sorts toward Asia and, in particular, China ([al-Monitor](#), March 13, 2014). In doing so, Saudi Arabia is seeking to diversify its portfolio of foreign relations to offset what it perceives to be a decline in U.S. global influence and a shift in the U.S. Middle East calculus. Saudi trepidation over the prospects of a U.S. détente with Iran, disagreements over the conflict in Syria, and a host of other issues have propelled the kingdom to seek out new partners.

China's highly touted friendship with Iran also is likely to weigh heavily on Saudi thinking. In this context, Saudi Arabia's overtures to China also reflect an effort to offset the extensive inroads that have already been achieved in Sino-Iranian relations. A visit by a delegation representing Yemen's Houthi rebellion to Beijing in November 2016 is also likely to have raised suspicions about China's intentions in Yemen's civil war given the diplomatic efforts to end the conflict. Saudi Arabia is determined to reverse Houthi gains through military action and reassert its influence in Yemen while China has advocated for a peaceful resolution of the conflict ([Middle East Observer](#) [Stockholm], December 3, 2016; [al-Araby al-Jadeed](#) [London], December 1, 2016). China's continued support for Syrian President Bashar al-Assad in Syria represents another potential concern given Saudi Arabia's support of efforts to topple the Ba'athist regime. During an August 2016

meeting with Syrian Defense Minister and Deputy Prime Minister General Fahd Jasim al-Furayj in Damascus, Chinese Rear Admiral Guan Youfei reaffirmed China's support for the Ba'athist regime and relayed a commitment to increase Sino-Syrian military cooperation. Youfei also conveyed China's concerns about the prevalence of Chinese and other ethnic Uighur militants associated with the al-Qaeda-affiliated Turkistan Islamic Party (TIP) who have joined the most radical factions within the Syrian insurgency ([Diplomat](#) [Tokyo], January 27; [South China Morning Post](#) [Hong Kong], August 16, 2016). TIP is implicated in a host of attacks in China's Xinjiang-Uighur Autonomous Province and beyond.

Security Affairs

Unlike its energy, economic, and diplomatic aspects, the security dimension of China's relationship with Saudi Arabia has received less scrutiny. Historically, the security dimension in Sino-Saudi relations has been quite limited. The extent of Sino-Saudi security relations is generally attributed to Saudi Arabia's acquisition of China's Dongfeng-3 (DF-3; NATO CSS-2 ["East Wind"]) nuclear-capable intermediate-range ballistic missiles (IRBMs) in the late 1980s ([China Brief](#), October 24, 2002). The conclusion of the missile deal occurred prior to the 1990 establishment of formal diplomatic relations between both countries. Saudi Arabia is also known to have subsequently acquired DF-5 (CSS-5) intercontinental ballistic missiles from China. Saudi Arabia is also reported to have procured the yet more advanced DF-21 missile system in 2007, allegedly with U.S. approval ([Middle East Institute](#), February 9, 2016; [Nuclear Threat Initiative](#), August 2015; [Defense-Update](#) [Qadima], May 2, 2014; [Diplomat](#), January 31, 2014). Saudi Arabia's pursuit of Chinese ballistic missile platforms served to enhance the kingdom's deterrent capacity against Iran, Iraq, and

Israel after its requests for U.S. missile and other advanced defense systems were rejected. The Chinese-supplied missiles are operated by the Royal Saudi Strategic Missile Force and are deployed in numerous locations, including the Al-Sulayyil Strategic Missile Base, southwest of the capital Riyadh. It is one of at least two missile bases reportedly constructed by China in the 1980s (ababiil.net [Yemen], July 1, 2015).

The security umbrella afforded by the longstanding U.S.-Saudi strategic relationship remains the foundation of the kingdom's national security strategy. Saudi Arabia's reliance on U.S. weapons platforms is further illustrative of its dependence on the United States. Saudi Arabia is one of the world's largest importer of weapons, having surpassed India in 2014 as the single-largest arms importer overall. The kingdom is also the single-largest importer of U.S. defense systems (SIPRI, February 2016). Nevertheless, Saudi Arabia has demonstrated at least a passing interest in purchasing additional Chinese defense systems, including the jointly produced Chinese-Pakistani JF-17 fighter (The News International [Karachi], November 17, 2016). Saudi Arabia is also reported to have reached a deal with China's Chengdu Aircraft Industry Group (CAIG) for the purchase of a number of medium-altitude, long-endurance unmanned aerial vehicles (UAVs) capable of conducting intelligence, surveillance, and reconnaissance operations as well as targeted strikes (Arab News [Jeddah], September 1, 2016). Saudi Arabia is also rumored to have expressed an interest in potentially developing a submarine with Chinese assistance (Tactical Report [Mansourieh], September 2, 2016).

President Xi's January 2016 visit to Saudi Arabia yielded a commitment from both sides to increase bilateral security cooperation, especially in the counterterrorism arena (Xinhua, January 20, 2016).

A delegation led by Meng Jianzhu, a special envoy of Xi's, traveled to Riyadh in November 2016 to meet with King Abdulaziz to discuss a range of security issues. Both sides announced a commitment to forge a five-year plan to increase bilateral security cooperation (Arab News, November 7, 2016; Middle East Observer, November 7, 2016). Jiazhu's visit followed a milestone in Sino-Saudi security relations. China and Saudi Arabia staged their first joint counterterrorism exercise in October 2016. Dubbed "Exploration 2016," the exercise was held over a fifteen-day period in China's southwestern city of Chongqing. The exercise featured Special Forces units attached to the Royal Saudi Land Forces and their People's Liberation Army (PLA) counterparts. The exercises, which featured two 25-member contingents representing both countries, were designed to improve the respective capacities of both countries to conduct counterterrorism, hostage rescue, and other complex operations (South China Morning Post, October 27, 2016; Asharq Al-Awsat, October 27, 2016; Asharq Al-Awsat, October 23, 2016).

Looming Risks

A snapshot of Saudi Arabia's geopolitical picture reveals some of the risks China faces as its engagement with the kingdom grows. Despite its autocratic character, Saudi Arabia has been spared the wave of upheaval witnessed elsewhere in the Arab world. Even as it confronts a domestic terrorist challenge in the form of a resilient al-Qaeda and self-anointed Islamic State, heightened sectarian tensions, and growing displays of popular dissent, Saudi Arabia has managed to present an image of constancy. Its reality is far more complex. Saudi Arabia is beset with a litany of challenges to its domestic security, political stability, economic viability, and regional standing. The fall of oil prices has undermined the kingdom. The removal of a number a number of

economic sanctions levied against Iran following the Joint Comprehensive Plan of Action agreement has helped facilitate the steady return of Saudi Arabia's archrival into energy markets. The growth of the U.S. shale industry has likewise helped to chip away at the kingdom's comparative advantage in the oil sector. In a measure designed to help bolster oil prices, Saudi Arabia helped the Organization of the Petroleum Exporting Countries reach an agreement to slash production, but any short-lived increases in the price of oil are not likely to offset the kingdom's many structural challenges (*Economist* [London], December 3, 2016). Given the blows to China's interests in Egypt, Libya, Syria, and other Arab countries beset by instability in recent years, the potential destabilization of Saudi Arabia would have major repercussions for Chinese interests. Saudi Arabia's problems extend to the foreign policy front. Saudi Arabia's intervention in Yemen has been disastrous. Saudi Arabia has also failed to achieve its objectives in Syria and other fronts. Despite its official repudiation of extremism, Saudi Arabia remains the ideological wellspring of the austere Wahhabist and Salafist philosophies that have helped to nurture violent radical Islamist currents worldwide. This includes ideological movements that have helped spawn extremists in China or are otherwise targeting Chinese interests abroad.

Conclusion

While Sino-Saudi relations will continue to flourish, the kingdom's precarious geopolitical predicament exposes China to multiple energy and economic risks. The security facets of the bilateral relationship will likely draw the most attention, although are no indications that they will exceed its energy, economic, and diplomatic facets even as the kingdom is likely to invite closer security cooperation. Despite its impressive inroads, China is in no position to displace or otherwise categorically offset U.S. influence

in Saudi Arabia or the wider Middle East. Just as important, there are no indications to suggest that China has its sights set on overtaking the United States as the region's dominant military actor. Saudi Arabia remains a critical member of an entrenched U.S. regional alliance network, a reality that is not likely to have been lost in Beijing. At the same time, China's rising influence in the Middle East does provide it with tangible strategic advantages, including crucial leverage that could be brought to bear over the United States in a future crisis in the South China Sea or other possible friction points in Asia or elsewhere down the line.

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