China: A Threat or Challenge?

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Introduction

The pursuit of excellence is a never ending process, but there are exceptions. China has achieved excellence in the art of ambiguity and deception. No one is sure of its actual grand strategy, objectives and future course, albeit Western analysts predicted a decade ago that China would start flexing its muscle 2010 onwards. Which direction the 'muscle flexing' would take is not hard to gauge. In India, there is continued fear of 'annoying the dragon'; a euphemism that limits our capacity to interpret the signals emanating from China. Though China continues to follow Mao's legacy of "power flows from the barrel of the gun", we fail to recognise that China and Pakistan only respect power. Power is not the exclusive preserve of the military but the military will remain its major constituent. The accelerating Chinese economy, its galloping military modernisation, the diminishing US stature, and Sino-US strategic convergence in Af-Pak have all fuelled Chinese superpower ambitions. India must take stock, and chart out a course, synergising diplomatic, military, economic and information operations, lest we come to a future situation of capitulation. Like the US focus on "Af-Pak", we need to focus on "China-Pak" as a combined threat to India that may be manipulated more and more in the future by Beijing.

Economics and Energy

China has sustained a growth rate of 10-12 per cent through the last decade. The per capita Gross Domestic Product (GDP) stands at \$4,000, four times that of India. The economic output of China is expected to exceed \$5 trillion in 2010.

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Robert Fogel predicts that by 2040, China's GDP of \$123 trillion would overtake the US. While others differ, opining that the Chinese economy may never overtake the US, China undoubtedly is a future economic giant. However, for this to happen, China must ensure that her increasing demands of energy are met. Hydro-electric power is set to increase from 20 per cent to 28 per cent and the 2010 target in renewable energy is 190,000 MW but China's 24,000 odd coal mines are antiquated and repeated disasters are forcing closure of 7,000 of these. Fifty per cent of oil demand is met through imports; 30 per cent from Sudan, Iran and Kazakhstan; and 20 per cent ex Saudi Arabia. In the long term, cheap oil from these countries would not suffice to maintain the Chinese economy, forcing China to look at other sources/countries. More importantly, her sea lanes for trade and smooth energy flow must remain secure, including through the Indian Ocean. This dependence causes great energy security concern in China because more than 85 per cent of its energy products cross the Indian Ocean and pass through the Strait of Malacca.

Superpower Status

China is racing ahead to achieve greater Comprehensive National Power (CNP), emerging as a major player in the world order. Its "Doctrine of Preemption and Surprise" that encompasses surprise, deception and shock, exposes the mockery of its peace façade. Modernisation of the Chinese armed forces is ominous not only along the Tibet border but also in the Indian Ocean Region (IOR). Assertive China has shown scant regard to Vietnam, Indonesia, Malaysia, Brunei and Philippines by unilaterally extending its maritime boundaries in the South China Sea. It claims the entire Arunachal Pradesh as "South Tibet". China says it can wait for 100 years to take over Taiwan but Chinese defence officials are categorical that this irretrievable objective will be achieved much earlier. We should expect a similar approach to the so-called "South Tibet".

Some analysts view future China as a "one dimensional superpower" since a superpower must have the capabilities of a technologically advanced economy, a highly technological military, a fully integrated nation, insuperable military and economic advantages vis-a-vis potential competitors, capacity to provide goods globally and an appealing ideology. However, the undeniable fact is that China is trying its level best to match up with the US, is already a great power and is a future superpower that will eventually graduate to a multi-dimensional, one.

Issues Relevant to India

Border Settlement

China has settled its borders with all its neighbours, except India and Bhutan. Our strategists recommend that India should settle the borders with China at the earliest but is China interested, knowing fully that delays would favour a stronger China and give more time for creeping up to "their perception" of the Line of Actual Control (LAC). Sitting smug on 38,000 sq km of Aksai Chin and 5,180 sq km in Pakistan Occupied Kashmir (POK) gifted by Pakistan, the Chinese claim to 90,000 sq km of Arunachal Pradesh is not a mere deflection of the Tibet issue. It indicates China's resolve to reach the warm waters of the Indian Ocean through as many land routes as possible. That explains the Assertive China has shown scant regard to Vietnam, Indonesia, Malaysia, Brunei and Philippines by unilaterally extending its maritime boundaries in the South China Sea.

railway through the Karakorams to Pakistan, transportation corridors through Myanmar and repeated intrusions in Bhutan; claiming Doklam Plateau (the last high ground overlooking Siliguri Corridor), and the renewed road construction between Zuri and Phuteogang Ridge that overlooks the disputed Charithang Valley. The threat is more serious if viewed in conjunction with the Maoists of Nepal (christened and blessed by Beijing?) and the Maoist-Naxalite faultline in India (links now confirmed), especially if the Maoists gain total control in Nepal

String of Pearls

The Chinese "String of Pearls" encircling India is a reality. China has developed military relations with all the countries around India and transferred nuclear technology to Pakistan. Its port construction and other activities in Myanmar, Pakistan, Bangladesh, Sri Lanka, Maldives, Mauritius and Seychelles are noteworthy. It is already linked with Pakistan and Nepal by road, Tibet by road and rail, and plans to extend the railway to Pakistan and opposite Sikkim. Its transportation corridor through Myanmar is well underway. Gwadar in Pakistan is a strategically located deep-sea naval port in which China is contributing \$700 million (\$200 million already given). Chinese engineers, [usually of the People's Liberation Army (PLA)] are building a coastal highway connecting Karachi to enable Chinese goods travel overland en route Gwadar-Karachi-Karakoram

Highway. China is also helping in the construction of a port in Pasni in Pakistan. Refuelling stations in Sri Lanka, naval bases in Myanmar and a container facility in Chittagong, Bangladesh, have also been established.

Indian Ocean

China's String of Pearls is expanding in the IOR which it wants to be recognised as a Chinese sphere of influence, managed by Chinese nuclear submarines and carriers. Its strategic designs can be seen even in Seychelles; not only does it have the biggest embassy in Seychelles, it has built refuelling facilities in the outlying islands of Seychelles. China has also offered to refit and refurbish the Sri Lankan Navy and help develop it port facilities. With the exodus of a large number of Indian businessmen preceded by the anti-India wave in Fiji, an equally large number of Chinese have moved in.

China–Pak Nexus

The China–Pak nexus is the strongest any country can possibly have with China. The strategic location of Pakistan has a lot to do with this. Had POK and the Wakhan Corridor been under Indian control, China would have viewed India differently. The Chinese design to use Pakistan as a front for waging asymmetric war (AW) on India dates back to the 1950s when Zhou En-lai suggested to Ayub Khan that Pakistan should prepare for a prolonged conflict with India instead of short-term wars. He advised Pakistan to raise a militia force to act behind enemy lines. This is revealed in a book authored by a Pakistani and published in Karachi in 2000. Pakistan raised this militia in the form of *jihadis* [the Lashkar-e-Taiyyeba (LeT), Jaish-e-Mohammed (JeM), etc] and planting of armed modules in India started taking cognisable shape way back in 1992-93. That was the initiation of China-Pak AW against india and to keep us in check through terrorism, nuclear, biological and missile cooperation (disregarding China's commitments to the international community), arms/technology transfer. Beijing is Pakistan's principal arms supplier, producing the main battle tank-2000, giving Pakistan missile development capability, upgrading Pakistani submarines and jointly producing the Joint Strike Fighter-17 aircraft. Earlier, the transfer of the M-11 missiles too was in contravention of the Missile Technology Control Regime (MTCR) guidelines. In November 2009, Beijing agreed to sell J-10 advanced fighter jets to Islamabad in a deal worth \$1.4 billion. The Trans-Karakoram Highway, vital for commercial and strategic purposes connects the northern areas of Pakistan to Xinjiang Province in China. The inducement of Maldivian youth through drugs,

radicalisation and terrorist training in Pakistan may well be part of the China-Pak Great Game.

Foreign Bases

China is executing a well conceived revolution in military affairs (RMA), initially handled by Jiang Zemin himself. The PLA is modernising at a fast pace, improving operational capabilities, forging jointness, logistics improvement, defence industry reforms, more willing to undertake missions abroad and more confident about its position visà-vis Taiwan. China is gradually moving towards employing its armed forces as an instrument of China probably has the most extensive cyber warfare capability in the world and willingness to use it more aggressively than any other country.

statecraft for achieving major national security objectives, showing the Chinese flag and marking Chinese presence around the world. There has been a spurt in UN missions, joint exercises with foreign militaries (23 in the period 2004-08) and military operations other than war (MOOTW). The PLA is venturing out more and the Chinese are vocal that they would do so to protect national interests. Recent assertions of establishing foreign bases are part of this strategy. These 'national interests' would include overland routes to the Indian Ocean and its sea lanes. Establishment of military base (s) in Pakistan is likely boost the China-Pak asymmetric war against India, escalating terrorism and anti-India *jihad*.

Cyber and Space Warfare

China probably has the most extensive cyber warfare capability in the world and willingness to use it more aggressively than any other country. The recent Google impasse notwithstanding, the PLA employs some 10,000 cyber warriors. Notorious for its "botnets" and "bot" armies, China is known to be engaged in cyber attacks globally. In March 2009, malware named as Ghostnet was traced to China that penetrated more than 1,200 systems in 103 countries, including the offices of the Dalai Lama. In April 2009, the *Wall Street Journal* reported Chinese hackers stealing the F-35 programme from Lockheed Martin's computers. China has allegedly stolen information from military installations, National Aeronautic Space Agency (NASA) and Naval War College in the US. Cyber attacks on the telecom, financial institutions and TV of Taiwan, India, Japan and South Korea have been engineered from Chinese soil. In India, the websites of the Ministry of External Affairs (MEA), Bhabha Atomic Research Centre (BARC), National The arming of the Maoists in Nepal and the rise of Pushpa Kamal Dahal alias Prachanda has been orchestrated with great finesse.

Informatics Centre (NIC), National Security Council (NSC) Secretariat have been attacked in the past. Chinese attempts to hack into the Prime Minster's Office (PMO) have been confirmed by our national security adviser (NSA). Web enfacement groups were formed by China almost 12 years ago. Scores of Chinese specialists are working in Datang on National Attack Projects of which India definitely will be a target, aside from other countries like Taiwan, Japan and perhaps even South Korea. China has already demonstrated the capability to shoot down satellites. Its satellite and space programmes are advanced and focussed.

Balkanise India?

We may pray for a strong China and Pakistan but China-Pak will lose no opportunity to dismember India. Significantly, Zhan Loe's article recommending the China should splinter India into 20-30 parts was published in the journal of the Institute of Strategic Studies that has Chinese government backing. Chinese policy towards India is "no holds barred": safeguarding Azhar Masood of the JeM from being labelled a terrorist, objecting to the Asian Development Bank (ADB) loan to Arunachal, flooding fake currency into India courtesy Pakistan, supplying small arms to insurgent groups in India, permitting insurgent camps in Chinese territory, etc. Asymmetric strategies have been crafted with great care. Pakistan is a willing ally with a convergence of aims to downsize India. Significantly, the *jihadis* regrouping in Pakistan during 2004-07 was under the tutelage of Ashfaq Parvez Kayani heading the Inter-Service Intelligence (ISI). With him as the army chief, what can be expected of Pakistan where the the ISI-army combine has and will continue to rule the roost? That is why the terror groups openly met in POK in February 2010 to accelerate the *jihad* against India, the rabid head of the LeT challenges our home minister for talks, and Foreign Minister Qureshi (part of the impotent Pak polity) finds solace in going ballistic with claims of India bring forced into the talks. Unfortunately for us, US-Pak mutual dependency will remain critical vis-a-vis US-India needs in strategic and security values, at least in the short and mid-terms, especially till the US presence remains in Afghanistan or a major event alters this equation. This is an undeniable fact that India must acknowledge. China is also manipulating the Maoists of Nepal to its advantage and through them the Maoist/Naxalite movement in India (the Nepalese MaoistsIndian Naxalites nexus has already acknowledged by apprehended Naxalites). The arming of the Maoists in Nepal and the rise of Pushpa Kamal Dahal alias Prachanda has been orchestrated with great finesse. A paper published in Debka files a decade back, noted, "The Maoist insurgency in Nepal may be one of the last surviving operations of a little known Chinese intelligence organ known as the Ministry of Foreign LiaisonChinese intelligence infiltration operations into Nepal, that began decades ago, set off a self-perpetuating Maoist 'People's War' that has never really ended. It would be in China's interests Though there is low probability of large-scale/ all out Sino-Indian war, limited war in a nuclear backdrop will remain a possibility.

to install a regime in Kathmandu that is not too friendly with the US or India." China has been doing road construction in Nepal, and the Chinese own and man numerous three-star hotels there. This should leave little doubt of covert PLA presence in Nepal. China has also been known to be training Naga, Mizo and other northeast insurgents in the Paoshan area of southern China in addition to the United Liberation Front of Asom (ULFA) bases and training camps in Chinese territory.

The Threat

It is a common belief that for unhindered economic growth and unfettered military modernisation, China needs a secure periphery, and does not wish to be slowed down by war till it has completed its "four modernisations". This is a logical belief since the next 15-20 years present China a "strategic window of opportunity" to achieve its objectives of national revitalisation through continued economic, social, military, and political development. Besides, the best method to win a war is without fighting it. China very artfully follows what Sun Tzu said about the Art of War: "Thus, it is in war that the victorious strategist only seeks battle after the victory has been won, whereas he who is destined to defeat, first fights and afterwards looks for victory". China recognises the importance of asymmetric warfare, psychological operations, space warfare and information operations. There has been speculation in our media about whether China will attack India. The fact is that China has already attacked us, employing asymmetric strategies, through the China-Pak combine, Maoist-Naxalite nexus, cyber attacks, etc. The beauty is that while the source of these asymmetric strategies/attacks is difficult to pinpoint, the intensity and levels can be calibrated by the attacker to control

them, retain the advantage, and ensure that the adversary's response remains below a particular threshold. Though there is low probability of large-scale/all out Sino-Indian war, limited war in a nuclear backdrop will remain a possibility. Such limited war (s) would have China-Pak connotations. China can certainly be expected to engineer an incident/incidents in order to take possession of certain areas across the undemarcated/disputed borders. On balance, we may posit that the threat from China may manifest as follows:

- Border Incidents: China has already adopted an aggressive tactical posture and in this well orchestrated web of intrusions, under the pretext "their perception of the LAC" is testing Indian reactions. Intrusion levels may gradually be raised, upping the ante further. At a point of time that China considers opportune, it can grab a particular piece of territory trans-border. For example, if China is convinced that capturing the Doklam Plateau in Bhutan (which will turn the Indian defences at the tri-junction in Sikkim) would elicit little opposition from the Royal Bhutanese Army and India (scared of annoying the Dragon) will only keep hesitating, China will go for it.
- Asymmetric War (AW): Conflict situations in recent years have shown clear trends that irregular or asymmetric forces have emerged with greater strategic value than nuclear or conventional forces, highlighting a distinct disadvantage to India. China and Pakistan are both aware of this inadequacy of the Indians, who only believe in barricading their own house, little realising it can never be foolproof. Therefore, the levels of asymmetric war against India may keep rising, examples of which are:
 - Terrorism: The opportunity exists for China-Pakistan to keep upping covert support to anti-India insurgency/jihad against India. China will continue to do so through the Maoists of Nepal as well. A Chinese push to grab the Doklam Plateau and other vital areas in Bhutan may be preceded by destabilising operations in Bhutan through the over one lakh Bhutanese camping in Nepal. This is a real possibility if the Maoists gain total power in Nepal. Today, we are fortunate in having an India friendly government in Bangladesh but China-Pakistan can wait till a government favourable to them comes to power and relaunch trans-border terrorist activities since the radical potential continues to be in place. Pacifists may argue that China will never support terrorist activities because of its own vulnerabilities, like in Xinjiang. This is an ostrich view: isn't Pakistan suffering from terrorism and yet continues to sponsor the same into India?

Information/Cyber Operations: Designed 0 to cover the entire spectrum of conflict, manifestations of these operations (some ongoing) range from embedded in hardware, malware software. communication equipment (the bulk of which is imported ex China), cyber attacks to gain vital information of India's security establishment, misinformation/ operations, psychological defacement of vital websites, electro-magnetic pulse and high pressure microwave attacks, use of e-bombs and laser weapons under development, and coordinated national

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level cyber attack (s) prior to limited war. All these activities could cripple our economic growth and paralyse the increasingly networked security establishment, with possibilities of takeover of networks and freezing/deflecting of important weapon systems.

- Limited War: The possibility exists and has been recently reiterated by our army chief saying that we need to be prepared for a two-front war. We can expect limited offensive operations by the China-Pakistan combine. Such war will be preceded by, or simultaneous to, AW, terrorism, information operations, cyber attacks, etc. Conventional conflict/hybrid wars will see increasing use of standoff weaponry, precision guided munitions (PGMs), third dimension, space, air and sea power.
- Consolidation/Accretion of String of Pearls: The noose around India will continue to be tightened on the pretext of "safeguarding Chinese national interests". This may take other forms in addition to Chinese military bases on foreign soil. For example, radicalising Maldives and turning its 1,700 odd uninhabited islands into terrorist havens can be attempted by China-Pakistan, indications for which are already emerging. Such actions will have grave security and economic implications for India.

How Should We Respond?

We must have the courage to call a spade a spade. *This will actually extract more respect from China*. China has got Tibet on a plate, usurped Aksai Chin

and part of POK, claims Arunachal Pradesh, prints a recommendation in a government sponsored publication that China should balkanise India into 20-30 parts and there is not even a suggestion in our media that India should rethink its Tibet policy. Why are we so scared? What are the limits of going back in history? If China claims Arunachal on past history, can we claim Sri Lanka because when the British ruled us, Ceylon was part of India, and do we start claiming all areas upto the Hindu Kush because at some point of history, they were part of India? Perhaps China needs to be reminded of the Kushan Dynasty; that the empires of Chandragupta Maurya and Ashoka the Great had parts of China under them and that not very far back, the Indian Army was garrisoned at Yatung. Perhaps it needs to be educated on the research by John Man chronicled in his book *Kublai Khan*, that in 7th century, the Kingdom of Tibet was much bigger than China, that in 763, Tibet had even captured the then capital of China, and that up to the 13th century, Tibet ruled half of present-day China. If China wants to go by the rule of 'finders keepers' (having invaded Tibet in 1950), then why claim Arunachal that has been with India all along? China needs to be looked at in the eye. The more we look down, the more it will mount on our head.

The China-Pakistan threat requires a comprehensive, multi-pronged approach. Asymmetric war has no rules, no regulations. Borders are rendered irrelevant. The erstwhile segmenting of the home (within India) and defence (trans-border) approach may not work any more. The nation has to debate the set-up required to deal with overlapping situations of asymmetric war that will continue simultaneous to conflict situations/limited war. The prevailing ambiguity is apparent from the debate on the functioning and controls of the National Counter-Terrorism Centre (NCTC) vis-à-vis the role of the NSA. The execution and follow-up to the advice by the NSC is not synergised, as was apparent from our pathetic response to the attack on the Parliament. All this calls for a national debate, thorough political consensus and coordination, ensuring mutual understanding on issues of common concern regarding national security. Within a month of 26/11, Malaysia went in for nationwide anti-terrorist drills involving the complete security establishment, defence forces, paramilitary and police. We lack such preparation and coordination. The argument that it would instill fear in the population is without basis. This would actually instill confidence in the populace. AW is not waged against the military or security establishment but against a nation as a whole. We must integrate every citizen in this fight, and prepare accordingly. We have to deal with it politically/diplomatically, militarily, economically and socially. This is a dirty war and we must be prepared for multiple, simultaneous 26/11 type of situations and use of radiological and chemical weapons by state sponsored non-state actors.

Military strength is a prerequisite for our economic prosperity. We need to develop capabilities to convert economic power into hard military power. The allocation to our defence budget at 2 percent, with the Chinese defence budget growing annually at 16-18 percent, is grossly inadequate and is widening the capability gap between both militaries at an alarming rate. This increasing differential is what will instigate China to go for territorial gains on Indian soil. The undue hoopla of raising two divisions in the northeast and placing a few SU aircraft at Tezpur must be eliciting sniggers in the PLA. In terms of the revolution in military affairs (RMA), the PLA is far ahead and focussed. We need to make a blueprint for the RMA and legislate it through Parliament, as the advanced countries have already done. The draft would perhaps need to be prepared by the military, finally integrating the diplomatic, information operations and economic aspects at the national level. The defence budget should be in sync with the approved RMA blueprint. Carry forward of the unutilised defence budget to the next financial year must be permitted. The so-called refinement of defence procurement procedures over the years is cosmetic. With fast changing technologies, 40 odd months' time for procurement and testing for information and communication systems is not conducive to the RMA. Procurement processes must be speedy under a system of systems approach. We must make concerted efforts to achieve selfsufficiency in critical areas like space technology and development of modern weapon systems

The political hierarchy must make jointness in the Services and between the Services and security establishment engaged in countering AW, a *fait accompli*. A Chief of Defence Staff (CDS) with full operational powers needs to be appointed without further delay. Establishment of bi-Service/tri-Service Commands by amalgamation of the existing Commands of the Services is needed; Unified Command structures should be speedily ensured throughout the Services horizontally and vertically in a time-bound manner, replacing the existing arrangements. The thrust towards developing a comprehensive joint Services 'systems of systems' approach must be made.

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warfare is more and more about information warfare (IW). Information superiority will be the ultimate battle winning factor. Information operations are multi-disciplinary and multidimensional, with informatiom dominance, information assurance and perception management the basic elements. Offensive capabilities, must be developed making *information dominance* an integral part of our cyber warfare doctrine. Even the US has been forced to adopt this approach as deterrence without offensive information dominance is unachievable. We need to aim for self-reliance in software, hardware, production of hardened

active network components, storage area networks and, in the interim, develop testing capability for malware. More significantly, we need to establish comprehensive indigenous modern chip manufacturing capability on fast track progressive basis.

Evolving a policy for countering AW should be a priority. While announcement of NATGRID and NTCT are welcome steps, we need network centricity at the national and military levels (integrating both), taking a holistic view and adopting a top-down approach. The ideal response to asymmetric threats is adoption of a proactive strategy ensuring prevention of any attack against Indian assets/national interests. This strategy appears to be missing in our context. As an adjunct to evolving a policy for countering AW, we also need to enunciate a national policy for employment of special forces (SF). The SF provide us the tools to address non-traditional challenges by providing a silent and effective medium to achieve our security objectives. The success and effectiveness of special operations can be multiplied manifold by the formulation of a well worked out strategy for their employment, establishment of a streamlined command and control structure, streamlining the lines of authority, secure and seamless communication links, enhanced inter-agency coordination for intelligence gathering and sharing; and the establishment of a national inter-agency database for intelligence will assist rapid decision-making and a coherent response. The SF comprise a vital element of national power, possessing the capability of enormous freedom of action in methodology of execution of assigned operations and should be

fruitfully employed to meet any challenge. While the SF should be central to the asymmetric response, AW does not equate automatically to a physical attack. The physical attack is only the extreme and potentially most dangerous expression of AW. The key lies in achieving strategic objectives through application of modest resources with the essential psychological component. Globally, the SF are looking outwards but we have confined our SF within the country, save the sole Indian Peacekeeping Force (IPKF) experience. Our military SF must look primarily beyond the borders to nip asymmetric threats in the bud.

We must develop the capability to control the faultlines of China (which are many) and have the national resolve to demonstrate these selectively, as and when required. This would provide an effective deterrent to the AW being waged by China-Pakistan.

Conclusion

China's past history is laced with aggression and blatant disregard for world opinion. The PLA is well ahead of our military and this ever widening gap, if not checked and bridged, will catapult Chinese adventurism. We should expect no respite from increasing Chinese pressure. Taking solace from convergence on environmental issues is not going to save us. Sino-Indian friction is growing and the potential for conflict remains high. China and Pakistan are hand in glove in waging asymmetric war on India and the situation is likely to get increasingly volatile, inadvertently egged on by the US-China/US-Pak equations, Af-Pak imbroglio and heightened Chinese aggressiveness. With heightened Sino-Indian friction, the combined China-Pak threat is graver than ever before. We need to review the threat holistically, evolve a strategy and implement it at the earliest.