

## FREEMAN REPORT



## MORE IN THIS ISSUE

**Publication**

*U.S.-China Relations: A Good Beginning is Half Way to Success*  
By Bonnie S. Glaser, April 2009  
(see page 3)

**Conference**

May 27 China's Economy in the  
Global Context and Its Relationship  
with the United States (see page 5)

**Freeman Facts**

Coal Use in China (see page 5)

## QUOTE OF THE MONTH

*"I think this climate crisis is game changing for the U.S.-China relationship. It is an opportunity we cannot miss."* ~ U.S. House Speaker, **Nancy Pelosi**, speaking at the U.S.-China Clean Energy Forum in Beijing. Ms. Pelosi, traveling with a delegation of House legislators involved in energy and environmental issues, met with Chinese Premier Wen Jiabao and separately with Chinese President Hu Jintao during their eight-day tour of China to promote common ground with China to combat global warming. Ms. Pelosi's meetings in China had also addressed North Korea's recent nuclear test and missile launchings, human rights issues, the global economic crisis and intellectual property rights.

Source: *The Wall Street Journal*,  
May 26, 2009

The *Freeman Report* provides an open forum for individual opinions and commentaries on China. All opinions expressed in the feature essay of the report are those of the author.

## Feature Article

U.S.-CHINA'S COUNTER-PIRACY COOPERATION  
IN THE GULF OF ADEN\*

Bernard D. Cole, Ph.D.

.....

During much of the past two decades, the age-old crime of piracy has plagued the waters of Southeast Asia and the Indian Ocean, especially the Bay of Bengal and the Arabian Sea. Incidents of piracy in Southeast Asian waters have decreased dramatically since 2003, due likely both to improving economic conditions in the region and to joint action by Singapore, Indonesia, and Malaysia, supported by Australia and Japan.

In 2008, however, the frequency of piracy in the waters off the Horn of Africa—in the Gulf of Aden in particular—increased dramatically, to the point where the United Nations Security Council passed Resolution 1851 in December 2008 authorizing international naval forces to combat the problem at sea and on land, where "hot pursuit" could be justified.

In keeping with this resolution and particularly in reaction to the seizure of Chinese merchant ships, Beijing in December 2008 deployed three PLAN ships, with a Special Operations Unit embarked, to the Arabian Sea. The task group was composed of two of China's newest guided missile destroyers (DDG) and an oiler, all units of the South Sea Fleet. These are two of China's newest, most capable surface combatants. One of these ships is equipped with what appears to be an anti-air warfare system similar to the U.S. Aegis system, while the other is armed with very capable anti-surface ship cruise missiles. Both ships have a Russian-designed Ka-28 helicopter embarked. The third ship in the task group is one of the PLAN's two newest underway replenishment ships. This logistics ship is capable of providing the destroyers with fuel, ammunition, food, water, and spare parts.

Beijing deployed this task group for three months, relieving the two destroyers with another destroyer and a frigate, while extending the replenishment ship in the Gulf of Aden for an additional three months. Thus, China's first-time naval deployment will last until July 2009, with future plans unannounced.

(continued on p. 2)

Before the deployments to the Gulf of Aden, China had dispatched small groups of no more than two or three ships on international missions, ranging from the 1989 visit to Hawaii of the midshipmen training vessel, *Zheng He*, to the 2004 circumnavigation by a destroyer and an oiler. These and other foreign voyages—to South and Southeast Asia, to North and South America, and to Europe—have demonstrated China’s understanding of the use of naval vessels to “show the flag” and to exert diplomatic influence.

However, the task group currently operating in the Arabian Sea is the Chinese navy’s first operational deployment. The current Chinese naval operation is characterized by at least seven “firsts” for that navy.

1. This is the first time that Beijing’s warships have conducted combat operations in other than China’s littoral waters.
2. This is the first time that the Chinese navy will have forces operating for an extended period of time at great distance from home port.
3. The North Arabian Sea deployment is the first time that a Chinese naval task group is operating with international naval forces, other than for a brief naval review. The U.S. Navy’s Task Force 151 currently leads the international efforts to counter piracy in the North Arabian Sea (which includes the Gulf of Aden); other nations that currently have warships conducting similar operations in this area include France, Great Britain, Greece, Turkey, India, Malaysia, Japan, South Korea, and Russia.
4. The current deployment marks the first time that a Chinese naval task group will have to rely on foreign sources and/or entrepôts for logistics support over an extended period of time.
5. Beijing’s first-time commitment of front-line naval forces to an operational scenario very far from home indicates an increased level of confidence with respect to the unresolved question of Taiwan’s status.
6. From a naval planner’s perspective, this deployment provides for the first time both a conceptual framework and the demonstrated success to justify the continued modernization of the Chinese navy, even following peaceful resolution of the Taiwan issue.

## IN THE NEWS

**BEIJING**—Chairman of Taiwan’s ruling Kuomintang (KMT) Party Wu Poh-hsiung arrived in Beijing for an eight-day visit to mainland China. Wu met with Chinese President Hu Jintao on May 26, and they addressed key issues including reaffirming their common ground on opposing “Taiwan independence,” fostering economic cooperation, and promoting cultural and educational exchanges. Wu’s visit, the second one since Taiwanese President Ma Ying-jeou took office last May, marked a positive step in cultivating a friendly and cooperative cross-Strait relationship. In a sign of reduced tensions across the Taiwan Strait, Beijing acquiesced in Taiwan’s attendance at a recent World Health Organization meeting.

**BEIJING**—As of May 28, 22 cases of H1N1 influenza have been confirmed in mainland China, and no death has been reported as a result of the flu virus. Since the reporting of the first case on May 10, the Chinese Ministry of Health has implemented vigorous public awareness campaigns and drastic preventative measures. Hundreds of people who came into contact with patients were quarantined. Mexican nationals were particularly targeted for quarantine and medical testing. An import ban was passed on American pork, even though there is no evidence suggesting H1N1 can be contracted from pork consumption. The international community has voiced concerns over the aggressiveness of these measures, citing that the Chinese government may be overreacting to compensate for its inadequate management of the SARS epidemic in 2003.

7. The counter-piracy deployment to the North Arabian Sea is the first occasion when Chinese and U.S. warships have coordinated non-exercise operations.

The Gulf of Aden operations will improve Chinese naval capabilities generally, particularly with increased expertise in operations, logistics, command and control, and interagency cooperation. The deployments will produce a number of Chinese naval ships, and more importantly, personnel with significantly enhanced operational experience, expertise, and confidence. This experience will contribute in a major way to the transformation of China’s navy from a coastal defense force to one capable of operating effectively at long ranges from home base.

(continued on p. 3)

The deployments are also providing experience to the Chinese vessels with cooperative operations at sea. This includes operations by U.S. and Chinese ships: in the words of one U.S. destroyer commanding officer in the Gulf of Aden: “[We] talk with the Chinese destroyers by VHF radio to coordinate search patterns and to exchange information on suspicious ships. [We] also have coordinated Chinese helicopter flight operations with the [unmanned air vehicle] launches and recoveries.” The exchanges are “professional, routine and positive,” he said. “They have someone who speaks very good English.” The PLAN ships in the Gulf of Aden have conducted more than twenty operations in support of safe shipping and counter-piracy patrolling. By all accounts, the Chinese ships are performing in a well-planned, professionally competent fashion, escorting merchant ships from many nations and rescuing pirated ships.

The current Chinese naval operations in the Gulf of Aden are a milestone in the exercise of that country’s maritime power and are the first such foreign employment of naval force since the early 15<sup>th</sup> century. The presence of Chinese combatants patrolling seas many thousands of miles from their home port demonstrates the navy’s maturing capabilities and competence. It indicates Beijing’s confidence and willingness to engage in very long range military action that has strong political and diplomatic components, and to operate with U.S. and other foreign warships. The deployment also demonstrates China’s determination to operate, in the words of a military spokesman, as “a responsible Great Power.”

***Dr. Bernard D. Cole is Professor at the National War College.***

*\* These remarks represent the views of the author alone and not those of the National Defense University, the Department of Defense, or the U.S. Government.*

## PUBLICATIONS

■ “U.S.-China Relations: A Good Beginning is Half Way to Success,” Comparative Connections, Pacific Forum CSIS, April 2009.

By Bonnie S. Glaser, Senior Associate, Freeman Chair in China Studies, CSIS

The U.S.-China relationship got off to a good start under the Obama administration, putting to rest Chinese worries that a prolonged period would be required to educate the new U.S. president about China’s importance. In her discussions with Chinese leaders, Secretary of State Hillary Clinton focused on the need to deepen and broaden the U.S.-China relationship, and to elevate cooperation to address urgent global problems, especially the financial crisis and global warming.

■ China’s Capacity to Manage Infectious Diseases: Global Implications, CSIS Freeman Chair in China Studies, March 31, 2009.

Project Director: Charles W. Freeman III, Chairholder, Freeman Chair in China Studies, CSIS.

Project Editor: Xiaoqing Lu, Research Associate, Freeman Chair in China Studies, CSIS

Three decades of double-digit economic growth have not been matched by progress in China’s ability to prevent and treat diseases. If China cannot meet its health care challenges, it will further tax an already strained international infrastructure. On the other hand, if China is successful, it can not only short-circuit an international spread of disease but also become a net donor to the global health community. The Freeman Chair in China Studies at CSIS assembled a group of international experts to address the current health care situation in China, China’s efforts to tackle the problems of infectious disease and health care reform, and the regional and global dimensions of these reform efforts.

## Publications from the Freeman Chair 2009\*

---

\*Please visit our Web site to access archived publications dating back to 2002.

### 2009

#### April

■ “U.S.-China Relations: A Good Beginning is Half Way to Success,” *Comparative Connections*, Pacific Forum CSIS, April 2009. By **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS

#### March

■ China’s Capacity to Manage Infectious Diseases: Global Implications, CSIS Freeman Chair in China Studies, March 31, 2009. Project Director: **Charles W. Freeman III**, Chairholder, Freeman Chair in China Studies, CSIS. Project Editor: **Xiaoqing Lu**, Research Associate, Freeman Chair in China Studies, CSIS

■ *Critical Questions*: A “G-2” Summit? Barack Obama and Hu Jintao on the Sidelines of the G-20, CSIS, March 25, 2009. By **Charles W. Freeman III**, Chairholder, Freeman Chair in China Studies

■ “Soft Power with Chinese Characteristics: The Ongoing Debate,” in *Chinese Soft Power and Its Implications for the United States: Competition and Cooperation in the Developing World*, ed. **Carola McGiffert**, CSIS, March 2009. By **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS, and **Melissa E. Murphy**, Fellow, Freeman Chair in China Studies, CSIS

■ *Smart Power in U.S.-China Relations: A Report of the CSIS Commission on China*, cochaired by **William S. Cohen** and **Maurice R. Greenberg**; directed by **Carola McGiffert**, CSIS, March 2009. **Charles W. Freeman III**, Chairholder, Freeman Chair in China Studies, CSIS, is a commissioner; **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS, and **Melissa E. Murphy**, Fellow, Freeman Chair in China Studies, CSIS, contributed to the report.

#### February

■ “Wang Jiarui’s New Year’s Visit to Pyongyang and China’s New Approach to North Korea,” *China Brief*, volume 9 issue 4, Jamestown Foundation, February 20, 2009. By **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS, and **Scott Snyder**, Director of the Center for U.S.-Korea Policy, Asia Foundation

■ “Sino-U.S. Relations: Next 30 Years Will Require Closer Cooperation and Coordination,” *Oriental Morning Post* (in Chinese), February 2, 2009. By **Melissa E. Murphy**, Fellow, Freeman Chair in China Studies, CSIS.

#### January

■ “Commentary: Chasing the Currency Dragon,” CSIS, January 28, 2009. By **Charles W. Freeman III**, Chairholder, Freeman Chair in China Studies, CSIS

■ “U.S.-China Relations: Ties Solid for Transition, but Challenges Lurk,” *Comparative Connections*, Pacific Forum CSIS, January 2009. By **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS

■ “What Hu Jintao Should Expect: Predictions about Obama Administration Policy toward Taiwan,” *PacNet*, no. 1, Pacific Forum CSIS, January 5, 2009. By **Bonnie S. Glaser**, Senior Associate, Freeman Chair in China Studies, CSIS

## Conferences and Events

### ■ **May 27:** China's Economy in the Global Context and Its Relationship with the United States

CSIS hosted a discussion featuring **Charles W. Freeman III**, Freeman Chair in China Studies, CSIS, and **Nicholas Lardy**, Senior Fellow, Peterson Institute for International Economics. The panel addressed the role of China and China's economy as factors in U.S. economic health and the U.S. economic recovery. The discussion was moderated by **John Pomfret**, editor of Outlook, Washington Post. For more event information, please contact Carl Rubinstein at [CRubinstein@csis.org](mailto:CRubinstein@csis.org).

### ■ **May 1:** China's Economy in the Wake of the Financial Crisis: Implications for US Policymakers

CSIS hosted a briefing for congressional staff featuring **Charles W. Freeman III**, Freeman Chair in China Studies, CSIS, and **Nicholas Lardy**, Senior Fellow, Peterson Institute for International Economics. The panel addressed where China's economy is going, who is shaping China's economic recovery plan and to what end, China's evolving role in the global trade community, and prospects for the U.S.-China trade relationship.

### ■ **April 22:** U.S.-Taiwan Relations in a New Era: Looking Forward 30 Years After the Taiwan Relations Act

**President Ma Ying-jeou** delivered the opening address for the event via videoconference. **The Honorable Richard Armitage**, former U.S. Deputy Secretary of State and President of Armitage International, introduced President Ma. **The Honorable Paul Wolfowitz**, Chairman of the U.S.-Taiwan Business Council, delivered a luncheon keynote address. The two panels constructively analyzed and critiqued the Taiwan Relations Act's relevance today, its effect on U.S.-Taiwan-China relations, and the future of U.S.-Taiwan relations, particularly within the context of the ongoing warming of relations across the Taiwan Strait.

If you would like to be added to the *Freeman Report* listserv, please e-mail [FreemanChair@csis.org](mailto:FreemanChair@csis.org) or visit <http://www.csis.org/china/>.

## FREEMAN FACTS

### Coal Use in China

1. In 2007, China mined 2.5 billion metric tons of coal, equivalent to 46% of total world production—more than the U.S., EU, and Japan combined.
2. China has the world's 3rd largest coal reserves, after the U.S. and Russia.
3. Nearly 2/3 of China's energy comes from coal, and over 4/5 of its electricity is created by burning coal.
4. China's most efficient coal-burning plants achieve 44% efficiency, whereas the U.S.'s most efficient plants only achieve an efficiency of 40%.
5. Only about 60% of China's new coal power plants are built using newer, cleaner, more efficient technology.

**Source:** New York Times, San Francisco Chronicle, Wall Street Journal, and Xinhua

The *Freeman Report* is an electronic newsletter produced monthly by the Freeman Chair in China Studies at the Center for Strategic and International Studies (CSIS), a private, tax exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be those of the author(s). © 2009, Center for Strategic and International Studies. All rights reserved.

## FREEMAN CHAIR IN CHINA STUDIES

**Charles Freeman**, Freeman Chair in China Studies  
**Bonnie Glaser**, Senior Fellow  
**Melissa Murphy**, Fellow  
**Savina Rupani**, Program Coordinator and Special Assistant to the Freeman Chair  
**Xiaoqing Lu**, Research Associate  
**Carl Rubinstein**, Project Coordinator/Research Assistant  
**Jeffrey Bean and Ren Yuan**, Research Interns