

COMPETITION IN THE GRAY ZONE: HOW TO COUNTER PRC MILITARY MARITIME COERCION IN ASIA AND BEYOND

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Maritime Domain”**

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Chairman Gimenez, Ranking Member Thenedar, members of the subcommittee: thank you for devoting your time and attention to the topic of PRC gray zone threats in the maritime domain.

At the China Maritime Studies Institute (CMSI), I lead a team of prominent academics within the Naval War College's research arm - the Center for Naval Warfare Studies.

Broadly speaking, what we do in CMSI is to draw on original Chinese language open-source material to offer unique insights, particularly related to developments, capabilities, and the future trajectory of China in its military maritime domain. In doing so, we offer a feel and help to paint a picture where other sources and methodologies typically don't offer enough insights. At our best, we help to answer questions the U.S. Navy and the Department of Defense as a whole didn't know to ask. CMSI has published two conference volumes on China's maritime gray zone operations and I'd commend them as a resource to amplify my personal comments here today.

Beijing is waging what some PRC sources refer to a “war without gun smoke” in the gray zone of maritime East Asia.¹ China's coast guard and maritime militia are on the front lines of its seaward expansion, asserting China's maritime claims through non-lethal means, operating in the “gray zone” that falls below the threshold of war. They are supported in the distance by the People's Liberation Army Navy (PLAN), which compels foreign states to compete on China's terms.² Together, China's three maritime forces enable the PRC to leverage its national power, as part of a quest for China to “win without fighting.”³

The PRC's gray zone operations are designed to reshape the international order without triggering war; they are intentionally ambiguous, thereby complicating efforts to respond; and they pursue their aims in a gradual manner.⁴ PRC authors and strategists refer to these operations as efforts to “safeguard China's maritime rights and interests” or in short, “rights protection law enforcement” missions.⁵ These operations include actions to assert not only PRC sovereignty over waters adjacent to disputed land features, but also jurisdiction over other parts of the Indo-Pacific region, based on China's liberal interpretation of international law.⁶

China has the world's largest coast guard by number of ships and operates more maritime law enforcement vessels than the coast guards of all its regional neighbors combined.⁷ In recent years, PRC Coast Guard vessels have improved qualitatively. They are larger, faster, more maneuverable, and physically imposing. **China's maritime militia possesses ships that resemble fishing trawlers but are ideally suited for gray zone operations.**⁸ In some cases, China has relied on layered, multi-sea force “cabbage” tactics to achieve its objectives in which China deploys its maritime militia, coast guard, and navy in concentric rings around its target. More often, however, China employs its coast guard and maritime militia forces to engage in small-scale actions aimed at strengthening its administration of areas - particularly within Beijing's claimed nine-dash line in the South China Sea.⁹

China's three sea forces are all part of China's armed forces. They operate under a chain of command that leads up through the PLA's Central Military Commission (CMC), ultimately to China's paramount leader, Xi Jinping himself.¹⁰ This allows the PLA to have a single entity empowered with the authority to prioritize and mediate inter-service competition. As such, the China Coast Guard and maritime militia are state-sponsored, and one should not consider them to be “civilian” vessels.¹¹

The PRC empowers its maritime forces with domestic laws that it imposes on international waters—the international maritime commons. China's 2021 Coast Guard Law includes a provision that permits the coast guard to take all necessary measures, including the use of force within maritime areas under Chinese jurisdiction.¹² A careful reading of this law and Chinese commentary about it, suggests this law applies to all 3 million square kilometers of “blue national territory” that Beijing claims – much of which is contested by regional neighbors.¹³ China recently

added “Regulation #3” to its 2021 Law. Effective as of June 15th of this year, China’s coast guard will possess authority under PRC law to detain foreigners for up to 60 days without trial, namely those who are suspected of “illegally” crossing into PRC claimed maritime boundaries.¹⁴ This is another vehicle for the PRC to impose domestic jurisdiction on foreign flagged vessels, possibly across the entirety of its sweeping maritime claims.¹⁵

PRC gray zone operations directed at Taiwan are escalating rapidly. On February 14th, a speedboat from China’s Fujian Province capsized off the eastern coast of Kinmen as it was being chased by the Taiwan Coast Guard, resulting in the deaths of two of the four people on board.¹⁶ The boat possessed no name, no paperwork, and no registration, but the mainland vessel had crossed into Taiwan’s claimed prohibited waters¹⁷ and refused to be subjected to Taiwan’s Coast Guard inspections.¹⁸ In response to the incident, China’s Taiwan Affairs Office took direct aim at Taiwan’s sovereignty and ability to police its own waters by announcing that there was no such thing as “prohibited or restricted waters.”¹⁹

Several days later PRC followed up on its rhetoric with actions by employing its coast guard to board and inspect the Taiwan sightseeing ship “Golden,” which was operating in the vicinity of Kinmen. This was the first time that the PRC Coast Guard inspected a Taiwan sightseeing ship and diverged from the status quo that has held since the 1990s, when Taipei established the concept of “restricted waters”²⁰

China Coast Guard ships then began to regularly patrol waters around Kinmen. On February 26th, five China Coast Guard ships entered Kinmen’s prohibited or restricted waters.²¹ Subsequently, the PRC has expanded its use of lawfare by ordering its coast guard to conduct regular incursions into the prohibited or restricted waters of several of Taiwan’s offshore islands. The PRC entered these waters four times in March, four times in April, and conducted at least eight incursions in May.²² Of note, on May 9th, seven PRC government vessels including Chinese fishing vessels and those from the China Coast Guard, China Maritime Surveillance, and China’s Fishery Administration, conducted a fishery safety exercise in Kinmen’s Liaoluo Bay that simulated a collision at sea under harsh weather conditions and involved search and rescue operations. This was the first time that China Coast Guard ships and other PRC official vessels sailed into Kinmen’s prohibited or restricted waters simultaneously.²³ And most recently, last week, two small Chinese navy vessels penetrated Taiwan’s restricted waters south of Kinmen.²⁴ Through these incursions, the PRC has used gray zone tactics to eviscerate Taiwan’s sovereignty around its offshore islands and pressure Taipei. Yet, these gray zone operations receive little attention here in the United States.

China’s gray zone operations target critical seams. Taiwan’s offshore islands are not covered by the United States Taiwan Relations Act. Nor does the United States recognize Taiwan’s claims of “prohibited” and “restricted” waters. PRC law enforcement operations within Taiwan’s prohibited or restricted waters, therefore, aim to apply pressure on Taipei while minimizing the potential for a U.S. response.

PRC maritime coercion around Taiwan’s offshore islands is part of a larger all domain pressure campaign to undermine Taiwan’s sovereignty and legitimacy. Since the visit of former Speaker of the House Nancy Pelosi to Taipei in August 2022, the PRC has intensified diplomatic, economic, and cognitive pressure on Taiwan. Military pressure has included establishing a “new normal” of PRC Air Force flights across the Taiwan Strait centerline and into the Taiwan Air Defense Identification Zone as well as Naval patrols encroaching on Taiwan’s claimed 24nm contiguous zone. These military tactics have the effect of both undermining Taiwan’s sovereignty as well as Taiwanese people’s confidence in their democracy by demonstrating Taiwan’s inability to counter China’s overwhelming military superiority.²⁵

As part of the PRC's ongoing pressure campaign, the PLA executed a pre-planned two-day military drill following the inauguration of Taiwan's new President. Advertised as "punishment" for separatist acts of Taiwan independence forces, the exercise consisted of combat readiness and law enforcement operations around Taiwan.²⁶ The exercise included several exercise areas surrounding Taiwan and its offshore islands, which appeared to signal PRC willingness to inhibit commercial ship access to Hualien, the Taiwan Strait, Taiwan's offshore islands, and Taiwan's Kaohsiung's commercial port, for example. During this exercise, a near record number of PRC navy vessels operated around Taiwan and included the unprecedented integration of China's Coast Guard operations east of Taiwan, a potential harbinger of PRC law enforcement operations in the western Pacific.²⁷

Our allies can teach us valuable lessons of how to counter PRC gray zone activity. Japan routinely responds to China Coast Guard incursions into the contiguous zone and territorial waters of the Senkaku Islands, which Tokyo administers. As of late May, China's coast guard set a record of 158 consecutive days of coast guard operations in these waters.²⁸ China's goal is to force Japan to concede these islands are in dispute.²⁹ For each incursion, Japan's coast guard is present. Japan publicly disseminates information about each incursion and releases photographs demonstrating that its coast guard remains on the landward side of China Coast Guard vessels; thereby conveying administrative control.³⁰ Japan's maritime presence and law enforcement response to China's incursions underscore Japan's legal claims while pushing back against PRC gray zone tactics.

The Philippines employs a similar transparency tactic. China's maritime militia and coast guard vessels routinely interfere with Philippine attempts to resupply the grounded Sierra Madre vessel at Second Thomas Shoal in the Spratly Islands, which is located within the Philippine Exclusive Economic Zone – less than 200nm from the island of Palawan.³¹ Nevertheless, China claims "indisputable sovereignty over the feature."³² Manila's policy is to respond to PRC bad behavior with "measured transparency" by documenting and publicizing each incident.³³ This name and shame approach has drawn the world's attention to the plight of Philippine vessels and helped place the PRC on the defensive.³⁴

Ensuring freedom of the seas requires Washington to take further steps.

- **Recognize the PRC's triple maritime threat.** China's Navy, Coast Guard, and Maritime Militia all report to the CMC. The United States must deal with them holistically. As such, Washington should communicate both publicly and privately to Beijing that the United States expects all three PRC sea forces to abide at all times by the same internationally recognized standards of law, seamanship, and communication to which U.S. maritime forces adhere.
- **Name and shame.** Washington must develop a public relations narrative about PRC gray zone forces in partnership with our Indo-Pacific friends to ensure Washington and our partners are ahead of any PRC narrative at the time of a crisis. Washington can do this by publicly exposing dangerous actions of PRC gray zone forces – especially China's Coast Guard and maritime militia and providing information and imagery to our regional partners to enable them to do the same.
- **Sail wherever international law allows.** The United States must maintain a clear ability and resolve to deny China's gray zone forces the ability to impede U.S. operations that are of consistent with international law. American officials must clearly communicate the consequences of unacceptable Chinese behavior in the maritime domain.
- **Empower Friends and Allies.** U.S. forces must play a much more direct role in helping allies defend their own maritime rights and ensure that any settlement of disputes is by peaceful, legal means rather than through PRC coercion. This may take the form of training

to counter PRC gray zone operations or sharing intelligence about the disposition of PRC military maritime forces in the region.

- **Leverage the U.S. Coast Guard (USCG).** The U.S. government must establish a funding mechanism to provide the Coast Guard a reliable budget stream to fully support the increasing operational demands in distant waters. Deployments of the white-hulled USCG to the Indo-Pacific region are a force multiplier. The Coast Guard is a useful sentinel in theater engagement and freedom of navigation operations (FONOPS), that offers the INDOPACOM Commander with a less-escalatory asset than a warship. Coast Guard efforts enhance theater security cooperation with island nations and hard to access places where a larger navy just cannot go or might not be welcomed. USCG presence also arms the INDOPACOM Commander with an additional tool to help shape optics of interactions by employing a “white hulled” USCG ship to counter PRC “white hulled” coast guard gray zone tactics.

¹ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations*. Annapolis, Maryland: Naval Institute Press, 2019. Pg. 291

² Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations*. P.2.

³ Mazarr, Michael J. *Mastering the Gray Zone : Understanding a Changing Era of Conflict*. Carlisle Barracks, PA: Strategic Studies Institute and U.S. Army War College Press, 2015. P. 2.

⁴ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations.*, p. 3

⁵ Ryan Martinson, “Early Warning Brief: Introducing the ‘New, New’ China Coast Guard” Jamestown Foundation, *China Brief* Volume 21 Issue 2, 25 January 2021. <https://jamestown.org/program/early-warning-brief-introducing-the-new-new-china-coast-guard/>

⁶ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations.*, p. 2

⁷ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations*. P. 5.

⁸ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations*. P. 6.

⁹ Erickson, Andrew S., and Ryan D. Martinson, eds. *China’s Maritime Gray Zone Operations*. P.7

¹⁰ *Maritime Gray Zone Operations: Challenges and Countermeasures in the Indo-Pacific*. P. 56.

¹¹ *Maritime Gray Zone Operations: Challenges and Countermeasures in the Indo-Pacific*. P. 56.

¹² Ministry of Defense of the Government of Japan. https://www.mod.go.jp/en/d_act/sec_env/ch_ocn/index.html

¹³ Ryan Martinson, “Gauging the real risks of China’s new coastguard law” *The Strategist*. 23 Feb 21.

<https://www.aspiratologist.org.au/gauging-the-real-risks-of-chinas-new-coastguard-law/>

¹⁴ Vanessa Cai . “Beijing clarifies coastguard’s detention powers as activists converge on Scarborough Shoal in the South China Sea”. *South China Morning Post.com*. 16 May 24.

<https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6C1W-NDK1-JC8V-1034-00000-00&context=1516831>; See also: Li Honglei and Sun Nanxiang, “China Coast Guard Procedures fully legitimate” *China Daily*, 31 May 24. <https://www.chinadailyhk.com/hk/article/584568>;

¹⁵ This new regulation is the first known China Coast Guard policy that explicitly authorizes detention of foreign vessels and individuals for “trespass” in “waters under China’s jurisdiction.” See: “China Coast Guard Regulation No. 3”, INDOPACOM, 30 May 24.

[https://www.pacom.mil/Portals/55/Documents/Legal/J06%20TACAID%20-%20CCG%20Regulation%203%20\(FINAL\)%20-%20OVER%202.pdf?ver=DbFQtB0oqN0I2NcJ_55HNA%3D%3D](https://www.pacom.mil/Portals/55/Documents/Legal/J06%20TACAID%20-%20CCG%20Regulation%203%20(FINAL)%20-%20OVER%202.pdf?ver=DbFQtB0oqN0I2NcJ_55HNA%3D%3D)

¹⁶ “After incident, Chinese boats patrol waters near Taiwan-held Kinmen” *Focus Taiwan*. 19 Feb 24.

<https://focustaiwan.tw/cross-strait/202402190011>

¹⁷ Taiwan originally declared “prohibited and restricted” waters in its 1992 “Cross-Strait Act,” and since then, these boundaries have served as a basis for maritime law enforcement and rescue operations by authorities on both sides of the Taiwan Strait. See: Mainland Affairs Council Republic of China (Taiwan), “MAC Press Release No. 012”, 18 Feb 24.

https://www.mac.gov.tw/en/News_Content.aspx?n=A921DFB2651FF92F&sms=37838322A6DA5E79&s=343ADEA7F444B698#:~:text=The%20MAC%20explained%20that%20the,revision%20since%20then%20duly%20announced.

¹⁸ Kinmen, Matsu, Penghu Branch Coast Guard Administration, “Coast Guard News” 20 Feb 24.

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¹⁹ “China using ‘gray zone’ tactics after deadly Kinmen boat case: Experts” Focus Taiwan. 18 Feb 24.

<https://focustaiwan.tw/cross-strait/202402180013>

²⁰ Kinmen, Matsu, Penghu Branch Coast Guard Administration, “Coast Guard News” 20 Feb. 24.

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²¹ Ben Blanchard and Yimou Lee, “Taiwan says 5 China coast guard ships entered waters near frontline islands” Reuters, 26 Feb 24. <https://www.reuters.com/world/asia-pacific/taiwan-minister-says-5-china-coast-guard-ships-entered-waters-around-kinmen-2024-02-27/>

²² Li Chengyin and Cai Jiazhen, “The fifth formation of land and sea police ships sailed into Kinmen waters in May more frequently than in the previous two months”. United Daily News. 14 May 24.

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²³ Kinmen, Matsu, Penghu Branch Coast Guard Administration, “Coast Guard News” 9 May 24.

<https://www.cga.gov.tw/GipOpen/wSite/ct?xItem=160424&ctNode=8195&mp=9996>

²⁴ Wu Shu-Wei, Hung Hsueh-kuang and James Lo, “Taiwan’s Coast Guard expels two PLA vessels around Kinmen”, Focus Taiwan. 1 Jun 24. <https://focustaiwan.tw/cross-strait/202406010005>

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²⁶ Kathrin Hille, “China starts military drills around Taiwan as ‘harsh punishment’” Financial Times, 22 May 24.

<https://www.ft.com/content/e64ca81b-c028-4204-a0b6-1b5182ee8bec>

²⁷ “How is China Responding to the Inauguration of Taiwan’s President William Lai?” Center for Strategic and International Studies China Power. <https://chinapower.csis.org/china-respond-inauguration-taiwan-william-lai-joint-sword-2024a-military-exercise/>

²⁸ “Japan spots China ships near Senkaku Islands for record 158th day” Kyodo News, 27 May 24.

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²⁹ Japan Coast Guard, “Movements of China’s Coast Guard vessels in the waters around the Senkaku Islands and Japan’s Response.” <https://www.kaiho.mlit.go.jp/mission/senkaku/senkaku.html>

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³² <https://www.pbs.org/newshour/world/u-s-and-philippines-step-up-strategic-partnership-as-china-threats-loom-in-south-china-sea>

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³⁴ Jim Gomez, “Philippines says it will forge security alliances and stage combat drills despite China’s opposition” Associated Press, 24 May 24. <https://apnews.com/article/philippines-defense-teodoro-south-china-sea-0bbf4abc858484395365c3ee217ab2c2>