Into the Gray Zone: Understanding Chinese-U.S. Tensions in the South China Sea

Kelly Wehle
Abstract

In September 30, 2018, a Chinese Luyang-class destroyer nearly collided with a U.S. destroyer conducting a freedom of navigation operation in the contested Spratly Islands in the South China Sea before the U.S. vessel altered course to avoid collision. The contested islands have been the source of numerous disputes in the region amongst neighboring states. As Beijing rises as a global power, Washington and allies need to pay attention to these gray zone interactions. This paper explores China’s territorial claims in the South China Sea as a foundation for discussing historical cases of gray zone conflict. It seeks to demonstrate the correlation between U.S. and China’s foreign policies and how they relate to gray zone incidents, global financial crisis, and Power Transition Theory. The author makes recommendations on how the U.S. should effectively be wielding their power in concert with allied nations—it is important now more than ever to create and implement policy that can be used to effectively counter China’s tactics.
Introduction: A Game of Chicken

On September 30, 2018, a Chinese Luyang-class destroyer nearly collided with a U.S. destroyer conducting a freedom of navigation operation in the contested Spratly Islands in the South China Sea. The U.S. vessel was forced to alter course to avoid a collision after the Chinese destroyer closed to within 45 yards. Chinese media termed the incident a “near collision,” seemingly capitalizing on the recent U.S. collisions in the region, placing blame upon the U.S. for its occurrence—while U.S. and allied media sources characterized it as an “unsafe and unprofessional maneuver” owed to the Chinese for the incident. Further speculation from U.S. Naval academics suggests the Chinese intercept was also an attempt to gamble that in light of recent history of U.S. warships in the region, that the U.S. vessel would be conservative and alter course long before closing to the 45 yards. This is one example among thirty-seven reviewed in this research in which the Chinese have test the waters of the U.S. resolve in the region that is explored here.

What has caused these gray zone incidents in the South China Sea? Open source media were canvassed to identify incidents between states that could be considered gray zone incidents; this further necessitated operationalizing gray zone and determining their frequency of occurance. Although there are incidents between multiple states in the South China Sea, the focus was on the interactions of China’s maritime patrol and People’s Liberation Army services with other states. The topic could be thoroughly explored if documentation of all the incidents were made available to the public. As this is not the case, this study is limited in scope to open source information. The study seeks to explore causal factors of the gray zone incidents in relation to states’ foreign policies.

Literature Review

Background

The South China Sea is a plentiful body of water to the south of China that lies between China and the “first island chain;” consisting of Japan, Taiwan, Philippines, Brunei, and Malaysia and contains the Paracel and Spratly Islands and Scarborough Shoal. The South China Sea (SCS), by nature of its location, handles a large component of the maritime shipping industry. Over 90% of intercontinental world trade occurs on the water and of that 90%, half of the tonnage ships through the South China Sea which is also one third of the value of said commerce.\(^1\) China has laid territorial claim to the islands residing within their “Nine Dash Line,” which is a vaguely defined demarcation line that extends to the far edges of the west, south and east bounds of the South China Sea into neighboring states’ territorial waters, prior to reaching the first island chain. This claim has led to subsequent territorial disputes with Vietnam, Malaysia, Philippines, Brunei, Indonesia, and Taiwan, making this one of the more constrained shipping regions in the world. China’s territorial claims date back to 1947 whereas the other states seemingly began to dispute China’s claims in the 1970s.\(^2\) Not only is the South China Sea a

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busy location for shipping traffic, but it also offers a fertile fishing ground and oil and liquid natural gas resources, thus elevating the importance of the territorial claims.

The Philippines asked the United Nations Permanent Arbitration Tribunal in 2013 to clarify certain definitions as outlined by United Nations Convention on the Law of the Sea (UNCLOS). In 2016, the Tribunal ruled in favor of the Philippines in territorial disputes concerning the Spratly Islands. The tribunal ruled that none of the islands in the Spratly’s met the definition of “island” and further, China’s maritime claims were not in line with UNCLOS.³ This means that the artificial land features that are present in the Spratly Islands do not possess territorial waters (12NM) nor rights to an exclusive economic zone (200NM) which China was using to help bolster their claim in the region. Beijing’s response prior to the verdict was to call it “nothing more than a piece of waste paper” and “no one and no country should implement the award in any form,” perhaps anticipating the results.

As is the nature of the tribunal’s findings, the decision is legally binding and is now international law, intended to be upheld by members of the United Nations (UN). Subsequent to the announcement in favor of the Philippines, the Chinese foreign ministry issued a statement that rejected the findings stating, “the award is invalid and has no binding force…China does not accept or recognize it.” Thomas Kellogg says the U.S. and allies need to take the opportunity to deepen their engagement with Beijing and show them their response has blighted their global reputation.⁴ Sourabh Gupta conversely disputes China’s historical claims to the region and concludes China’s island-building is not illegal nor in violation of the undisputed territorial sovereignty of a neighboring state. Gupta adds that Washington had taken no formal position on Beijing’s actions in the SCS historically, and on the rare occasion that it needed to choose sides, they sided with Beijing.⁵ Joseph Klein brings in another dimension to the argument saying the tribunal acted beyond the authority set forth by UNCLOS itself. The UN does not have a position on the legal and procedural merits of the case nor on the disputed claims and in ruling the way they did, they have likely placed diplomatic solutions in the region even further out of reach.⁶ As evidenced, the territorial claims take on a variety of dimensions in world support on even just this one topic—which forms the basis of how and why states defend their territorial claims.

Since the 2008 global financial crisis, the People’s Republic of China (PRC) has placed greater importance on defending core national interests and maintaining its sovereignty claims.⁷ Nien-

³ Turcsanyi, Chinese Assertiveness, p.35.
chung speculates this change is due to the changes in international power brought on by the financial crisis where the United States’ ability to positively influence the global economy has come into question. Interestingly, Ciu Tiankai, Chinese ambassador to the United States, says that U.S.-China bilateral relations are a priority in China’s foreign policy in their quest to uphold national security, sovereignty claims, and development interests—similar to the U.S.—and seeks that China be treated as an equal in the relationship while acknowledging their own growth into the role. Conversely, given the PRC’s actions in the region, it could be said that they are behaving as a revisionist state and not one that is content with the status quo, as Ciu Tiankai suggests. Power Transition Theory (PTT) states that revisionist states want to increase their power and share a common desire to overturn the status quo order. Carsten Rauch summarizes PTT as being a dyadic model wherein there is a standoff between the declining dominant power defending the international order and a rising power challenging that order. This maintains the view that this theory indeed applies to only two parties, namely the revisionist and status quo parties. Revisionist states are often viewed as being willing to undertake military adventurism whereas status quo states are content with their position in the world. PTT describes states as they relate to international world order. Beijing is laying the ground work for a new order with Beijing as the revisionist state by using gray zone tactics.

Within China, there is a group called ying pai that are hard-liner “hawks” in their mission of seeing the decline of the United States and the rise of China. China maintains the rhetoric as Ciu Tiankai exemplifies in that China’s rise will be peaceful and not come at others’ expense. Michael Pillsbury argues that China has been acting in its own self-interest since the formation of the Chinese Communist Party. China has portrayed that they are weak and require outside assistance and so the United States provided offers of assistance monetarily as well as in science and technology. This mainly began with President Nixon in 1972 when he invited China in to the World Trade Organization. A notable offer was Presidential Directive 43 (1978) in which the United States transferred to China their scientific and technological developments in education, energy, agriculture, space, geosciences, commerce, and public health. Also, President Ronald Reagan’s National Security Decision Directive (NSDD) 11 allowed the Pentagon to sell advanced air, ground, naval, and missile technology to the People’s Liberation Army (PLA) and then NSDD 12 added nuclear cooperation and development between the countries. The United States has given China the ability to play on an even field with them

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13 Pillsbury, p.73.
militarily in the hopes that a strong and stable China can be an increasing force for peace in the world.

The Chinese have a game they play called wei qi that dates to the Warring States period around 4th century BC. The game is similar to checkers except the goal is not outright defeat of the opponent but rather players take turns trying to encircle the other by placing stones on the board. The key to victory is to deceive your opponent into complacency such that they expend their energy to help you as you encircle them whilst also deceiving about your real intentions and directions. China’s grand strategy, known as Shi, mirrors this childhood game in that the strategy is to encircle an enemy by building up one’s coalition while simultaneously undermining the opponent’s coalition to prevent him from encircling you. China has maneuvered itself to be the recipient of U.S. gifts while not following through on their part of the bargains. Dating back to Mao Zedong, China feels they have been wronged by the West, which is deep-rooted sentiment throughout the Communist Party even today. Mao believed China needed the West so China could develop into a superpower that could one day rival the West. Now, Chinese authors frequently discuss the United States in the context of needing to discreetly counter their global alliance system without alerting the U.S. that alternative alliances have been formed. Pillsbury warns of a book titled The China Dream written in 2009 by a Colonel in the PLA that seemingly describes China’s rise as peaceful in the English translation, but in original Mandarin version alludes to the importance of studying American weaknesses and preparing to hit the Americans once the West becomes wise to China’s true game plan.

Gray Zone
Gray zone conflict is state-on-state conflict that does not involve combat between uniformed militaries. Examples include the incident on September 30th between the PLA and U.S. destroyers, firing water cannons upon local fishing vessels by PRC maritime patrol, and PRC military craft intercepting U.S. craft at land and in the air at an unsafe approach and maneuvering. Here it is categorized as an attempt at preventing access to contested territorial claims by using force, coercion, or military presence. China has successfully used gray zone conflict to alter the status quo in the region without triggering major conflict. By stacking the cards in their favor, they have succeeded in eroding, at least partially, the United States’ credibility in the region. China’s artificial islands and their subsequent militarization is of concern in that they will eventually impose and enforce constraints on the freedom of navigation in that region (within 12NM). Ambiguity about the ultimate objective is what makes gray zone conflict so effective—the ambiguity regarding the parties involved, the nature of the conflict, the

14 Pillsbury, p.44.
15 Ibid.
17 Pillsbury, p. 45.
validity of legal and political claims, the information asymmetry and uncertainty of facts.\textsuperscript{22} Without a clear direction, or an indication that a threshold has been met, there is no clear-cut response to gray zone conflict. Decision makers are caught between too little or too much aggressiveness which poses the risk of losing without fighting for the former and raises the possibility of abusing one’s own citizens or expanding the situation into a wider, even more violent conflict for the latter.\textsuperscript{23}

US Army Lieutenant Colonel John Krenson suggests an effective method of addressing gray zone conflict is by integrating DIME (diplomacy, information, military, and economics) into the equation. This removes the sole responsibility from the military and seeks the effective integration of national power to prevent war.\textsuperscript{24} David Green takes an economist’s stance and reminds us that Asia, which he refers to as “Factory Asia,” is now a fully cross-border, integrated economy and has seen significant economic growth over the past several decades in the region. An armed conflict in the region will likely exacerbate an already weakened global economy and thus Green’s solution, while acknowledging how difficult it is, is to attempt to integrate the economies in the region to promote continued growth.\textsuperscript{25} Charles Edel harshly criticizes the over simplification of the situation in the South China Sea and compares China’s gray zone tactics with Lenin’s bayonet analogy, “probe with a bayonet: if you meet steel, stop. If you meet mush, then push.”\textsuperscript{26} Edel says China’s probes are calibrated so as not to risk increasing U.S. alliances in the region but rather to destabilize by intimidation and buying political compliance. Further expanding on Edel’s thoughts, Dr. Lingqun Li says China’s SCS policies’ focus include shifting the geostrategic environment and evolving the legal norm as it relates to dynamics of law of the sea, adding that the law portion plays an influential role on the political portion.\textsuperscript{27}

Ross Babbage argues that protecting the rules-based component of global order is becoming more important for the United States and Western Pacific allies as all suffer a relative decline in their traditional forms of power. He highlights the allure of the “Chinese ally” to neighboring states in that they are aggressive, do not interfere with their domestic issues, and also have the largest military force in the South China Sea. This could potentially be setting up a bilateral conflict in which effected states are forced to choose sides between China and the U.S. In contrast to China’s actions, the U.S. and its allies have sporadic military presence in the region and are behaving very cautiously.\textsuperscript{28} China has been successful in undermining Western influence in the region as evidenced in 2016 as the Philippines’ president, Rodrigo Duterte

\textsuperscript{22} Green, et al, Countering Coercion, 32.
\textsuperscript{27} Li, p.3.
\textsuperscript{28} Babbage, R. “Countering China’s Adventurism in the South China Sea: Strategy Options for the Trump Administration.” Center for Strategic and Budgetary Assessments, 2016, 38.
publicly separated from the U.S. partnership for a new relationship with China, if only temporarily.\(^{29}\) Between the Philippines, Thailand purchasing submarines from the Chinese, and Malaysia leaning toward Chinese influence, it is increasing in importance for the Association of Southeast Asian Nations (ASEAN) to be a united front to counter Chinese gray zone conflicts. China is behaving like a playground bully whilst also pitting ASEAN nations against one another. In this regard, Dr. Amy Searight identifies methods in which to strengthen ASEAN such as increasing the ministerial-level meetings from biannually to annually, adding that when the ministers do meet, they are useful in strategic dialogue, defense cooperation and capacity building.\(^{30}\)

China’s behavior avoids crossing the threshold to conventional war by employing the tactic of ambiguous aggression through gray zone conflict as incremental actions and is congruent with strategic gradualism. Each action remains just below a response threshold and is constructed in such a manner that the actions build up to a decisive change in the status quo.\(^{31}\) This tactic makes it difficult to identify the significance of the individual actions and therefore develop an effective countervailing response. Incremental actions also aid in establishing credibility that the state is not risk averse and could escalate if conflict does occur.

At a time when resources are scarce, and geopolitical constraints are tightened, it is necessary to develop Joint, Interagency, Intergovernmental and Multinational (JIIM) cooperation efforts, according to Hun, et al. Although this article primarily addresses this concept from the Special Operations Forces (SOF) perspective, it notes the importance of the Diplomatic, Information, and Economy components of DIME for broader application of irregular warfare to wield the instruments of power.\(^{32}\) Hun, et al. says that a critical component for any joint initiative is mutual trust amongst its partners. There is presently a lack of faith in the U.S. in the South China Sea region and with our allies owed to pulling out of the Trans Pacific Partnership (TPP) and spouting off an isolationist foreign policy sentiment.\(^{33}\) Pulling out of the TPP has harmed our soft power ability in the region as states are now concerned the U.S. is going to abandon them in time of need. Turcsanyi even commented how President Trump is also single-handedly altering power dynamics but that luckily the U.S. has friends all over the world to help combat this.\(^{34}\) The apparent lack of filter in President Trump’s musings to the world has colored other state’s perception of the United States’ commitment and professionalism thus weakening our soft power credibility.


\(^{31}\) Mazarr, Mastering the Gray Zone.


\(^{34}\) Turcsanyi, Chinese Assertiveness, p.180.
It is important now more than ever to create and implement a policy that can be used to effectively counter China’s tactics; particularly incorporating the allied compliment. Charles Edel notes the necessity of clarifying U.S. security commitments to the region to help strengthen our alliances. A word of caution in discussing China’s behavior in the SCS in utilizing the term 

\textit{assertive} to describe the actions, as the language can effect both internal and public foreign policy debates; the prevailing description of the problem narrows the acceptable options. Thus when discussing the SCS incidents, we must remain cognizant of the effects broad generalizations have on the potential outcome of conflict resolution.

Contrary to Chinese Ambassador Tiankai’s paper, China is not acting with the belief that they are equal to the United States, as seen in Beijing’s response to the United States’ ongoing freedom of navigation operations. In May of 2018, a U.S. Navy guided-missile destroyer and a cruiser sailed within the 12NM of the Paracel Islands in a show of freedom to maneuver and also in response to a nuclear-capable bomber exercise China had just conducted in the weeks prior. The U.S. subsequently disinvited China from the biannual RIMPAC exercise for this. On September 30, 2018, the navigation exercise was conducted again utilizing the same guided-missile destroyer, the USS Decatur, but in the Spratly Islands and proceeded earlier in the week by a U.S. B-52 bomber fly-over exercising the same navigational freedoms in the sky. Later reports detailed an unsafe interaction between a Chinese Luyang-class destroyer and the USS Decatur. Chinese media say the destroyer nearly collided with the USS Decatur after having to send the ship to war the U.S. warship off for treading on its sovereignty claims. The U.S. media reports the incident as coming within 45yards of the U.S. ship’s bow, forcing the U.S. ship to maneuver to avoid collision. Further speculation from U.S. Naval academics suggests the Chinese intercept was an attempt to capitalize on the recent U.S. warship collisions at sea and deter the U.S. ship from allowing the Chinese vessel to come so close; a proverbial game of chicken. This is an excellent example of hardening U.S. reactions in response to China’s gray zone tactics.

This paper explores the power dynamics playing out in the South China Sea regarding China’s territorial claims as a foundation for discussing the frequency and reasoning behind examples of gray zone incidents. Foreign policy implemented under the George W. Bush, Barack Obama, and Donald Trump administrations will be evaluated with the case studies in addition to reviewing China’s foreign policy during those times and recommendations on how the U.S.


39 Ng, Teddy. “Chinese destroyer nearly collided with USS Decatur after trying to drive Americans away from the disputed South China Sea.” \textit{South China Morning Post}, October 2, 2018.

should effectively be wielding their power in concert with allied nations will be made. The following hypotheses will be evaluated:

- H1: Chinese domestic factors are driving more aggressive military posture.
- H2: Chinese military action is a reaction to U.S. foreign policy.

Methodology

Gray zone conflict is defined as state-on-state conflict that does not involve combat between uniformed militaries. Incidents of conflict were operationalized by searching for open source reports of incidents within the South China Sea. Incidents were determined to meet gray zone standards if it met any of the below criteria in addition to preventing access to contested territorial claims by using force, coercion, or military presence:

*Cross the Bow:* Crossing the bow of another vessel is a gesture that indicates the secondary vessel should “stop” or as a “warning” of further escalatory actions; similar in nature to a shot across the bow.

*Direct Interference of Activity:* This term defines when the intentions of the perpetrator is that the action ceases by force such as through ramming another vessel, utilizing water cannons, or other means.

*Indirect Pressure:* Used to characterize an intimidation tactic via economic coercion or power projection, for example.

*Unsafe Intercept:* Characterizes when two vessels are in close proximity to one another though one vessel is not following widely accepted practices of safety such as distance or closure rate.

*Verbal Warnings:* Characterizes radio calls made between vessels in which it is made clear that one of the vessels needs to leave the area to avoid misunderstanding or to reinforce territorial claims.

Because gray zone incident determination occurs using open source information, it is therefore limited in capturing every incident of occurrence if it were not made public to the media. The frequency of gray zone incidents is the independent variable while foreign policies and administrations make up the dependent variables. In reviewing the history of conflict in the South China Sea since the Chinese Communist Party has been in power in China, it was deemed that there were not sufficient incidents to warrant further research. Following this timeline, an increase in frequency of military air-to-air intercepts in 2001 is the first notable occurrence that begins a trend of incident occurrence.

To operationalize the dependent variable of foreign policy, government-released documents were evaluated in comparison with actions taken by the United States and China during the identified incidents. China maintains a less-than-transparent foreign policy, so it is more difficult to assess in this circumstance. Secondary sources such as translations and peer-reviewed
The literature attempted to compensate for this. To evaluate the United States’ foreign policy, government documents such as the National Security Strategy and National Defense Strategy were evaluated in comparison with the actions of the particular administrations. The below hypotheses were tested:

- H0: No clear pattern; gray zone incidents are essentially random.
- H1: Chinese domestic factors are driving more aggressive military posture, such as concerns about Chinese national power in the wake of 2008 economic crisis.
- H2: Chinese military action is a reaction to U.S. foreign policy, which has fluctuated between acquiescence and assertiveness over the last two decades.

Analysis

Figure 1. Gray Zone Incident Frequency in the South China Sea with PRC and US Presidents

Figure 1 was created from data compiled and listed in Appendix A. Looking at Figure 1, an outlier is apparent in 2001. This represents an increase in air-to-air intercepts by the PLA to US aircraft. The characterization of these intercepts were predominantly “unsafe;” meaning the interceptor was closing on the intercepted at an unsafe rate or was maneuvering in an unsafe manner in close proximity to the intercepted. Given the history within that year of increasingly unsafe maneuvering, it was inevitable the year would culminate in the infamous U.S. EP-3 intelligence aircraft intercept by a Chinese fighter aircraft that resulted in the death of the Chinese pilot and the emergency landing of the U.S. aircraft on Hainan Island and subsequent detention of their aircrew. From this incident there is a sharp decrease in gray zone incident occurrences until 2009. The trend line indicates a positive slope and thus steady increase in incidents since 2000. It is necessary to observe the increase in frequency of incidents in the latter half of the timeline skew the results.
Jiang Zemin led the CCP when the air-to-air intercepts were most frequent though there appears to be no particular correlation politically with why these occurrences took place in 2001. While Hu Jintao was head of state, the occurrence of events seems unremarkable except the spike in 2009. Looking at the trend line, this could likely be attributed to PRC reaction in the wake of the 2008 global financial crisis. Since Xi Jinping has held office, there has been a relatively steady occurrence of gray zone incidents. Xi has also criticized the U.S. for ignoring China’s territorial claims in the South China Sea as evidenced by an increase in the freedom of navigation operations conducted by both U.S. naval vessels and aircraft.

In discussing U.S. administrations in Figure 1, there is an apparent spike in incidents that occurs after each administration’s first year in office. This supports the theory that the CCP tries to dissuade the United States from having interest in the affairs in the South China Sea with every administration. It explains why after 2001, the frequency of incidents seems to trail off to an occasional one or two. It does not explain why the tempo picks up with President Barack Obama in office. Within the past two years, the trend seen during the Obama administration seems to have carried through to the Trump administration as well. Although, if the theory that PRC gray zone incidents increase after the first year in office is correct, then it was to be expected that there would be an increase in the number of incidents in 2018 as seen thus far.

Only considering the intimidation tactic from the PRC would be neglecting the larger global impact that the global financial crisis had in 2008. It has been surmised that the Chinese felt the United States failed the global economy in allowing the crisis to happen. After 2008, there is an apparent increase in gray zone incidents likely owing to the Chinese stepping up to seize their territorial claims as they wrestle for power to take the lead as the global leader. Additionally, in 2011, President Obama announced a “Pivot to Asia” in which the drawdown of troops in the Middle East would be reestablished in the Pacific theater of operations, consistent with post-WWII occupation of the Pacific, pre-9/11.

In reviewing H1 and H2, it is apparent that both contribute to what could be considered causal factors to the increase in gray zone incidents in the South China Sea. Additionally, it is safe to reject the null hypothesis. Gray zone incidents in the South China Sea are not random and can be explained when compared to the overlapping global environment and respective foreign policies.

Evaluating the incidents in the South China Sea is limited by the scope of open source media. In the examples detailing verbal warnings or intercepts of military aircraft and naval vessels, it is more than likely that there were more incidents that occurred and are not of the purview of the Layman. Therefore, the results of this study can only be suggestive as to the actual pattern in incidents.

To thoroughly evaluate whether PRC leadership specifically had an impact in the frequency of South China Sea incidents, it would be necessary to expand the timeline further back, perhaps then reshaping the question to something that incorporates PRC’s apparent foreign policy in the
South China Sea since the Communist Party has been in charge (1949). Realistically, the foreign policy for the CCP does not appear to have changed since Mao Zedong and it is likely that they are acting in accordance with Shi. As China has amassed their military fleet and continues to level the playing field with both given and stolen technology, it is logical that they would make a play for global hegemon. China continues to push the envelope of gray zone, most recently crossing the line with the 45 yard intercept of the USS Decatur in September 2018. The intercept is the most bold seen thus far between military naval vessels in the South China Sea.

Regarding the United States’ policy, the Bush administration began with a terrorist attack on September 11, 2001. Needless to say, the administration remained focused predominantly on the Middle East as the word terrorist became an everyday word in the mouths of the American public. Despite this shift, the Bush administration was instrumental in beginning dialogues for the Trans-Pacific Partnership (TPP) and other measures that served to strengthen the U.S.-allied relationship in the Pacific.

With the Obama administration, the TPP was signed and an era of pursuing peace and stability ensued. The Obama administration even “brought our troops home” from the Middle East, as promised, leaving a footprint behind to help ensure stability of the region. These numbers were ultimately relocated back to the Pacific where they came from, leading it to be called Obama’s “Pivot to Asia.” The Pivot to Asia was intended to additionally capitalize on the economic growth in the region. At the time, Obama’s National Security Strategy (2010) was filled with concerns for national security as affected by al-Qa’ida, the Taliban, and a fear of nuclear proliferation and weapons of mass destruction. China is only mentioned with regard to building deeper and more effective partnerships with other key centers of influence (China, India, and Russia). In describing the military, he describes the necessity to strengthen the military to successfully prevent and deter threats, to prepare for increasingly sophisticated adversaries, and deter and defeat aggression in anti-access environments. It could be considered that militarizing the reefs in the South China Sea is in line with creating an anti-access environment, although the amount of progress China had made on the South China Sea build at the time this document was written is questionable as to whether it was known to the general public at that time as I didn’t really begin until 2013. The NSS concludes with the U.S. responsibility to “safeguard global commons” which entails optimal use of shared sea, air, and space domains and safeguarding against those who would deny access or use them for hostile purposes. In reference to safeguarding the sea domain President Obama expresses the intent to pursue ratification of UNCLOS.

President Trump has taken the office while seemingly undoing everything President Obama had accomplished, to include removing the United States from the TPP and backing out of the Paris Accord. Combined with an apparent rhetoric for an isolationist foreign policy, it is difficult to know how much the United States’ allies have been impacted by the current administration. The Trump administration has also waged a tariff war on China for their most recent actions which helps to communicate to U.S. allies that they are still engaged globally.
Conclusion

Taken individually, each of these gray zone incidents could seem like an isolated incident. It is imperative to take a step back to observe the pieces as a whole and identify what the trend suggests, i.e. strategic gradualism. The pivot to Asia was not the catalyst for increasing Chinese aggression in SCS but rather exacerbated a situation from the global financial crisis of 2008 in which China deemed the U.S. did a poor job of managing the global economy and took the opportunity to step up. China is behaving in concert with classic power transition theory as a revisionist state. Meanwhile, the U.S. did not act in concert with their role of global hegemon in stopping the Chinese expansion and militarization in the South China Sea over the past presidential administrations. China is acting in concert with a genesis of a new rules-based order formed on the basis of military power, not international consensus.

The effectiveness of gray zone conflict is that it builds a degree of credibility for the perpetrator. China has given credibility to the idea they will escalate a conflict if needed based on their pattern of behavior. Up until the intercept of the USS Decatur in September 2018, the United States has established a pattern of complacency, sticking to the usual verbiage that they have “strong interest in free sea and air passage, have no national claims to territories in the area, and call on all parties to exercise restraint and resolve competing claims in accordance with international law,” when queried while conducting freedom of navigation operations.41 The United States should consider adopting a harder line in conducting their patrols to build their credibility in the region. The US can take this a step further and ratify the current Convention on the Law of the Sea, UNCLOS III, to further legitimize their freedom of navigation operations conducted in accordance with how UNCLOS defines territorial claims.

As the South China Sea is one of the most important strategic waterways, it is critical to defend against gray zone incidents to maintain a rules-based global order. In the West’s attempts to minimize confrontation and avoid all-out war a la Pearl Harbor, they have effectively ceded control of the region. Just like the game of wei qi, the United States has to be aware that they are a player in the game and to win, one must encircle. China’s critique of the United States signing the TPP was that it felt encircled. The United States gained footing in the region and lost it when the Trump administration pulled out of the trade agreement. The key to gaining the upper hand in the region is not through military might, but through strengthening alliances and therefore regional security and undermining China’s efforts to backdoor bilateral agreements with U.S. allies.

41 Babbage, p.66.


United States. 2010. The national security strategy of the United States of America. [Washington]: President of the U.S.

United States. 2017. The national security strategy of the United States of America. [Washington]: President of the U.S.


## Appendix A

### Table 1. Gray Zone Incidents in the South China Sea

<table>
<thead>
<tr>
<th>Date</th>
<th>Players</th>
<th>Location</th>
<th>Incident</th>
<th>Qualifying action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Dec2000- Apr2001</td>
<td>PRC fighter aircraft &amp; US surveillance aircraft</td>
<td>South China Sea</td>
<td>There had been 44 intercepts by PRC fighter aircraft (within 30ft of US aircraft six times and within 10ft of US aircraft twice).</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>2 Mar2001</td>
<td>USNS Bowditch &amp; PLAN destroyer</td>
<td>Yellow Sea</td>
<td>USNS Bowditch was conducting routine military survey operations in international waters when confronted by PLAN destroyer intercepted the USNS vessel closing to 330ft.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>3 Apr2001</td>
<td>PLAFF fighter aircraft &amp; USN turboprop aircraft</td>
<td>South China Sea, 70miles from Hainan Island</td>
<td>USN turboprop was maintaining autopilot airspeed and course when PLAFF aircraft bumped into the USN's wing, killing the pilot. USN aircraft was forced to emergency land at Hainan Island and 24 US aircrew were detained for 11 days before Beijing released them to Washington. The US aircraft was eventually returned disassembled in box.</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>4 Sep2002</td>
<td>USNS Bowditch &amp; PLAN patrol and PLAFF aircraft</td>
<td>Yellow Sea</td>
<td>USNS Bowditch was conducting routine military survey operations in international waters when confronted by two PLAN patrol vessel and a PLAFF aircraft, forcing the Bowditch to depart the area.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>5 Jan2005</td>
<td>VNM fishing vessel &amp; PRC vessel</td>
<td>Gulf of Tonkin</td>
<td>Two Vietnamese fishing vessels were attacked by PRC vessels at night in an attempt to steal their boats. Nine Vietnamese people were killed.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>6 Mar2009</td>
<td>USNS Victorious &amp; PRC patrol aircraft and PLAN frigate</td>
<td>Within China's EEZ in the Yellow Sea</td>
<td>Victorious was surveilling and PRC Fisheries Law Enforcement Vessel focused a spotlight along the ship and bridge repeatedly before crossing the bow at ~4200ft. Next a Y-12 flew past Victorious at 400ft altitude and 1500ft range.</td>
<td>Cross the Bow</td>
</tr>
<tr>
<td>7 Mar2009</td>
<td>USNS Impeccable &amp; PLAN Frigate and PLAFF patrol aircraft</td>
<td>Within China's EEZ in the Yellow Sea</td>
<td>PLAN frigate crosses Impeccable's bow at 300ft. Two hours later, a PLAFF Y-12 conducts ELEVEN flybys at 600ft altitude ranging 100-300ft in range from Impeccable. The PLAN frigate crossed the bow again at 1200-1500ft before departing. No warning radio calls by PLA forces had been conducted prior to event.</td>
<td>Cross the Bow</td>
</tr>
<tr>
<td>8 Mar2009</td>
<td>USNS Impeccable &amp; PLAN auxiliary general intelligence ship</td>
<td>Within China's EEZ in the Yellow Sea</td>
<td>Radio warning from PLAN officer bridge-to-bridge to &quot;leave the area or be prepared to suffer the consequences&quot;</td>
<td>Verbal Warnings</td>
</tr>
<tr>
<td>9 Mar2009</td>
<td>USNS Impeccable &amp; PLAN ship, PRC fisheries vessel, PRC Marine Surveillance Patrol ship, and 2 PRC fishing trawlers</td>
<td>Within China's EEZ, 125 miles from China in Yellow Sea</td>
<td>Chinese Navy, Maritime Law Enforcement &amp; fishing vessels surrounded the USNS Impeccable and attempted to interfere with its towed sonar array by dropping debris in front and trying to cut it.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>10 Feb2011</td>
<td>PLAN frigate &amp; PHIL fishing vessels</td>
<td>Jacksin Atoll, Spratly islands</td>
<td>PLAN frigate fired its deck guns at three PHIL fishing vessels in vicinity of Jackson Atoll.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>Date</td>
<td>Players</td>
<td>Location</td>
<td>Incident</td>
<td>Qualifying action</td>
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<tr>
<td>11 May2011</td>
<td>VNM survey ship &amp; PRC maritime patrol vessels</td>
<td>80 miles off South Central Coast of Vietnam</td>
<td>3 PRC patrol vessels intercepted the VNM survey ship. One PRC vessel cut the submerged cable towed behind the VNM ship.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>12 Jun2011</td>
<td>Norwegian vessel (VNM-hired) &amp; PRC fishery patrol vessel</td>
<td>80 miles off South Central Coast of Vietnam</td>
<td>3 PRC patrol vessels intercepted the NOR survey ship. One PRC vessel cut the submerged cable towed behind the NOR ship.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>13 Apr2012</td>
<td>PHIL cutter &amp; PRC fishing vessels and PRC surveillance vessels</td>
<td>Scarborough Shoal</td>
<td>PHIL cutter investigated eight PRC fishing vessels within the shoal and discovered illegal specimens aboard. Two PRC surveillance vessels arrived and blocked the entrance of the shoal, preventing the arrest of the PRC fishermen</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>14 Apr2012-Jun2012</td>
<td>Philippine Warship and Coast Guard &amp; PRC fishermen and PRC Coast Guard</td>
<td>Scarborough Shoal</td>
<td>PRC quarantines PHIL fruit imports in response to PHIL Navy frigate defending territorial waters of Shoal from PRC fishermen</td>
<td>Indirect pressure (i.e. economic coercion)</td>
</tr>
<tr>
<td>15 Jun2012</td>
<td>Indian Navy vessels &amp; PLAN frigate</td>
<td>South China Sea</td>
<td>Four Indian naval vessels were escorted as they were passing through the South China Sea by a PLAN frigate. The incident signaled the vessels were in &quot;Chinese territory&quot;</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>16 Dec2013</td>
<td>USS Cowpens &amp; PLA Navy vessel</td>
<td>International Waters within South China Sea</td>
<td>PLA Navy ship broke away from exercise with PLAN aircraft carrier Liaoning it was participating in to cross the USS Cowpens bow at 1500ft, forcing an &quot;all-stop&quot; to avoid collision</td>
<td>Cross the Bow</td>
</tr>
<tr>
<td>17 Mar2014</td>
<td>PRC Coast Guard &amp; PHIL supply vessel</td>
<td>Second Thomas Shoal</td>
<td>PHIL ship was taking supplies to their Marines based at Second Thomas Shoal. PRC Coast Guard crossed the bow of the PHIL supply vessel multiple times and radioed to the PHIL ship their need to stop or &quot;take responsibility for the consequences of your actions.&quot;</td>
<td>Cross the Bow</td>
</tr>
<tr>
<td>18 May2014</td>
<td>VNM vessels &amp; PRC Coast Guard</td>
<td>Paracel Islands</td>
<td>PRC attempts to establish oil rig off of VNM on Vietnamese claimed oil block. VNM fishing vessels attempt to defend area. Ultimately, 60 PRC vessels (33 coast guard, 7 PLAN ships, etc) and 29 VNM naval and coast guard ships are on site. PRC rams/hits 8 VNM vessel with vessel of water cannon and 6 personnel injured.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>19 Aug2014</td>
<td>PRC fighter aircraft &amp; USN patrol aircraft</td>
<td>South China Sea</td>
<td>PRC fighter intercepted USN patrol aircraft and conducted a &quot;Top Gun&quot; barrel roll over the USN aircraft at less than 50ft distance</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>20 Jan2015</td>
<td>PRC Coast Guard &amp; PHIL fishing vessels</td>
<td>Scarborough Shoal</td>
<td>PRC Coast Guard rammed 3 PHIL fishing vessels after ordering them to leave the area</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>21 Mar2015</td>
<td>PRC Coast Guard &amp; PHIL supply vessel</td>
<td>Second Thomas Shoal</td>
<td>2 PRC Coast Guard flanked PHIL vessel while blaring sirens and steering in close</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>22 Apr2015</td>
<td>PRC Coast Guard &amp; PHIL fishing vessels</td>
<td>Scarborough Shoal</td>
<td>PRC used water cannons on PHIL fishing vessels, boarded them, then dumped their catch</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>23 May2015</td>
<td>USN patrol aircraft &amp; PLAN dispatcher</td>
<td>South China Sea</td>
<td>CNN aboard USN aircraft conducting routine patrols in international airspace and witnesses eight warnings from PLAN dispatcher to &quot;leave immediately in order to avoid misjudgment&quot; for &quot;approaching their military alert zone.&quot;</td>
<td>Verbal Warnings</td>
</tr>
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<tr>
<td>Sep2015</td>
<td>PLAAF fighter &amp; USAF surveillance aircraft</td>
<td>Yellow Sea, 80miles from China</td>
<td>2 PLAAF fighter aircraft had come within 500 feet of the nose of the USAF aircraft.</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>Oct2015</td>
<td>VNM vessels &amp; PRC vessel</td>
<td>Paracel Islands</td>
<td>VNM fishermen were sleeping aboard their vessel after a day of fishing when a Chinese ship rammed their vessel (which later sunk) before five Chinese men boarded with knives to take navigation equipment and the men's catch. PRC reaction was that Chinese authorities have the right to take law enforcement measures on boats that have entered the waters illegally.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>Oct2015</td>
<td>USN destroyer &amp; PLAN destroyer</td>
<td>Subi Reef</td>
<td>2 PLAN destroyers shadowed and issued warnings to the USN destroyer to leave Subi Reef as it conducted Freedom of Navigation Operations within 12NM of the reef</td>
<td>Verbal Warnings</td>
</tr>
<tr>
<td>Mar2016</td>
<td>Indonesian fishery vessel &amp; PRC coast guard</td>
<td>Natuna Islands</td>
<td>Indonesian Maritime and Fisheries Task Force caught PRC fishing vessel illegally fishing near Natuna Islands. Indonesian authorities towed the vessel to Natuna waters for further investigation when PRC coast guard vessel collided with the PRC fishing vessel to prevent its tow and demanded it be released to return to Chinese waters.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>May2016</td>
<td>USN destroyer &amp; PLAN destroyers and PLAAF fighter aircraft</td>
<td>Fiery Cross Reef</td>
<td>3 PLAN warships &amp; 2 PLAAF fighter aircraft dispatched to &quot;monitor&quot; US destroyer during its Freedom of Navigation Operation within 12NM of Fiery Cross</td>
<td>Indirect pressure</td>
</tr>
<tr>
<td>May2016</td>
<td>PLAAF fighter aircraft &amp; USN surveillance aircraft</td>
<td>South China Sea</td>
<td>While operating within international airspace, two PLAAF fighter aircraft intercepted a USN surveillance aircraft at an unsafe 50ft.</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>Jun2016</td>
<td>PLAAF fighter aircraft &amp; USAF reconnaissance aircraft</td>
<td>South China Sea</td>
<td>While operating within international airspace, two PLAAF fighter aircraft intercepted a USAF reconnaissance aircraft at an unsafe excessive rate of closure.</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>Dec2016</td>
<td>USNS Bowditch &amp; PLAN submarine rescue vessel</td>
<td>South China Sea</td>
<td>While operating within international waters in vicinity of Subic Bay, the USNS Bowditch was operating underwater naval drones for water sampling when the PLAN vessel arrived on scene, intercepted and left with one of the underwater naval drones.</td>
<td>Direct interference of activity</td>
</tr>
<tr>
<td>May2017</td>
<td>PLAAF fighter aircraft &amp; USAF radiation detection aircraft</td>
<td>East China Sea</td>
<td>While operating within international airspace, two PLAAF fighter aircraft intercepted a USAF radiation detection aircraft at 150ft and inverted over the USAF aircraft.</td>
<td>Unsafe intercept</td>
</tr>
<tr>
<td>Jul2017</td>
<td>PLAAF fighter aircraft &amp; USN surveillance aircraft</td>
<td>East China Sea</td>
<td>While operating within international airspace, two armed PLAAF fighter aircraft intercepted a USN surveillance aircraft at 300ft in front of the aircraft, causing the USN aircraft to take evasive action. The PLAAF aircraft also repeatedly flew underneath the USN aircraft at a high rate of speed and repeatedly triggered the USN aircraft's collision avoidance warning system.</td>
<td>Unsafe intercept</td>
</tr>
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<tr>
<td>34</td>
<td>Apr 2018 AUS Navy vessels &amp; PLAN</td>
<td>South China Sea</td>
<td>Three Royal Australian Navy vessels were transiting the South China Sea in international waters. PLAN challenged the AUS vessels for not previously requesting permission to transit; AUS characterized the radio call as polite but robust.</td>
<td>Verbal Warnings</td>
</tr>
<tr>
<td>35</td>
<td>May 2018 USN vessels &amp; PLAN vessel</td>
<td>Paracel Islands</td>
<td>Two USN vessels sailed within 12NM of the Paracel Islands on a routine Freedom of Navigation Operation. This in response to China successfully landing their H-6 bomber on Woody Island (Paracels).</td>
<td>Verbal Warnings</td>
</tr>
<tr>
<td>36</td>
<td>Aug 2018 PRC &amp; USN patrol aircraft</td>
<td>South China Sea</td>
<td>While operating in international airspace, a USN patrol aircraft received six separate radio calls; warning them to leave immediately to avoid any misunderstanding. The USN aircraft was operating in vicinity of Subi Reef, Fiery Cross, Johnson Reef, &amp; Mischief Reef.</td>
<td>Verbal Warnings</td>
</tr>
<tr>
<td>37</td>
<td>Sep 2018 PLAN destroyer &amp; USN destroyer</td>
<td>Spratly Islands</td>
<td>While conducting freedom of navigation operations within 12NM of Gaven Reef, a PLAN destroyer intercepted the USN destroyer, closing to within 45ft.</td>
<td>Unsafe intercept</td>
</tr>
</tbody>
</table>