

# CHINA, JAPAN, AND THE EAST CHINA SEA: BEIJING'S "GRAY ZONE" COERCION AND TOKYO'S RESPONSE

ADAM P. LIFF

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## EXECUTIVE SUMMARY

China's approach to Japan, its most economically powerful neighbor and a key U.S. treaty ally for nearly 70 years, is an important metric with which to assess China's rapidly expanding role in the world — in particular, how Beijing is using its growing power and influence when its neighbors' self-perceived rights and interests are in conflict with its own. The vicissitudes of China-Japan relations today also carry immense implications for, and are themselves shaped by, the United States' relationships with these two major powers.

This paper focuses on the competition between China and Japan over their festering territorial dispute in the East China Sea. Though political frictions over the Senkaku (Diaoyu in Chinese) Islands are decades-old, since a 2012 contretemps over the islands led Beijing to begin regular, provocative deployments of government vessels into the islands' contiguous zone and territorial seas, the dispute has become the most significant geopolitical flashpoint and locus of security competition between China and Japan today.

To assert its sovereignty claim while reducing the risk of a direct confrontation with or kinetic escalation involving the Japan Self-Defense Forces (JSDF) and the U.S. military, Beijing has primarily relied upon its paramilitary coast guard, rather than the People's Liberation Army (PLA); thereby presenting a so-called "gray zone" challenge which seeks to change the status quo but which, through sub-threshold coercion, is difficult to deter using traditional means. In response, Tokyo has also made significant changes to the force structures and postures of its own coast guard and the

JSDF as part of an effort to bolster deterrence and, in the event of escalation, to ensure a more rapid and flexible response. Despite Japan's countermeasures, however, Beijing's continued willingness to provocatively operate in the islands' territorial waters and contiguous zone, combined with its increasingly heavy investments in both the PLA and its coast guard mean that — sans a major political modus vivendi between top leaders — the East China Sea is likely to continue to be a major potential security flashpoint and irritant in political relations between the world's second- and third-largest economic powers. Changing operational dynamics in the East China Sea have redefined the security competition between China and Japan, and present new scenarios for defense planners to consider. As in the South China Sea, China's "gray zone" activities in this case have also had a corrosive effect on the region's security order.

## INTRODUCTION

The relationship between China and Japan, the world's second- and third-largest economies, receives remarkably little attention in the United States relative to its geopolitical significance. Yet China's approach to Japan, its most economically powerful neighbor and a key U.S. treaty ally for nearly 70 years, is an important metric with which to assess China's rapidly expanding role in the world — in particular, how Beijing is using its growing power and influence when its neighbors' interests are not in line with its own. From the perspective of U.S. strategy and interests in the Asia-Pacific, which two successive U.S. administrations have defined as the world's most important region, the China-Japan relationship is also of singular significance. Yet China-

Japan relations are immensely complex, characterized by many of the apparent contradictions that shape much of international politics in an era of economic interdependence. Communist Party-led, authoritarian China is democratic Japan's geographically closest major power neighbor and largest trading partner. Yet is also widely seen within Japan — by both elites and the general public — as that country's primary national security concern. In recent years the political relationship between Beijing and Tokyo has been grudgingly cordial on its best days. Often, it is far worse.

Beyond their inherent significance, the vicissitudes of China-Japan relations today carry immense implications for, and are themselves shaped by, the United States' relationships with these two major powers. Following the Trump administration's unilateral withdrawal from the painstakingly-negotiated 12-nation Trans-Pacific Partnership in January 2017, and as American concerns over technological competitiveness and foreign investment are increasingly viewed through a national security lens, Japan's leaders worry about the perceived erosion of U.S. support for an open regional and global economic order from which all three countries have benefited immensely. If decoupling were to occur between the U.S. and Chinese economies, or were the Trump administration to follow through on threats to impose sanctions on auto imports from Japan on dubious national security grounds, Tokyo would face extremely difficult choices. Regarding more traditional security concerns, longstanding and wide-ranging political and security ties between Tokyo and Washington, Japan's sole treaty ally, coupled with Japan's provision of facilities and hosting of about 54,000 U.S. troops (the basis of U.S. forward-deployed military readiness in the Pacific), mean that any regional military crisis involving Japan or the United States would almost inevitably pull the other ally into the fight. Conversely, should the U.S.-Japan alliance weaken — either because of a self-inflicted wound or third-party efforts to drive a wedge between them — both Tokyo and Washington would need to fundamentally rethink their respective China (and Asia-Pacific) strategies, to say nothing of the decades-old bargain at the heart of their own bilateral relationship.

With this big picture background, this paper focuses on the competition between China and Japan over their festering territorial dispute in the East China

Sea.<sup>1</sup> Though political frictions over sovereignty of the contested Senkaku (Diaoyu in Chinese) Islands<sup>2</sup> are decades-old, after a 2012 contretemps over the islands led China to begin deploying government vessels into the islands' contiguous zone and territorial seas, they have turned into the most significant geopolitical flashpoint and locus of security competition between China and Japan today.<sup>3</sup>



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With the most operationally significant phase of the decades-old dispute now over seven years old, and with neither Beijing nor Tokyo showing any willingness to accommodate the other's demands, China's policies vis-à-vis Japan in the East China Sea are not some ephemeral irritant. Tellingly, even a widely-heralded apparent rapprochement between China and Japan since 2018 has not led Beijing to reduce operational pressure near the Senkakus to improve the larger political relationship.

The good news is that, at present, and in stark contrast to the 2012-2014 period, the peacetime competition in the contested waters and airspace immediately surrounding the islands appears relatively stable operationally, and the likelihood of immediate China-Japan conflict seems low. Nevertheless, escalation risks remain. Furthermore, from a U.S. or Japanese perspective, the big picture implications of China's activities since 2012 are sobering — especially as it concerns the allies' ability to deter destabilizing Chinese behavior; a rapidly shifting balance of power (exacerbated by deepening concerns in allied countries about U.S. commitments); Beijing's apparent confidence in its ability to overturn territorial status quos coercively and unilaterally, and with relative impunity; and the corrosive effects on the security and legal order if the international community were to recognize — by omission or commission — China's

efforts to take advantage of Japan's remarkable self-restraint to overturn the status quo unilaterally.<sup>4</sup> Less likely, but also of concern: the dispute has the theoretical potential to drive a wedge between Tokyo and Washington — especially if Japan's leaders come to doubt U.S. commitments to assist in what they and the Japanese public generally consider a direct threat to their nation's territorial security.

In short, the importance of China-Japan security competition over the Senkakus transcends the islands and features themselves. First, as Japan's 2013 National Security Strategy and most recent (2018) National Defense Program Guidelines make abundantly clear, "remote island" (島嶼) defense has become one of Japan's major strategic priorities, and a primary focus of recent Japan Self-Defense Forces (JSDF) force structure and posture shifts and efforts to strengthen the Japan Coast Guard (JCG).<sup>5</sup> Second, though the United States takes no official position on the sovereignty dispute itself, its longstanding policy stipulates that Japan administers the islands and, as such, they are covered by Article V of the 1960 U.S.-Japan mutual security treaty. U.S. President Donald Trump reaffirmed this position during a 2017 summit meeting with Japan's Prime Minister Shinzo Abe, at which the U.S. government also joined Japan in opposing "any unilateral action that seeks to undermine Japan's administration of these islands" and "any attempt to assert maritime claims through the use of intimidation, coercion or force." Furthermore, the allies called for deepening U.S.-Japan "cooperation to safeguard the peace and stability of the East China Sea."<sup>6</sup> In short, as Japan's sole treaty ally with roughly 85 exclusive-use military facilities in Japan, the U.S. would almost certainly be involved in any military confrontation between Beijing and Tokyo. Third, China's approach to the dispute is an important indicator of how a rising China will exercise its growing influence in the region and beyond as its power and, if current trends continue, concerns about U.S. commitments to its allies, grow. At a greater level of abstraction but no less significant, China's gray zone operational challenges to U.S. allies and partners have a "deeply corrosive effect" on the rules-based security order and U.S. alliances. And that appears to be by design.<sup>7</sup>

The remainder of this paper is divided into three sections, the first two of which identify and assess key operational dynamics in the East China Sea defining the post-2012 security competition. First, an overview of the actions China has taken to assert its sovereignty claim since a major escalation in September 2012 examines the front-line role played by and developmental trajectory of China's paramilitary maritime forces, backed by an increasingly capable military just over the horizon. A second section briefly summarizes Japan's responses to this complex challenge from China, especially force structure and posture shifts of the JSDF and the JCG. A concluding section briefly discusses the big picture implications of these dynamics.

## JAPAN'S CHINA CHALLENGE IN THE EAST CHINA SEA

In September 2012 — three months before Shinzo Abe and the Liberal Democratic Party-Komeito coalition swept back into power — the central government of Japan's efforts to defuse worsening China-Japan tensions over the contested islands by purchasing three of them from a private Japanese citizen backfired spectacularly.<sup>8</sup> In the weeks immediately following, China took advantage of this alleged provocation to significantly ramp up its military and paramilitary activities in the East China Sea, including sending government vessels into the Senkakus' territorial seas — which Japan has administered as its own for decades. Beijing has yet to back down and, in fact, has significantly increased operational pressure since the initial flareup.<sup>9</sup>

### *China's strategy: goals, means, and logic*

China's policies in the East China Sea immediately following this September 2012 inflection point appeared designed to coerce Japan into acknowledging the existence of a dispute and to overturn the prevailing status quo of Japan's unilateral administration recognized by the United States. Its activities occurred concomitantly with a diplomatic effort to coerce and ostracize Tokyo, including a unilateral freeze on high-level bilateral diplomacy with Japan for over two years and a global campaign to present Japan as a revisionist power. Until an unambiguous April 2014

statement by President Barack Obama reiterated U.S. policy concerning the applicability of the U.S.-Japan mutual security treaty to the Senkakus,<sup>10</sup> the dispute was highly volatile. Many contemporary observers expressed fears of escalation to conflict.<sup>11</sup> Expressing one such widely-held concern, in a January 2013 article former Australian Prime Minister Kevin Rudd referred to a “Maritime Balkans” and declared the “fault line” running between China and Japan “the most worrying” in contemporary Asia.<sup>12</sup>

Though in key aspects China's active and coercive assertion of its sovereignty claim to the Senkakus since 2012 is distinct from its far more ambitious and brazen strategy in the South China Sea (which includes “island building” and unilateral militarization of contested features),<sup>13</sup> important similarities exist. Most importantly, Beijing tasks its paramilitary China Coast Guard (CCG; 中国海警局)<sup>14</sup> rather than the People's Liberation Army Navy (PLAN) with actively asserting China's sovereignty claim through sub-threshold (non-military) operations in “the gray zone.” It does so most conspicuously through regular deployments of CCG vessels into the Senkakus' contiguous zone (24 nautical miles) and, far more provocatively, its territorial waters (12 nm).

China's coercive assertion of its sovereignty claim through CCG presence operations intends to assert Beijing's claim while minimizing the likelihood of a kinetic response or operational escalation from Japan. These so-called “gray zone” operations appear to have at least three major rationales.

**First**, by limiting the means of its challenge to Japan's administration of the islands to operations by non-military vessels, China avoids directly provoking the JSDF and/or the U.S. military, which has significant military assets forward deployed in nearby Okinawa and other areas of Japan.

**Second**, especially before Obama's 2014 statement, Beijing appeared to be exploiting — or probing — a perceived gap in the U.S.-Japan mutual security treaty, and testing U.S. commitments. Specifically, the treaty's Article V calls for a response to “an armed attack against either Party in the territories under the administration of Japan.” Sending non-military vessels into the islands' territorial seas without employing force is, by definition, below this threshold.

**Third**, relying on CCG vessels to assert China's claim seems to have taken advantage of legal constraints on the Japanese side, as well as longstanding reluctance (and constitutional prohibitions) on the part of Japan's leaders to use force outside an unambiguous “armed attack” scenario.<sup>15</sup> On the one hand, Article 25 of Japan's Coast Guard Law prohibits JCG personnel from being “trained or organized as a military establishment or to function as such.”<sup>16</sup> Though JCG's mandate has expanded somewhat in recent years, its strictly civilian law enforcement mandate continues to limit JCG's options for responding to foreign government or naval vessels — even its nominal Chinese counterpart, which despite its similar name in fact has a far more expansive, including, paramilitary mandate (see below). On the other hand, the legal authorities governing Japan's Maritime Self-Defense Force (JMSDF) frustrate its involvement in a gray zone scenario, especially given the Japanese government's clear desire to avoid escalation to a military stand-off or worse.<sup>17</sup>



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In short, China appears to have reached the conclusion it can assert its claim using non-military government vessels without fear of escalation or facing major costs.

### ***The transformed operational environment in the East China Sea since 2012***

At least four major trends have conspired to transform the operational environment in the East China Sea since 2012.

**First**, the *quantitative surge* in China's activity in the waters and airspace surrounding the islands after September 2012 has significantly increased operational pressure on Japan. Since September 2012, Japan has identified 832 Chinese government

vessels operating in the Senkakus' territorial sea (12 nm) — an average of 10 per month — and 5,443 vessels entering the islands' contiguous zone (24 nm) — an average of 65 per month.<sup>18</sup> Furthermore, many analysts assert additional activities by China's armed maritime militia (海上民兵) in the area.<sup>19</sup> The extent and specific nature of maritime militia involvement in asserting China's claim to the Senkakus, however, is contested among analysts.<sup>20</sup>

Regardless, past instances of Chinese fishing vessels operating near the islands — whether embarking armed maritime militia or not — have heightened Japan's insecurity. One frequently discussed (but hypothetical) scenario would entail Chinese "fishing vessels" abruptly embarking heavily armed groups on the contested, uninhabited and undeveloped islands in an attempted *fait accompli*. Such a landing by de facto armed force would put the onus on Japan to escalate to "retake" the island.<sup>21</sup> An August 5-9, 2016 incident involving 200-300 Chinese fishing boats accompanied by as many as 15 CCG vessels provocatively navigating the islands' contiguous zone gave Japanese planners a concrete operational example of such a long-feared, potentially escalatory gray zone crisis. Fortunately, this incident ended peacefully.<sup>22</sup>

**Second**, beyond the sheer number of Chinese government vessels operating in the waters, important but widely overlooked *qualitative trends* concerning CCG's force structure have also reshaped the effective balance of power in the "gray zone." In theory at least, these developments have also bolstered China's potential for coercive leverage and a gray-zone *fait accompli* that puts the onus on Japan to escalate (e.g., by employing the JSDF) to restore the status quo *ex ante*. Of particular note: since 2012, CCG vessels have become much larger, far more numerous, and better equipped — in some cases, effectively "militarized" — for their expanding mission set asserting China's controversial sovereignty claims. For example, since September 2016 four CCG ships operate in the islands' contiguous zone daily, an increase from the previous norm of three. CCG ships enter the islands' territorial waters on average three times each month. The average size of these vessels has increased to 3,000 tons — twice the average size of their JCG counterparts.<sup>23</sup> Meanwhile, over the past several years the CCG has received at least three recommissioned

PLAN Jiangwei-II patrol frigates and has fielded new purpose-built CCG vessels sporting large (76-mm) guns.<sup>24</sup>

A **third** major trend is the deepening ties between CCG and China's military, which are clear indications that one of CCG's roles is as a *paramilitary* force tasked with asserting China's "maritime rights and interests" (海洋权益), including territorial claims. These trends, in turn, have further blurred the lines between "civilian" and "military" operations. For example, an article in the China Maritime Police Academy's journal — revealingly entitled "On Improving Combat Effectiveness of China Coast Guard under New Situations" — calls on the CCG to serve as a "maritime 'dagger' force" (海上“尖刀”部队).<sup>25</sup> (This is language and a role normatively unthinkable and presumably illegal in the case of its Japanese counterpart given explicit prohibitions on JCG exercising anything beyond a law enforcement role). Meanwhile, in recent years the CCG has apparently been training for island landings,<sup>26</sup> and CCG and PLAN joint training has increased significantly.<sup>27</sup> As a culmination of these trends, in 2018 Beijing reportedly transferred CCG's command from the civilian State Oceanic Administration to the People's Armed Police (PAP; 人民武装警察), which answers directly to China's Central Military Commission.<sup>28</sup>

A **fourth** major trend reshaping the operational and strategic environment in the East China Sea is the rapidly expanding capabilities and geographical scope of operations of the People's Liberation Army (PLA) itself. Though China's military — whose official defense budget since 2012 has come to dwarf Japan's own — does not operate on the front lines concerning the Senkakus dispute, it is never far away. For one thing, the islands are located just ~200 miles from mainland China's eastern coast. Furthermore, in recent years PLA aircraft (including bombers) and naval vessels have transited through Japan's southwestern island chain to demonstrate China's growing capabilities, probe Japan's responses, and access the western Pacific. According to Japan's Ministry of Defense, since 2013, and especially after Beijing declared an "East China Sea Air-Defense Identification Zone" overlapping the islands that November, PLA operations in the area have caused Japan's Air Self-Defense Forces (JASDF) fighters to scramble an average of more than once-a-day to confront approaching Chinese planes since

2013—peaking at roughly 850 scrambles in FY 2016. In June 2016 and January 2018, respectively, a Jiangkai I-class frigate (June 2016) and a Shang-class submarine and Jiangkai II-class frigate (January 2018) entered the Senkakus' contiguous zone for the first time. The latter case marked the first time a submerged submarine "was identified and announced" transiting through. Dongdiao-class auxiliary general intelligence ships ("spy ships") have also appeared nearby.<sup>29</sup>

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**By demonstrating over the past seven years its ability to regularly deploy government vessels to the Senkakus' territorial sea (12 nm) with relative impunity, some observers assert that Beijing may have already achieved a “new normal.”**

Over the past decade, China's increasing ability and willingness to actively and coercively assert its sovereignty claims in the East and South China Seas have become key variables driving security competition in Northeast and Southeast Asia. Over the past decade, Beijing has invested heavily modernizing and expanding its navy, coast guard, and maritime militia. Each now constitutes the world's largest such force by number of ships.<sup>30</sup> Specific to the East China Sea, these larger trends have contributed to further transforming the effective balance-of-power between China and Japan, pose an increasingly heavy burden on both the JSDF and the JCG, even in peacetime, as they seek to maintain the status quo, and have significantly raised the stakes and risks of the security competition. Whether China will unilaterally seek to further change the status quo — or exploit some future alleged provocation by Tokyo with a “reactive” escalation (à la September 2012) — remains to be seen. Regardless, by demonstrating over the past seven years its ability to regularly deploy government vessels to the Senkakus' territorial sea (12 nm) with relative impunity, some observers assert that Beijing may have already achieved a “new normal.”

## JAPAN'S RESPONSE TO CHINA'S CHALLENGE

Despite immense pressure from Beijing, Japan has not changed its official position that “there exists no issue of territorial sovereignty to be resolved” (尖閣諸島をめぐって解決しなければならない領有権の問題はそもそも存在しません) and continues to pledge to “act firmly and calmly to maintain its territorial integrity” (日本は領土を保全するために毅然としてかつ冷静に対応していきます).<sup>31</sup> This is consistent with Japan's longstanding policy. Since China raised issue with Japan's administration of the islands several decades ago, Japan has consistently prioritized the islands' “peaceful and stable” management (平穏かつ安定的な維持及び管理) — a stark contrast to the lip service paid by Beijing to “self-restraint” (克制) in the South China Sea.<sup>32</sup> Not wishing to provoke China or create an excuse for China to escalate (as in September 2012), a series of Japanese leaders have repeatedly ignored occasional calls from conservative politicians and right-wing groups within Japan to develop, or even militarize, the islands. And they appear determined to keep the JCG — rather than the JSDF — on the front lines.

Nevertheless, as Beijing has increased pressure on Japan, Tokyo has adopted countermeasures of its own, all while maintaining a policy of non-escalation, deterrence, and denial focused on a JCG-centric response. Despite profound resource and legal constraints, Japan has undertaken major reforms to more effectively confront China's challenge, including bolstering deterrence and crisis response capabilities across the spectrum of escalation possibilities — from peacetime to a gray zone contingency to wartime. These include new national security-relevant institutions to bolster crisis management and expeditious response in a Senkakus-esque scenario — Japan established its National Security Council in December 2013 and a National Security Secretariat in January 2014<sup>33</sup> — as well as efforts to bolster U.S.-Japan alliance coordination through the 2015 U.S.-Japan Defense Guidelines.<sup>34</sup> Specific to Japan and of greatest direct operational relevance in the event of a crisis in the vicinity of the Senkakus are accelerating JCG and JSDF force structure and posture shifts to enhance deterrence, intelligence, surveillance, and reconnaissance (ISR) capabilities, and, if necessary, expeditious response.

Key recent developments include:

- Increasing focus on “gray zone situations” (グレイゾーン事態) in major national-security related documents, including Japan’s first-ever National Security Strategy (2013), three National Defense Program Guidelines this decade (2010, 2013, 2018), defense white papers, and even the major July 2014 cabinet decision more popularly associated with constitutional reinterpretation to allow limited exercise of collective self-defense, one-third of which focuses on “Response to an Infringement that Does Not Amount to an Armed Attack” (武力攻撃に至らない侵害への対処).<sup>35</sup>
- Significantly expanding JCG capabilities and presence, including a JCG Strengthening Plan (海上保安体制強化に関する方針) in 2016.<sup>36</sup> Examples of recent investments include: raising the JCG’s budget (including its supplementary budget) by 40% between 2012 and 2019;<sup>37</sup> increasing the number of patrol vessels by 21 and personnel by 10% between 2012 and 2018;<sup>38</sup> giving officers the legal right of arrest in remote islands; expanding its 11th Regional headquarters based in Okinawa Island’s Naha City; creating a dedicated Senkaku territorial waters guard unit in front-line Ishigaki Island; expanding and upgrading existing facilities, such as in front-line Miyako Island; establishing real-time video transmissions directly to the prime minister’s office; and significantly expanding patrols and aerial and maritime surveillance in the area surrounding the islands.<sup>39</sup>
- Establishing within Japan’s National Police Agency the first-ever special police unit tasked with responding to illegal landings on remote islands by armed groups.<sup>40</sup>
- Moderately expanding JCG-JMSDF cooperation (though legal constraints and institutional resistance appear significant).<sup>41</sup>
- Building new JSDF facilities on Japan’s remote southwestern islands closest to the Senkakus, including radar sites, surface-to-ship and surface-to-air missile units, and cyber security and electronic warfare units.<sup>42</sup>
- Bolstering intelligence, surveillance, and reconnaissance (ISR) and rapid response capabilities at the JSDF’s major western hubs (Okinawa Island, Sasebo in western Kyushu), including F-35s, amphibious vehicles, drones, V-22s, and doubling the size of an F-15J air wing at Naha.
- Making two historic decisions likely relevant to “remote island defense” that strike many observers as major departures from Japan’s postwar practice:
  - Standing up Japan’s first amphibious capability since 1945 — the 2,100-strong “Amphibious Rapid Deployment Brigade” (水陸機動団).<sup>43</sup>
  - Announcing plans in December 2018 to refit JMSDF’s two Izumo-class helicopter-carrying destroyers to enable them to embark short take-off and vertical landing (STOVL) fighters — a decision with the potential to lead to Japan deploying its first de facto first light aircraft carriers since 1945.<sup>44</sup> When, under what circumstances, and how often either U.S. or Japanese F-35Bs would embark on JMSDF vessels (as opposed to short runways on Japan’s remote islands, for example), is not yet clear.<sup>45</sup> With Japan officially selecting F-35B to fulfill its STOVL requirement<sup>46</sup> in August 2019, however, Japan operating de facto light aircraft carriers seems more a question of when, how, and under what circumstances, rather than “if.”

## CONCLUSION

How China approaches Japan, a close neighbor, top trading partner, and U.S. treaty ally, is an especially significant indicator of how Beijing is using its growing power and influence. How China’s leaders approach its sovereignty claim vis-à-vis the Senkakus, specifically, is a salient metric for assessing how they are flexing China’s growing muscles when its neighbors’ interests are not in line with its own. The importance of China-Japan security competition over the Senkakus thus transcends the islands and features themselves and has implications for all China’s neighbors, many of whom are also U.S. security allies or partners, to say nothing of direct implications for Japan and the United States themselves.

The record of China's policies vis-à-vis the islands since 2012 suggests that its leaders have no qualms coercively asserting Beijing's claim in order to overturn the decades-old status quo of Japan's unilateral administration. It also reveals, however, that Beijing has pursued this goal in a manner designed to avoid an actual conflict by staying below the threshold of armed attack. China's leaders do so through reliance primarily on non-military forces to assert Beijing's claim: namely, CCG presence operations in the islands' territorial seas and contiguous zone. This so-called "gray zone" coercion seeks to avoid escalation while simultaneously exploiting legal and other constraints on and between the JCG and the JMSDF and, at least before April 2014, apparently probing possible "seams" between Tokyo and Washington. Although with CCG and JCG vessels both operating on the front lines this is nominally a "Coast Guard" competition, the two are qualitatively distinct in fundamental ways. With CCG vessels growing larger and increasingly militarized, and with command of CCG reportedly having been transferred to the People's Armed Police (itself under the Central Military Commission) in 2018, the gap is increasingly large and practically significant. As it concerns China's sovereignty claims, CCG is best thought of as a paramilitary force, rather than civilian law enforcement.

China's strategy is clearly designed to limit Japan's options and to frustrate its leaders' effort to respond effectively. Nevertheless, Tokyo has achieved remarkable progress in a relatively short time through institutional reforms and significant changes to JCG and JSDF force structure and posture. In aggregate, these efforts have bolstered deterrence by addressing

longstanding gaps in Japan's defense of the remote southwestern islands near the Senkakus; improving ISR in the surrounding waters and airspace; and increasing the likelihood that in a crisis the JCG and the JSDF — backed by the U.S. military, if necessary — can respond more rapidly, flexibly, and "seamlessly."

Nevertheless, Beijing's massive investments in the CCG and PLA are likely to outpace Japan's for the foreseeable future, suggesting that the transformation of the effective balance-of-power in the waters and airspace surrounding the Senkakus will continue. Since 2012, the East China Sea has evolved into a major potential flashpoint, locus of security competition between China and Japan, and driver of political frictions today. Barring a sea change in political relations between Beijing and Tokyo, it is likely to remain that way.

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## ABOUT THE AUTHOR

**Adam P. Liff** is a nonresident senior fellow with the Center for East Asia Policy Studies at Brookings. He is also an assistant professor of East Asian international relations at Indiana University's Hamilton Lugar School of Global and International Studies, where he teaches on regional politics and foreign policy and directs the 21st Century Japan Politics and Society Initiative. An expert on Asia-Pacific security affairs, Liff's work focuses on Japanese and Chinese security policy; the U.S.-Japan alliance; U.S. Asia-Pacific strategy; and the rise of China and its regional impact. He holds a doctorate and master's from Princeton University, and a bachelor's from Stanford University.

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