Introduction

As the world’s second largest oil consuming nation and like other nations such as the United States, China views oil as a strategic economic resource. China’s rising demand for oil imports and its heavy reliance on sea lanes for oil transport has resulted in Chinese policymakers’ concerns with sea lanes security. In the recent years China has stepped up its efforts to secure its energy transport routes.

A small and growing literature discussed China’s efforts to secure sea lanes, plan a strategic oil reserve, and build oil refineries, while some studies analyzed actors in energy policies until the late 1990s.¹ There was a gloomy view about China’s growing oil diplomacy. In particular, some analysts, notably Michael Klare, have claimed that China’s quest for oil and gas resources and sea lane security would clash with those of other Asian oil consumers and that the clashes might burst into military conflict in the South China Sea and East China Sea.² One analyst also remarked: “China’s quest for energy resources on the world stage is creating a destabilizing effect on international and regional security.” The observer singled out the South China Sea, the East China Sea, and the Straits of Malacca as potential spots for conflict over energy resources and sea lane security.³ Other argued that “China’s willingness to promote cooperative regional solutions to Asia’s energy security concerns has been very limited.”⁴
It is thus necessary to sort out facts from claims over China’s quest for energy security.

In this chapter an attempt has been made to provide an overview of China’s external initiatives for ensuring the security of sea transport of oil imports and then examine their implications for the region. It is argued in this chapter that China has started to take close note of external developments and make preparations in order to ensure smooth transport of oil imports and peaceful exploration of energy resources in nearby waters. First of all, China has been concerned with and opposes the great powers’ military involvement in security of the Straits of Malacca, the critical route of China’s oil imports. However, it is also receptive to technical assistance and dialogues to enhance the security of the Straits. China has also contemplated alternate routes on land to bypass the Straits through cooperation with Pakistan, Myanmar, and other Southeast Asian nations and by expanding its oil imports from Russia and Central Asia. China has opted for joint exploration for energy resources in the South China Sea and the East China Sea where it is involved in territorial disputes with neighbors, while actively guarding against Taiwan’s de jure independence. It wants to build its own fleet for transporting its oil imports. Nevertheless, contrary to many pessimistic predictions, China’s efforts to secure its energy transport and offshore exploration have not generated armed naval clashes. China has even made progress in joint exploration with other nations in the South China Sea and the East China Sea. Toward the end, this chapter also discusses sea lane security as a public goods (or global goods) and points out areas where China and other Asian countries can cooperate.

Sea Lane Security for Oil Imports

By 2003, China’s importing sources were the Middle East, which accounted for 51.3 percent of its oil imports, followed by Africa (24.4 percent), Asia-Pacific (15.3 percent), Russia and Kazakhstan (7.2 percent), Europe (1.8 percent), and South America (0.4 percent) (see table 2.2 in chapter two). Even though other countries, such as Venezuela, Brazil, Ecuador, and Canada, may play an increasing