

Beyond a Pacific Defense Pact 2: Gray zone campaigns and activities conducted by China, North Korea, and Russia in the Indo-Pacific

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Strategic competition in the Indo-Pacific is increasingly taking place in the “[gray zone](#)”—the space between routine state competition and open warfare. Rather than relying solely on conventional military confrontation, states are employing hybrid tactics such as economic coercion, cyber operations, disinformation campaigns, and limited military provocations to gradually shift the strategic balance in their favour.

China, North Korea, and Russia are among the [most active practitioners](#) of gray zone strategy. Their activities are deliberately calibrated to remain below the threshold that would trigger a large-scale military response, allowing a to challenge the rules-based order while avoiding outright conflict.

For policymakers and military planners, this presents a difficult dilemma. Traditional deterrence models were designed to prevent major wars, not persistent low-level coercion. As gray-zone competition intensifies across the Indo-Pacific, regional states must consider how to deter and respond to these activities without inadvertently escalating the situation.

Understanding the actors involved, and the tactics they employ, is therefore essential. The following sections outline how China, North Korea, and Russia conduct gray zone campaigns across the Indo-Pacific and how these activities collectively challenge regional stability.

China: Gradual Strategic Expansion

China arguably conducts the most sophisticated and comprehensive gray zone campaign in the Indo-Pacific. Beijing’s approach combines military presence, maritime coercion, economic pressure, and legal strategies to expand its influence while avoiding direct confrontation.

In the maritime domain, China frequently uses [coast guard vessels and maritime militia](#) to harass foreign ships in disputed waters, particularly in the South China Sea. These forces operate in ways that blur the line between civilian and military activity, allowing Beijing to apply pressure while maintaining plausible deniability.

China also conducts frequent [aircraft incursions and large-scale military exercises](#) near Taiwan, while maintaining [persistent patrols](#) around the Senkaku Islands. These operations serve multiple purposes: demonstrating military capability, testing regional responses, and normalizing Chinese presence in contested areas. Moreover, Beijing employs [cyber espionage](#), [economic coercion](#), and diplomatic strategies sometimes described as “lawfare,” often passing domestic laws that extend jurisdiction into contested spaces to codify expansive claims, selectively invoking international law, and using legal ambiguity to its advantage. These efforts allow China to reinforce its territorial claims and political narratives while staying below the threshold of open conflict. Over time, such actions gradually reshape the strategic environment in China’s favour.

North Korea: Coercion Through Provocation

North Korea relies heavily on gray zone tactics to pressure its opponents while avoiding the disastrous consequences of full-scale war on the Korean Peninsula.

Cyber operations are one of Pyongyang's most important tools. Groups such as the Lazarus Group have conducted [large-scale hacking campaigns](#) targeting financial institutions, governments, and cryptocurrency exchanges. These cyber activities not only generate revenue for the regime but also demonstrate North Korea's growing technological capabilities.

In addition to cyber operations, North Korea regularly conducts [missile launches](#), artillery exchanges near disputed maritime boundaries, and military demonstrations aimed at raising tensions in the region. These examples are limited military provocations designed to signal resolve without triggering open conflict.

North Korea also operates extensive [sanctions-evasion](#) networks. Through covert maritime trade, smuggling operations, and cyber-enabled financial crime, the regime generates revenue while circumventing international restrictions. These activities allow Pyongyang to sustain its economy and military programs despite heavy sanctions pressure.

Taken together, North Korea's gray zone strategy enables the regime to coerce its adversaries, generate financial resources, and maintain strategic relevance without crossing the threshold of major war.

Russia: Information Warfare and Strategic Signalling

Although Russia's primary strategic focus lies in Europe, Moscow also conducts gray zone activities in the Indo-Pacific that challenge regional stability and Western influence.

Cyber operations remain a central element of Russia's approach. Moscow-linked actors have been associated with intrusions targeting [government systems and critical infrastructure](#) in countries such as Japan and Australia. These operations are often accompanied by online disinformation campaigns aimed at undermining public trust and influencing domestic political debates.

Russia also engages in strategic military signalling across the region. Long-range [bomber patrols and naval deployments](#) near areas such as the Sea of Japan and the East China Sea demonstrate Russia's military reach and reinforce its presence in the Indo-Pacific. In some cases, these activities occur alongside Chinese forces, highlighting increasing coordination between Moscow and Beijing. Such cooperation amplifies the strategic message that Russia and China are capable of jointly contesting Western and allied presence in the region.

Russia also maintains sanctions-evasion networks that facilitate illicit maritime trade, including [ship-to-ship transfers](#) involving North Korea. These networks allow Moscow to sustain economic ties while bypassing international restrictions.

The Strategic Challenge of Gray Zone Competition

Gray-zone campaigns pose a growing strategic challenge for Indo-Pacific states. Because these activities remain below the threshold of armed conflict, they are difficult to deter using traditional military tools. Yet over time, they can gradually erode regional stability and shift the balance of power. This raises an important question for policymakers: how should states respond to persistent gray zone coercion without escalating into major conflict?

One approach is to use limited, proportionate conventional responses to push back against gray-zone activities. However, such responses must be carefully calibrated to prevent unintended escalation. This is where broader strategic deterrence may play an important role.

A stronger Indo-Pacific security framework—potentially including deeper military integration among regional allies and partners—could provide the stability needed to manage escalation risks. In particular, a future [Indo-Pacific nuclear security architecture](#) could serve as a strategic backstop. As much as nuclear deterrence underpins NATO's conventional defence posture in Europe, a similar framework in the Indo-Pacific could help ensure that responses to gray zone provocations remain limited rather than spiralling into major war.

Preparing for Persistent Competition

Gray zone competition is likely to remain a defining feature of Indo-Pacific security in the coming decades. China, North Korea, and Russia are already using these tactics to challenge the existing strategic order while avoiding direct confrontation.

For regional states, the challenge is not simply responding to individual incidents. It is developing a deterrence framework capable of managing persistent, low-level coercion across multiple domains. Without such a framework, gray zone activities will continue to stress the limits of allied resolve and gradually reshape the strategic landscape. Strengthening regional cooperation, improving resilience against hybrid tactics, and reinforcing strategic deterrence will therefore be essential steps in preserving stability in the Indo-Pacific.

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