



CONFERENCE REPORT



PARTICIPATING SCHOLARS

CSIS would like to thank and acknowledge the experts who spoke at the conference:

Peter Dutton

Professor of Strategic Studies and Director of the China Maritime Studies Institute, U.S. Naval War College

David Finkelstein

Vice President and Director, CNA China Studies, CNA

Taylor Fravel

Associate Professor of Political Science, MIT

Bonnie Glaser

Senior Fellow, Freeman Chair in China Studies, CSIS

Mike Green

Senior Adviser and Japan Chair, CSIS

Murray Hiebert

Deputy Director and Senior Fellow, Southeast Asia Program, CSIS

Satu Limaye

Director, East-West Center Washington

Walter Lohman

Director, Asian Studies Center, The Heritage Foundation

Minxin Pei

Director, Keck Center for International and Strategic Studies, Claremont McKenna College

THE SOUTH CHINA SEA
AND U.S.-CHINA-ASEAN RELATIONS

An off-the-record roundtable discussion sponsored by the Freeman Chair in China Studies at CSIS and the Keck Center for International and Strategic Studies at Claremont McKenna College.

SUMMARY

THE VIEWS FROM WASHINGTON AND ASEAN

Murray Hiebert: Views from ASEAN

The political and military atmosphere has heated in the South China Sea over the past few years, both bilaterally and multilaterally. However, not every country in the South China Sea has aligned interests. While the Mischief Reef incident of 1994-1995 saw ASEAN united against Chinese assertiveness, each country has grown more focused on isolated issues less relevant to the nations as a group.

Vietnam believes that China deliberately cut its seismic cables in disputed territory in late May, and continues to stress the Parcel Islands as falling within its territory. They believe giving up this claim to China will provide credence to China's claims over the Spratleys and other islands, as well. Vietnam's claims in the South China Sea have two driving factors: the Chinese are increasingly encroaching upon Vietnamese territorial claims, and secondly they see the desire to step up exploitation of off-shore resources due to growing domestic demand. The Philippines has also accused the Chinese of aggression on seven separate occasions, and that number may be understated. Conversely, neighbors Malaysia and Brunei have less interest tied to the disputes. Malaysia claims 11 features in the South China Sea but only occupies 3, while Brunei occupies none. However, Malaysia showed solidarity when it joined Vietnam in proposing rules to the UN over maritime conduct in the South China Sea. Further isolated but no less important, Singapore has vested interest in regional stability as it needs access to relevant trade routes.

Recently the claimants have felt a growing need to unite against China's aggression; this has been shown through regional cooperation in 2002's Declaration of Conduct. In 2009 when China issued the 9-dash line formula for its claims, consternation was raised by the member countries of ASEAN, including the oft uninvolved Indonesia, to submit a complaint to the UN Commission on the Limits of the Continental Shelf. While Viet-

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nam and the Philippines seem to have the most at stake out of the ASEAN countries, there seems to be consensus that multilateralizing the dispute and involving the U.S. is in the group's interest.

Michael Green: Views from Washington

The United States' interest in the South China Sea has a long, significant but episodic history. The primary driving force for U.S. involvement in the South China Sea has been freedom of navigation. In the 1820's pirates in Sumatra stole a U.S. spice trading ship and killed its occupants; in response the U.S. navy dispatched a fleet, took back the ship and killed 400 Sumatrans, insuring that the area was safe for future U.S. spice traders. Ever since, the US has focused on the South China Sea for one of two reasons: either to mitigate the rise of regional hegemonic powers such as Japan, or because the U.S. couldn't rely on its allies, such as Britain, to ensure regional freedom of navigation.

Freedom of navigation was insured by the U.S. and British navies from 1820 to 1941, when the Japanese took control

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of the region. After the Korean War, the U.S. focused on the region as it saw a threat with Chinese and Russian communist expansion. When the U.S. left Vietnam a power vacuum remained in the South China Sea, which was filled increasingly by Japan and others. Recent involvement has seen a change of policy with the Bush administration's initiatives in the region focusing on terrorism.

Today, however, direct engagement of the U.S. with countries in the region has been in response to China's growing assertive power, and has become about a larger test of wills. This is also a test to see if ASEAN can act as the regional albatross. If ASEAN is capable of solidarity, it is not necessary for the U.S. to focus on freedom of navigation. While there is a lack of confidence in China inter-

nally regulating its military's assertiveness, it is necessary to push China externally through multilateral engagement. This can be done through the U.S. engaging ASEAN behind the scenes, eventually establishing mechanisms where U.S. regional strategy is simple and predictable.

Through all of this, it is important to keep in mind that each country in the region is willing to exploit the U.S., using its weight to get what they want and then, once their problems are resolved, removing the close ties with the U.S. to improve relations with Beijing.

Walter Lohman: Discussion

Murray's introduction brought up a central problem, which is ASEAN nations' tradeoff between trade development and security preservation. From another perspective one could argue the U.S. is focused on freedom of navigation and its relationship with China, while ASEAN is focused on acquiring resources and maintaining its relationship with China. In large part, the U.S. owes the success of its South China Sea policy to China's aggressive assertiveness, which has pushed the U.S. and ASEAN towards closer ties, since countries like the Philippines can't defend their resource interests. However, this is only a marriage of convenience. The single biggest amelioration to the situation is for China to make clear what their claims are exactly through international law, such as through clarifying the 9-dash line. Once this is clarified, there is less common ground between the U.S. and ASEAN. For example, the Chinese and ASEAN share a similar view of freedom of navigation that differs from the traditional U.S. view, particularly regarding unrestricted military movement in exclusive economic zones (EEZs). While the U.S. should continue stressing the cohesion of ASEAN behind the scenes, it must also consider the unsustainability of its involvement in South East Asia, particularly with respect to the coming military budget cuts.

Questions and Answers

Alan Romberg of the Henry L. Stimson Center asked a question about how the Chinese are likely to deal with the discrepancy between historical and legal claims to the South China Sea.

Satu Limaye of the East West Center asked whether pushing freedom of navigation was in the United States' best interest, considering how many in the region don't agree with the U.S. views on the issue.

Minxin Pei, Director of the Keck Center for International and Strategic Studies at Claremont McKenna College, asked if the South China Sea issue had been brought up directly in previous U.S.-China Dialogues, and asked which of the Southeast Asian claimants has the most complete policy towards China.

Michael Green responded that countries such as Singapore, Vietnam and the Philippines have maintained a strategic equilibrium where China won't throw claims around, and such initiatives are keeping ASEAN coherent. However, most of ASEAN is in fact unaware of another very important issue with China's claims, and that is the U.S.'s capacity to do military surveillance in the area. He also stated he does not see China moving from its tactic of historical claims to the South China Sea to an international law approach. He also appended his comments by stating that Japan can play a more assertive role in the region, particularly in light of its high favorability in most ASEAN member countries.

Murray Hiebert responded by highlighting the fact that those with the most at stake in domestic politics seem to have the most complete policy towards China. Malaysia doesn't see importance domestically since most of the disputed claims are near its sparsely populated eastern states. The Philippines places greater importance on the issue due to its proximity to the Parsels and Spratleys. However, Vietnam has the most comprehensive policy because most of its population sees China as a historical and tangible threat.

SUMMARY THE VIEWS FROM INSIDE CHINA

Minxin Pei

The second talk focused on Chinese perceptions of the South China Sea issue, both in the government and the general population. The initial presentation then led to questions largely concerning Chinese strategic views of the South China Sea dispute.

Coverage of the South China Sea dispute and of China's policies in this area is relatively sparse in the Chinese official media. While there is more Chinese language information online, the majority of it is Hong Kong coverage. For the most part, the liveliest debate takes place within academic journals and overseas newspapers.

Because of this lack of official media attention to the issue, the average person in China lacks in-depth understanding of the current status of the South China Sea disputes and the general belief among the population is that China already has physical control over the region, despite the fact that the majority of the geographic features are in fact occupied by Vietnam. There is also little knowledge of the claims of other countries, particularly their legal basis. Instead, many Chinese confuse the legal arguments in the dispute with the historical arguments, and assume that Chinese sovereignty over the South China Seas is well settled because the region has historically been controlled by China. Maritime and political clashes are seen primarily as attempts by other countries to infringe on China's sovereignty or make trouble for China.

Among the academic community however, there is a great deal of attention being paid to this issue, and a growing realization that China will have difficulty in maintaining its position if it continues to stress only the historical claims it has on the islands, particularly in light of Vietnam's his-

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torical and possession-based claims. For this reason, many academics believe that China will have to revise its claims, and will likely have to address the issue through multilateral dialogue as opposed merely to bilateral dialogue. Many also believe that China's unwillingness to engage the issue multilaterally hurts it because Southeast Asian countries take advantage of China's absence at forums where the issue is addressed. The Chinese government's current rigid position also creates expectations amongst the general population that make it hard to compromise in any way on the issue for fear of domestic disappointment and opposition.

Within the government itself, there is also disagreement about the actual importance of the South China Sea. Despite the sensitive nature of the dispute, the South China Sea does not appear to be an issue that is considered a core

national interest, as Tibet and Taiwan are. For the most part, government officials seem to be most concerned that the South China Sea not become an entry point for foreign powers in the region. Due to this concern, the majority of the Chinese government's attention is focused on Vietnam rather than the other Southeast Asian claimants, because Vietnam has been the most active in bringing in outside powers such as the US, bringing in foreign companies, and in taking active military and political measures to confront China over this issue.

After laying out the situation above, the speaker opened the floor to questions. The following discussion for the most part focused on China's strategic views of the South China Sea dispute. It was pointed out that China seemed to have irrevocably damaged its previous diplomatic engagements with Southeast Asia by taking such a firm stance on the South China Sea. Many reasons for such action were suggested, including Chinese desires to secure potential energy reserves in the region, or concerns about securing the shipping lanes for China's oil supplies from the Middle East. Finally, the question of future Chinese positions on this issue was addressed, with the comment that despite recent tensions, the status quo seems likely to continue in the South China Sea as the Chinese government completes its leadership transition, simply because it is an issue that the government believes can be managed satisfactorily for the foreseeable future, and it is an issue that many Chinese officials will not want to specifically address as the government hands over the reins to a new set of leaders.

SUMMARY THE SOUTH CHINA SEA DISPUTE: CAUSES AND POSSIBLE SOLUTIONS?

Bonnie Glaser

China is partly responsible for escalating tensions, but it is only one of a confluence of factors that explains why clashes are occurring with greater frequency. There are at least five key factors that are contributing to intensifying competition in the South China Sea issue: the deadline for submitting claims, domestic politics, economic and resource motivations, technological advancement, and regional security concerns.

The existing proposals for the peaceful resolution of the territorial disputes are summarized as follows:

We should develop a policy of managing frictions, because even if the sovereignty and territorial disputes in the SCS are resolved one day, the frictions among countries in the region will still persist.

- 1) All claimants should further clarify their claims. China, in particular, must address the concerns that have been raised by the nine-dotted lines map;
- 2) In the wake of the signing of the implementation guidelines for the Declaration on Conduct of Parties (DOC), a binding Code of Conduct should be negotiated between ASEAN and China.
- 3) The U.S. Senate should ratify the United Nations Convention on the Law of the Sea (UNCLOS) and the United States should become a party to UNCLOS.
- 4) The International Court of Justice (ICJ) should be given a larger role to play in the resolution of the disputes. Where possible, territorial disputes should be referred to the ICJ. Where this is not possible, countries should agree to set aside the dispute over sovereignty and pursue joint development of hydrocarbon resources, as proposed by Chinese leader Deng Xiaoping.
- 5) An agreement to prevent incidents at sea should be negotiated among regional states. Such an accord should contain procedures for operational safety at sea and for preventing accidents from escalating into serious conflicts. Confidence Building Measures (CBM) should also be implemented to build trust among militaries in the region and to promote habits of cooperation.

In conclusion, Ms. Glaser emphasized that steps should be taken to further clarify claims, implement multilateral CBMs to reduce the chances of accident or unwanted conflict, ameliorate tensions, and peacefully resolve outstanding disputes according to international law.

Peter Dutton

It is important to understand that China is not the only source of the rise of tension in the South China Sea (SCS), and there are other parties involved in the disputes. The other claimant states such as Vietnam and the Philippines have also played a role in the recent disputes. Mr. Dut-

ton suggested that we should develop a policy of managing frictions, because even if the sovereignty and territorial disputes in the SCS are resolved one day, the frictions among countries in the region will still persist. Counting on current liberal institutions in the region may bring benefits but these institutions have their limitations. The Chinese are quite adamant that UNCLOS and the historical records remain to be the major indicators of how the disputes in SCS should be resolved.

There are generally two types of historical claims:

- 1) Claims of the islands as sovereignty jurisdictions.
- 2) Claims of the water space itself.

It is unclear which indicator China's government refers to. While the Chinese Ministry of Foreign Affairs articulated that SCS as Chinese sovereignty is "indisputable", yet it remained vague on what specifically Chinese claims include. Further, there are also divergent views in regard to interpreting UNCLOS. Within Vietnam, more traditional views tend to be more pro-China; and more globalist views put more emphasis on the norms of access to the territorial water. Finally, Dutton suggested that learning how to manage frictions is crucial for the peaceful resolution of the disputes in SCS.

SUMMARY IS CHINA GETTING ASSERTIVE ON TERRITORIAL DISPUTES?

David Finkelstein
Taylor Fravel
Satu Limaye

The panel on China's assertiveness regarding territorial disputes explored issues in the South China Sea, land disputes especially with India, and the role of other Southeast Asian countries in this context. Panelists were generally in agreement that China's territorial disputes are much more complicated than just the limited area of South China Sea. China's growing assertiveness is mainly due to its realization that it has maritime interests because of its economic development needs; however, whether the PRC has aspirations to become a maritime power is unclear. And they are certainly far from becoming a major maritime power because of its existing modest naval capabilities.

China has traditionally used force or the threat of force in its territorial disputes; however, it has also compromised on many issues of national sovereignty. More importantly, these disputes have not led to sever of ties between China and the disputing countries.

Panelists generally agreed that China is getting more assertive regarding these territorial disputes. The concise and direct answer from one panelist is that China is definitely getting more assertive on these disputes, at least that is the general perception from the international community. Asian countries, including the Philippines, Vietnam, and Japan have been more vocal regarding China's assertive or aggressive activities in the region.

The main question is: why is there a focus on China's assertiveness if other countries are showing assertiveness as well? First, China's current behavior is a significant departure from its past behavior. Second, China's military element of national power is greater than most of the other interested parties. This is only exacerbated by a lack of transparency in the PRC. Third, China's maritime claim is also not just isolated to one location. Most countries are emphasizing China's assertiveness because China's interests are comprehensive; it has influence in South China Sea, as well as East China Sea and the Yellow Sea.

Other panelists are less inclined to completely agree with the statement that China is getting more assertive on territorial disputes. Some would argue that China is less assertive than during the period from 1988 to 1994, and that its current behavior is not a major departure from past behaviors. China has traditionally used force or the threat of force in its territorial disputes; however, it has also compromised on many issues of national sovereignty. More importantly, these disputes have not led to sever of ties between China and the disputing countries, nor have these disputes become militarized. However, it should be noted that China is not as assertive on its land disputes with India for example as it is with its nautical disputes. One reason for this disparity is that the PRC believes time is on its side and it is complacent with the current situation of its border disagreements.

One of panelists stressed that while China is increasing its assertiveness in the South China Seas, Southeast Asia's economic interest and relations do not confine simply to China. Additionally, China certainly does not determine the relationships among Southeast Asian countries. Southeast Asian countries have disputes with each other as well. One panelist cautions the over emphasis of South China Sea disputes- the extreme focus on the problems in this strategic region may break up the dynamic equilibrium of the region. ■

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