

South China Seas: Troubled waters

By Demetri Sevastopulo

Beijing has built up its navy and is more assertive in the region, raising fears it will lay claim to disputed shores

When Wen Jiabao visited Japan as Chinese premier in 2007, he and Japanese Prime Minister Shinzo Abe agreed to make the East China Sea an area of “peace, co-operation and friendship”. Following suit, his successor Li Keqiang used an almost identical phrase about the South China Sea last October when he met the leaders of the Association of Southeast Asian Nations in Brunei.

Despite the rhetoric about harmonious seas, countries from Vietnam and the Philippines to Japan and the US are increasingly critical of what they see as aggressive Chinese behaviour in the region.

In a recent speech at the Shangri-La dialogue in Singapore, Chuck Hagel, US defence secretary, said what many southeast Asian countries believe but are wary of articulating too forcefully out of fears about Chinese retaliation: “China has called the South China Sea ‘a sea of peace, friendship, and co-operation’ and that’s what it should be. But in recent months, China has undertaken destabilising, unilateral actions asserting its claims in the South China Sea.” From Manila to Washington, experts are trying to answer what Rory Medcalf, an Asia security expert at the Lowy Institute, describes as the “billion dollar question”: why is China taking a more assertive stance over territorial claims in the South China Sea that have, in most cases, existed for decades?

Where some see an emerging power flexing its new naval muscles, others view a bolder ambition to push the US navy out of the western Pacific where it has been dominant since the second world war. The tensions are mounting at a pace that worries everyone from military planners in the Asia-Pacific region to multinational retailers and global energy companies. In the latest example of friction, scores of Chinese and Vietnamese naval, coast guard and fishing vessels are playing a dangerous game of maritime chicken near the disputed Paracel Islands after China infuriated Vietnam by starting to drill for hydrocarbons. The spat has also sparked deadly anti-Chinese riots in Vietnam that forced factories supplying everyone from Apple to Adidas to temporarily halt production.

“It is still very serious, not only for Vietnam, but also for the region and the world,” said Chi Vinh Nguyen, Vietnam’s deputy defence minister. “They violated international laws when they placed the oil rig in our exclusive economic zone and continental shelf.”

Hanoi is mulling taking China to international court, following Manila, which has seen relations with Beijing plummet since Chinese ships wrested control of a Scarborough Shoal reef from the Philippines in April 2012 after a tense month-long stand-off.

In his new book *Asia's Cauldron: The South China Sea and the End of a Stable Pacific*, Robert Kaplan says there is “nothing unusually aggressive” about China’s actions given its geography and aim to prevent foreign powers taking advantage as they did in the past two centuries. “The fact that it seeks to dominate an adjacent sea crowded with smaller and much weaker powers, where there is possibly a plenitude of oil and natural gas, is altogether natural,” he concludes. China argues that Hanoi and Manila have breached the code of conduct, or drilled in waters claimed by China

China dismisses the view it is raising tensions. At the Shangri-La dialogue, Lieutenant General Wang Guanzhong, a top Chinese officer, accused Mr Hagel and Mr Abe – who gave a highly critical speech on China – of teaming up to provoke Beijing.

The US accepts that the Chinese military will play a bigger regional role as it grows. But General Martin Dempsey, chairman of the US Joint Chiefs of Staff, said China was using its military muscle in a “provocative” way that would complicate the search for diplomatic solutions. “We had discussions just two years ago that regional powers . . . would not use military force or the military instrument of power in order to pressurise what is rightly a diplomatic issue and that dynamic has changed, so now there is military power being used to pressurise the diplomacy,” he said in a joint interview.

Just this year, Chinese warships have tried to block Philippine boats from resupplying a ship called the Sierra Madre that is lodged on the Second Thomas Shoal in the disputed Spratly Islands. Manila has also accused Beijing of breaching a 2002 regional code of conduct by reclaiming land at Johnson South, another reef in the Spratlys, for the possible construction of a runway. There have also been reports that China wants to turn nearby Fiery Cross Reef into an artificial island that would help it to project power in the South China Sea and beyond into the Pacific.

China argues that Hanoi and Manila are being hypocritical, saying they have breached the code of conduct, or drilled in waters claimed by China. Tommy Koh, a widely respected former Singaporean ambassador to the US and maritime law expert, points out that none of the six claimant nations in the South China Sea have adhered to the letter of the law of the code of conduct.

Some think China is responding to what it sees as growing US interference in its back yard. During the Bush administration, the US was so preoccupied with Iraq and Afghanistan that many Asian nations worried it was losing sight of China as its navy and coastguard grew. In 2010, the US signalled a shift. Speaking in Hanoi, Hillary Clinton, then Barack Obama’s secretary of state, declared the South China Sea was in the US “national interest” – a remark that infuriated China, coming just months after Beijing had called the waters one of its “core” interests.

Two years later, Leon Panetta, then US defence secretary, told Asian defence ministers in Singapore that the Pentagon would boost its presence in the Pacific as part of a “pivot” to Asia. En route home, he flew to Vietnam, becoming the first Pentagon chief to visit the country in decades, and signalling to China that US-Vietnam relations were warming. Washington has since signed deals with Australia and the Philippines to base troops, planes and ships in those countries on a rotational basis.

Chris Johnson, a former Central Intelligence Agency China expert at CSIS, said: “From a strategic or military operational point of view, China looks around and from the Japanese islands down to the Philippines they see this net of US alliances and other defence arrangements that box them in.”

He argued China was responding to more than the “pivot”. It decided in the mid-1990s to focus on Taiwan instead of the South China Sea, where it had been building infrastructure on places such as Mischief Reef. But since the 2008 election of President Ma Ying-jeou in Taiwan, ties with Taipei have sharply improved, allowing China to focus on its maritime claims.

In 2012, Hu Jintao, then Chinese president, gave a strong hint of the future when he announced in a major speech that the Communist party would “build China into a maritime power” – in what was the first time the country had declared itself a maritime power in 500 years. Towards that aim, China is creating a “blue water” navy that can operate far from its shores, and particularly beyond the “first island chain” that separates the South China, East China and Yellow seas from the Pacific.

Many capitals worry that China will ignore international rules as it expands its sphere of influence

“Chinese leaders believe strongly that as a rising great power they should have a sphere of influence in Asia, much like the US has maintained in the western hemisphere since its 19th-century articulation of the Monroe Doctrine,” said Paul Haenle, head of the Carnegie-Tsinghua Center in Beijing.

Many capitals worry that China will ignore international rules as it expands its sphere of influence. They point to the “nine-dash line” – a marking on Chinese maps that encloses most of the South China Sea, suggesting that China claims most of the waters, which critics say would contravene the UN Convention of the Law of the Sea [Unclos].

Gen Wang said the line was created in 1948 after the Paracels and Spratlys were returned to China following the Cairo and Potsdam declarations. He said China discovered them more than 2,000 years ago and that their sovereignty had not been contested until the 1970s when energy resources were discovered in the South China Sea.

While critics such as Jay Batongbacal at the University of the Philippines describe that view as “really misleading” (Unclos does not recognise historical claims to waters), Gen Wang’s explanation highlights that China does not want to be bound by an international system developed when it was a weak country.

“It is naive to believe that a strong China will accept the conventional definition of what parts of the sea around it are under its jurisdiction,” Lee Kuan Yew, Singapore’s founding father, said in March.

While this view is uncomfortable listening for China’s neighbours, it poses a particular dilemma for the US, as it balances the various strands of its broad relationship with Beijing. In 2012, Manila was disappointed that US ships did not appear to help its treaty ally during the Scarborough Shoal incident. Mr Johnson said the outcome signalled that the US would not match rhetoric with action and reinforced the view in China that Mr Obama was “fundamentally weak”.

“Scarborough Shoal has changed hands for the first time in 20 plus years . . . and there has been no reaction. That definitely gives people in the region pause,” said Mr Johnson.

Some experts think China has been emboldened by the perception that the Obama administration would not risk a conflict with China over the South China Sea, and that only a conflict between China and Japan, Washington’s key ally in Asia, would trigger US military action. “I would agree that that will be the case under this US president, but we’ll see what happens under a new US president in 2017,” said Mr Haenle. “Chinese actions and behaviour over the next two years will impact how fast and how far the pendulum will swing in the other direction.”

Some American officials think China’s assertive behaviour will push its neighbours closer to the US, but other observers are less sanguine given China’s pivotal role as a trading partner for Asean. Asked whether China was sending Vietnam more into the US orbit, Gen Nguyen said: “I don’t think so. We are standing alone . . . we don’t stand on one side or the other side.”

General Phung Quang Thanh, Vietnam’s defence minister, stressed that Hanoi would stay independent. But he said it was considering allowing foreign ships to use facilities at Cam Ranh Bay, a strategic deepwater port, which would also help US operations in the South China Sea. Mr Medcalf thinks the jury is out on whether China has miscalculated, but adds that “China cannot be certain that it is not hurting itself” with its assertive actions.

Either way, says Mr Johnson, the US needs urgently to “rearm our toolkit” to meet the challenges from China. “Relying on the other team to consistently score own goals is not a strategy. That is wishful thinking.”