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US v China: is this the new cold war?

David Pilling

The Chinese programme of island reclamation is testing America's reach



Chinese construction at Fiery Cross Reef in the disputed Spratly Islands in the South China Sea

Strange things are happening in the South China Sea. In the past 18 months, Beijing has reclaimed 2,000 acres of land, converting several submerged reefs and rocks into fully fledged islands. Beijing's land-reclamation efforts have dwarfed those of other countries, notably the Philippines and Vietnam, which have rival claims to the nearby Spratly Islands. China is also constructing piers, harbours and multistorey buildings (though there is no Fifa football stadium yet). On Fiery Cross Reef, in the Spratly Islands, it has built a 3km runway capable of handling all the military aircraft at Beijing's disposal.

The splurge of activity has set alarm bells ringing. This month, in a speech in Tokyo, Benigno Aquino, president of the Philippines, likened China's activity to Nazi Germany's annexation of Czechoslovakia. Ashton Carter, US defence secretary, called Chinese actions out of step with international norms. The US, he said, would fly, sail and operate wherever international law allowed. He explicitly denied that the act of turning an underwater rock into an airfield conferred any rights of sovereignty or restricted any other nation's right of sea or air passage. China and other claimants, he said, should immediately cease all land reclamation.

That begs the question: what is the US going to do about it? The short answer may be not much. The US continues to fly military planes near the new islands. It and other nations are stepping up military co-operation in an effort to show a united front. Yet China's island reclamation programme has proceeded apace. Mr Carter's words sound like President Barack Obama's red line in Syria. If Beijing continues to call Washington's bluff, the truth will be out: the US speaks loudly but carries a small stick.

Why is it so hard for Washington to act? For one thing, though Beijing's actions may not be in the spirit of co-operation, neither are they overtly illegal. Both the Philippines and Vietnam have also reclaimed land. China has merely done so on an industrial scale. Nor is China's claim to the Spratlys entirely spurious, say legal experts. True, the islands are closer to the Philippines, Vietnam and Malaysia, three of the other claimants (along with Brunei). Yet proximity is not always decisive as Argentina can testify in relation to its dispute with the UK over the Falklands/Malvinas. Finally, China is not obviously threatening freedom of navigation. It does seek to restrict military activity within claimed territorial waters. That may contravene international law, although the UN Convention on the Law of the Sea says military activity such as surveillance should be carried out with due regard to the rights of the relevant coastal state. Where China is clearly trying it on is its effort to extend such restrictions to artificial islands. When the US flew a P-8 Poseidon aircraft near a new island recently, the Chinese navy told it to clear off.

Again, it boils down to what the US is prepared to do about it. It says it is considering sending warships within 12 miles of China's new creations. Having made that threat, it may very well feel obliged to carry it through. China, though, is not powerless to respond. It could send in its own warships. If it really wants to up the ante, it could declare an air defence identification zone over all or part of the South China Sea, theoretically obliging incoming aircraft to report their presence to Beijing.

If China and the US are engaged in a game of bluff, the suspicion is that China may have more stomach for the fight. Its tactic is to pick quarrels over seemingly small-bore matters that individually are not worth shedding blood over. Yet collectively, almost imperceptibly, they advance China's ambition to challenge US primacy in the region. Hugh White, an Australian academic, says China is cutting very thin slices of a very long sausage. Xi Jinping has already told us what the sausage looks like. China's president has pressed for a new type of great power relationship that would bring Beijing greater respect and power in Asia. That does not threaten US primacy globally, but it does challenge it in Asia, where China wants to be treated as an equal, at least.

Beijing's actions in the South China Sea are an important part of that strategy. As Carl Thayer, a security expert at the University of New South Wales, writes: "China has changed facts on the ground and presented the region with a fait accompli. The problem with faits accomplis as Washington is discovering is that you can't do anything about them."