

Abstract of The Risk of Applying *Realpolitik* in Resolving the South China Sea Dispute: Implications on Regional Security¹

By

Renato Cruz De Castro, Ph.D.

This paper examines the implications of China's *realpolitik* approach in its territorial claim over the South China Sea on regional security. It observes that China is using the following power-politics tactics with regard to its territorial claims: a) citing a historic claim; b) applying bilateral approach to weaken the ASEAN; c) relying on a divide and rule stratagem in dealing with individual ASEAN member states and creating a wedge between the ASEAN and the United States; and d) buttressing its naval capabilities to enable it resolve the territorial dispute according to its own terms. In conclusion, the paper argues that China's use of *realpolitik* approach in resolving the South China Sea dispute will cause East Asia's future to become Europe's past.

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Located in the heart of Southeast Asia, the South China Sea is a semi-enclosed sea surrounded by China and several smaller and weaker Southeast Asian powers such as the Philippines, Vietnam, Malaysia, and Brunei. Since the mid-1970s, these littoral states have been locked in a chronic competition as each one seek to extend its sovereignty and jurisdictional claims over more than a hundred islets, reefs, and rocks and their surrounding waters. The biggest among the claimant states, China has shown propensity to use coercive diplomacy and even actual force to pursue its territorial claims. In 1974, its forces drove the South Vietnamese from the Parcel Islands north of the Spratlys. Then in 1988, Chinese forces dislodged Vietnamese forces from Johnson Reef, after they sunk three Vietnamese trawlers near Fiery Cross Reef. China's promulgation of a territorial law claiming a large portion of the South China Sea in 1992, and Manila's discovery of Chinese military structures on Mischief Reef in 1995 triggered a serious diplomatic row between the Philippines and China in the mid-1990s.

The South China Sea dispute, however, hibernated in the late 1990s and early 21st century after China and the Association of Southeast Asian Nations (ASEAN) signed the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC). China then conducted its charm offensive in Southeast Asia as it cleverly used economic largess to deepen its ties with the ASEAN member states. Interestingly, a noted American academic warily observes that "the history of China's diplomacy in South China Sea competition is one of declarations of cooperation followed by

unilateral acts revising the status quo followed by new declarations of cooperation.”² This observation proved prophetic as the dispute flared up again in 2009 when China assumed an assertive posture and began consolidating its jurisdictional claims in the South China Sea by expanding its military reach and pursuing coercive diplomacy against other claimant states.³

Since 2008, China increased its naval patrols (using submarines, survey ships, and surface combatants) in Japan’s Exclusive Economic Zone (EEZ) and territorial waters, and intimidated foreign oil companies that tried to operate in the South China Sea.⁴ On 2 March 2011, two Chinese maritime surveillance boats harassed and ordered a Philippine survey ship to leave the Reed Bank (also called Recto Reed), which is 80 kilometers from the Philippine western-most island of Palawan. The Philippine Department of Foreign Affairs filed a diplomatic protest before the Chinese Embassy in Manila on 5 March, and claimed China to date has provoked five to seven incidents in the South China Sea.⁵ Vietnam also complained about Chinese activities in its EEZ and accused Chinese patrol boats of harassing an oil-exploration ship conducting a seismic survey 120 kilometers (80 miles) off the Vietnamese coast. On 28 May and 9 June 2011, Chinese patrol boats cut the cables of Vietnamese oil exploration ships. Claiming that the two incidents happened within its EEZ, Vietnam

² Donald Weatherbee, *International Relations in Southeast Asia: The Struggle for Autonomy* (Lanham, Maryland: Rowman and Littlefield Publishers, 2009). p. 146.

³ Clive Schofield and Ian Storey, *The South China Sea Dispute: Increasing Stakes and Rising Tension* (Washington Dc: The Jamestown Foundation, November 2009). p. 1.

⁴ Michale A. Glony “Getting Beyond Taiwan? Chinese Foreign Policy and PLA Modernization,” *Strategic Forum* No. 261 (January 2011). p. 5.

⁵ “China Says Philippines Harming Sovereignty, Interests in Spratlys,” *BBC Monitoring Asia-Pacific*,” *BBC Monitoring Asia-Pacific* (9 June 2011). pp. 1-6.
<http://proquest.umi.com/pqdweb?index=64did=2369715781&Src...>

filed a diplomatic protest against China. In the face of these two ASEAN states' diplomatic protests, a Chinese foreign ministry spokesperson arrogantly declared that "China has undisputable sovereignty over the South China Sea islands and adjacent waters."⁶ These Chinese unilateral actions are perceived as testing the resolve of the other claimant states in the South China Sea dispute. Consequently, they generated tension in the region and set China on a collision course with two ASEAN member-states.

This paper examines the implications of China's *realpolitik* approach in resolving the South China Sea dispute on regional security and stability. It specifically raises the question—what are the implications of China's *realpolitik* approach in resolving the South China Sea dispute on an evolving East Asian regional complex? It also addresses the following corollary questions: What is the legal basis of China's claim of sovereignty over the South China Sea? What are the *realpolitik* tactics China is applying in pursuit of its territorial claims in the South China Sea? How are the other claimant states reacting to China's *realpolitik* approach? And what will be the long-term implication of China's *realpolitik* approach in resolving the South China Sea dispute?

Territorial Dispute, *Realpolitik*, and Conflict

Territorial disputes have been recurring phenomena in international relations, and have a constant cause of conflicts among states. Territorial disputes are triggered

⁶ See Edward Wong, "China Navy Reaches Far, Unsettling the Region," *New York Times* (15 June 2010). p. 3. <http://proquest.umi.com/pqdweb?index=107&did=2374566911&Sr...>

by two situations:⁷ a) two states disagree over where their territory or borders should be delimited; and b) one state challenges the right of other states to exercise any sovereign rights over some or all its homeland or colonial or maritime territory. In both cases, however, two or more states seek control of and sovereignty over the same territory. Territorial disputes, however, do not automatically lead to war. Rather, they provide the necessary, not the sufficient, conditions for armed conflict to occur among states. They provide the necessary condition for two reasons: a) Instead of being the actual triggers of armed conflict, territorial disputes produce a sequence of events that may or may not lead to war. They do lead to war if the claimant states apply *realpolitik* tactic that increase the chances for the outbreak of armed conflicts. Power politics or *realpolitik* is not the only way to settle territorial disputes, and if this approach is avoided, war is not inevitable.⁸ And b) if claims over the disputed territory are settled amicably at one point in the history of the claimant states, it is unlikely that armed conflict will break out between two contiguous states regardless of other issues that may be generated in the future. This means that territorial disputes are of causal significance in a way their existence makes armed conflict a possibility not an eventuality.⁹ As one study notes: “territory and borders (disputes) do not cause wars, they at least create structure of risks and opportunities in which confliction behavior is apparently more likely to occur.”¹⁰

⁷ Paul K. Huth, “Why Are Territorial Disputes between States a Central Cause of International Conflict?” in *What Do we Know about War?* (Ed) John Vasquez (Lanham, Maryland: Rowman and Littlefield Publishers, Inc., 2000). p. 86.

⁸ John Vasquez, *The War Puzzle* (Cambridge, UK: Cambridge University Press, 1993). p 124.

⁹ *Ibid.* p. 124.

¹⁰ Paul R. Hensel, “Theory and Evidence on Geography and Conflict,” in *What Do we Know about War?* (Ed) John Vasquez (Lanham, Maryland: Rowman and Littlefield Publishers, Inc., 2000).p. 61.

A sufficient condition that can generate militarized conflicts is if the disputing states apply *realpolitik* or power politics tactics in resolving their contention. *Realpolitik* or power politic approach is defined as foreign policy actions based on the image of the world as insecure and anarchic which consequently leads to distrust, struggles for power, national interest taking precedence over norms, rules, and collective interests, the use of Machiavellian stratagems, coercion, attempts to balance of power, reliance on self-help, and the use of force and war as the ultimo ratio of international relations.¹¹ Accordingly, the application of *realpolitik* by any claimant state can cause territorial disputes to become militarized conflicts because it provides the conditions disputing states can be expected to engage in a contention, not necessarily the prescribed behavior is natural or inherent given the structure of reality. Power politics becomes a guide that directs policy-makers (and their societies) to the appropriate behavior given the situation—a territorial dispute—and given the realities of international relations.¹² The *realpolitik* approach to territorial dispute involves the reliance on the test of power—through conquest, forcible submission, or deterrence of the other parties. It is also deemed as a form of particularistic policy based on unilateral actions that cause confrontations among disputing states and consequently, armed conflict.¹³

The *realpolitik approach*, however, is only one of the means of resolving territorial dispute. Another approach is through compromise, third party mediation or

¹¹ Vasquez, *op. cit.* p. 86.

¹² *Ibid.* p. 87.

¹³ *Ibid.* p. 269.

arbitration, or adjudication of some sort.¹⁴ Collectively, these measures can be called the liberal-institutional approach. The liberal institutional approach proscribes the resolution of conflict through negotiation, bargaining, and debates that eventually lead to problem-solving rather than contention. Accordingly, the application of this approach can effectively manage crises and/or reduce tensions in disputes. Furthermore, it also creates rules and norms that create mutual expectations about the general standard of behavior that not only control escalation if crises should develop, but pushes states to deal with disputes by making them try certain actions before turning toward more drastic actions prescribed by the *realpolitik* approach. This approach attempts to reduce and eliminate certain types of state policy or behavior, particularly the unilateral or *realpolitik* actions, while creating certain preferred means of conflict management or resolution. This approach is considered as a way of interacting that reduces the possibility of war, even in the presence of a conflict.¹⁵

China's *Realpolitik* Approach

As the largest and most powerful of littoral states and the sole administrator of the most important islands (Hainan and the Paracel Islands) in the South China Sea, China has declared that it has full sovereignty over the whole of the sea as its official map featured a broken-nine-dotted boundary as far south as the northern Malaysian and Bruneian coast.¹⁶ It also claims the two main island groups the Paracels and the Spratlys although these islands themselves are small and uninhabitable. Nevertheless,

¹⁴ Bruce Russett and Harvey Starr, *World Politics: The Menu of Choice* (USA: W. H. Freeman and Company, 1996). pp. 143-144.

¹⁵ Vasquez, *op. cit.* p. 271.

¹⁶ Marc Lanteigne, *Chinese Foreign Policy: An Introduction* (Oxon and New York: Taylor and Francis Group, 2009). p. 121.

they are deemed valuable because of the potential oil and gas which may be deposited under them and also they are located along heavily trafficked sea-lanes of communication and trade. Hence, from China's perspective, the issue of consolidating its maritime claim over the South China Sea is a matter of enhancing its territorial integrity and national security. However, from the point of view of the smaller Southeast Asian states, this is a form of ominous Chinese expansionism in an area of key strategic location and economic resources.¹⁷

Historic Claim

In the early 1990s, the PRC declared that the entire South China Sea as its territory when it developed the capability to enforce its expansive maritime claims. Whereas almost all claimant states justify their respective territorial claims on the basis of their highly interpretative definitions of the United Nations of Conventional on the Law of the Seas (UNCLOS), China's claim set it apart from the rest. China uses the combination of broad territorial claims that include economic, political and military components; an uncompromising diplomatic stance complemented by demonstrated aggressive and unilateral actions; and a historic claim based on the idea that the South China Sea and islands within this body of water have been in Chinese possession for centuries dating back as far as the Han Dynasty in the second century A.D. China argues that its sovereign rights over the South China Sea date back several thousands of years ago. The Chinese government regularly prints maps in newspapers and schoolbooks drawing a maritime border that extends like an inverted fin to reach almost to the shores of the island of Borneo and the approaches to Singapore. It further buttresses its claim by formulating a historical chronology that

¹⁷ David Scott, *China Stands Up: The PRC and the International System* (Oxon; New York: Routledge, 2007). p. 104.

that cites the voyages of Chinese navigators and fisherman in and across the South China Sea. And on the basis of this chronology, Chinese officials argued that China's broad claim to most of the South China Sea is based on historical facts.¹⁸

A recent article "The Formation of China's Sovereignty over the South China Sea Islands, origin of South China Sea Issues," in *Quishi* website provides a very recent justification for China's historic claim.¹⁹ Written by Li Guoqiang, the article cites two Chinese historical records that narrated alleged voyages by Han and Ming navigators in the South China Sea. On the basis of these two historical records, Li argued that the Chinese people discovered these islands and developed them first. And consequently, China's sovereignty over the South China Sea was gradually formed on the basis of continuous administrative jurisdiction by the Chinese governments in successive dynasties even due these islands are small, barren, and uninhabitable.²⁰ He then maintains that since the people of the other claimant states could not show any records that their ancestors found and named those islands, China has undisputable sovereignty over the Spratlys. The article reflects China's approach in badgering the other claimant states that the South China Sea is a Chinese territory on the basis of its own historical records and refusing to deal with them unless they accept China's undisputable sovereignty based on a historic chronology of its maritime exploits in the said waters. Recently, a Chinese commentator tried to

¹⁸ Robert Sutter and Chin-Hao Huang, "Managing Rising Tensions in the South China Sea," *Comparative Connections: A Triannual E-Journal on East Asia Bilateral Relations* (September 2011). p. 6

¹⁹ BBC, "Article Cites Historical Arguments to Defend China's Stance on Spratly Islands," *BBC Monitoring Asia-Pacific* (14 August 2011). p. 2.
<http://proquest.umi.com/pqdweb?index=33&did=2424108731&Src...>

²⁰ *Ibid.* p. 2.

down-play the legal significance of the UNCLOS by arguing that it is “just one of the international laws of the sea, not the only one, and thus (other claimant countries) should stop questioning the legitimacy of China’s nine-dotted line.”²¹

China’s historical evidence, however, does not necessarily disprove the claims of other nations in Southeast Asia. There is no doubt that Chinese explorers and fishermen had sailed over the South China Sea in the last two thousand years. However, there is also substantial evidence that the ancestors of today’s Southeast Asians had navigated and fished on those islands long before any written Chinese account. Given that the Spratlys and Paracel islands were barren and uninhabitable, pre-historic people of the littoral Southeast Asian countries fished and economically exploited the resources of the South China Sea even before the Han and Ming dynasties. These littoral states around the South China Sea (such as the Philippines, Indonesia, and even Taiwan) were settled by sea-faring people who came through several waves of immigration as far as 25,000 years ago. No doubt these sea-faring people had sailed, navigated and fished the in the South China Sea similar to what their descendants are doing in contemporary times. Thus, commenting on China’s historical evidence of sovereignty over the South China Sea, an American expert on maritime contemporary issues notes:

...no evidence points to unique economic interests of China or any other single country in or around the islands of the South China Sea. Rather, the evidence suggests the contrary—that the waters of South China Sea and their sparse islands...have been for many centuries been the common fishing grounds and trading routes of all regional peoples. Indeed, this long-standing common usage suggests...the South China Sea developed as a sort of regional common, in which all parties pursued their

²¹ Sutter and Chin-Hao Huang, *op. cit.* p. 7.

interests without fear of molestation by the authorities of other coastal state.²²

Emphasis on the Bilateral Approach

China's growing capabilities and the unique nature of its territorial claim (given its very expansive scope and historical basis) makes it at once the most important claimant state in either resolving the territorial dispute or turning it into a militarized conflict. Interestingly, Beijing views itself as an actor committed to a peaceful settlement of the territorial row through diplomatic means. From its point of view, China always holds a restrained, calm and constructive attitude and actively seeks way to resolve the South China Sea dispute.²³ Indeed, Beijing has actively sought ways to resolve the territorial but always according to its condition—bilateralism. Although China acceded to a joint declaration with ASEAN on maintaining the status quo in the South China Sea, China's diplomatic scheme is to engage the other claimant states in bilateral negotiations and to pre-empt any third-party adjudication through UNCLOS procedures or any international organization.

This is clearly reflected by China's immediate and adverse reaction to U.S. Secretary of State Hillary Clinton's July 2010 speech declaring U.S. national interests in the South China Sea and offering Washington's facilitation role in resolving the dispute. Chinese Foreign Minister Yang Jieche immediately rejected Secretary Clinton's proposal stating that the U.S. should not internationalize the disputes. He empathically announced that any territorial dispute involving the South China Sea

²² Peter Dutton, "Three Disputes and Three Objectives: China and the South China Sea," *Naval War College Review* (Autumn 2011) 54, 4. p. 5

²³ BBC, *op. cit.* p. 6.

should be resolved on a bilateral basis and should not involve the international community. He further argued that the South China Sea dispute should be solved through bilateral negotiations between China and the neighboring states, rather than between China and the ASEAN. He declared “Turning the bilateral issue into an international or multilateral one would only worsen the situation and add difficulties to solving the issue (or dispute).”²⁴ Accordingly, China’s preference for bilateral, rather than multilateral, approach in resolving the South China Sea dispute stems from the following:²⁵ a) its general contempt to the widely accepted standards of maritime norms and international law; and b) it is easier for a big power like China to bully and cajole the smaller and weaker claimant states so it can acquire the sea’s atolls, waterways, and natural resources individually. By themselves, the smaller powers such as Vietnam, the Philippines, and Malaysia cannot effectively stand up against an emergent and assertive power like China.

Applying the Stratagem of Divide and Rule

Another *realpolitik* tactic applied by China against its smaller neighboring states is creating division within ASEAN by slicing its member states one by one. Called Salami strategy by a noted American academic, this tactic involves offering each claimant state a joint development venture as a means of resolving the South China Sea dispute.²⁶ This is an important component of China’s diplomatic initiative of “setting aside disputes and pursuing joint development” with a claimant state on

²⁴ _____ “China Rejects U.S. Suggestion for ASEAN Mediation on Territory,” *The Wall Street Journal* (26 July 2010). Pg. A.10, <http://proquest.umi.com/pqdweb?index=99&did=20911452221&Src...>

²⁵ Daniel Blumenthal, “The U.S. Stands Up to China’s Bullying,” *Wall Street Journal* (28 July 2010). p. A-17. <http://proquest.umi.com/pqdweb?index=41&did=2093090381&Src...>

²⁶ Weatherbee, *op. cit.*, p. 146.

the disputed maritime territories that from China's perspective actually belong to it.²⁷ China was able to apply this tactic when it convinced the Philippines and Vietnam to join a Joint Maritime Seismic Undertaking (JMSU) in the South China Seas. However, by joining the JMSU, the Philippines and Vietnam became complicit to China's Salami Strategy for two reasons:²⁸ a) the agreement undercuts the position of two ASEAN member states—Malaysia and Brunei—since it tacitly lends validity to China's extreme claims to islands and maritime space in the South China Sea; and b) by signing a trilateral deal, the Philippines and Vietnam derogated the united front that ASEAN had successfully formed to deal with China in the South China Sea. Accordingly, the forging of the original bilateral agreement with China bereft of any consultation with the ASEAN member states could be seen as a violation of the spirit, if not the letter, of the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea (DOC). As one Australian analyst notes: "...the Philippine government has broken ranks with the Association of Southeast Asian Nations, which was dealing with China as a bloc on the South China Sea issue. ..Through its actions, Manila has given legitimacy to China's legally spurious "historic claim" to most of the South China Sea."²⁹

In the aftermath of Secretary Clinton's 2010 Hanoi Declaration on the South China Sea, Beijing applied this Salami tactic against the Washington and the ASEAN states. During the 2nd U.S.-ASEAN Leaders Summit on 24 September 2010 in New

²⁷ Yang Mingjie, "Sailing on a Harmonious Sea: A Chinese Perspective," *Global Sea* 4, 5 (Winter 2010). p. 25.

²⁸ Mark Valencia, "The Philippines' Spratly Bungle," *UPIA Asia Online* (28 March 2008). p. 2. http://www.upiasia.com/Politics/2008/03/28/the-philippines/spratly_bungle/3227/?view=print

²⁹ Barry Wain, "Manila's Bungle in the South China Sea," *Far Eastern Economic Review* 171, 1 (January 2008). p. 2 <http://proquest.umi.com/pqdweb?index=12&did=1423249481&Src...>

York, President Obama met eight ASEAN heads of states to formulate a common statement that calls for a multilateral approach to settle the South China Sea dispute. The U.S. anticipated that the ASEAN to take a vigorous position on the issue and push for its peaceful resolution. It was expected that President Obama and the ASEAN leaders would issue a statement reaffirming the freedom of navigation in the South China Sea and opposing the use or threat of force by any claimant state.³⁰ The wording of the joint statement was deemed significant because it was seen as building on an earlier statement on the South China Sea delivered by Secretary Clinton during the 2010 Hanoi ARF meeting. Washington, however, was disappointed.

Fearing that such statement would alienate China, ASEAN member-states objected to a joint statement bearing any reference to the South China Sea dispute and to the use of force.³¹ Three days before the U.S.-ASEAN Leaders Meeting, a Chinese Foreign Ministry spokes person warned the ASEAN states that China is “concerned about any kind of statement that might be issued by the U.S. and ASEAN over the South China Sea” and that “China opposes any country having nothing to do with the South China Sea getting involved in the dispute.”³² Thus, China pre-empted the summit meeting by voicing its objection to any U.S. proposals on the South China Sea. Likewise, some member-states thought that ASEAN should not further estrange

³⁰ Jeremy Page, Patrick Barta, Jay Solomon, “U.S., Asian Allies Take Firmer Stance on China—ASEAN Seeks Stronger Positions on Territorial Disputes amid Concern over Beijing’s Growth and Rising Military Power,” *The Wall Street Journal* (23 September 2010). p. 2.
<http://proquest.umi.com/pqdweb?index=78&did=2144379741&Src...>

³¹ “ASEAN Wants No Mention of South China Sea Dispute in Statement of Summit with U.S.,” *BBC Monitoring Asia-Pacific* (25 September 2010). p. 1.
<http://proquest.com/pqdweb?index=198&did=2146226801&Sr...>

³² Carlyle A. Thayer, “The United States, China and Southeast Asia,” *Southeast Asian Affairs 2011* (Singapore: Institute of Southeast Asian Affairs, 2011).21.

China after the 2010 Hanoi Declaration. With their mutually beneficial economic ties with China, ASEAN member-states feel that they cannot simply engage in China-bashing and create the impression that they are willing to do whatever Washington tells them to do.³³ For these small powers, China is not only a neighbor, and a most important trading partner, and investors but also an occasional political ally against the U.S. itself.

Naval Arms Build-Up

With its booming economy, China has gradually developed navy that is no longer focused on pre-empting possible U.S. intervention in a Taiwan Straits crisis but on denying the U.S. Navy's access to East China Sea and South China Sea or in inside the so-called First Island Chain that runs from Japan-Okinawa-Taiwan and down to the Philippines. China has an annual double-digit increase in defense spending since 2006. Consequently, in the past few years, the People's Liberation Army Navy (PLAN) has acquired a growing fleet of Russian-made diesel-electric Kilo-class submarines and Sovremenny-class destroyers, along with several types of indigenously-built destroyers, frigates, and nuclear-powered attack submarines. The PLAN has also enhanced its operational capabilities across the waters surrounding Taiwan and has deployed two new classes of ballistic and attack submarines. Unrestrained by its strategic focus on Taiwan, China has developed the naval capabilities to generate regional tension by challenging the maritime claims of its smaller neighboring states, and in the long run, changing the strategic pattern in East Asia and West Pacific where the U.S. Navy will be pushed out from these maritime

³³ *Ibid.* p. 21.

commons. Interestingly, several Chinese media commentators and analysts have emphasized the significance of their country's growing naval capabilities and the urgent need to protect its expansive maritime claims in the South China Sea. Observing the emergence of this form of Mahanian nationalism in Chinese society, a Japanese think-tank notes:

...China recognizes that its national interests are expanding beyond territorial boundaries, to oceans, space, and cyber spaces. China says that protecting these expanded national interests is the new mission of the PLA. Navy Commander Admiral Wu Shengli states that in developing the navy, China is increasing the scope of its capabilities for building combat strength in light of the expanding territories of national interests, and China is moving toward core capabilities for building combat strength in light of the threats that are rising regarding [expanding] national interests.³⁴

With its naval prowess, China has become more assertive in the South China Sea. In March 2009, Chinese naval and fishing vessels harassed the *U.S.S. Impeccable* which was openly conducting surveying operations in the South China Sea. The following year, China warned the U.S. to respect its extensive maritime claims. In March 2010, Chinese officials told two visiting U.S. State Department senior officials that China would not tolerate any U.S. interference since in the South China Sea is now part of the country's "core interests" of sovereignty on a par with Taiwan and Tibet.³⁵ Recently, the Chinese government announced that it would increase its defense budget by 13% and improve the People's Liberation Army's (PLA) capability

³⁴ National Institute for Defense Studies *NID China Security Report* (Tokyo: National Institute for Defense Studies, 2011). p. 9.

³⁵ Edward Wong, "China Asserts Role as a Naval Power," *International Herald Tribune* (23 April 2010). pp. 1 and 4.

to accomplish a range of military tasks including “winning local wars under information age conditions.” This disclosure has caused apprehensions in Japan, South Korea, the Philippines, and Vietnam which have all recurring territorial confrontations with China.³⁶

Based on its recent behavior with regards to its maritime disputes in the South China Sea and East China Sea, China’s assertiveness about its claims in these bodies of water has increased in tandem with the increasing size of its navy and maritime services.³⁷ With its growing naval capabilities, China has demonstrated its intention to expand its maritime claim by conducting numerous naval exercises that include its more modern surface combatants and even submarines.³⁸ The goals of these various naval exercises are to show its determination to unilaterally and militarily resolve these various territorial disputes by flaunting its growing naval capabilities and also to impress upon the claimant states its “de facto” ownership of these disputed maritime territories. In late 2010, not satisfied with applying diplomatic pressure on the ASEAN states prior to the 2nd U.S.-ASEAN Leaders Summit in New York, the PLAN conducted its fourth major naval exercise in the South China Sea. Taken together, the PLAN’s four naval exercises in 2010 a demonstration that China has indisputable sovereignty over the South China Sea and that it is rapidly developing the capacity to

³⁶ Jeremy Page, Jason Deari, and Julian E. Barnes, “Beijing’s Defense Build-up Stirs Fears,” *The Wall Street Journal* (7 March 2011). p. 4.

³⁷ Dutton, *op. cit.* p. 6.

³⁸ For details on China’s Training Exercises in its surrounding waters see National Institute for Defense Studies, *op. cit.* pp. 14-21.

sustain larger naval deployment deep into this maritime territory.³⁹ This led an Australian analyst to note:

The show of force is meant to hammer home the message that China thinks the U.S. has no right to get involved in the area, where China, Taiwan, and four ASEAN countries have tangled web of territorial and jurisdictional claims. But it is likely to be read negatively in the region. Much of Southeast Asia, which has become increasingly concerned about China's assertive behavior in the South China Sea, will see it as another example of Beijing's high-handedness.⁴⁰

In the long run, China's growing naval capabilities will be directed not only to expand its maritime domain but to engage in what U.S. naval analysts called anti-access/anti-denial activities that will involve denying access to foreign navies—especially that of the U.S.—to the East China Sea and South China Sea, while acquiring the capability to limit access to the Western Pacific outside of the so-called First Island Chain (Japan-Mainland-Okinawa-Taiwan—the Philippines).⁴¹ Consequently, one analyst notes the growing wariness in the region over China's growing naval capabilities:

While there is uncertainty as to what this might mean in practice, enough is now known about China's claim to set alarm bells ringing, not just among claimant states in ASEAN but also among non-claimant states, including Indonesia, Singapore, the United States, Japan and South Korea. These countries rely on unimpeded shipping through the South China Sea for trade, energy supplies and military movement, and do not want to see China in a stronger position to exert control

³⁹ Thayer, *op. cit.* p. 21.

⁴⁰ Barry Wain, "Chinese Diplomacy off Course," *The Wall Street Journal Asia*, (5 August 2010). p 13. <http://proquest.umi.com/pqdweb?index=185&did=2100920731&Sr...>

⁴¹ Yoichi Kato, "China's Naval Expansion in the Western Pacific," *Global Asia* 5, 4 (Winter 2010). p. 19.

over key geo-strategic crossroads between the Pacific and Indian Ocean.⁴²

China has also invested more resources to its naval build up in the South China Sea. The PLAN has build an enormous submarine base in Hainan island as a home port that places its Southern Fleet closer to the disputed waters of the South China Sea. In July 2011, China officially acknowledged that it is rebuilding an aircraft and will deploy this carrier for sea trials around August 2011. Chinese defense ministry spokesperson admitted that China is seriously studying the development of a carrier and will use its first carrier (the former Soviet Carrier Varyag) as a platform to carry out refurbishment for scientific research and training.”⁴³ The spokesperson comments appeared to indicate that while China has no plans yet of deploying its first carrier as a part of a battleground, he nevertheless admitted that it will use it as a blueprint for more indigenous carriers. This analysis is boosted by reports that China was building two indigenous aircraft carriers at the Jiangnan Shipward in Shanghai as part of the PLAN’s broad military modernization program.

This announcement was made at the time that China’s neighboring small neighbors are still smarting from a series of confrontations with China’s vessels in the disputed South China Sea. Recent Chinese naval analysts have projected the deployment of future PLAN aircraft carriers in the South China Sea where they can be used as part of three-dimensional attacks in its coral-island-assault campaign against

⁴² Michael Richardson, “Alarm Bells over South China Sea Claims,” *The Strait Times* (30 August 2011). P. 1. <http://proquest.umi.com/pqweb?index=10&did=2438289131&Src...>

⁴³ Teddy Ng, “PLA Carrier Launch Downplayed Refitted Soviet Vessel for Training, Beijing Says; Two Home-Produced Carriers Reportedly on Way,” *South China Morning* (28 July 2011). p. 1. <http://proquest.umi.com/pqdweb?index=14&did=2408826031&Src...>

the other claimant states.⁴⁴ The PLAN apparently believes that developing its naval capabilities will enable it to resolve its territorial row with the smaller claimant states according to Chinese terms, and to force the U.S. Navy to steer clear of the South China Sea and other disputed maritime areas around China's periphery. This naval build-up, along with other Chinese *realpolitik* tactics, has resulted to increase tension in the region. China's assertive power-based approach in trying to impose its claim over the South China Sea has resulted to a renewed American strategic attention and interest to this territorial row.⁴⁵

Implications of China's *Realpolitik* Approach

Being the largest and most powerful claimant state, China is in a unique position to be either the most important player in resolving the various territorial disputes in the South China Sea or the biggest obstacle to its resolution. However, by adopting *realpolitik* approach, China has made the South China Sea dispute the most dangerous source of instability in East Asia and the most likely place where an armed conflict might erupt. Its expansive maritime claim on the basis of historical chronology covers about 80% of the South China Sea and reaches as far south to the coastal waters of Indonesia's Natuna Island and East Malaysia. This expansive maritime claim will have direct implication of all the littoral states, on the freedom of navigation, and on the movements of navies. If China is able to enforce its maritime claim over the South China Sea, this will make it an immediate neighbour of

⁴⁴ Daniel J. Kostecka, "From the Sea: PLA Doctrine and the Employment of Sea-Based Airpower," *Naval War College Review* (summer 2011) 64, 3. pp. 4-5
<http://proquest.umi.com/pqdweb?index=448did=2355404271&Sr...>

⁴⁵ See Dutton, *op. cit.* pp. 9-11.

Indonesia, Malaysia, the Philippines and Brunei. Consequently, these Southeast Asian states will have to be sensitive to China's long-term geo-strategic interest of pushing U.S. forces away from its maritime borders and claiming sovereign rights over the entire South and East China Seas in the conduct of their foreign policies.⁴⁶

Furthermore, these states' fishing and merchant fleets will be also be subjected to Chinese law and regulation, and any restriction China may choose to impose in the future. Finally, the navies of these littoral states will also be affected by China's expansive maritime claim as their warships that will navigate the South China Sea will have to face severe restrictions from China. This is because of China's current policy that states warships traversing the South China Sea must first seek its permission. Thus commenting on China's expansive maritime claim based on historical chronology, an American analyst offers an interesting metaphor:

For countries that are littoral to the South China Sea, China's claims are analogous to one of your neighbors claiming that the entire street in front of your house is his personal property. Furthermore, he claims that your sidewalk, driveway, and front yard clear up to the doorstep also belong to him. ...If you or your neighbors protests he denies the validity of your title and refuses to settle in court.⁴⁷

In pursuing its expansive maritime claim, Chinese officials insist that any dispute involving the South China Sea can only be resolve bilaterally and should not be internationalized or multilateral zed. This divided the ASEAN as it offered a joint

⁴⁶ Balbina Y. Hwang, "The Implications of China's Active Defense Strategy," *PacNet#16A* (11 March 2011). p. 2.

⁴⁷ Dana Dillon, "Countering Beijing in the South China Sea," *Policy Review* 167 (June/July 2011). p. 6. <http://proquest.umi.com/pqdweb?index=77&did=2382115331&Src...>

seismic study of areas of the South China Sea with two ASEAN member states, and which, in turn, undermined the legal claims of all the Southeast Asian states and divided the regional organization. Currently, China is cleverly using economic largesse to deepen and expand its ties with its Southeast Asian neighbors. Beijing has also promoted economic, military, and political cooperation relations within individual ASEAN states and with the regional organization. This charm offensive, in turn, generated three effects within ASEAN that have accentuated the schism within among the member states causing a major paralysis of the regional organization:⁴⁸ a) it created a tendency among ASEAN states (especially those who benefit from Chinese trade and investment) to accentuate the cooperative aspects of the association's relations with China while down playing its differences; b) it creates a division of states who have active territorial disputes (Vietnam and the Philippines), those who have dormant dispute (Brunei and Malaysia) and those who do not have any dispute with China (Thailand, Indonesia, Cambodia, Laos, and Myanmar); and 3) taking advantage of these cleavages, China has prevented the ASEAN from making a unified, consistent, and cohesive stand on the South China Sea dispute.

China has some successes in causing a cleavage between ASEAN and the U.S. preventing the two sides from forming a united front against Beijing's territorial ambition in the South China Sea. China has reacted adversely against Secretary Clinton's announcement that Washington wants to play a facilitating role in resolving the long-simmering territorial row between China and its smaller neighboring states. China warned the U.S. against wading into the conflict arguing that it would only increase regional tension. Beijing viewed Washington's attempt to play a facilitating

⁴⁸ See Schofield and Storrey, *op. cit.*

role in the dispute as a provocation and an attempt by the weaker ASEAN states' (especially Vietnam, and to a certain degree, the Philippines) attempt to internationalize and multilateralize the dispute. Chinese diplomats repeatedly insisted that the South China Sea dispute should only be resolved bilaterally between China and the smaller ASEAN states—a ploy that clearly favors the more powerful claimant state. Recently, China succeeded in creating a rift between the U.S. and the smaller ASEAN states.

A few days prior to the 2011 ARF annual meeting in Jakarta, China and ASEAN cut an agreement for vaguely worded guidelines that are supposed to implement the 2002 Declaration of Conduct on the South China Sea. ASEAN officials said these guidelines are for joint projects that both sides will pursue in the South China Sea.⁴⁹ They include addressing marine and environmental degradations, SARS, transnational crime, navigation, and biodiversity issues. However, the agreement is only a part of the 2002 DOC as it cannot stand on its own. Furthermore, it is bereft of any provision for conflict management or resolution like the rules of engagement governing how the claimant states' warships should operate in the disputed waters in the Spratlys, much more a diplomatic framework that can directly address this territorial row. Clearly, China's motives in forging these guidelines with the ASEAN is driven by the expediency of mollifying the association's member-states so that they would take the South China Sea dispute off from the ARF's agenda before Secretary Clinton's arrival in Bali, Indonesia.⁵⁰ This betrays a diplomatic

⁴⁹ _____ "ASEAN, China Agree on SC SEA Conflict Guidelines," Antara (21 July 2011). p. 1 <http://proquest.umi.com/pqdweb?index=34&did=2404793141&Src...>

⁵⁰ _____. "ASEAN and China Endorse Guide Lines on South China Sea," Bernama, (21 July 2011), p. 1. <http://proquest.umi.com/pqdweb?index=41&did=24070002001&Src...>

gambit of creating a chasm between the ASEAN states and the U.S. that would prevent the two parties from pursuing a common front against China's irredentist agenda in the South China Sea. An Australian journalist observed this ploy when he notes:

Beijing almost certainly agreed to the guidelines out of expediency, because it wanted to reassure ASEAN after Chinese vessels were involved in nasty, widely publicized actions in Vietnamese and Philippine waters this year. Not to agree would have put the Chinese on the diplomatic back foot. Presumably China doesn't want ASEAN members encouraging the Americans to intervene again.

Although Chinese Foreign Minister Yan Jieche has said the Chinese are open to a code of conduct at an appropriate time, Southeast Asian officials doubt it. They simply don't believe Beijing had a change of heart...⁵¹

The hardest and most alarming Chinese *realpolitik* tactic, however, is its naval build up in the South China Sea. Aside from its acquisition of new surface combatants and submarines and development of sea-borne airpower, the PLAN has build an enormous submarine base in Hainan island as a home port that places its Southern Fleet closer to the disputed waters of the South China Sea. The PLAN apparently believes that developing its naval capabilities will enable it to resolve its territorial row with the smaller claimant states according to Chinese terms, and to force the U.S. Navy to steer clear of the South China Sea and other disputed maritime areas around China's periphery. This naval build-up, along with other Chinese *realpolitik* tactics, has resulted to increase tension in the region. China's assertive power-based approach

⁵¹ Barry Wain, "A South China Sea Charade; China continues Stalling Multilateral Efforts to Resolve Territorial Disputes," Wall Street Journal (22 August 2011). p. 2 .
<http://proquest.umi.com/pqdweb?index=1&did=2431087331&Srch...>

in trying to impose its claim over the South China Sea has resulted to new renewed American strategic attention and interest to this territorial row.⁵²

Toward an Asian Balance of Power?

China is now confident to become East Asia's game changer. Chinese decision-makers are conscious that their country is already a trade and investment power house in a global economy still reeling from the effects of the 2008 financial meltdown in the United States. They are also cognizant that China is major purchaser of U.S. Treasury bills and a major buyer of global commodities. They also take note that despite the global economic recession, the Chinese economy is still growing rapidly having held the global financial crisis at bay and more significantly, surpassing Japan's economy as the largest in the world. And as their economy grows, the People Liberation Army's is modernizing its navy and air force. Now it has the capacity to conduct long-range, sophisticated, high-intensity/high-technology combat operations along China's maritime periphery has improved dramatically in recent years.

Consequently, top-level Chinese decision-makers have dropped their earlier moderate and reassuring public posture and have instead become assertive and nationalistic as they announced China's emergent status, the decline of the United States, and their country's undisputed claim over the East Sea and South China Sea. Despite triggering regional tension caused by China's publicized, expansive, and assertive claim over 80% of the South China Sea, Chinese officials portrayed their country as a reactive and defensive victim in the face of increasing encroachment of

⁵² See Dutton, *op. cit.* pp. 9-11.

its maritime territories by two small powers—Vietnam and the Philippines--and what they perceived as meddling by the U.S. on its efforts to protect a core interests. China's growing naval prowess has backed the official claim that the South China Sea is its territorial waters as Vietnamese and Philippine survey vessels were harassed by Chinese patrol vessels, and the two countries' fishing vessels detained by Chinese authorities or fired upon by Chinese patrol craft. These maritime incidents followed a pattern of China's practice of its using superior naval power and coercive diplomacy to pressure and force other claimant states to move away from a disputed maritime territory.⁵³ Indeed, current Chinese capabilities, pronouncements, and actions indicate that it has taken its place on the top hierarchy of the regional pecking order and bears all the requirements (economic and military weight, diplomatic prowess and willingness to pull its weight against the smaller powers) of a traditional great power confident and determined to change the power game in East Asia.

Confronted with China's growing naval prowess, littoral/ maritime states, both in Northeast and Southeast Asia, are apprehensive that China might seize some the disputed islands in the East China Sea and South China Sea given the potential energy reserves of these maritime territories, and their importance as sea lines of communications (SLOCs).⁵⁴ In June 2011, Vietnam, the Philippines, and Japan have expressed concerns or made formal complaints over China's nautical movements in the disputed waters of the South China Sea. Many analysts and observers agreed that China's assertiveness and unilateral actions in the South China Sea have generated

⁵³ Robert Sutter and Chin-Hao Huang, "Managing Rising Tension in the South China Sea," *Comparative Connections: A Triannual E-Journal on East Asian Bilateral Relations* (September 2011) p. 1.

⁵⁴ Michale A. Glony "Getting Beyond Taiwan? Chinese Foreign Policy and PLA Modernization," *Strategic Forum* No. 261 (January 2011). p. 4.

serious tension and potentially set China on a direct collision course on the other claimant states.⁵⁵ As one analyst notes:

Asserting Chinese sovereignty over border-lands in contention—everywhere from Tibet to Taiwan to the South China Sea—has long been the top agenda for Chinese nationalist, an obsession that complicates all other concerns. But this complicates China’s attempts to present the country rise as a boom for the whole region and creates wedges between China and its neighbors.⁵⁶

Despite their growing concern over China’s assertiveness in the South China Sea, these smaller powers cannot hope to balance China’s military prowess. They might occasionally deploy ships or aircraft to the disputed waters individually. However, these small powers of Southeast Asia cannot simply outmatch China’s growing military muscle even if they combined their manpower, equipment and defense spending. This is further complicated by the fact that these small powers’ militaries have shown little interest in pooling their resources and forming a collective defense force that can confront China. This stems from these countries’ extensive and mutually beneficial economic and political ties with China that they do not to jeopardize by directly confronting it through their arms build-up or forming a regional security alliance directed against the region’s emergent power. The best that they could hope for is for the U.S. to play the role of an external balancer in East Asia. Hence, in the light of China’s fervent nationalism and unilateral moves in the South

⁵⁵ Edward Wong, “China Navy Reaches Far, Unsettling the Region,” *The New York Times* (15 January 2011). p. 2. <http://proquest.umi.com/pqdweb?index=107&did=2374566911&Src...> Also see Mark Valencia, “Troubled Waters: The Search for Maritime Security in East Asia,” *Global Asia* 5, 4 (Winter 2010). p. 11.

⁵⁶ Wong, “China asserts Itself...” p. 3.

China Sea, some Southeast Asian countries, along with South Korea and Japan, are gravitating closer to the U.S. for their security requirements.

Instead of engaging China in an arms race, the smaller powers of Southeast Asia are more predisposed toward a regional balance of power where these states will ensure that the U.S. remains a resident Pacific power and plays a crucial role in the regional balance way into the 21st century. In such a scenario, the smaller powers of ASEAN deem American military presence in East Asia as a decisive and probably the most important common good not only to secure the vital sea-lanes of communication and commerce but also in balancing China's naval expansion and assertiveness. On its part, the U.S. has an interest in supporting these smaller states' balancing gambit in the light of China's attempts to alter international norms concerning the freedom of navigation for military purposes and to roll back the balance of the coastal-states, and international rights in coastal areas that are negotiated in the development of UNCLOS.⁵⁷ Projecting a balance of power scenario for East Asia, the Australian-based Lowy Institutes notes:

Balancing can serve Washington's interests by allowing it to husband U.S. national power and focus increasingly limited resources where they will be most effective. ..In an overwhelming maritime theater the United States can continue to play its maritime strengths, drawing on its long-range surveillance and strike capabilities to maintain its 'forces over-horizon' and projecting power forward should the regional balance of power falter.⁵⁸

⁵⁷ Dutton, *op. cit.*, p. 9.

⁵⁸ See Malcolm Cook, Raoul Heinrich, Rory Medcalf, and Andrew Shearer, *Power and Choice: Asian Security Futures* (Sydney, Australia: Lowy Institute, June 2010). p. 36.

In the final analysis, what is at stake is beyond China's control over a vast maritime territory that connects East Asia with the Middle East and Europe, and is deemed as one of the busiest waterways in the world. What is actually at stake is the future of East Asia. China's assertion of its maritime claim using *realpolitik* tactics will transform the East Asia region into a geopolitical arena where the balance of power will be the name of the game. Thus, this will fulfill Professor Aaron L. Freiberg's 1993/94 prediction "that Europe's past could be Asia's future."⁵⁹

Describing this probable scenario for East Asia, the Lowly Institute projects:

The system assumes competition between states and hence the ever-present risk of aggression and conflict...in which participants agree, if only tacitly to curb competition for influence in the interest of maintaining system-wide stability.

Key to the system is its inherent dynamism. If the power of one state grows disproportionately, the system adjusts through a realignment of the relationship among the others. Some states—those most susceptible to the gravitational pull of the growing power—will be attracted closer to it. Others will respond by drawing closer to each other and to an alternative pole or poles in the system. Some states will attempt mix of both, as is evident in Southeast Asia.

The choice states make in response to a balance of power dynamic need not be based solely on power considerations; questions of how benign they perceive a powerful state to be also influence their decisions about balancing or bandwagoning.⁶⁰

Conclusion

⁵⁹ Aaron L. Friedbrg, "Ripe for Rivalry: Prospects for Peace in A Multipolar Asia," in *East Asian Security* (Eds) Michael E. Brown, Sean M. Lynn-Jones, and Steven E. Miller (Cambridge; London: MIT Press, 1996) .p. 5.

⁶⁰ Cook, Heinrich, Medcalf, and Shearer, *op. cit.* pp. 25-26.

Since the 2009, the relative calm in the South China Sea in particular, and in East Asia in general has been shattered by China's *realpolitik* approach to assert its expansive maritime claim in the South China Sea. This renewed tensions began when China began announcing its expansive maritime claim over the South China Sea; forcing other claimant states to negotiate bilaterally with Beijing; preventing the smaller claimant states from utilizing multilateral forum to play a vital role in this territorial row; warning other major powers from playing a facilitating role; and building a power navy to force other states to accept its conditions on how this chronic maritime dispute will be resolved. These Chinese actions in the South China Sea resulted in a return of tension to the region.

What is at stake in this territorial dispute is not simply the control of a huge and strategic maritime area. More importantly, it is the future of East Asia. Will the region avoid the various competitions, conflicts, and wars that Europe experienced prior to 1945? Or will Europe's past be East Asia's future? China's *realpolitik* approach in resolving the South China Sea dispute is directing the region toward the second scenario where "Asia's uncertain future will be Europe's bellicose and violent past." However, this worst case scenario can be avoided if China will change its *realpolitik* approach in resolving the dispute. Changing this approach will entail China adopting the liberal institutional approach in resolving territorial dispute. This means that China will have to subject its vast territorial claim to international arbitration/law, will have to adopt a positive, not, cynical, view of multilateralism, and more importantly, foster confidence-building measures with the smaller claimant states. Adopting this approach means, however, a great amount of constrains on the part of an emergent power like China and empathy to take into account the views and interests of the lesser powers of the region. However, in the short-run, this will

reduce the possibility of war, even in the existence of a conflict and in the long-run, will enable East Asia to chart its own historical path that diverges from Europe's violent past.