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ASEAN AND THE SOUTH CHINA SEA: A SECURITY FRAMEWORK UNDER SEIGE

Question: What is the effectiveness of current maritime security frameworks and mechanisms in the South China Sea?

The South China Sea through the second half of the 20th century was predominantly a domain of international peace and stability – with one brief exception. This picture of tranquility began to erode in small ways and with increasing frequency during the last decade – but it did not change dramatically until quite recently. This history is remarkable given the extensive and multifaceted conflicts that raged across Southeast Asia during the early Cold War culminating in a decade-long conflagration in Vietnam. Most of the U.S. war effort was supplied by sea including a robust connection with the giant American naval base at Subic Bay in the Philippines. As recently as 1979 China sent thirty army divisions into northern Vietnam in response to a Vietnamese invasion of Cambodia. Throughout the entire period China remained poised in a state of suspended civil war with Taiwan. As late as the mid-1990s those tensions produced live Chinese missile launches off Taiwan and a counter deployment of U.S. aircraft carriers. The Philippines was embroiled in both a communist insurgency and a Muslim secessionist movement with a strong presence in the Sulu archipelago. Indonesia went through a massive domestic upheaval in the mid-1960s initiated by the Indonesian communist party with covert weapons support (by sea) from China.

But with turmoil and violence around it, the South China Sea itself remained free of conflict. The one momentary exception occurred in 1974 when a Chinese naval expedition attacked and displaced a South Vietnamese garrison in the Paracel Islands and placed that grouping under Chinese occupation and control – where it remains. The broader picture of peace and stability seems all the more remarkable given that by the 1960s and 1970s several Southeast Asian states (Philippines, Vietnam, Malaysia, Brunei – and Indonesia) had laid formal claim to various land features and adjacent waters in the South China Sea. Many of these claims overlapped. Meanwhile, the People’s Republic of China adopted a line, first promulgated by the previous Kuomintang regime in 1936, that showed the entire South China Sea encompassed by China’s maritime boundary. Taiwan, as a self-professed continuation of Nationalist China, claimed the same line. So by 1980 a maritime map showed myriad conflicting territorial claims, yet the South China Sea remained quiescent.

There were a number of reasons for this. First, the fishermen who had traditionally worked these waters – whether Vietnamese, Chinese, Filipino, or Malay had always viewed them as a commons. So the indigenous maritime inhabitants of the South China Sea worked and interacted peacefully. Second,

none of the governments claiming territory in the South China Sea had the logistical or military capability to effectively enforce its claim. So these expansive territorial ambitions remained just that – ambitions but not more. Moreover, none of the claimants had the technological capabilities to mount their own deep water petroleum exploration and drilling operations. Thus the sometimes fevered speculation concerning massive reserves under the South China Sea remained speculation. Third, the establishment of ASEAN in 1967 and its subsequent expansion (notably the inclusion of Vietnam in 1995) created an interesting and significant incentive to avoid conflict among the members – whether over the South China Sea or anything else. ASEAN, though often derided as a mere “talk shop”, was created during the Vietnam War with one overriding goal in mind. Prevent conflict within the region that would weaken it in the face of external pressures and would jeopardize the all-important march toward economic development and modernity. Peace and development would produce, in the favorite phrase of the time, “resilience.” ASEAN became what the late political scientist Karl Deutsch called a “security community” – a grouping of states committed to resolving or deferring their disputes without resorting to violent conflict. In an innovative elaboration of this idea, ASEAN initiated an increasingly elaborate “dialogue” process with non-ASEAN states designed to mute external threats and exploit opportunities for collaboration. It has produced the remarkable and unexpected outcome of placing Southeast Asia (and ASEAN specifically) at the center of much of Asia’s diplomacy. It has also put a firm damper on the possibility that the overlapping South China Sea claims of Malaysia and the Philippines, for example, could spark a military clash.

The fourth source of stability in the South China Sea was embodied in Deng Xiaoping’s frequent reiteration of a traditional Chinese axiom that roughly translates as: “bide your time and conceal your capabilities until you are ready to act.” Because China lacked the military capacity to enforce its sovereign claim, it was tactically and strategically prudent for it to adopt a low (non-provocative) posture in the South China Sea. A key element in this strategy was to foster uncertainty, even confusion, on the part of outside observers as to the actual meaning of the “nine-dotted line.” Contradictory rationales, actions and initiatives surrounded the Chinese claim in a dense fog of ambiguity that Chinese strategists were in no hurry to dispel.

The fifth constraint on conflict in the South China Sea came in the form of the strongest military presence in the area – the U.S. Navy. The Pacific Command’s 7th Fleet traversed the area on a regular basis in defense of U.S. interests, but those interests did not include the competing territorial claims. As former Secretary of State James Baker might have put it, “the U.S. had no dog in that fight.” The

American interest, articulated most clearly in the East Asia Strategy Review (1995) produced jointly by the Department of Defense and the Department of State was limited to maintaining the sea lanes through the South China Sea as international and open to all countries and urging the respective claimants to seek a peaceful resolution of the disputes. The U.S. was cast in the role of the neighborhood gendarme – a neutral peacekeeper – because that was what the U.S. interest required. The American military presence was materially reinforced by formal defense agreements with Thailand, the Philippines, and Australia/New Zealand – and a growing de facto defense association with Singapore. In the Philippines, alone, the U.S. Department of Defense maintained some eighty different facilities including two major military bases; Clark AFB and Subic Bay Naval Station.

The combination of a U.S. defense presence with growing ASEAN-based diplomatic processes produced what Victor Cha has aptly described as a “complex patchwork” security framework in which the two largely separate phenomena complemented and reinforced one another in largely unnoticed ways. One result was a remarkably placid South China Sea.

In the early to mid-1990s a key support for this system began to erode. China embarked on a major military buildup and modernization program. Many analysts have dated the genesis of this effort to the PLA’s shock watching U.S. forces in the first Gulf War (1991) overwhelm an Iraqi army with capabilities analogous to China’s at the time. Whatever the specific source of decision, China began what has become a huge sustained investment in its military. Credible estimates peg real growth in Chinese defense spending at over 12 percent year on year throughout the first decade of this century. Official Chinese published numbers have been even higher – appreciably so. Estimates for growth in 2011 are 12.7 percent. Most of this investment is devoted to building a world class maritime power projection capability – surface ships, submarines, long range aircraft, missiles, and surveillance vehicles (including UAVs). The strategic implications are unmistakable; Beijing has been building the capability to implement an ambitious agenda to establish China as Asia’s recognized great power. After the prolonged humiliations and difficulties of much of the 19th and 20th centuries, China is reemerging as heir to the Middle Kingdom.

For perhaps the first time since the height of the Ming Dynasty China has been free of traditional security threats (Central Asia, Russia, and Japan) and has been building the capability to project its power and interests beyond China’s borders, most notably toward the traditional “Nanyang” (South Seas) – Southeast Asia and the South China Sea. An indicative moment occurred in 1995 when the Philippines discovered that a supposedly unoccupied outcropping (Mischief Reef) in a portion of the sea

claimed by Manila had a Chinese military outpost on it. The reef is located less than 120 nautical miles from the Philippines (Palawan) and over 600 nautical miles from China (Hainan). Few noted that it might have been more than coincidental that the Chinese outpost appeared shortly after the US vacated its Philippines bases following the failure of Manila and Washington to agree on the terms for a renewal of the American lease.

Mischief Reef was significant, not as a military asset, but as a tangible demonstration of China's determination to project its power and presence into the South China Sea. The ultimate objective is to implement and enforce China's claim that the South China Sea is rightfully China's sovereign territory. This became clear in July 2010 at the annual meeting of the ASEAN Regional Forum – this one held in Hanoi and hosted by Vietnam. The ARF is a large (26 nations) Ministerial level gathering dedicated to the discussion of security issues in East and Southeast Asia. Until 2010 it was hardly distinguishable from other venues in the labyrinthine ASEAN dialogue process. The Hanoi meetings, however, quickly proved to be something new and significant. For starters, this was the first time U.S. Secretary of State Hillary Clinton participated – as an overt signal of the Obama Administration's determination to play a more active role in Asian multilateral venues. Also Vietnam was determined to use its prerogative as chairman to put the South China Sea on the agenda – over China's objection. This occurred against the backdrop of an increasing number of incidents at sea involving confrontations between Vietnamese fishermen and Chinese patrol craft and pressure by China designed to dissuade international oil companies from drilling and exploring under in Vietnam's EEZ under license from Hanoi. In sum, Vietnam more than any other ASEAN South China Sea claimant was encountering direct physical opposition and intimidation by Chinese security forces.

Secretary Clinton's appearance came in the wake of several incidents – most notably one involving the USNS *Impeccable* -- where Chinese non-naval boats harassed U.S. naval reconnaissance ships operating in international waters but within the EEZ off China's coast. It was a clearly orchestrated effort to drive the US Navy out of China's self-proclaimed 200 mile wide "Exclusive Security Zone."

In her statement to the ARF the Secretary of State made two principle points: first, the South China Sea was subject to multiple claimants and therefore required a multilateral diplomatic process to seek a peaceful settlement and second, the sea lanes through the South China Sea, like all major international sea lanes, were a maritime global commons, i.e. they belonged to all nations and were not under the territorial jurisdiction of any government. A number of ASEAN representatives spoke in support of these positions. None of this was at all novel or particularly noteworthy, but the Chinese reaction was.

China's Foreign Minister Yang Jiechi became highly agitated and denounced the U.S. for interfering in issues that did not concern it and excoriated the Southeast Asian representatives for adopting a coordinated hostile attitude toward China.

In case there was any lingering doubt what all this meant, the official spokesman for China's Ministry of Defense, a few days later, declared publicly that China had "indisputable sovereignty" over the South China Sea. Until that point Chinese officials, obeying Deng's admonition, had avoided using the word "sovereignty."

The 2011 meeting of the ARF convened in Bali, Indonesia, against a backdrop of recent confrontations in the South China Sea between Chinese patrol craft and Vietnamese seismic survey ships on the one hand and Philippines fishing boats on the other. In response the official spokesperson for the Chinese Foreign Ministry chastised both countries for "violations of China's sovereignty." The principal incident involving Vietnam occurred off the southern coast of that nation near the coastal resort of Nha Trang, far from the Chinese coast. At the Bali meetings the Ministers restored a gloss of diplomatic concord but there was no substantive modification in China's insistence that the South China Sea was Chinese territory that any disputes with the Southeast Asian states should be addressed bilaterally rather than through ASEAN, and that outside powers should have no role in these disputes. The assemblage reached a vaguely worded agreement committing all sides to a peaceful resolution of disputes in the South China Sea. But the ink was hardly dry before China's official news agency warned that "no-one should underestimate China's resolve to protect every inch of its territories. China's restraint and goodwill should not be misinterpreted as weakness." If there should be any doubt about what this meant it was dispelled by yet another incident, this one involving an Indian navy vessel. India's INS *Airavat* had just completed a scheduled port visit to Vietnam when it was confronted by a Chinese navy ship that demanded the Indian ship identify itself and explain its presence in the South China Sea. An Indian official commented, "Any navy in the world has full freedom to transit these waters For any country to proclaim ownership or question the right to passage by any nation is unacceptable."

Meanwhile China's military buildup has been augmented by a plethora of provincial and national plans for offshore development of South China Sea resources. In June China launched its first deep water drilling platform while the national China Maritime Surveillance agency announced plans for a force of 16 aircraft and 350 patrol craft by 2015 along with an increase of staff from 9,000 to 15,000 by 2020. In short, China for the first time in its long history is becoming an overtly maritime nation – economically, diplomatically and militarily.

This leaves us with the original question; how will these trends and developments impact on the existing security framework in the region? The principal driver of events is China. Growing Chinese “hard power” has increasingly sidelined what was an impressive “soft power” campaign in Southeast Asia designed to convince ASEAN governments and publics of China’s benign intent. China’s growing power and assertiveness and evident strategic ambition creates huge pressures that force a response from Southeast Asian governments – and the U.S. The existing “complex patchwork” was not designed – nor should it be expected – to cope with the kind of hard power challenge that is emerging.

One possible response is a broad, if reluctant, decision in Southeast Asian capitals to acquiesce to China’s demand that its strategic interests and territorial ambitions in the region be acknowledged and accepted. One could argue that the Southeast Asian countries could live comfortably, even prosperously, under a Chinese dominant sphere of influence. One could even argue that the U.S. could theoretically accept such an outcome if some means could be found to finesse the issue of the sea lanes. But there is little sign of such acquiescence in Southeast Asian capitals and none in Washington.

This threatens to leave the prevailing security framework with its large ASEAN dialogue component as an increasingly empty shell. Security in the region then devolves back to U.S. hard power as a counterpoise to the Chinese challenge. A security framework under these circumstances will depend increasingly on two components: first, deployments and capabilities of the U.S. 7th Fleet and, second, growing security cooperation between the U.S. and selected ASEAN governments, notably Vietnam, Singapore, Indonesia, the Philippines, and Malaysia. Security will also require a sustained diplomatic effort involving ASEAN, the U.S., and China – with the objective of finding a formula/understanding by which Beijing agrees that there is ample room for China to play an increasingly prominent security role in Southeast Asia, the South China Sea, and the Western Pacific without asserting territorial claims that the rest of the world simply cannot accept.

This is a tall order and there should be no illusions about the difficulties ahead on at least three counts. First, an obvious potential complication would occur in the event of a confirmed discovery of major oil deposits in the South China Sea. Beijing continues to publish estimates of vast reserves – but so far these exist largely in the imagination of Chinese officials. The international petroleum industry remains skeptical. A significant find would transform that calculation and dramatically escalate the stakes in the South China Sea. Third, Chinese officials clearly believe they can dominate the agenda and outcomes in one-on-one bilateral negotiations with Southeast Asian governments – with the U.S. out of the room. Hence Beijing’s continued insistence that the maritime issues do not involve ASEAN as a

collectivity. Finally, there is every evidence that Chinese officialdom, urged on by a large chorus of like-minded “netizens,” is convinced that the U.S. is locked into a process of irreversible decline as evidenced by its ongoing budget woes and is also determined to “keep China down” such that American policy is one vast anti-China conspiracy. As long as these views prevail, U.S. officials will continue to find dealing with China a deeply frustrating enterprise. But the consequences of failure dictate that the efforts to build a basis for a genuine China-U.S.-ASEAN concord continue. At the same time there will be a premium on efforts designed to strengthen U.S. strategic cooperation with ASEAN governments while buttressing ASEAN itself as a strategic partner.