



Asia Pacific Bulletin

Number 130 | September 29, 2011

The South China Sea: “Good Friends, Good Partners, Good Neighbors”? Good Luck!

BY NAZERY KHALID

Nazery Khalid, a Malaysian-based maritime analyst, explains that regarding territorial disputes in the South China Sea (SCS), “A key obstacle is China’s refusal to engage ASEAN multilaterally and to enter into a legally binding agreement to settle disputes. As long as China refuses to drop its claims to the entire SCS, the guidelines established in Bali will not be anything more than just a shaky ‘gentleman’s agreement.’”

The Guidelines on the Implementation of the Declaration on the Conduct of Parties in the South China Sea (COP) agreement reached between the Association of South East Asian Nations (ASEAN) and China at the ASEAN Summit in Bali this past July has been hailed as a breakthrough in calming regional tensions over territories in the South China Sea (SCS). After a decade of negotiations to elevate the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC) signed between ASEAN and China to a tentative Code of Conduct, this was a welcome development. Clearly, the 2002 DOC appeared to be on “life support” as it was ineffective in preventing rising tensions in this pivotal sea, including around the disputed Spratly Islands. Four ASEAN member states—Vietnam, the Philippines, Malaysia, and Brunei Darussalam—all claim territories and features in the SCS, an area that China claims complete sovereignty over.

The statement by China’s Assistant Foreign Minister Liu Zhenmin in Bali that his country wants to be “good friends, good partners, good neighbors” with ASEAN is encouraging. He said that by agreeing to the guidelines, China is committed to “fully and comprehensively” implementing the DOC in settling disputes in an amicable fashion. Hopes are now high that China will tone down its unilateral SCS actions, given that its conduct has antagonized ASEAN neighbors and stoked regional tensions. It has been suggested that ASEAN disunity has encouraged China’s assertive actions and this in turn has persuaded the United States to take a more proactive interest in this issue.

Last year the United States declared that it has a “national interest” in keeping the SCS sea lanes open and expressed its aspirations for a peaceful resolution to the disputes. This came on the back of China’s declaration of the SCS as an area of “core interest.” China has continuously resisted efforts to internationalize the SCS disputes, and has singled out US “interference” as most unwelcome. US Secretary of State Hillary Clinton, who was also in Bali, warned that “recent incidents in the South China Sea threaten peace and stability” and “endanger the safety of life at sea, escalate tensions, undermine freedom of navigation, and pose risks to lawful unimpeded commerce and economic development.”

All eyes now will be on whether the guidelines agreed in Bali will lead to the establishment of a binding code governing the conduct of ASEAN and China. While the breakthrough is encouraging, there is much work to be done before it can lead to something concrete. In their current format, the guidelines are long on generalities and short on specifics.

Post-Bali, there are no signs that China is being transparent about its controversial SCS “nine-dotted line” claim. There has not been any change in China’s position of not



“All sides should take a deep breath and assess their actions for the sake of regional peace, security, and stability. ASEAN must live up to its commitment to seek a political solution. The United States must weigh in by living up to its commitment of seeking peaceful political solutions to the disputes in the SCS. For its part, China must walk the talk and be a good friend, partner, and neighbor to ASEAN countries.”

The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

The *Asia Pacific Bulletin* (APB) series is produced by the East-West Center in Washington. The views expressed in this publication are those of the authors and do not necessarily reflect the policy or position of the East-West Center.

EastWestCenter.org

EastWestCenter.org/Washington

wanting to discuss SCS disputes on a multilateral platform, preferring instead to engage claimant states bilaterally. Some analysts interpret China’s declaration of the SCS as a “core interest” as a declaration that it will not compromise in defending its interests in the sea, including the possibility of using military force.

A word of caution to those who think Sino-ASEAN relations over the SCS will be all “smiles and hugs” post-Bali. China’s pronouncements of commitment to create peace and stability in the sea have been heard before, including at this year’s June Shangri-La Dialogue in Singapore and at the May-June Asia Pacific Roundtable in Kuala Lumpur. However, soon after those meetings, China was reported to have shipped construction materials to Amy Douglas Bank, an unoccupied feature in the SCS claimed by the Philippines, and a Chinese vessel cut a cable laid by a Vietnamese survey ship in late May. In addition, the Philippines recently accused China of shooting at Filipino fishermen and placing markers on disputed features.

In reaction to China’s conduct, Vietnam and the United States carried out naval exercises in mid-July. Meanwhile, the Philippines suggested that the United States should come to its aid in the event the situation in the SCS turns ugly, a thinly veiled reference to its spat with China. Amid the complex and uncertain situation in the SCS, expectations are high among the international community for ASEAN members and China to prove that as regional actors they are capable of maintaining peace and order in this area of tremendous global importance.

This, however, is easier said than done. To underline the challenge, Vietnam expressed cautious optimism on the progress made in Bali, while the Philippines, which thought China had only made small concessions, said it would take its dispute with China to a United Nations tribunal.

A key obstacle is China’s refusal to engage ASEAN multilaterally and to enter into a legally binding agreement to settle disputes. As long as China refuses to drop its claims to the entire SCS, the guidelines established in Bali will not be anything more than just a shaky “gentleman’s agreement.” China and ASEAN must work towards developing a binding code governing their conduct in the SCS. This code must contain specific clauses obligating signatories to find diplomatic solutions to their disputes. It must also have a conflict prevention mechanism, a feature that the DOC does not have, to ensure signatories do not opt for a military resolution to their disputes. Given the rising tensions in the SCS, it is best that the COP be concluded quickly. Time is of the essence as without such a code, a miscalculation in the SCS could potentially spiral into a full-blown conflict.

Optimists would like to believe that common sense will prevail, whereas realists remain more cautious. While the agreement in Bali demonstrates that China is not short of amity, it still has much to do to show that it is a responsible rising global power. In the case of ASEAN, it is too early to say if there is newfound unity over the SCS. With Vietnam just announcing the purchase of six Kilo-class submarines and the Philippines engaging in joint military exercises with the United States and continuing to call for US intervention in the sea to contain China, it is hard to imagine the protagonists “smoking the peace pipe” anytime soon. All sides should take a deep breath and assess their actions for the sake of regional peace, security, and stability. ASEAN must live up to its commitment to seek a political solution. The United States must weigh in by living up to its commitment of seeking peaceful political solutions to the disputes in the SCS. For its part, China must walk the talk and be a good friend, partner, and neighbor to ASEAN countries.