

China's Claim to South China Sea : An Area of Instability

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In the recent months there have been a flurry of incidents in the South China Sea and its surrounding areas which are a symptom of the power rivalry which is growing in this area. The People's Republic of China (PRC) not only lays claim to the entire South China Sea but also all the islands situated in it, which is disputed by other littoral states.

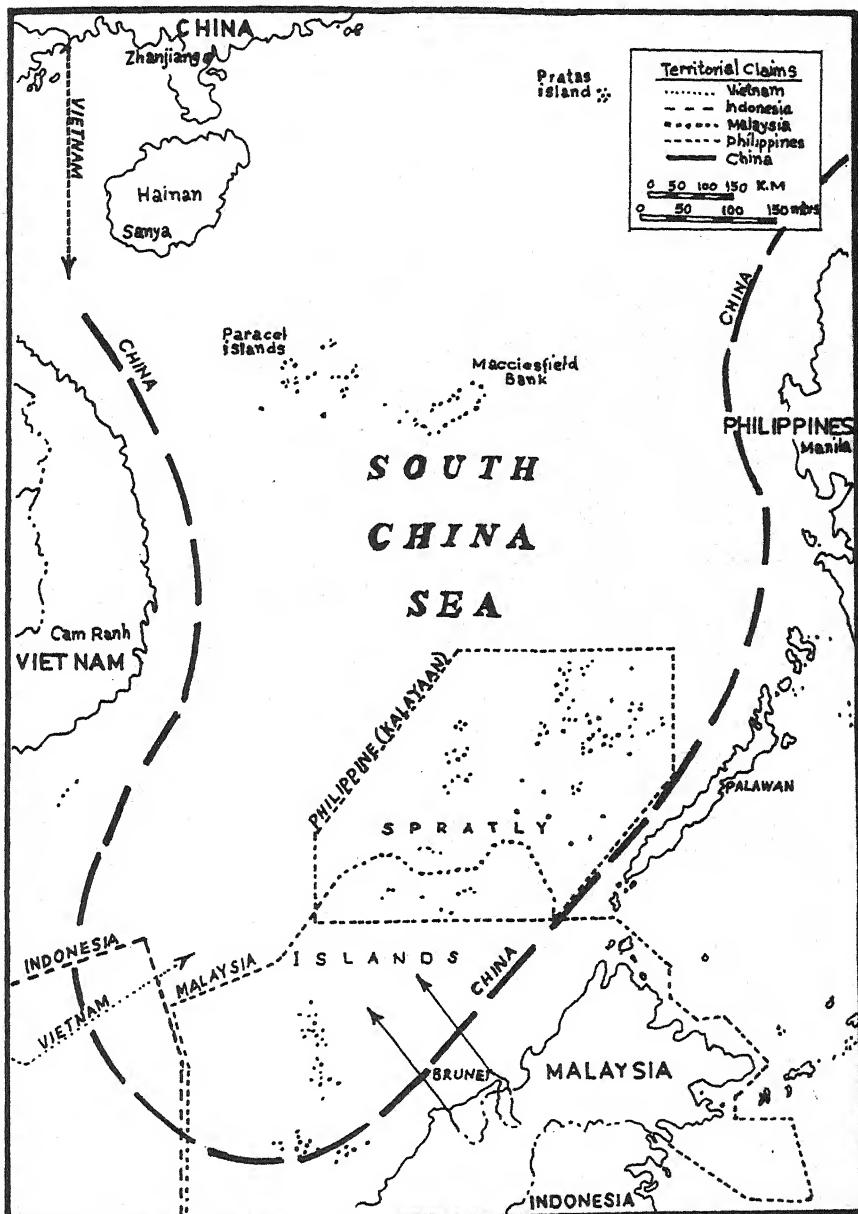
The basic cause of the dispute is that PRC like Japan, before World War II, tends to take refuge in mythical and historical memories of the distant past to claim sovereignty over various nearby waters and areas. Further, with the growing influence of armed forces and dwindling oil supplies to fuel its modernization programmes, the desire for exploiting oil has emerged as the most important element, leading to rather aggressive Chinese power projection in the South China Sea. The more immediate cause of contention appeared in 1992.

1992 LAW OF ANNEXATION

In late February of that year, the Chinese announced that a law had been passed effectively annexing not just the Paracel Islands (taken by force from Vietnam in 1974) and the Spratlys, but the whole of South China Sea. The law may not have been precise by Western standards but its political meaning was very clear. China for a long time had been committing cartographic aggression against Southeast Asia. Beijing's maps regularly showed the border of the People's Republic of China sweeping around the outer reaches of the South China Sea - infringing Vietnam's 200-mile continental shelf in the west, coming close or crossing into Indonesia's Natuna Islands to the South West; almost touching the shores of the Malaysian State of Sarawak in the South and coming close to Palwan in the Southeast. The new law merely made the cartographic aggression into an official state policy. (*See Map I*).

Four years before the 1992 law, in 1988, the Chinese had shown their seriousness by fighting with Vietnam to establish their foothold in the Spratly archipelago. In addition, Beijing's maps had included the Nansha Islands (Chi-

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SOURCE :- *Pacific Affairs*

MAP I

nese name for Spratlys) ever since the PRC was formed. The Chinese have never disguised the fact that they claim sovereignty over the whole of the South China Sea. The 1992 law was passed without any reference to the littoral states and without any sign of Chinese concern for South Asian sensitivities. This was more out of political expediency arising from the embarrassment in the wake of Beijing massacre of 1989. For most Chinese it was restoration of China's dominance in the region after two centuries of weakness.

ASEAN DECLARATION

This provoked ASEAN foreign ministers to issue a declaration on July 22, 1992 in Manila which stressed "the necessity to restore all sovereignty and jurisdictional issues pertaining to the South China Sea by peaceful means, without resort to force." Crucially, the ASEAN declaration had no teeth. The ASEAN countries since then have continued to act more out of concern not to offend Beijing rather than with a determination to defend their interests inspite of China's blatant aggression, as they feel militarily weak. China is also unwilling to discuss this problem with ASEAN nations, which it still regards as tributary states, who have no right to stand on an equal footing with the Middle Kingdom. At the most it is willing to discuss competing claims only bilaterally and rejects all proposals for multilateral arrangements. China has also rejected all attempts at placing these controversies before any international legal tribunal and thus no legalistic solution is possible.

ISLANDS IN SOUTH CHINA SEA

The South China Sea is a semi-enclosed water body which is dotted all over with specks of Islands and atolls and is surrounded by China and Taiwan in the north, Vietnam in the west, Malaysia, Indonesia and Brunei in the south and Philippines in the east. These islands are sitting literally mid-ocean, making it difficult to identify these islets as being extension of the continental shelf of the concerned littoral nations.

The islands of South China Sea have been generally placed under four major groups - Paracels, Spratlys, Pratas and the Macclesfield Bank. Out of these island groups - Paracels and Spratly are worth considering. The *Paracel archipelago* is a group of 15 islands and several sand banks and reefs. They are situated less than 150 nautical miles from the southern coast of China's Hainan Island, and about 240 nautical miles from Da Nang in Vietnam. Since 1974, they have been under the control of the PRC which has built an air-strip, and other naval and storage facilities which have provided it a jumping off capability by about 300 km. into the South China Sea. The *Spratly archipelago* is a larger group with over 230 islands and falls in the southern part of the

South China Sea. Only seven islands are more than 0.1 sq. km. in area. Thity, the largest island in the Spratlys, controlled by the Philippines, is itself less than one mile long and just 625 yards wide. The Spratlys group stretches for about 500 nautical miles from north to south and by the nearest-point measures less than 100 nautical miles from the coasts of either the Philippines or Malaysia. It is about 330 nautical miles east of the southern coast of Vietnam and about 400 nautical miles from the southern tip of the Paracels.

Following the Japanese surrender of all these territories after World War II, China being engaged in fighting in Korea (1951-53), with India (1962) and the Soviet Union (1969), and Vietnam involved in its historic war with the USA, South China Sea lay flat calm in the fifties and the sixties. It was not until the oil crisis of 1973 and the consequent advances in oil drilling technologies that the South China Sea became a region of interest amongst the littoral states for these economic and geostrategic reasons. These powers today are not so much interested in claiming territorial sovereignty over these islands as in controlling the maritime waters and sea-bed resources beneath for the mineral wealth.

HISTORICAL EVIDENCE

Only documentary evidence available in support of Chinese claim is that in 1883, German surveyors in the Spratlys had withdrawn following a formal protest by the Qing government. In 1907, the Qing regime had itself despatched its senior military personnel to survey the South China Sea. There are also geological studies linking China's mainland to some of these islands. However, since the formation of the PRC and until 1970, it had done nothing more than issue statements and warnings in various international fora. For record, the first official exposition of Communist China's claims over the South China Sea was made at the 1951 San Francisco Peace Conference. Zhou-En-Lai, the then foreign minister of China, ensured that the Draft Treaty stipulated that Japan should renounce all rights to Nan Wei (Spratlys) and Si Sha (Paracels) Islands, but again deliberately made no mention of the problem of restoring sovereignty over them.

The real assertion of Chinese authority over the South China Sea began only in 1970 when the People's Liberation Army-Navy (PLAN) launched its survey operations in the Amphitrite Group, the easternmost cluster of two island groups making up the Paracel archipelago. Meteorological, topographical and geological surveys were conducted and finally a meteorological station was set up on Woody Island, the largest in the Paracels. Later in January 1974, the western cluster of the Paracels, the Crescent Group, was also annexed by the Chinese from South Vietnam, which was then engaged in a fight

for survival with North Vietnam. This was later to emerge as the major forward base for future Chinese expansion into the South China Sea. On November 8, 1980, for the first time, two Hong-6 bombers patrolled the Spratlys area, on orders directly from the Central Military Commission (CMC). By 1983, these air patrols and aerial photography had become a routine affair. This was then followed by extensive oceanographic surveys and in late 1986, China built an observation station in the Spratlys. This was strongly contested by Vietnam but after a brief encounter on March 14, 1988, China occupied seven islands in the Spratlys.

Of the fifteen military actions conducted by Beijing since the founding of PRC, China considers only two - the Korean War and its 1979 incursion - to have been on foreign territory. The others including the snatching of Paracel islands (1974) and occupation of part of Spratlys (1988) simply as operations to resume control of "illegally occupied" Chinese territory. It has thus not hesitated to back up territorial claims by naked force. According to Hashim Dzalal, Indonesian Foreign Ministry expert "they don't argue, they just talk about Chinese dynasties. They tell us this is the national heritage of China and that this is all clear. Thus Beijing's lack of precision is frustrating." Michael Swaine, a RAND Corporation expert says "you have to start from the basic fact that China is not a status-quo power. She is not satisfied with its role in the region.

CURRENT RAISON D'ETRE FOR THE CONFLICT

Howsoever logical be China's legal-historical justification, its claims to the South China Sea at present, in the post Cold War order, is based primarily on the following four security concerns.

- * As mentioned earlier, in 1992 China's National People's Congress had passed legislation declaring sovereignty over the South China Sea.
- * China is today interested in this area also for strategic reasons. Twenty-five per cent of the world's shipping passes through the South China Sea, including the super tankers carrying fuel oil that provide energy for the economies of Japan, Taiwan, and South Korea. China wants to control this region's shipping lanes that will significantly enhance its influence and power. It also wants to keep other regional powers out of the South China Sea to ensure its own security and peace.
- * China requires the South China Sea for meeting the surging domestic demand for petroleum products which, as a result of its rapid modernisation, increased by 8.5 per cent in 1991 and by 9 percent in

1993. In 1994, this fifth largest producer of oil had started importing oil and analysts suspect that by the year 2000, China will be importing 20 per cent of its oil requirements.

- * Finally, in the face of growing protein shortage on the mainland, the fish harvest from the South China Sea has become increasingly attractive. According to one estimate 2.5 million tons of fish were harvested in 1990 from the waters off the Spratlys alone.

U.S. WITHDRAWAL

Thus contrary to the general post Cold War environment of diffusing tension, Southeast Asian regional balance of power has been disturbed. This started with Nixon Doctrine of gradual withdrawal of U.S. from the region. The withdrawal culminated in early nineties with the U.S. exit from the Philippines. The 1974 Chinese occupation of Paracel indicated the impact of the initial shift in the balance of power and led to the 1988 confrontation with Vietnam in Spratly. It marked the beginning of a much more volatile situation involving virtually every member of the ASEAN and Taiwan and indicated Chinese approach to settlement of disputes.

The States have responded to this instability by enhancing their military capability to maintain the option to use force to strengthen their respective foothold in the disputed territory, and, if necessary, forcefully deter other States from doing so. This has made the region "an arms sellers paradise". In recent months, Malaysia has acquired 18 Russian MIG 29's, FA-18s and two corvettes and Singapore and Taiwan are receiving and will coproduce Lockheed F-16 fighters. The Gulf War, with its dazzling display of hitech weaponry, came as a shock to PRC. The collapse of the USSR turned Soviet Union into a vast warehouse of high-tech arms available at fire-sale prices. The easy availability of Russia's sophisticated weapon systems and the U.S. "access relationship of military exercises" etc. with ASEAN Nations have further complicated the general uncertainty of power equations.

China's long-term interests in South China Sea islands are driving Beijing's efforts to become a maritime power so that it can effectively claim sovereignty over the area. For the past century, although China has indicated its keen interest in the South China Sea, yet only in recent years has she achieved the economic and technological capabilities to deploy a navy and project force into the region. Despite the fact that Russia and the U.S. no longer dominate the South China Sea, while they exercised a counter balancing effect in the 1970's and 1980's, yet China's relative strength in the region continued to increase dramatically. Beijing continues with its naval build-up and modern-

ization. China's naval modernization was not initially motivated by strategic considerations during the Cold War, but rather by the growing confidence of Beijing as a regional power, and even a global power, and the desire to fulfil this role militarily. Interests such as control over the South China Sea were more of a driving force in the Chinese naval build up than the Soviet or American naval threats. China thinks it now can build a navy without the fear that this will provoke a response from Russia or the U.S.

DEVELOPMENT OF BLUE WATER NAVY

Accordingly, China is acquiring the capability to project its power far from its shores. China has acquired kilo class submarines from Russia. Orders are confirmed for 10 and 12 more are in the pipe line. China realized that without effective air cover, the expanding Chinese Navy was vulnerable to air and missile attack. Accordingly, it bought SU 27 long range fighter bombers. It has also acquired air-refuelling technology from Iran and Israel. China is also negotiating with Russian Pacific Fleet to purchase two aircraft carriers and a recent China News Agency publication called for increase in defence budget so that she can build an aircraft carrier to 'secure oil resources in waters surrounding the disputed Nansha (Spratlys) Islands.' It has been carrying out vigorous amphibious and naval exercises. China has today the capability to conduct operations involving the equivalent of two divisions at a good distance from its shores. China considers that in order to be a global player it must control South China Sea to have access to the Indian Ocean.

CHINESE HEGEMONY

China's long term objective in the South China Sea, a Western intelligence official theorizes, is to control the area well enough to exploit any resources it contains, specially oil and gas. For this purpose, it is taking a two track approach, flexing its muscles through military exercises and at the same time calling joint development, without meaning it. "As far as neighbours are concerned this shows an arrogant hegemonic China" says Godwin of the U.S. National Defence University. China can be expected to divide its neighbours, to intimidate some and sweet talk to others. Lieut. Col. Cui Yu Chen, a Chinese writer on military affairs, in his book, *A New Scramble for Soft Frontiers*, mentions that China's area for survival is shrinking. "Therefore, where will our new borderland be?" Actually, we have to reclaim sovereignty and sovereign interests in the oceans - territorial seas, continental shelf and exclusive economic zones - a total area of 3 million sq. kilometers, an area which it claims was lost to the Imperial powers like Russia, France and Britain before World War II. "Watch what we do, not what we say" said former Chinese Prime Minister, Zhou Enlai, to American President Richard

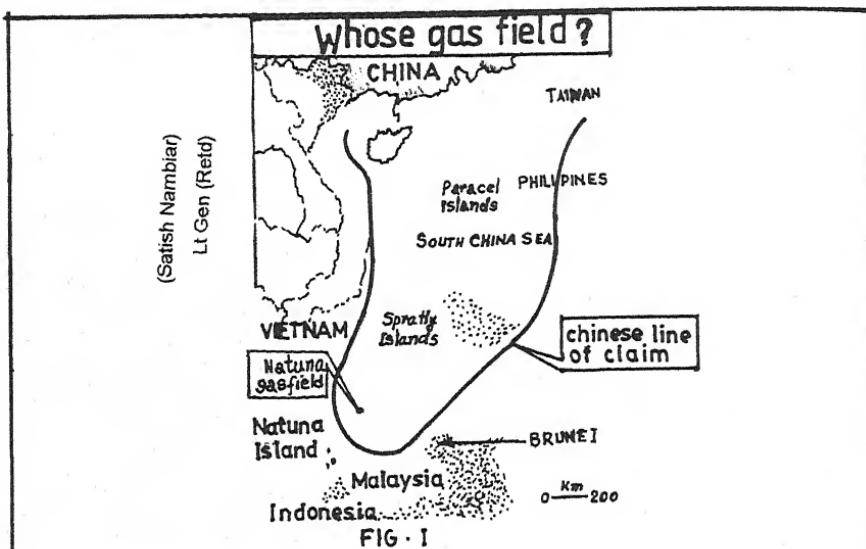
Nixon. China continues to carry out nuclear tests, the last one being in mid-May, estimated at between 50 and 95 kilotons in strength, inspite of 178 nations having agreed to extend the Nuclear Non-Proliferation Treaty for an unlimited period.

SLEEPING DRAGON

"There lies a sleeping giant" begins Napoleon's well known remark about China. "Let him sleep. For when she wakes, she will shake the world". Today with 1.2 billion people (every fourth person in the world will be Chinese by the end of the century) and a 2.9 million strong army, China can cast an ominous shadow without even trying. Fortified by a fast growing economy, China shows distinct signs of rising from its slumber. It is existential threat. They are just so damn big says Jonathan Pollock, a Chinese specialist at the RAND Corporation in California. Some of the neighbours, uncertain of Beijing's intentions, are indeed cautious. To make matters worse, China hides its budget and defence doctrine behind a veil of secrecy (See estimates of Chinese defence budget Fig 2). China's might does not need hitech forces to threaten its neighbours. For example, it needs only a couple of kilo class submarines, with their mine laying capability, to lay siege to Taiwan. It hopes thus to frighten its rulers into submission. It considers that the time for action is now. It was keen to stop elections to Taiwan's national legislature which were held in early December 1995. Similarly, it wants to interfere in Presidential elections due to be held in March 1996. Kuomintang has again attained majority in the national legislature. This comes out vividly in a recent best seller - *T Day - (August 1995)* written by Cheng Lang-ping, which depicts an imaginary invasion. The strategic imbalance in the region is obvious as is apparent in Fig 3, besides supremacy in man power.

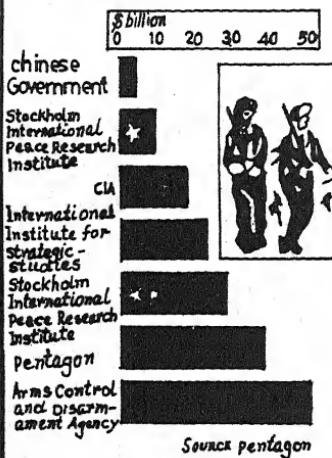
ROLE OF JAPAN

But Beijing has not taken into consideration how Japan will respond to the new situation particularly as South China Sea is Japan's "umbilical cord" and vital to its economic survival. It may draw Tokyo into the regional power vacuum, if it feels that free flow of resources through the area cannot be ensured. This in turn would only further agitate the Southeast Asian States and encourage them to further build-up their military strength. ASEAN States will not merely standby while China pushes ahead with its naval build up. With Vietnam becoming a member of ASEAN, this may encourage ASEAN countries to exclude Chinese influence and unilaterally move forward with joint development of the South China Sea resources. The possibility of such an eventuality was demonstrated by the 1988 agreement between Manila and Hanoi to resolve their dispute peacefully, and, a Kuala Lumpur - Hanoi



Anybody's Guess

Estimates of Chinese defence



* Low estimate

** High estimate

FIG. 2

Strategic Imbalance

China enjoys Supremacy in firepower and manpower in the region

	CHINA	Vietnam	Philippines
Tanks	9,200	2,000	126
Submarines	51	-	-
Destroyers and frigates	55	7	1
Patrol and coastal craft	870	55	44
Combat air craft	5,845	190	43
Armed forces	2,930,000	572,000	106,500

SOURCE - IISS LONDON

Note: China also has strategic nuclear weapons

FIG. 3

agreement in 1992 to jointly develop areas where their claims overlap. A Japan-ASEAN alliance may well cause Beijing to seek a multilateral solution to the disputes. Recent recognition of Vietnam by the U.S. and a likely U.S. return to South East Asia may result in a Chinese counter move, such as a quick settlement of the territorial disputes to reduce tension in the region and thereby prevent other littoral states from seeking greater U.S. presence and closer co-operation to prevent Chinese domination.

CONCLUSION

"Our policy is engagement, not containment" asserts Winston Lord, America's Assistant Secretary of State. "If you treat China as an enemy, China will become an enemy" says Joseph Nye, his colleague at the Defence Department. However, as China continues with nuclear tests, fires missiles off the coast of Taiwan and refuses to discuss the question of sovereignty of Paracels and Spratly's islands with ASEAN countries, it is difficult to pretend that it is not, potentially, a source of instability. Western and Asian countries need to recognize this.

"Under Mr. Clinton, Americans have sometimes given the impression", writes the *Economist*, "that after the Cold War, economics is all that matters. Strategic concerns about the balance of power in Asia now seem to be regarded as anachronistic. In fact any attempt to deal with growing Chinese power must combine economic openness with strategic firmness."

"If you can rule your whole country." declared Confucious, "who dares insult you." Territorial unity is what has always bestowed legitimacy upon a Chinese ruler. Chinese leaders ridden by succession crisis, seem to be looking for traditional sources of strength. Even before Deng's passing away, military has gained power in decision making. "Jiang Zemin has already promoted hundreds of young generals and has allowed the military to take part in politburo meetings" says Andrew Young of Taipei's Chinese Centre for Advance Policy Studies.

General Tetsuya Nishimoto of Japan recently told *Strait Times*, after a visit to Beijing, "How China plans to develop its military strength, what will be the results of such efforts and what action it will take are matters of great concern and interest to all of us."

Already a Five Power Defence Arrangement (FPDA) of Australia, New Zealand, Malaysia, Singapaore & Britain has been formed. FPDA recently (September 95) conducted an exercise, code named STAR FISH 15/95, in South China Sea, an area of overlapping territorial claims. FPDA is stressing

the military and political value of continued cooperation. The Philippine Navy has also recently conducted exercises with U.S. Fleet near Spratlys. It is to spend \$ 2 billion on acquiring aircraft and patrol boats in the next few years.

Although all ASEAN nations play down fears about China but in realpolitik they can see the big danger looming ahead. Singapore's erstwhile Prime Minister, Lee Kuan Yew, has said that some people would interpret China's activities in the Spratlys as a big dog "lifting his leg against a tree, so that smaller dogs will know that a big dog has been there and take note of that." It is a relatively benign analogy. Unless of course you happen to be a tree.

One can only forecast arms race and growing tension in South China Sea in the times ahead, unless powers involved can peacefully settle the questions of sovereignty and development.

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