

China Outlook

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Article



South China Sea claims central to Chinese foreign policy

April 23, 2014 by **Brendan O'Reilly**

China is involved in serious territorial disputes with most of its neighbours in the South China Sea, including the Philippines, Indonesia, and at a strategic level, with the United States. Beijing's extensive claims over the South China Sea exacerbate frictions with her neighbours, even, some say, helping to open the region to increased American influence. However, the tremendous energy reserves, strategic importance and usefulness in promoting Chinese nationalism mean these claims will likely remain a cornerstone of Beijing's foreign policy for the foreseeable future.

American officials recently called into question China's "nine-dotted line" which asserts sovereignty over the majority of the South China Sea and extend from the waters around Hainan Island and Taiwan some 1,700 kms south to the James Shoal, a mere 80 kms off the coast of Malaysian Borneo.

On 5 February this year US assistant secretary of state for East Asian and Pacific affairs, Daniel Russell, **told Congress** that any claims in the region "must be derived from land features" and China's nine-dotted line, if not based on claims to specific islands, "would be inconsistent with international law."

China's ministry of foreign affairs **did not mince words in its response**: "The US is not a party concerned in the dispute in the South China Sea and over the Diaoyu Islands. It should stay neutral, be discreet in word and deed and do more to promote peace and stability in the Asia-Pacific, rather than the opposite."

Washington's long-term allies in the Philippines are also taking more proactive measures against China's claims. On 30 March Manila **filed a 4,000 page memorial to the Permanent Court of Arbitration in The Hague** challenging Beijing's claims to the majority of the South China Sea.

Even Indonesia – long regarded as a neutral party in the South China Sea standoff – is now **positioning itself to reject Chinese claims**. In late March Jakarta announced a plan to **upgrade its airbase in the region** and to station Sukhoi fighters near the disputed waters. Ann Marie Murphy, associate professor at the School of Diplomacy and International Relations at New Jersey's Seton Hall University, writes "Indonesia's declaration that it is indeed a party to the South China conflict with China ends the strategic ambiguity that has reigned for years, and is likely to heighten tensions on an issue that is already fraught with them."

Some observers believe the multifaceted standoff has helped to spread American influence in the area, as smaller countries seek America's assistance to balance China's relative strength. Usha C V Haley, Professor of International Management at West Virginia University and co-author of [New Asian Emperors](#) reasons: "The US role as an off-shore balancer has become very attractive for its regional allies and ruffled Chinese feathers. For the United States and the weaker Southeast Asian countries, China's military and economic power must be hedged to preserve Asian independence through containment." Given the significant geopolitical costs that Beijing's extensive South China Sea territorial claims entail, why is it so keen to assert its sovereignty?

First, the South China Sea has massive reserves of petroleum and natural gas. The US Energy Information Administration estimates [a total of 11bn barrels of oil](#) and 190 trillion cubic feet (5.38 trillion cubic meters) of natural gas in the region – on par with the proven reserves of Venezuela and Nigeria. Energy-hungry Beijing has a clear interest in gaining access to these vast resources.

Perhaps even more important to Beijing are the shipping routes that run through the South China Sea. China overtook the United States as [the world's largest trading country](#) in 2013, with roughly US\$4.1 trillion in total international trade, the vast majority of which is ocean-bound. Routes linking China with the world's major markets cut through the contested waters of the South China Sea. In the event of a hot conflict over the region, China's economic growth – and the legitimacy of the Party – could be in serious jeopardy.

Intimately linked to the issue of maritime trade routes are Beijing's efforts to acquire strategic space. In December 2013 China established an Air Defence Identification Zone over much of the East China Sea – including over territory claimed by Japan. Furthermore, in early February, [Chinese naval vessels crossed the Sunda Strait](#) between Java and Sumatra for the first time and approached Australian territorial waters.

Beijing feels constrained at sea by America's massive naval presence in the West Pacific and its strong support for the Philippines and Japan in their territorial disputes with China. Chinese claims to the majority of the South China Sea are part of an effort to secure strategic depth against Beijing's superpower competitor.

Paradoxically, this quest for strategic depth has worried some of Beijing's rival claimants to the South China Sea, and further opened the area to American influence. Professor Michael W. Lewis at Ohio Northern University believes China's uncompromising stance "has made ASEAN more cohesive than it would have been otherwise, and it has made ASEAN more interested in the United States coming onboard than they would have been otherwise."

Besides these geo-political costs, Beijing's South China Sea claim (which, incidentally, it inherited from the Kuomintang Chinese nationalists) is an expression of growing Chinese nationalism. All official maps in China – from elementary school textbooks to railway maps in rural train stations – show the nine-dotted line as an integral part of Chinese territory. The inevitable disputes arising from the overlapping territorial claims provide a useful distraction from pressing domestic issues of pollution, corruption, and income disparity.

Professor Lewis says China's maritime claim "increases or enhances Chinese nationalist sentiment, which can only be good for the government in times in which there are perhaps some hiccups in their economic development.... And the Chinese people ... have been very supportive of any of these actions in maintaining China's position against these other nations."

Indeed, rallying the domestic population against foreign competitors is a frequent theme in state-approved media. A recent article in China's [Nanfang Daily featured typical official analysis](#) from National Defence University professor Han Xudong: "US strategy is to make Japan and the Philippines incessantly fool around in North-east Asia and the South China Sea, so as to find an excuse to accelerate the redeployment of US Air Force and Navy to the Asia-Pacific region."

There is some truth in this. Even John Kerry, in his confirmation hearing for Secretary of State, **expressed sympathies** about Chinese concerns over the deepening US presence in the region: “You know, the Chinese take a look at that and say, ‘What’s the United States doing? They trying to circle us? What’s going on?’ And so, you know, every action has its reaction.”

Currently the Chinese government has somewhat contradictory goals of securing control over the South China Sea, while courting rival claimants away from the American-Japanese regional alliance. To this end China’s leaders may now be deploying a divide and rule strategy. **Beijing has held talks with both Brunei and Vietnam** for joint exploration of the region’s resources. **Vietnam and China are deepening their relationship** in an “easy first, difficult later” manner, in which mutual economic goals can be worked upon while leaving difficult issues of sovereignty for later dates.

Related to the strategies of boosting Chinese nationalism and “divide and rule” efforts are Beijing’s relationship with Taipei. Beijing may attempt to use the South China Sea dispute to entice Taipei away from American influence. Officials from both countries have recently conducted **high-level talks** for the first time since the ROC government fled Mainland China to Taipei in the 1940s. Several academics in Taiwan, led by Liu Fu-kuo of Taiwan’s National Chengchi University and Wu Shicun of China’s National Institute for South China Sea Studies, have called for cooperation between Taiwan and Mainland China in strengthening their claim over the South China Sea. **They specifically said cooperation was needed** in recording the actions of rival claimants to the region: “This can only be achieved through cooperation because the historical archives are scattered throughout Taiwan and China.”

Meanwhile, Beijing is set to reject any international arbitration of the dispute, especially any mediation based on the United Nations Convention on Law of the Sea (UNCLOS). UNCLOS establishes the rights and obligations of states with maritime territories – including most importantly the right to an Exclusive Economic Zone (EEZ) extending 200 nautical miles from the coastline of signatory states, and the islands that belong to such states. However, **UNCLOS’ Article 121** states “Rocks which cannot sustain human habitation or economic life of their own shall have no exclusive economic zone or continental shelf.” Professor Lewis sees this law as being problematic for Beijing’s claims: “The UNCLOS approach is something that China is going to lose on almost certainly, which is why they are not interested in going before the arbitral tribunals...On the UNCLOS framework it is all about geography, and features...UNCLOS is pretty clear that it really has to be an island capable of supporting life, and I think that really means a fresh water supply, and there’s only one feature in the entire South China Sea that really meets that test, and it belongs to Taiwan.

Interestingly enough the US – despite its recent support for Manila’s position in the South China Sea – is not a signatory to UNCLOS.

Given both the potential risks and rewards of heightening tensions in the South China Sea, it seems to be in Beijing’s interest to seek to maintain the status quo in the disputed region. Incremental steps could be taken to jointly develop resources with the more cooperative rival claimants, while tensions with rivals – especially America’s allies in Manila – can be used to boost the CCP’s nationalist credentials. This is a somewhat risky strategy. Chinese leaders do not want to let nationalist sentiments run amok, leading to violent protests and popular calls for the government to take an even tougher stance. Despite the strategic costs involved in angering its neighbours, the Chinese leadership reckons the benefits of the current strategy outweigh the costs. So long as the economy continues to grow, it appears to be firmly in Beijing’s interest to maintain the current situation. Any conflict in the region could threaten China’s economic development– while any major threat to China’s economic growth could also lead to a regional conflict.

Tags: [Ann marie Murphy](#), [Liu Fu-Kuo](#), [Professor Han Xudong](#), [Professor Michael W Lewis](#), [Professor Usha C V Haley](#), [South China Sea](#), [Sundar Strait](#), [UNCLOS](#), [Wu Shicun](#)

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